



ECONOMIC AND SOCIAL COUNCIL

OFFICIAL RECORDS

THIRTY-FOURTH SESSION

3 July - 3 August 1962

UNITED NATIONS

New York, 1962



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INTRODUCTORY NOTE

The *Official Records of the Economic and Social Council* contain the summary records of plenary meetings (incorporating the corrections requested by delegations and other editorial modifications which were considered necessary), together with the annexes and supplements.

A check list of all documents relating to the agenda will be found on page xxiv; the check list indicates the publication in which each document appears.

* * *

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

ABBREVIATIONS

Administrative Committee on Co-ordination	IMCO	Inter-Governmental Maritime Consultative Organization
Economic Commission for Africa	IMF	International Monetary Fund
Economic Commission for Asia and the Far East	ITU	International Telecommunication Union
Economic Commission for Europe	NATO	North Atlantic Treaty Organization
Economic Commission for Latin America	OAS	Organization of American States
European Economic Community	OECD	Organization for Economic Co-operation and Development
European Free Trade Association	OPEX	Programme for the provision of operational, executive and administrative personnel
Expanded Programme of Technical Assistance	SEATO	South-East Asia Treaty Organization
Food and Agriculture Organization of the United Nations	TAB	Technical Assistance Board
General Agreement on Tariffs and Trade	TAC	Technical Assistance Committee
International Atomic Energy Agency	UNESCO	United Nations Educational, Scientific and Cultural Organization
International Civil Aviation Organization	UNICEF	United Nations Children's Fund
International Development Association	UPU	Universal Postal Union
Inter-American Development Bank	WHO	World Health Organization
International Finance Corporation	WMO	World Meteorological Organization
International Labour Organisation		

ERRATA

1224th meeting, heading preceding paragraph 1:

For : " E/3606 and Rev.1 ", *read* : " E/3606/Rev.1 ".

1225th meeting, paragraph 36, third line:

Delete : " impact ".

1230th meeting, heading preceding paragraph 1:

For : " E/3580 ", *read* " E/3580/Rev.1 ".

1232nd meeting, paragraph 5, fourth line:

After : " (E/L.969) ", *delete the full stop and add* : " with the modification proposed by the Indian representative at the 1231st meeting and accepted by the other sponsors ".

1236th (adjourning) meeting, Contents, thirty-second line:

For : " Agenda item 6 ", *read* " Agenda item 26 ".

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LIST OF DELEGATIONS

Members of the Council

AUSTRALIA

Representative

Mr. E. R. Walker, Ambassador Extraordinary and Plenipotentiary to France.

Senior Alternate

Mr. R. W. Furlonger, Minister Plenipotentiary, Permanent Representative to the European Office of the United Nations.

Alternates

Mr. F. P. Donovan, Commercial Counsellor, Embassy, Rome;

Mr. L. D. Thomson, Counsellor, Permanent Mission, Geneva;

Mr. J. A. Forsythe, Counsellor, Embassy, Bonn.

Advisers

Mr. K. Desmond, First Secretary, Embassy, Brussels;

Mr. P. G. F. Henderson, First Secretary, Permanent Mission, Geneva;

Mr. A. R. Parsons, First Secretary, Department of External Affairs;

Mr. P. J. Flood, Second Secretary, Embassy, Brussels.

BRAZIL

Representative

Mr. Josué de Castro, Ambassador Extraordinary and Plenipotentiary.

Alternates

Mr. Octávio A. Dias Carneiro, Ambassador, Under-Secretary-General for Economic Affairs;

Mr. Alfredo Teixeira Valladão, Minister Plenipotentiary, Acting Permanent Representative to the European Office of the United Nations;

Mr. Fanor Cumplido, Minister.

Technical Advisers

Mr. Oscar Sotto Lorenzo Fernandez, First Secretary of Embassy;

Mr. Sergio Luiz Portella de Aguiar, First Secretary of Embassy;

Mr. Sergio Paulo Rouanet, Second Secretary of Embassy, Permanent Mission, New York;

Miss Anunziata Padula, Third Secretary of Embassy;

Mr. Antonio Devisate;

Mr. Nério Battendieri;

Mr. José Octávio Knaack de Souza.

Parliamentary Observer

Mr. Alexandre José Barbosa Lima Sobrinho, Member of Parliament.

COLOMBIA

Representative

Mr. German Zea, Ambassador Extraordinary and Plenipotentiary, Permanent Representative to the United Nations.

Alternate

Mr. Alfonso Patiño, Ambassador, Deputy Permanent Representative to the United Nations.

Advisers

Mr. Alberto Barco;

Mr. Juan Martinez;

Mr. Aristides Rodríguez;

Mr. Vicente González.

DENMARK

Representative

Mr. Aage Hesselund-Jensen, Ambassador Extraordinary and Plenipotentiary, Permanent Representative to the United Nations.

Senior Alternate

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Alternates

Mr. Mogens Boserup, Chief of the Secretariat for Technical Assistance to the Developing Countries;

Mr. Paul F. Naegeli, Economic Counsellor, Permanent Mission, Geneva;

Mr. George Nelson, Head of Division, Ministry of Labour;

Mr. Sven Aage Nielson, Head of Division, Ministry of Foreign Affairs;

Professor P. Nyboe Andersen, Director of the Secretariat for Technical Assistance to the Developing Countries;

Mrs. Nonny Wright, Counsellor, Permanent Mission, New York.

Advisers

Mr. Per Green, Secretary of Embassy, Permanent Mission, Geneva;

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Secretaries

Miss Birthe Hansen;
Miss Jonna Rothe-Meyer.

EL SALVADOR

Representative

Mr. Francisco Antonio Carrillo, Minister Plenipotentiary, Deputy Permanent Representative to the United Nations.

Alternates

Mr. Gustavo A. Guerrero, Ambassador Extraordinary and Plenipotentiary, Permanent Representative to the European Office of the United Nations;
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ETHIOPIA

Representative

Mr. Kifle Wodajo, Deputy Permanent Representative to the United Nations.

Alternates

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FRANCE

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Alternates

Mr. Maurice Viaud, Minister-Counsellor, Permanent Mission, New York;
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Mr. Pierre Revol, Counsellor, Foreign Service, United Nations and International Organizations Department.

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Advisers

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Mr. Jean Marcel Bouquin, First Secretary, Permanent Mission, New York;
Mr. Bourgeois, Chargé de Mission, Ministry of Co-operation;

Mr. Jean Xavier Clément, Secretary, Foreign Service, Deputy Permanent Representative to the European Office of the United Nations;

Mr. Robert Galdin, First Secretary, Permanent Mission, New York;

Mr. François Geoffroy-Dechaume, Counsellor, Foreign Service, Multilateral Technical Co-operation Service;

Mr. Louis Gros, Chargé de Mission, General Delegation for Scientific Research;

Mr. Henri Janton, Contrôleur d'Etat;

Mr. Guy de Lacharrière, Counsellor, Foreign Service, Economic Co-operation Service;

Mr. Méraud, Director of the National Institute of Statistics and Economic Studies;

Mr. Reuillard, Secretary, Foreign Service, United Nations and International Organizations Department;

Miss Nicole Trannoy, Deputy Secretary, Foreign Service, Permanent Mission, Geneva.

Secretaries

Mrs. Germaine Hirlemann;
Miss de Coquereaumont.

INDIA

Representative

Mr. Morarji Desai, Finance Minister.

Alternates

Mr. R. K. Nehru, Secretary-General, Ministry of External Affairs;
Mr. L. K. Jha, Secretary, Ministry of Finance (Department of Economic Affairs);
Mr. V. C. Trivedi, Joint Secretary, Ministry of External Affairs.

Advisers

Mr. N. C. Sen Gupta, Minister (Economic), High Commission of India in London;
Mr. A. S. Mehta, Consul-General, Geneva, Permanent Representative to the European Office of the United Nations;
Mr. S. S. Marathe, Deputy Economic Adviser, Ministry of Finance (Department of Economic Affairs);
Mr. M. Bhavan Das, First Secretary, Embassy, Berne;
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Mr. M. Dubey, Second Secretary, Permanent Mission, Geneva.

Secretariat

Mr. V. Y. Tonpe, Private Secretary to the Finance Minister;
Mr. K. Narendranath, Personal Secretary to Mr. Nehru;
Mr. Mahraj Krishan;
Mr. Murthy.

ITALY

Representative

Mr. Giuseppe Cerulli-Irelli, Senator.

Senior Alternates

Mr. Egidio Ortona, Ambassador, Director-General for Economic Affairs, Ministry of Foreign Affairs;

Mr. Francesco Paolo Vanni d'Archirafi, Ambassador, Permanent Representative to the European Office of the United Nations.

Alternate

Mr. Mario Franzi, Minister-Counsellor, Permanent Mission, New York.

Advisers

Mr. Mario Majoli, Head of the United Nations Department, Ministry of Foreign Affairs;

Mr. Vittorio Zadotti, Counsellor, Ministry of Foreign Affairs;

Mr. Armando Marchetti, Commercial Counsellor, Permanent Mission, Geneva;

Miss Maria Cao Pinna;

Mrs. Flavia della Gherardesca, Vice-Chairman of the International Council of Women;

Mr. Franco Sani, Bank of Italy;

Mrs. Marzia Corcos, Vice-Chairman of the National Council of Italian Women;

Mr. Francesco de Courten, Second Secretary, Permanent Mission, Geneva;

Mr. Antonio Ferone, Ministry of Agriculture;

Mr. Augusto Filonzi, Ministry of Agriculture;

Mr. Ernesto Cafarelli, Counsellor, Ministry of Foreign Trade;

Mr. Franco Ponti, Head of Section, Ministry of Industry and Trade;

Mr. Giulio Pascucci-Righi, Minister-Counsellor, Ministry of Foreign Affairs.

JAPAN

Representative

Mr. Katsuo Okazaki, Ambassador Extraordinary and Plenipotentiary, Permanent Representative to the United Nations.

Senior Alternate

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Special Adviser

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Alternates

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Mr. Kenjiro Chikaraishi, Counsellor, Permanent Mission, Geneva;

Mr. Wataru Owada, Counsellor, Embassy, Nigeria;

Mr. Hiroshi Yokota, Counsellor, Permanent Mission, New York;

Mr. Shigeru Tokuhisa, First Secretary, Embassy, Paris;

Mr. Wataru Miyakawa, Secretary, United Nations Bureau, Ministry of Foreign Affairs.

Advisers

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Mr. Shozo Kadota, Third Secretary, Permanent Mission, New York;

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Mr. Junichi Nakamura, Secretary, United Nations Bureau, Ministry of Foreign Affairs;

Mr. Katsuhiko Ichioka, Attaché, Permanent Mission, Geneva;

Mr. Yoshio Karita, Attaché, Permanent Mission, Geneva.

JORDAN

Representative

Mr. Muhammad H. El-Farra, Minister-Counsellor, Deputy Permanent Representative to the United Nations.

Alternates

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Mr. Moraiwid M. Tell, Head, International Organizations Department, Ministry of Foreign Affairs;

Miss Wijban Nasser, Assistant to the Head of the International Organizations Department, Ministry of Foreign Affairs.

POLAND

*Representative **

Mr. Jerzy Michalowski, Ambassador Extraordinary and Plenipotentiary, Director-General, Ministry of Foreign Affairs.

Senior Alternate

Mr. Adam Meller-Conrad, Minister Plenipotentiary, Permanent Representative to the European Office of the United Nations.

Alternates

Mrs. Zofia Dembinska, Representative on the Commission on the Status of Women;

Professor Jozef Pajestka, Director of the Economic Bureau of the Planning Commission, Warsaw;

* During his attendance at the session, Mr. J. Winiewicz, Vice-Minister for Foreign Affairs, was head of the delegation.

Mr. Włodzimierz Natorf, First Secretary, Permanent Mission, New York;

Mr. Antoni Czarkowski, Head of Division, Ministry of Foreign Affairs.

Advisers

Mr. Leszek Sulkowski, Adviser to the Chairman of the Committee of International Economic, Scientific and Technical Co-operation, Warsaw;

Mr. Kazimierz Szablewski, Secretary, Permanent Mission, Geneva;

Mr. F. Przetacznik, Ministry of Foreign Affairs.

Secretariat

Mrs. Irena Dobożs, Interpreter;

Miss W. Hasulinska, Secretary.

SENEGAL

Representative

Mr. Ousmane Socé Diop, Ambassador Extraordinary and Plenipotentiary, Permanent Representative to the United Nations.

Alternate

Mr. D. Ndour.

UNION OF SOVIET SOCIALIST REPUBLICS

Representative

Mr. G. P. Arkadev, Ambassador Extraordinary and Plenipotentiary.

Senior Alternate

Mr. N. I. Moliakov, Envoy Extraordinary and Plenipotentiary, Permanent Representative to the European Office of the United Nations.

Alternates

Mr. I. M. Asadov, Deputy Chairman of the State Planning Committee of the Azerbaijan Soviet Socialist Republic;

Mr. V. Y. Aboltin, Deputy Director, Institute of World Economics and International Relations, Academy of Sciences;

Mr. L. S. Lobanov, Counsellor, Department of International Economic Organizations, Ministry of Foreign Affairs;

Mr. I. G. Vasilkov, Head of Division, Scientific and Research Institute on Economic Indicators, Ministry of Foreign Trade.

Advisers

Mr. I. M. Romanov, Counsellor, Department of International Economic Organizations, Ministry of Foreign Affairs;

Mr. I. A. Ornatsky, First Secretary, Department of International Economic Organizations, Ministry of Foreign Affairs;

Mr. I. P. Shatokhin, Head of Division, State Committee on External Economic Relations, Council of Ministers;

Mr. V. N. Dubinin, Second Secretary, Department of International Economic Organizations, Ministry of Foreign Affairs, *Secretary-General of the Delegation*;

Mr. D. A. Sokolov, Second Secretary, Department of International Economic Organizations, Ministry of Foreign Affairs;

Mr. Y. I. Buzykin, Second Secretary, Department of International Economic Organizations, Ministry of Foreign Affairs;

Mrs. V. I. Kastalskaya, Second Secretary, Department of International Economic Organizations, Ministry of Foreign Affairs;

Mr. A. Y. Nekrasov, Attaché, Department of International Economic Organizations, Ministry of Foreign Affairs.

Secretariat

Miss N. F. Golubeva;

Miss N. I. Fedotova.

UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

Representative

Mr. P. Thomas, M.P., Parliamentary Under-Secretary of State for Foreign Affairs.

*Senior Alternate **

Miss Barbara Salt, Minister, Permanent Representative to the Economic and Social Council.

Alternates

Sir Samuel Hoare, Representative on the Commission on Human Rights;

Mr. K. Unwin, Minister-Designate, Permanent Mission, New York;

Mr. J. G. Tahourdin, Head of the United Nations Department, Foreign Office.

Advisers

Mr. P. L. Carter, Permanent Representative to the European Office of the United Nations;

Mr. H. P. L. Attlee, First Secretary, Permanent Mission, New York;

Mr. J. F. Wearing, First Secretary, Foreign Office;

Mr. William Bentley, First Secretary, Permanent Mission, New York;

Mr. T. A. Kennedy, Principal, H.M. Treasury;

Mr. G. K. Caston, Principal, Department of Technical Co-operation;

Mr. D. A. Burns, Third Secretary, Foreign Office;

Mr. N. P. Bayne, Third Secretary, Foreign Office, *Delegation Secretary*.

* In the absence of Mr. Thomas, Miss Salt acted as Representative.

Secretariat

Mrs. V. E. M. Hartles, Private Secretary to the Under-Secretary of State;

Miss Marie W. Millar, Permanent Mission, New York, *Assistant Delegation Secretary*.

UNITED STATES OF AMERICA

*Representative **

Mr. Philip M. Klutznick, Ambassador, Permanent Mission, New York.

Alternate

Mr. Walter M. Kotschnig, Director, Office of International Economic and Social Affairs, Department of State.

Senior Adviser

Mr. Seymour M. Finger, Permanent Mission, New York.

Advisers

Miss Kathleen Bell, Office of International Economic and Social Affairs, Department of State;

Mr. Clarence I. Blau, Assistant Director, Bureau of International Programs, Department of Commerce;

Mr. Ernest F. Chase, Permanent Mission, Geneva;

Mr. Byron L. Johnson, Agency for International Development;

Mr. Robert A. Kevan, Deputy Assistant Secretary for International Affairs, Department of Health, Education and Welfare;

Miss Florence K. Kirlin, Bureau of Economic Affairs, Department of State;

Mr. Herman Kleine, Permanent Mission, New York;

Mr. John E. Means, Bureau of International Labor Affairs; Department of Labor;

* During his attendance at the session, Mr. Adlai E. Stevenson, Permanent Representative to the United Nations, was *ex officio* head of the delegation.

Mr. George A. Tesoro, Permanent Mission, Geneva;
Mrs. Marietta Tree, Permanent Mission, New York;
Mrs. Virginia Westfall, Permanent Mission, Geneva;
Mr. William H. Wynne, Office of International Finance, Department of the Treasury;

Mr. Eugene R. Schelp, Office of International Conferences, Department of State, *Secretary of the Delegation*.

URUGUAY

Representative

Mr. Aurelio Pastori, Member of the Standing Executive Committee of the Latin-American Free Trade Association.

YUGOSLAVIA

Representative

Mr. Vojin Guzina, Deputy Secretary of State for Foreign Affairs.

Alternates

Mr. Stanislav Kopcok, Ambassador, Permanent Representative to the European Office of the United Nations;

Mrs. Mara Radic, Counsellor, Office of the Secretary of State for Foreign Affairs;

Mr. Bora Jeftic, Counsellor, Office of the Secretary of State for Foreign Affairs.

Advisers

Mr. Milan Ristic, Counsellor, Permanent Mission, Geneva;

Mr. Stevan Soc, Counsellor, Permanent Mission, Geneva;

Mr. Gavra Popovic, First Secretary, Office of the Secretary of State for Foreign Affairs.

Technical Secretaries

Mrs. Zora Hofman;

Mrs. Danica Soc.

Members of the Technical Assistance Committee non-members of the Council

AFGHANISTAN

Representative

Mr. Abdul Hakim Tabibi, Minister-Counsellor, Permanent Mission, New York.

CHINA

Representative

Mr. Cheng Paonan, Minister Plenipotentiary.

Adviser

Mr. Ding Mou-shaik, First Secretary.

Secretary

Mr. Chang Yuan, Third Secretary.

CZECHOSLOVAKIA

Representatives

Mr. Milan Klusak, Envoy Extraordinary and Minister Plenipotentiary, Permanent Representative to the European Office of the United Nations;

Mr. Jan Mužik, Chief of Section, Ministry of Foreign Affairs.

GREECE

Representative

Mr. C. Caranicas, Minister-Counsellor, Embassy, Washington.

Alternates

Mr. A. Stavrianopoulos, Director-General, Ministry of Co-ordination, Director of the Technical Assistance Service;

Mrs. A. Pangalos, Director, Ministry of Co-ordination.

INDONESIA

Representative

Mr. R. Suwastoyo.

Alternate

Mr. Mochtan.

ISRAEL

Representative

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Mr. Pierre Kalck.

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Mr. Ilja Hulinsky, Deputy Permanent Representative to the European Office of the United Nations;
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LEBANON

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Mr. Ly, Commercial Counsellor.

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Mr. Marin Olteanu, Second Secretary, Permanent Mission, Geneva;
Mr. Dimitru Albu, Third Secretary, Permanent Mission, Geneva.

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SPAIN

Mr. Felix de Lequerica, Ambassador, Permanent Representative to the United Nations;
Mr. José Manuel Aniel Quiroga, Minister Plenipotentiary, Permanent Representative to the European Office of the United Nations;
Mr. Gabriel Manueco, First Secretary of Embassy, Permanent Mission, New York;
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TUNISIA

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VENEZUELA

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Mr. Dusan Sidjanski, Counsellor, Permanent Mission, Geneva;
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Mr. Otto Hauber, Second Secretary, Office of the Permanent Observer, Geneva;
Mr. Walter Göller, Attaché for Transport Matters, Office of the Permanent Observer, Geneva.

HOLY SEE

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Mr. Georges Bonnant, First Deputy, International Organizations Division, Federal Political Department;

Mr. Hans Keller, Delegate for Technical Co-operation;

Mr. Umberto Andina, Senior Head of Section, Trade Division, Federal Department of Public Economy;

Mr. Erich Messmer, Senior Head of Section, Technical Co-operation Unit;

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Representative

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Mr. C. W. Jenks, Assistant Director-General.

Senior Adviser

Mr. R. A. Metall, Chief, International Organisations Division.

Advisers

Mr. A. K. Shaheed, Chief, Field Services Division;

Mr. N. N. Franklin, Economic Adviser;

Mr. M. Paranhos da Silva, International Organisations Division;

Mr. M. H. Khan, International Organisations Division.

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FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

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Mr. B. R. Sen, Director-General;

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Mr. Paul Lamartine Yates, Regional Representative for Europe;

Miss Gerda Blau, Director, Commodities Division;

Mr. J. P. Huyser, Chief, Programme Services Branch;

Mr. A. G. Orbaneja, Chief, International Agency Liaison Branch;

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Mr. C. Castrioty, Programme Services Branch;

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Mr. N. Crapon de Caprona, International Agency Liaison Branch;

Mr. G. E. Bildesheim, Latin American Regional Officer, Programme Liaison Branch.

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Mr. P. I. Erchov, Assistant Director-General;

Mr. P. H. Coeytaux, Chief, Division of Relations with International Organizations;

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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL FINANCE CORPORATION

Representative

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INTERNATIONAL MONETARY FUND

Representative

Mr. Gordon Williams, Special Representative to the United Nations.

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Representative

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Dr. O. V. Baroyan, Assistant Director-General;
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Mr. R. Pleic, Financial Adviser to Mr. Siegel;
Miss B. Howell, External Relations Officer.

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Representatives

Mr. Edouard Weber, Director.
Mr. S. N. Das Gupta, Chief, International Relations
and Technical Assistance Section, International
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INTERNATIONAL TELECOMMUNICATION UNION

Representatives

Mr. Jean Persin, Director of External Affairs;
Mr. Russell Cook, Director, Administrative Depart-
ment;

Mr. Gabriel Corbaz, Deputy Head of the Technica
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Mr. Lloyd Mason, Engineer, Technical Co-operation
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Mr. J. R. Rivet, Deputy Secretary-General;
Mr. H. Sebastian, Chief, Technical Assistance Unit;
Mr. O. M. Ashford, Chief, Investigations Section;
Mr. R. L. Munteanu, External Relations Officer.

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Representatives

Mr. Michael Higgins, Director of Administration and
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Mr. R. Gröschlaude, Head of Section, External Rela-
tions and Legal Matters.

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Representatives

Mr. E. Wyndham White, Executive Secretary;
Mr. Finn Gundelach, Deputy Executive Secretary;
Mr. Jean Etienne, Director, Trade Policy Division;
Mr. H. Reed, Economic Affairs Officer.

International Atomic Energy Agency

Representatives

Mr. Sigvard Ecklund, Director-General (present from 9 to 13 July);
Mr. John A. Hall, Deputy Director-General, Department of Administration, Liaison
and Secretariat (present from 9 to 13 July);
Mr. D. A. V. Fischer, Director, Division of External Liaison (present from 23 to
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Mr. Leon Steinig, Administrative Co-ordinator for Technical Assistance;
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Mr. Irving Brown;
Mr. Albert Heyer.

INTERNATIONAL CO-OPERATIVE ALLIANCE

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INTERNATIONAL FEDERATION OF CHRISTIAN TRADE UNIONS

Mr. Georges Eggermann.

INTERNATIONAL ORGANIZATION OF EMPLOYERS

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Mr. Charles Kuntschen;
Mr. Raphaël Lagasse.

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Mr. Giuseppe Boglietti.

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Mrs. Cristina C. M. de Aparicio;
Mr. Gordon Evans;
Mr. Horace Perera;
Miss Nan Robinson.

WORLD VETERANS FEDERATION

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Mrs. Rani Mirza-Khan.

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Mr. Earl F. Cruickshank.

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INTERNATIONAL COMMISSION OF JURISTS

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WORLD ASSOCIATION
OF GIRL GUIDES AND GIRL SCOUTS

Mrs. Perle Bugnion-Secretan.

AGENDA

adopted by the Council at its 1209th meeting, on 3 July 1962

1. Adoption of the agenda.
2. World economic trends.
3. General review of the development, co-ordination and concentration of the economic, social and human rights programmes and activities of the United Nations and the specialized agencies as a whole.
4. United Nations Development Decade.
5. Economic and social consequences of disarmament.
6. Financing of economic development:
 - (a) International flow of capital;
 - (b) United Nations capital development fund.
7. Expansion of United Nations activities in the field of industrial development.
8. International commodity problems.
9. Natural resources:
 - (a) Report of the Secretary-General on the United Nations Conference on New Sources of Energy;
 - (b) Study by the Secretary-General on capital requirements and methods of financing of petroleum exploration
10. Reports of the regional economic commissions.*
11. Report of the Statistical Commission.
12. Report of the Governing Council of the Special Fund.
13. Programmes of technical co-operation:
 - (a) United Nations programmes of technical assistance;
 - (b) Expanded Programme;
 - (c) Use of volunteer workers in the operational programmes of the United Nations and related agencies designed to assist in the economic and social development of the developing countries;
 - (d) Co-ordination of technical assistance activities;
 - (e) Participation of the Universal Postal Union in the Expanded Programme of Technical Assistance.
14. Questions relating to science and technology:
 - (a) Main trends of inquiry in the field of natural sciences, the dissemination of scientific knowledge and the application of such knowledge for peaceful ends;
 - (b) Co-ordination of the results of scientific research;
 - (c) International co-operation in the field of seismological research;
 - (d) International co-operation in the peaceful uses of outer space.
15. Measures designed to promote among youth the ideals of peace, mutual respect and understanding between peoples.
16. Report of the Social Commission.
17. Land reform and rural development.
18. Report of the Commission on Human Rights.

* Part of this item to be considered at the resumed thirty-fourth session.

19. Report of the Commission on the Status of Women.
20. Advisory services in the field of human rights.
21. Implementation of the Supplementary Convention of 1956 on the Abolition of Slavery, the Slave Trade and Institutions and Practices resembling Slavery.
22. International control of narcotic drugs.
23. Report of the United Nations High Commissioner for Refugees.
24. Non-governmental organizations.
25. Calendar of conferences for 1963.
26. Financial implications of actions of the Council.
27. Arrangements regarding the report of the Council to the General Assembly.
28. Elections.*
29. Confirmation of members of functional commissions of the Council.**
30. Work of the Council in 1963.**
31. The Dag Hammarskjöld Foundation.***

* Part of this item to be considered at the resumed thirty-fourth session.

** To be considered at the resumed thirty-fourth session.

*** Additional item included in the agenda by the Council at its 1232nd meeting on 27 July 1962.

CHECK LIST OF DOCUMENTS

NOTE. — Listed below are all documents pertaining to the thirty-fourth session of the Council. The relevant agenda item is given for each document. An asterisk after the agenda item indicates that the document is published in the corresponding fascicle of the *Official Records of the Economic and Social Council, Thirty-fourth Session, Annexes*.

Document No.	Title	Agenda item	Observations and references
E/3493 and Corr.1 and 2	United Nations assistance for the advancement of women in developing countries: preliminary report by the Secretary-General	19 *	
E/3563	Report of the Technical Assistance Committee (on the meetings held in November-December 1961)	13 *	
E/3566 and Corr.1, and Add.1	United Nations assistance for the advancement of women in developing countries: report by the Secretary-General	19 *	
E/3576	Report of the Governing Council of the Special Fund on its seventh session	12	<i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 11.</i>
E/3577	New sources of energy and energy development: report on the United Nations Conference on New Sources of Energy	9	Replaced by E/3577/Rev.1, United Nations publication, Sales No. 62.I.21.
E/3580/Rev.1	Petroleum exploration: capital requirements and methods of financing	9	United Nations publication, Sales No. 62.II.B.3.
E/3581/Rev.1	Annual report of the Economic Commission for Latin America	3, 10	<i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 4.</i>
E/3583 and Add.1-5	Election of members of the Permanent Central Opium Board: note by Secretary-General	22, 28	Mimeographed.
E/3584 and Corr.1	Annual report of the Economic Commission for Europe	3, 10	<i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 3.</i>
E/3586	Annual report of the Economic Commission for Africa	3, 10	<i>Ibid., Supplement No. 10.</i>
E/3593 and Corr.1	Report of the Secretary-General transmitting the Study of his Consultative Group	5	Replaced by E/3593/Rev.1, United Nations publication, Sales No. 62.IX.1.
E/3593/Add.1-4	Replies of governments and communications from international organizations	5	Will appear in an addendum to document E/3593/Rev.1.
E/3599 and Corr.2	Annual report of the Economic Commission for Asia and the Far East	3, 10	<i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 2.</i>
E/3600 and Corr.1	Report of the Committee for Industrial Development on its second session	7	Replaced by E/3600/Rev.1. <i>Official Records of the Economic and Social Council, Thirty-third Session, Supplement No. 2.</i>
E/3603	Progress in land reform: third report prepared jointly by the secretariats of the United Nations, FAO and the ILO	17	Will appear as a United Nations publication.
E/3604	Participation of the Universal Postal Union in the United Nations Expanded Programme of Technical Assistance	13 *	
E/3605	Annual report of the Technical Assistance Board to the Technical Assistance Committee	13	Replaced by E/3605/Rev.1. <i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 5.</i>
E/3605/Add.1	Addendum (statistical data relating to projects which were in operation in 1961 under the Expanded Programme of Technical Assistance)	13	Mimeographed.
E/3606/Rev.1	Report of the Commission on the Status of Women	3, 19, 20	<i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 6.</i>

Document No.	Title	Agenda item	Observations and references
E/3611	Note by the Secretary-General transmitting the report of the World Health Organization	3	Mimeographed. See <i>Official Records of the World Health Organization, No. 114.</i>
E/3611/Add.1	Supplementary report of the World Health Organization (decisions taken by the Fifteenth World Health Assembly and by the Executive Board of WHO at its twenty-ninth and thirtieth sessions)	3	Mimeographed.
E/3611/Add.2	Supplementary report of the World Health Organization	3, 14 (a)	Ditto.
E/3612 and Corr.1	Note by the Secretary-General transmitting the report of the International Atomic Energy Agency	3	Ditto.
E/3613/and Corr.2	Proposals for action: report by the Secretary-General	4	United Nations publication, Sales No. 62.II.B.2.
E/3613/Add.1	Replies from specialized agencies and certain other international organizations	4	Mimeographed.
E/3613/Add.2 and 3	Replies from governments	4	Ditto.
E/3614	Interim Co-ordinating Committee for International Commodity Arrangements: 1962 review of international commodity problems	8*	
E/3615	Note by the Secretary-General transmitting the report of the Universal Postal Union	3	Ditto. See <i>Universal Postal Union: report on the work of the Union, 1961, Berne.</i>
E/3616/Rev.1	Report of the Commission on Human Rights on its eighteenth session	3, 18, 20	<i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 8.</i>
E/3617 and Add.1	International co-operation in the field of seismological research, seismology and earthquake engineering: report submitted in pursuance of Council resolution 767 (XXX)	14*	
E/3618	Survey on the organization and functioning of abstracting services in the various branches of science and technology	14 (b)	Mimeographed. A revised text will appear.
E/3619 and Corr.1	Technical assistance activities of the United Nations: report by the Secretary-General	13*	
E/3620	Note by the Secretary-General transmitting the report of the International Labour Organisation	3	Ditto. See <i>Activities of the ILO, 1961, report I (part II)</i> , International Labour Office, Geneva, 1962.
E/3620/Add.1	Annex to the report of the International Labour Organisation (programme of meetings)	3	Ditto.
E/3621	Note by the Secretary-General transmitting the report of the United Nations Educational, Scientific and Cultural Organization	3	Ditto.
E/3621/Add.1	Note by the Secretary-General transmitting a supplement to the UNESCO report relating to the Conference of African Ministers of Education held in Paris in March 1962	3	Ditto. See UNESCO document ED/191.
E/3622 and Corr.1-3	Provisional agenda for the thirty-fourth session of the Economic and Social Council: note by the Secretary-General	1	Ditto. For agenda, see p. xxii of this fascicle.
E/3623	Note by the Secretary-General transmitting the report of the Food and Agriculture Organization of the United Nations	3	Ditto.
E/3623/Add.1 and 2	Notes by the Secretary-General transmitting the provisional report of the eleventh session of the Conference of FAO and the text of the resolutions adopted by that Conference	3	Ditto. See <i>Resolutions adopted by the FAO Conference, Eleventh Session Rome, 1962.</i>
E/3623/Add.3	Note by the Secretary-General transmitting the document entitled "The work of FAO, 1960-61"	3	Ditto. See FAO document C 61/10.
E/3624 and Add.1-6	Introduction and chapters 1-6 of the World Economic Survey, 1961	2	Replaced by E/3624/Rev.1.
E/3624/Rev.1	<i>World Economic Survey, 1961</i>	2	United Nations publication, Sales No. 62.II.C.1.
E/3625 and Add.1	Twenty-sixth report of the Administrative Committee on Co-ordination	3*	
E/3626 and Add.1-3	Note by the Secretary-General	21	Mimeographed.
E/3627	Note by the Secretary-General transmitting the report of the International Civil Aviation Organization	3	Ditto. See ICAO, <i>Annual Report of the Council to the Assembly for 1961</i> (ICAO Doc. 8219 A14-P/4).

Document No.	Title	Agenda item	Observations and references
E/3628	Note by the Secretary-General transmitting the FAO study entitled <i>Agricultural Commodities — Projections for 1970</i>	2	Ditto. See <i>FAO Commodity Review 1962, Special Supplement</i> (E/CN.13/48-CCP 62/5), published by FAO.
E/3629	Study of prospective production of and demand for primary commodities; prospective demand for non-agricultural commodities — problems of definition and methodology: report of the Secretary-General	2	Ditto.
E/3630	Programmes in the field of public administration in the United Nations and specialized agencies: report of the Secretary-General	3*	
E/3631 and Add.1-3	Question of holding an international conference on international trade problems: note by the Secretary-General transmitting replies of governments	2	Ditto.
E/3632	Note by the Secretary-General transmitting the report of the Inter-governmental Maritime Consultative Organization	3	Ditto.
E/3633	Report of the Statistical Commission on its twelfth session	3, 11	<i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 13.</i>
E/3634 and Add.1	Report of the Secretary-General	20*	
E/3635	<i>Economic Development in the Middle East 1959-1961</i>	2	United Nations publication, Sales No. 62.II.C.2.
E/3636/Rev.1	Report of the Social Commission on its fourteenth session	16	<i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 12.</i>
E/3637 and Corr.1 and Add.1	Notes by the Secretary-General transmitting the annual report of the United Nations High Commissioner for Refugees (A/5211) and the report of the Executive Committee of the High Commissioner's Programme on its seventh session (A/5211/Add.1)	23	Mimeographed. See <i>Official Records of the General Assembly, Seventeenth Session, Supplement No. 11</i> and appendix.
E/3638 and Add.1	Notes by the Secretary-General transmitting the report by the Acting Director-General of UNESCO and the summary record of a meeting of the Executive Board of UNESCO	15	Ditto. See UNESCO documents ED/189 and 61/EX/SR.21.
E/3639	Report of the <i>ad hoc</i> Committee of Eight established under Council resolution 851 (XXXII)	13*	
E/3640 and Add.1	Plight of victims of so-called scientific experiments in nazi concentration camps: sixth progress report by the Secretary-General		Ditto.
E/3641	Election of members of the Permanent Central Opium Board: report of the Committee to Review Candidates	28*	
E/3642	Note by the Secretary-General transmitting the report of the World Meteorological Organization	3, 14 (a)	Ditto. See <i>Annual Report of the World Meteorological Organization, 1961</i> , WMO — No. 115. RP.47.
E/3643	Decentralization of the United Nations economic and social activities and strengthening of the regional economic commissions: report by the Secretary-General	10*	
E/3644	Report of the Commission on International Commodity Trade on its tenth session	8	<i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 6.</i>
E/3645	Note by the Secretary-General transmitting the first report by the International Telecommunication Union	14 (d)	Mimeographed. See <i>First report by the International Telecommunication Union on telecommunication and the peaceful uses of outer space</i> , ITU, Geneva, 1962.
E/3646 and Corr.1	Report of the Governing Council of the Special Fund on its eighth session	12	Replaced by E/3646/Rev.1. <i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 11 A.</i>
E/3647 and Corr.1	Report of the <i>ad hoc</i> working group on co-ordination	3*	
E/3648	Report of the Commission on Narcotic Drugs on its seventeenth session	22	<i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 9.</i>

Document No.	Title	Agenda Item	Observations and references
E/3649	Report of the ninth session of the Committee of the Whole of the Economic Commission for Latin America	10	<i>Ibid.</i> , Supplement No. 4A.
E/3650	Note by the Secretary-General transmitting the annual report of the Managing Director of the Special Fund	12	Mimeographed.
E/3651	Consolidated work programme in the economic, social and human rights fields (submitted by the Secretary-General)	3, 26	Ditto.
E/3652	Note by the Secretary-General transmitting a second progress report by the Executive Secretary of the Economic Commission for Europe on the action taken by the Commission pursuant to its resolution 6 (XV)	2	Ditto. Supplements E/3519, distributed for the thirty-second session of the Council,
E/3653 and Add.1	Report of the Executive Chairman of the Technical Assistance Board on the use of volunteer technical personnel	13 (c)	Ditto.
E/3654	Report of the Committee on a United Nations Capital Development Fund	6*	
E/3656	Strengthening of United Nations advisory services in the field of industrial development: memorandum by the Secretary General	7*	
E/3656/Add.1	Memorandum by the Commissioner for Industrial Development	7*	
E/3657	Observations on the United Nations work programme in the economic, social and human rights fields: report by the Secretary-General	3*	
E/3658	Declaration by the Executive Board of the United Nations Children's Fund	4*	
E/3659 and Add.1 and 2	Report on activities in relation to full employment objectives	2*	
E/3660	Note by the Secretary-General transmitting the report of the International Telecommunication Union	3	Ditto. See <i>Report on activities of the International Telecommunication Union in 1961</i> , Geneva, 1962.
E/3661	Work programme on projections of world economic trends: progress report by the Secretariat of the United Nations	2*	
E/3662	Note by the Secretary-General transmitting the first report of the World Meteorological Organization	14 (d)	Ditto. See <i>First report on the advancement of atmospheric sciences and their application in the light of developments in outer space</i> , WMO, Geneva.
E/3663 and Add.1	Provisional summary by the Secretary-General	26	Mimeographed.
E/3663/Add.2	Final summary by the Secretary-General	26*	
E/3664	Memorandum by the Brazilian delegation	4*	
E/3665/Rev.1	The promotion of the international flow of private capital: third report by the Secretary-General	6*	
E/3666	Applications for hearings: report of the Council Committee on Non-governmental Organizations	24	Ditto.
E/3667	Hearings: report of the Council Committee on Non-governmental Organizations	24	Ditto.
E/3668	United Nations economic projections and programming centre: proposals for a co-operative work programme on long-term projections — report of a group of experts	2*	
E/3669	Report of the Economic Committee	11*	
E/3670	Hearings: report of the Council Committee on Non-governmental Organizations	24	Ditto.
E/3672 and Corr.1	Report of the Social Committee	19*	
E/3673	Report of the Economic Committee	9*	
E/3674	Resolution adopted by the International Labour Conference at its forty-sixth session	4	Ditto. See <i>ILO Official Bulletin</i> , Vol. XLV, No. 3, Supplement I, resolution VIII.
E/3675 and Add.1	Memorandum by the Secretary-General	25	Ditto.
E/3676 and Corr.1	Report of the Social Committee	18*	
E/3677	Report of the Social Committee	20*	
E/3678	Report of the Social Committee	21*	
E/3679	Report of the Economic Committee	17*	
E/3680	Report of the Technical Assistance Committee	13*	
E/3681 and Corr.1 and 2	Report of the Economic Committee	8*	
E/3682	Declaration adopted by the Conference on the Problems of Economic Development, held at Cairo in July 1962	2*	

<i>Document No.</i>	<i>Title</i>	<i>Agenda item</i>	<i>Observations and references</i>
E/3683	Communication from the delegation of Japan concerning document E/3617	14 (c)	Ditto.
E/3684	Report of the Social Committee	16*	
E/3685	Credentials of representatives to the thirty-second session: report of the President and the Vice-Presidents		Ditto.
E/3686	Report of the Co-ordination Committee	3*	
E/3687	Report of the Co-ordination Committee	4*	
E/3688	Report of the Economic Committee	4*	
E/3689	Report of the Co-ordination Committee	14*	
E/3690	Report of the Economic Committee	6*	
E/3691	Report of the Economic Committee	2*	
E/3692	Report of the Social Committee	22*	
E/3693	Report by the Secretary-General	25	For calendar of conferences adopted by the Council, see <i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 1</i> , pp. 34-35.
E/AC.6/L.276 and Add.1	Australia, Denmark, France, Italy and Japan: draft resolution	9	Replaced by E/AC.6/L.276/Rev.1.
E/AC.6/L.276/Rev.1	Australia, Denmark, France, Italy, Japan and Senegal: revised draft resolution	9	Mimeographed. See E/3673, para. 4, and resolution 885 (XXXIV).
E/AC.6/L.277	Brazil: draft resolution	9	Replaced by E/AC.6/L.277/Rev.1.
E/AC.6/L.277/Rev.1	Brazil: revised draft resolution	9	Mimeographed. See E/3673, para.6, summary record of the 1230th meeting, para. 2, and resolution 886 (XXXIV).
E/AC.6/L.278	Japan, United States of America and Uruguay: draft resolution	4	Replaced by E/AC.6/L.278/Rev.1.
E/AC.6/L.278/Rev.1	Japan, United States of America and Uruguay: revised draft resolution	4	Mimeographed. See E/3688, para. 12, and resolution 919 (XXXIV).
E/AC.6/L.278/Rev.1/Add.1	Financial implications of draft resolution E/AC.6/L.278/Rev.1: note by the Secretary-General	4	Mimeographed. See E/3663/Add.2.
E/AC.6/L.279	United Kingdom of Great Britain and Northern Ireland: draft resolution	17	Replaced by E/AC.6/L.279/Rev.1.
E/AC.6/L.279/Rev.1	United Kingdom of Great Britain and Northern Ireland: revised draft resolution	17	Replaced by E/AC.6/L.279/Rev.2.
E/AC.6/L.279/Rev.2	United Kingdom of Great Britain and Northern Ireland: revised draft resolution	17	Mimeographed. See E/3679, para. 4, and resolution 887 (XXXIV).
E/AC.6/L.280 and Add.1	Colombia, Jordan and Uruguay: draft resolution	8	Replaced by E/AC.6/L.280/Rev.1.
E/AC.6/L.280/Rev.1	Brazil, Colombia, France, Jordan and Uruguay: revised draft resolution	8	Replaced by E/AC.6/L.280/Rev.2 and Rev.2/Corr.1.
E/AC.6/L.280/Rev.1/Add.1	Financial implications of draft resolution E/AC.6/L.280/Rev.1: note by the Secretary-General	8	Mimeographed. See E/3663/Add.1 and 2.
E/AC.6/L.280/Rev.2 and Rev.2/Corr.1	Brazil, Colombia, El Salvador, France, Jordan and Uruguay: revised draft resolution	8	Adopted without change. See resolution 915 (XXXIV).
E/AC.6/L.281 and Corr.1 and Rev.1	Brazil, Denmark, El Salvador, Ethiopia, India, Senegal, United States of America and Yugoslavia: draft resolution	4	Replaced by E/AC.6/L.281/Rev.2.
E/AC.6/L.281/Rev.2	Brazil, Denmark, El Salvador, Ethiopia, India, Senegal, United States of America and Yugoslavia: revised draft resolution	4	Mimeographed. See E/3688, para. 5, and resolution 916 (XXXIV).
E/AC.6/L.281/Rev.2/Add.1	Financial implications of draft resolution E/AC.6/L.281/Rev.2: note by the Secretary-General	4	Ditto. See E/3663/Add.2.
E/AC.6/L.282	Revised text of draft resolution submitted by the Executive Board of UNICEF (E/3658, Annex)	4	Ditto. See E/3688, para. 11, and resolution 618 (XXXIV).
E/AC.6/L.283	Jordan: amendments to draft resolution E/AC.6/L.281	4	Ditto. See E/3688, para.4.
E/AC.6/L.284	Brazil, Colombia, El Salvador, Ethiopia, India, Jordan, Senegal, Uruguay and Yugoslavia: draft resolution	6 (b)	Ditto. See E/3690, para. 3, and resolution 921 (XXXIV).
E/AC.6/L.285/Rev.1	Brazil, Colombia, El Salvador, Ethiopia, India, Jordan, Uruguay and Yugoslavia: draft resolution	6	Replaced by E/AC.6/L.285/Rev.2.

<i>Document No.</i>	<i>Title</i>	<i>Agenda Item</i>	<i>Observations and references</i>
E/AC.6/L.285/Rev.2	Brazil, Colombia, El Salvador, Ethiopia, India, Jordan, Uruguay and Yugoslavia: revised draft resolution	6	Mimeographed. See E/3690, para. 7, and resolution 923 (XXXIV).
E/AC.6/L.286	Brazil and Poland: draft resolution	6	Ditto. See E/3691, para. 3, and resolution 924 (XXXIV).
E/AC.6/L.287	Italy: amendment to draft resolution E/L 958/Rev.2	4	Ditto. See E/3688, para. 7.
E/AC.6/L.288	Colombia, Jordan and United States of America: draft resolution	6	Ditto. See E/3690, para. 5, and resolution 922 (XXXIV).
E/AC.6/L.289	France: amendment to draft resolution E/L.958/Rev.2	4	Ditto. See E/3688/para. 7.
E/AC.6/L.404	Australia: amendment to draft resolution IV submitted by the Commission on Human Rights	18	See E/3676, para. 3 (b).
E/AC.7/L.405	Colombia, Denmark, Japan, Jordan, Senegal and United States of America: draft resolution	20	Mimeographed. See E/3677, para. 3, and resolution 889 (XXXIV).
E/AC.7/L.406	Union of Soviet Socialist Republics: amendments to draft resolution E/AC.7/L.405	20	See E/3677, para. 3 (a).
E/AC.7/L.407	Italy: amendment to draft resolution E/AC.7/L.405	20	See E/3677, para. 3 (b).
E/AC.7/L.408	Denmark and United Kingdom of Great Britain and Northern Ireland: draft resolution	21	Adopted without change. See resolution 890 (XXXIV).
E/AC.7/L.409	United States of America: amendment to draft resolution E/AC.7/L.408	21	Mimeographed. Withdrawn by the sponsor.
E/AC.7/L.410	United Kingdom of Great Britain and Northern Ireland: amendments to draft resolution II submitted by the Social Commission	16	See E/3684, para. 3.
E/AC.7/L.411	United States of America and Yugoslavia: amendments to draft resolution III submitted by the Social Commission	16	Ditto.
E/AC.7/L.412	Italy: amendments to draft resolution III submitted by the Social Commission	16	Ditto.
E/AC.7/L.413	Ethiopia: amendments to draft resolution III submitted by the Social Commission	16	Ditto.
E/AC.7/L.414	India: amendments to draft resolution II submitted by the Social Commission	16	Ditto.
E/AC.7/L.415	France, India, Italy, United Kingdom of Great Britain and Northern Ireland and United States of America: amendments to draft resolution V submitted by the Social Commission	16	Ditto.
E/AC.7/L.416	United States of America: draft resolution	22	Adopted without change. See resolution 914 G (XXXIV).
E/AC.7/L.417	Brazil and United Kingdom of Great Britain and Northern Ireland: draft resolution	22	Ditto, resolution 914 E (XXXIV).
E/AC.7/L.418	Ethiopia, India, Japan, Jordan and Yugoslavia: draft resolution	22	Ditto, resolution 914 B (XXXIV).
E/AC.24/L.198	Australia, Brazil, El Salvador, Japan, United Kingdom of Great Britain and Northern Ireland and United States of America: draft resolution	3, 4	Replaced by E/AC.24/L.198/Rev.2.
E/AC.24/L.198/Rev.2	Australia, Brazil, El Salvador, Japan, Jordan, United Kingdom of Great Britain and Northern Ireland and United States of America: revised draft resolution	3, 4	Replaced by E/AC.24/L.198/Rev.3.
E/AC.24/L.198/Rev.3	Australia, Brazil, El Salvador, Japan, Jordan, United Kingdom of Great Britain and Northern Ireland and United States of America: revised draft resolution	3, 4	Mimeographed. See E/3687, para. 6, and resolution 920 (XXXIV).
E/AC.24/L.198/Rev.3/Add.1	Financial implications of draft resolution E/AC.24/L.198/Rev.3: note by the Secretary-General	3, 4	Ditto. See E/3663/Add.2.
E/AC.24/L.199	France and United Kingdom of Great Britain and Northern Ireland: draft resolution	4	Replaced by E/AC.24/L.199/Rev.1.
E/AC.24/L.199/Rev.1	Ethiopia, France, Jordan and United Kingdom of Great Britain and Northern Ireland: revised draft resolution	3	Adopted without change. See resolution 906 (XXXIV).
E/AC.24/L.200	Jordan and United States of America: draft resolution	3	Mimeographed. See E/3686 para. 5 (a), and resolution 908 (XXXIV).
E/AC.24/L.201	Japan, Jordan, United Kingdom of Great Britain and Northern Ireland and United States of America: draft resolution	3	Replaced by E/AC.24/L.201/Rev.1.
E/AC.24/L.201/Rev.1	India, Japan, Jordan, United Kingdom of Great Britain and Northern Ireland and United States of America: revised draft resolution	3	Mimeographed. See E/3686, para. 5 (b) and resolution 909 (XXXIV).
E/AC.24/L.202	France, Jordan and United States of America: draft resolution	3	Ditto. See E/3686, para. 4 (c), and resolution 907 (XXXIV).

Document No.	Title	Agenda item	Observations and references
E/AC.24/L.202/Add.1	Financial implications of draft resolution E/AC.24/L.202: note by the Secretary-General.	3	Mimeographed. See E/3663/Add.1 and 2.
E/AC.24/L.203	United States of America: text proposed for inclusion in the Co-ordination Committee's report	3	Ditto. See E/3686, para. 4 (d).
E/AC.24/L.204	Denmark: text proposed for inclusion in the Co-ordination Committee's report	3	Ditto, para. 4 (e).
E/AC.24/L.205	Denmark: amendment to draft resolution E/AC.24/L.198/Rev.2 and 3	3, 4	See E/3687, paras. 4 and 6.
E/AC.24/L.206	United States of America: text proposed for inclusion in the Co-ordination Committee's report	3	Mimeographed. See E/3682, para. 4 (f).
E/AC.24/L.207	El Salvador, France and United States of America: draft resolution	14 (b)	Adopted without change. See resolution 911 (XXXIV).
E/AC.24/L.208	Australia, Colombia, Italy and Japan: draft resolution	14 (c)	Ditto, resolution 912 (XXXIV).
E/AC.24/L.209	Australia, France and Italy: draft resolution	14 (a)	Replaced by E/AC.24/L.209/Rev.1.
E/AC.24/L.209/Rev.1	Australia, France and Italy: revised draft resolution	14 (a)	Mimeographed. See E/3689, para. 3, and resolution 910 (XXXIV).
E/AC.24/L.210	United Kingdom of Great Britain and Northern Ireland and United States of America: draft resolution	14 (d)	Ditto, para. 5, and resolution 913 (XXXIV).
E/C.2/597	Draft resolution on housing submitted by the Social Commission: statement by the International Co-operative Alliance	16, 24	Mimeographed.
E/C.2/598	Statement by the Chamber of Commerce of the United States	6 (b), 24	Ditto.
E/C.2/599	Statement by the Chamber of Commerce of the United States	5, 24	Ditto.
E/C.2/600	The future work of the Sub-Commission on Prevention of Discrimination and Protection of Minorities: statement by the Co-ordination Board of Jewish Organizations	18, 24	Ditto.
E/C.2/601	Statement by the World Federation of Trade Unions	17, 24	Ditto.
E/C.2/602	The future of the Office of the United Nations High Commissioner for Refugees: Statement by the Commission of the Churches on International Affairs	23, 24	Ditto.
E/CN.13/54 and Add.1	Commodity Survey, 1961, and Supplement on Non-agricultural Commodities	8	Ditto.
E/ECE/435	Development and strengthening of the work of the Economic Commission for Europe: progress report by the Executive Secretary of the Commission on the implementation of its resolution 5 (XVI)	10	Ditto.
E/ECE/452	<i>Economic Survey of Europe in 1961</i>	2	United Nations publication, Sales No. 62.II.E.1.
E/L.938/Rev.1	Arrangement of business proposed by the Secretary-General	1	Mimeographed.
E/L.953 and Corr.1	Memorandum from the permanent representative of Spain	10 *	
E/L.955	Note by the Secretary-General	27	Ditto.
E/L.956	Brazil, India, Poland and Senegal: draft resolution	10	Ditto. See the summary record of the 1213rd meeting, paras. 83-86, and resolution 879 (XXXIV).
E/L.957 and Corr.1	A programme for international economic co-operation — Brazil, Ethiopia, India and Yugoslavia: draft resolution	4	Replaced by E/AC.6/L.281.
E/L.958 and Add.1	Brazil, Ethiopia, India, Senegal and Yugoslavia: draft resolution	4	Replaced by E/L.958/Rev.1 and Rev.1/Corr.1.
E/L.958/Rev.1 and Rev.1/Corr.1	Brazil, Ethiopia, India, Senegal and Yugoslavia: revised draft resolution	4	Replaced by E/L.958/Rev.2.
E/L.958/Rev.2	Brazil, Ethiopia, India, Senegal and Yugoslavia: revised draft resolution	4	Mimeographed. See E/3688, para. 8, and resolution 917 (XXXIV).
E/L.958/Rev.2/Add.1	Financial implications of draft resolution E/L.958/Rev.2: note by the Secretary-General	4	Mimeographed. See E/3663/Add.2.
E/L.959	Election of members of the Permanent Central Opium Board: working paper by the Secretary-General	28	Mimeographed.
E/L.960	Denmark, El Salvador, Senegal and United States of America: draft resolution	4	Replaced by E/AC.6/L.281.
E/L.961	Communication from the representative of Poland to the Secretary of the Economic and Social Council	3	Mimeographed.
E/L.962	Ethiopia, India and Yugoslavia: draft resolution	5	Replaced by E/L.969.
E/L.963	Poland: draft resolution	5	Ditto.
E/L.964	Ethiopia and Senegal: draft resolution	3	Adopted without change. See resolution 905 (XXXIV).

Document No.	Title	Agenda Item	Observations and references
E/L.965	Statement by the Under-Secretary for Economic and Social Affairs at the 1213th meeting of the Council	10	Mimeographed. A summary of this statement appears in the summary record of the 1213th meeting, paras. 67-73.
E/L.966	Statement by the Under-Secretary for Economic and Social Affairs at the 1226th meeting of the Council	2	Ditto, 1226th meeting, paras. 1-18.
E/L.967/Rev.1	Brazil, Ethiopia, India and Yugoslavia: draft resolution	7*	
E/L.967/Rev.2	Brazil, Ethiopia, India and Yugoslavia: revised draft resolution	7	Adopted without change. See resolution 893 (XXXIV).
E/L.967/Rev.2/Add.1	Financial implications of draft resolution E/L.967/Rev.2: note by the Secretary-General	7	Mimeographed. See E/3663/Add.1 and 2.
E/L.968	Request for the inclusion of an additional item entitled "The Dag Hammarskjöld Foundation" in the agenda of the thirty-fourth session: memorandum by the delegation of Jordan	31*	
E/L.969	Ethiopia, India, Poland, Union of Soviet Socialist Republics, United States of America and Yugoslavia: revised draft resolution	5	Mimeographed. See the summary record of the 1231st meeting, para. 27, and resolution 891 (XXXIV).
E/L.969/Add.1 and Add.1/Corr.1	Financial implications of draft resolution E/L.969: note by the Secretary-General	5	Mimeographed. See E/3663/Add.1 and 2.
E/L.970	Union of Soviet Socialist Republics: draft resolution	15	Mimeographed. See the summary record of the 1233rd meeting, para. 85, and resolution 895 (XXXIV).
E/L.971	Terms of reference of the Economic Commission for Africa — Colombia, El Salvador and Uruguay: draft resolution	10	To be considered at the resumed thirty-fourth session.
E/L.972	Ethiopia and Senegal: draft resolution	10	Ditto.
E/L.973	List of resolutions adopted by the Economic and Social Council during its thirty-fourth session		Mimeographed. For the text of the resolutions, see <i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 1</i> .
E/L.974	Extract from the statement by the Under-Secretary for Economic and Social Affairs at the 1236th meeting of the Economic and Social Council	26	Mimeographed. A summary of the statement appears in the summary record of the 1236th meeting, paras. 43-45.
E/OB/17 and Add.	Report of the Permanent Central Opium Board to the Economic and Social Council on the work of the Board in 1961	22	United Nations publication, Sales No. 62.XI.3, and Addendum.
E/RES/879 (XXXIV) — 925 (XXXIV)	Resolutions adopted by the Council at its thirty-fourth session		<i>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 1</i> , resolutions 879 (XXXIV) — 925 (XXXIV).
E/TAC/110	Administrative and operational services costs for 1962: budget estimates for the secretariat of the Technical Assistance Board for the year 1962	13 (b)	Mimeographed.
E/TAC/111 and Add.1	Transfer of allocations: 1961 — Report of the Executive Chairman of TAB	13 (b)	Ditto.
E/TAC/112 and Corr.1	Report of the Secretary-General on programmes of technical assistance financed by the regular budget	13 (a)	Ditto.
E/TAC/113 and Corr.1	Administrative and operational services costs for 1962: Note by the Executive Chairman of TAB (communications from the World Meteorological Organization and the International Telecommunication Union)	13 (b)	Ditto.
E/TAC/114	Consideration of guidelines for governments wishing to establish priorities under the Expanded Programme of Technical Assistance: report of the Technical Assistance Board	13 (b)	Ditto.
E/TAC/115	Use of experts and training facilities provided by developing countries: report of the Technical Assistance Board		
E/TAC/116	Amendments to the legislation for the implementation of project programming in 1963-1964	13 (b)	Ditto.
E/TAC/117	Report of the Executive Chairman of TAB on recruitment of technical assistance field personnel	13 (b)	Ditto.
E/TAC/L.256	Agenda of the Technical Assistance Committee (November-December 1961)	13	See E/3563, para.2.
E/TAC/L.257 and Corr.1	Amendments to the approved programme for 1961-62 requested by governments and approved by the Executive Chairman and TAB during the period 1 January — 30 September 1961	13 (b)	Mimeographed.

<i>Document No.</i>	<i>Title</i>	<i>Agenda item</i>	<i>Observations and references</i>
E/TAC/L.258 and Add.1	Revised supplementary programme for 1961-1962: note by the Executive Chairman of TAB	13 (b)	Ditto.
E/TAC/L.259	Allocation of funds for 1962: report of the Executive Chairman of TAB	13 (b)	Ditto.
E/TAC/L.260	Contingency authorizations made from the working capital and reserve fund, from 1 January to 23 October 1961: report of the Technical Assistance Board	13 (b)	Ditto.
E/TAC/L.261	Opening statement by the Executive Chairman of TAB at the 257th meeting of the Technical Assistance Committee	13	Ditto.
E/TAC/L.262	United States of America: amendment to the draft resolution contained in E/TAC/L.259, Annex II	13 (b)	See E/3563, para. 48.
E/TAC/L.263	Statement by the Commissioner for Technical Assistance at the 260th meeting of the Technical Assistance Committee	13	Mimeographed.
E/TAC/L.264	Draft report of the Technical Assistance Committee	13	Mimeographed. For the report, see E/3563.
E/TAC/L.265/Rev.1	Agenda of the Technical Assistance Committee (June-July 1962)	13	See E/3680, para. 2.
E/TAC/L.266	Opening statement by the Executive Chairman of TAB at the 262nd meeting of the Technical Assistance Committee	13 (b)	Mimeographed.
E/TAC/L.267	Draft resolution	13 (e)	Adopted without change. See Council resolution 902 (XXXIV).
E/TAC/L.268	Statement by the Commissioner for Technical Assistance at the 270th meeting of the Technical Assistance Committee	13 (a)	Mimeographed.
E/TAC/L.269	Netherlands: draft paragraph for inclusion in the report of the Technical Assistance Committee	13 (b)	Ditto. Adopted by the Committee in amended form; see E/3680, para. 32.
E/TAC/L.270	Jordan: draft resolution of the Technical Assistance Committee	13 (b)	Replaced by E/TAC/L.270/Rev.1.
E/TAC/L.270/Rev.1	Jordan: revised draft resolution	13 (b)	Adopted without change. See E/3680, Annex III.
E/TAC/L.271/Rev.1	Afghanistan, Czechoslovakia, Ethiopia, India, Indonesia, Jordan, Netherlands, Poland, Senegal, Sudan, United Arab Republic and Yugoslavia: draft resolution	13	Replaced by E/TAC/L.271/Rev.2.
E/TAC/L.271/Rev.2	Afghanistan, Brazil, Czechoslovakia, Ethiopia, India, Indonesia, Jordan, Netherlands, Poland, Senegal, Sudan, United Arab Republic and Yugoslavia: revised draft resolution	13	Adopted without change. See Council resolution 898 (XXXIV).
E/TAC/L.272	Ethiopia, Senegal, Sudan and United Arab Republic: draft resolution	13 (d)	Replaced by E/TAC/L.272/Rev.1.
E/TAC/L.272/Rev.1	Ethiopia, Senegal, Sudan, United Arab Republic and Upper Volta: revised draft resolution	13 (d)	Adopted without change. See Council resolution 900 B (XXXIV).
E/TAC/L.273	Statement by the representative of the Food and Agriculture Organization of the United Nations at the 274th meeting of the Technical Assistance Committee	13 (d)	Mimeographed.
E/TAC/L.274	Statement by the representative of the United Nations Educational, Scientific and Cultural Organization at the 274th meeting of the Technical Assistance Committee	13 (d)	Ditto.
E/TAC/L.275	Statement by the representative of the International Labour Organisation at the 274th meeting of the Technical Assistance Committee	13 (d)	Ditto.
E/TAC/L.276	Australia, Colombia, El Salvador, Ethiopia and United States of America: draft resolution	13 (d)	Replaced by E/TAC/L.276/Rev.1.
E/TAC/L.276/Rev.1	Australia, Colombia, El Salvador, Ethiopia and United States of America: revised draft resolution	13 (d)	Adopted without change. See Council resolution 900 A (XXXIV).
E/TAC/L.277	Statement by the representative of the World Health Organization at the 274th meeting of the Technical Assistance Committee	13 (d)	Mimeographed.
E/TAC/L.278	Afghanistan: amendment to draft resolution E/TAC/L.276	13 (d)	See E/3680, para. 124.
E/TAC/L.279 and Corr.1 and 2 and Add.1-3 and Add.1/Corr.1 and Add.2/Corr.1 and Add.3/Corr.1	Draft report of the Technical Assistance Committee		Mimeographed. For the report, see E/3680



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1209th (opening) meeting

Tuesday, 3 July 1962

at 10.15 a.m.

PALAIS DES NATIONS, GENEVA

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President: Mr. J. MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Yugoslavia.

Observers for the following Member States: Austria, Chile, China, Cuba, Czechoslovakia, Greece, Hungary, Iraq, Ireland, Israel, Mali, Mexico, Netherlands.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Bank for Reconstruction and Development, World Health Organization, Universal Postal Union, International Telecommunication Union, World Meteorological Organization, Interim Commission for the International Trade Organization.

The representative of the International Atomic Energy Agency.

Opening of the session

1. The PRESIDENT declared open the thirty-fourth session of the Economic and Social Council.

AGENDA ITEM 1

Adoption of the agenda
(E/3622 and Corr.1-3)

2. The PRESIDENT invited the Council to consider the provisional agenda for the thirty-fourth session (E/3622 and Corr.1-3).

The provisional agenda was adopted.

Arrangement of business (E/L.938/Rev.1)

3. The PRESIDENT invited the Council to consider the arrangement of business proposed by the Secretary-General (E/L.938/Rev.1).

4. Mr. ARKADEV (Union of Soviet Socialist Republics) thought it regrettable that the agenda item dealing with world economic trends should be considered as late as the third week of the session; in his delegation's view, it should be brought forward to the second week.

5. He also considered that it would be more appropriate if the items dealing with international commodity problems, natural resources and land reform and rural development — all subjects of vital importance to the developing countries — were discussed in the first place in plenary session.

6. Mr. KLUTZNICK (United States of America) said that, while in general his delegation took the view that the arrangement of business should be left undisturbed, it felt that it would facilitate the conduct of the Council's business if the large number of questions of co-ordination arising out of the Secretary-General's report on the United Nations Development Decade (E/3613) were referred to the Co-ordination Committee for whatever comments it might wish to make either to the Economic Committee or in plenary session, as appropriate.

7. Secondly, his delegation considered that, in view of the numerous questions before the Council, the proposed committee of the Council on questions relating to the Special Fund and EPTA, referred to in paragraph 4 of document E/L.938/Rev.1, should not be set up at the current session, although such action should not be regarded as constituting a precedent.

8. The PRESIDENT said that he understood that technical difficulties associated with the Acting Secretary-General's schedule would make it difficult to alter the date for the discussion of world economic trends. He asked the USSR representative what order of priority he wished to give to the three agenda items which he desired to have discussed in plenary session.

9. Mr. ARKADEV (Union of Soviet Socialist Republics) said that, while it was difficult to make a choice in view of the importance of the three subjects, he would perhaps give first place to land reform and rural development.

10. Mr. WALKER (Australia) hoped that there would not be many changes made in the arrangement of business. It was difficult to see what advantage there

would be in holding a general debate in plenary session on the three subjects mentioned; items requiring technical discussion were best dealt with in committee. Moreover, discussion in plenary session would amount to making an addition to an already heavy agenda.

11. Mr. CERULLI-IRELLI (Italy) said that his delegation had no decided views on a possible change in the agenda or the USSR delegation's proposal that the Council should consider certain items in plenary session. It would, however, be better to maintain the agenda as it stood, for that was the basis on which delegations had drawn up their plans of work.

12. With reference to the proposal that a committee should be set up, at that session the Council would be able to go into the question of the co-ordination of technical assistance activities thoroughly, since it had before it the report on that subject of the *ad hoc* Committee of Eight set up under Council resolution 851 (XXXII). It would be pointless to complicate the work by setting up a further body.

13. The PRESIDENT asked the representative of the USSR whether he wished to press his suggestion to a vote.

14. Mr. APKADEV (Union of Soviet Socialist Republics) said that, if the other members of the Council considered the proposed arrangements satisfactory, he would not ask for a vote. He had merely wished the Council to devote more attention to those three very important questions.

15. The PRESIDENT invited the Council to comment on the two suggestions made by the United States representative.

The United States suggestions were adopted and the arrangement of business, as amended, was approved.

16. The PRESIDENT invited non-governmental organizations in categories A and B desiring to be consulted concerning items on the agenda to apply in writing within forty-eight hours, in accordance with the provisions of rule 85 of the Council's rules of procedure.

The meeting rose at 11.50 a.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1210th meeting

Thursday, 5 July 1962
at 10.45 a.m.

PALAIS DES NATIONS, GENEVA

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President : Mr. J. MICHALOWSKI (Poland).*Present* :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Austria, Belgium, Bulgaria, Canada, Cuba, Czechoslovakia, Ecuador, Greece, Hungary, Indonesia, Ireland, Mali, Netherlands, Romania, Spain.

Observer for the following non-member State : Holy See.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organisation, International Bank for Reconstruction and Development, World Health Organization, Universal Postal Union.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 10

Reports of the regional economic commissions (E/3581/Rev.1, E/3584 and Corr.1, E/3586, E/3599 and Corr.2, E/3643, E/3649, E/3664; E/L.953 and Corr.1)

1. The PRESIDENT welcomed the executive secretaries of the regional economic commissions.

2. Mr. VELEBIT, Executive Secretary, Economic Commission for Europe, introducing the Commission's report (E/3584), said that he would preface his statement with a few remarks on the main features of the current economic situation in Europe.

3. In part I of the *Economic Survey of Europe in 1961* (E/ECE/452), the ECE secretariat had suggested that 1962 was likely to see a continuing expansion of production in both western and eastern Europe. In the light of data which had subsequently become available, it still seemed reasonable to expect that there would be no significant slackening of the rate of expansion in the east European countries and the Soviet Union in 1962, provided that weather conditions were more favourable to farm output than they had been in 1961, and despite the fact that

subsequent information had confirmed that in 1961 difficulties had been encountered in a number of those countries and had persisted into 1962. In particular, developments in the agricultural sector had been unsatisfactory in most of those countries other than Poland.

4. So far as western Europe was concerned, the *Survey* had noted a certain slackening of investment demand in the later months of 1961; it had also suggested that consumption was likely to replace investment as the mainstay of expansion in the course of 1962 and that a continuing growth of total demand and of output in the United States might provide further stimulus to the European and indeed to the world economy through increased imports into that country. In the United States, however, earlier expectations about the rise in national product likely to be achieved in 1962 might be disappointed, unless the existing slack demand for investment could be stimulated and the threat of a falling-off in consumer demand averted by fiscal or other means. Some hesitation and uncertainty were also perceptible among west European business men and industrialists, reflecting domestic influences such as reduced profit margins in some countries and disappointment with current trends in the United States economy. It was also possible that the repercussions in Europe of the break in share prices on Wall Street had had some psychological effect.

5. Nevertheless, uncertainty about the trend of the United States economy was not in itself a sufficient reason for expecting a marked slowing down in economic growth in Europe. During the past decade, the European economy had acquired a strength and resilience which should enable it to withstand without much difficulty the impact of minor economic fluctuations in the United States, particularly since the recent improvements in the international monetary system had increased the facilities at the disposal of IMF and of the national banks which co-operated with it for off-setting speculative capital movements. If those facilities were effectively employed, it should in future be possible to counteract the speculative pressures on balances of payment which in the past had sometimes forced governments to resort to policies which had undesirable effects on their domestic economies.

6. He did not think that the existing situation, either in the United States or in western Europe, justified fears of serious recession in the near future. Nevertheless, it would hardly be surprising if the existing mood of hesitancy led to temporary slackening of demand, particularly for investment, which might begin to affect the pace of expansion of west European output by the end of 1962.

7. The pace of economic expansion in western Europe and the United States was of particular concern to the primary-producing countries, which depended heavily on those two areas for their export markets. Although the total trade turnover of western Europe in 1961 had risen by about 6.5 per cent and intra-west-European trade had increased by 12 per cent, western Europe's imports from the primary-producing countries had hardly changed from the 1960 level. It therefore remained doubtful whether western Europe would substantially increase its imports from the primary producers in 1962. Although the market provided by eastern Europe for the products of the less industrialized countries, excluding mainland China, was still only one-tenth of that furnished by western Europe, east European imports from these countries had risen by nearly 20 per cent in 1961 and would probably rise still further in 1962. It was hardly necessary for him to reiterate how urgent it was that the already industrialized countries should progressively modify their trading policies so as to provide easier access to their markets for the gradually growing manufactured exports of the economically less developed areas. There had been one or two moderately encouraging developments in that connexion within the ECE area since the Council's thirty-third session, while the 20 per cent reduction in the common tariff on non-agricultural products recently conceded by the countries of the European Economic Community (EEC) in return for a range of tariff reductions by the United States, the United Kingdom and some other countries might be of potential benefit to countries not directly involved in those negotiations. The provisions of the United States Trade Expansion Act opened up wider prospects of a general lowering of tariff barriers, particularly if the United Kingdom and some other European countries eventually adhered to the Common Market. Against that, it was clear that the market in EEC for temperate-zone agricultural produce was to be a protected one and access to it might prove very restricted. It thus seemed necessary that new and energetic efforts on a world-wide scale should be made to deal with the real threat of an intensifying problem of agricultural surpluses in the years to come.

8. The ECE had had a further year of fruitful activity and governments of member countries were increasingly using the facilities for practical co-operation which the Commission provided. Its committees, which formed the mainstay of its work, were more active than ever and were keeping abreast of current economic and technological developments. During the past year, for instance, increased attention had been devoted to productivity promotion and to the study of new production techniques in specific industrial fields. There had been exchanges of experience between regions on a high level of expert knowledge through such media as seminars, symposia and meetings of specialized institutes. Cases in point were the recent Conference of Directors of National Mining Institutes — the first of its kind — and the Symposium on the Rationalization of Electric Power Consumption. The documentation arising from those meetings, which was available to all States Members of the United Nations, helped to transmit the most advanced technology from ECE countries to those in other regions. He hoped that experts from countries in the other regions would

take an increasing part in such meetings and share in the process of comparison and dissemination of vital industrial experience and knowledge.

9. Work on the elaboration of European standards had been intensified. For instance, there had been an insistent demand by governments for the establishment of quality standards for further categories of fruit and vegetables; those standards would be increasingly applied throughout Europe in the course of 1962. In transport, one project was directed towards the consolidation of national and international regulations concerning road traffic, an increasingly acute problem for most European countries. With regard to statistics, agreement had been reached on rules for adjusting data on domestic product and income compiled respectively on the basis of the United Nations system of national accounts and on the basis of the method of balances of the national economy used in countries with centrally planned economies, so as to match the concepts used in the two systems.

10. There was evidence of growing interest in the elucidation of problems of economic choice in specific fields, such as agriculture and electric power. The second meeting of senior economic advisers would discuss criteria for investment policies. Work on economic projections and on the examination of long-term problems facing governments in various sectors of the European economy had been further developed, while a number of major research studies that could provide guidance in the formation of government policies had been completed.

11. Work on problems of special interest to the under-developed countries figured ever more prominently throughout the range of the Commission's activities. There was close co-operation with the secretariats of other regional economic commissions; it was intended to develop that co-operation on the basis of comprehensive plans covering joint efforts between the commissions. Again, ECE was participating increasingly in technical assistance operations; it was making a contribution to a number of technical assistance projects in various European countries and hoped to develop those activities still further. The Commission had approved the expansion of its in-service training programme so as to include in it fellowships for candidates from the ECA, ECAFE and ECLA regions. Since the Technical Assistance Office in Geneva had been incorporated in the ECE secretariat, the Commission should be in a better position to undertake such work, although any substantial support of technical assistance projects by the ECE secretariat was likely to require additional staff.

12. There had been co-operation between ECE and Headquarters in a number of activities undertaken primarily in the interests of developing countries. The Housing Committee of ECE, for instance, had decided to make a contribution to the United Nations seminar dealing with problems of urbanization. Again, ECE was actively considering how the Commission and its secretariat could most effectively promote the purpose of the United Nations Development Decade; it was proposed in that connexion to concentrate further research effort on the study of the different planning techniques employed in the region. There was also co-operation with Headquarters on projects concerning industrialization. He had pledged

his wholehearted support and the co-operation of ECE for the work of the new Industrial Development Centre. He hoped that the Council would draw the attention of the General Assembly and its Fifth Committee to the necessity of equipping the regional economic commissions with the material resources necessary to accomplish that great task. During the Development Decade, ECE could make an important contribution, based on its experience in industrial economics and technology, provided that it was given the necessary means.

13. The Commission was particularly well equipped to play a role in facilitating and improving trade relations between European countries and especially between those with different economic systems. The Committee on the Development of Trade had already made a recommendation that, in the event of any difficulties arising in trade between individual countries, participants and non-participants in sub-regional groupings in the European region, representatives of such countries should meet in the framework of procedures agreeable to both sides as often as required, with the aim of overcoming the difficulties and finding ways and means of assisting the development of trade between them (see E/3584, para. 174). He hoped that ECE governments would inform the Committee on the Development of Trade at its next session that they had applied that recommendation or intended to apply it. The Committee would consider what further steps might be taken to draw up additional recommendations.

14. What he had said made it clear that ECE was moving forward to meet the needs of participating governments, which were agreed that there was scope for strengthening and developing the activities of the Economic Commission for Europe. At their request, the secretariat had drawn the Commission's attention to certain possibilities in that direction.

15. During the fifteen years of its existence, ECE had undoubtedly made a contribution to the reconstruction of the European economy. The Commission must at all times seek to determine how, in the face of changing circumstances, it could best discharge its obligations under its mandate and under the Charter of the United Nations, and towards the overriding objectives of the Organization in the economic sphere. In order to do so, ECE need not and indeed must not divert its attention from its essential task, which was to strengthen economic co-operation in the region with which it was concerned. He was convinced that if ECE governments, particularly those with different economic systems, used the Commission and co-operated with it, additional resources in terms of expert knowledge and experience and of financial means were likely to be released, and could then be channelled to the developing countries. He believed that the other regional commissions appreciated the close link between the course of European co-operation within the ECE region and their own interests and destinies. As the Acting Secretary-General had said at the seventeenth session of ECE (see E/3584, annex III), it was ECE integration within the global system that would make it possible for the Commission to make its contribution to the Organization's effort to extend to the less fortunate countries in the world the knowledge and skills which flourished so markedly in Europe.

16. U NYUN, Executive Secretary, Economic Commission for Asia and the Far East, introducing the Commission's report (E/3599 and Corr.2), said that the economic situation for the year 1961 in Asia and the Far East presented some encouraging features, although the long-term prospects for the current decade were not so bright.

17. Most countries in the ECAFE region had further improved their economic position in 1961; new record levels in agricultural and industrial production had been reached and there had been relative stability in the internal price level. At the same time, the growth of exports had been sluggish compared with the record level of imports. Terms of trade had deteriorated for most countries in the region and there had been a considerable depletion of foreign exchange reserves.

18. The index number of total agricultural production had moved appreciably upwards in several countries, although in Iran it had fallen by 2 per cent. Several countries had also recorded appreciable gains in food production. Industrial production had increased by 17 per cent, as had the index of manufacturing production in response to the vigorous development policies being pursued by various countries. Japan, assisted by a high level of investment in equipment and inventories, had recorded an increase of 22 per cent in manufacturing production.

19. Such short-term progress, however, had made only a small impression on the long-term problems of the countries of the region; the scale of progress was not yet adequate or sustained, and levels of living in many countries remained as low as ever. Per caput incomes were not rising in a measure that would promise reasonable levels of living in the foreseeable future. It was, however, encouraging that the countries of Asia were now alive to their problems and their potentialities and were determined to move forward.

20. As the Council was aware, international trade occupied a place of crucial importance in the Development Decade, when the developing countries in Asia and elsewhere were doing their best to increase their export trade and so to bridge the growing gap between their export earnings and their import requirements for development purposes. The Commission and its Committee on Trade had expressed concern over the fact that serious barriers to the expansion of exports from the developing countries still existed in the industrial countries; those barriers took various forms, such as quantitative import restrictions, protective customs duties, internal fiscal charges and price support schemes. Nevertheless, there was an increasing awareness among the major industrial countries of their responsibility to contribute to a solution of the problem by adopting more liberal trade policies. In that connexion, the joint Declaration on the promotion of the trade of less developed countries approved in November 1961 at the meeting of ministers of Contracting Parties to GATT had been an important landmark. Asian countries were, however, anxious that the declaration should be followed by definite programmes of action. In view of the trade policies that were being developed in western Europe and in the United States, the Asian countries felt that it was timely that an attempt should be made to ascertain how those countries could

increase their imports from the under-developed countries, not only of the traditional raw or semi-processed materials, but also of manufactured goods.

21. Some countries in the ECAFE region had already formed sub-regional groupings and a number of measures had been undertaken for increasing trade between the countries of the region. During the past three years, those countries had met annually under the auspices of ECAFE for intraregional trade promotion talks; those talks had been found very helpful by governments, which were following up the possibilities of increasing intraregional trade in the context of expanding world trade. Most countries in the region had agreed to adopt the ECAFE code of recommended customs procedures suggested by the ECAFE Working Party on Customs Administration, which would bring about an improvement in efficiency and simplification of customs formalities. The countries in the region had also agreed to provide mutual assistance in respect of trade, commercial arbitration and customs administration. They had furthermore decided to hold an Asian Trade Fair in Pakistan late in 1963.

22. The Commission had particularly emphasized the urgent need for giving effect to General Assembly resolution 1707 (XVI) and had asked him to draw the attention of the Council to the Commission's resolution 37 (XVIII), which invited States Members of the United Nations to take concerted action to ensure that the less developed countries would obtain an equitable share of world trade.

23. The development of national economies still remained the overriding priority in the countries of the region. Most of the national planning projects in the countries concerned aimed at building and improving the infrastructure. Recent discussions in various subsidiary bodies of the Commission, however, had made clear that in matters such as resources surveys, the development of industries and transport and the adoption of planning techniques and policies, the countries would benefit greatly from a broad outlook which would take into account developments occurring or likely to occur in other countries.

24. The year had been one of fruitful activities for the Commission and significant progress had been achieved in specific matters, such as the development of industry and natural resources, transport and communications, economic development planning, research and statistics, water resources development, agriculture, and the social aspects of economic development. The Commission and its subsidiary bodies had continued to concentrate attention on major problems of economic development and had laid special emphasis on projects of regional importance, projects which encouraged the countries in the area to work together, and projects which had a bearing on the formulation of policies by member governments. Many of the projects had been implemented by the secretariat in close co-operation with BTAO, the Special Fund and the various specialized agencies.

25. Increasing assistance had been given in connexion with industrial and natural resources development, as evidenced by various meetings convened to that end which had yielded a number of practical suggestions for action. Direct operational assistance had been the

most important advance during the past year. In a developing region the need, particularly in the smaller countries, was for on-the-spot advice. In addition to the regional panel of experts in the field of rural electrification, further panels on manufacturing problems were to be established to help in matters of production techniques, raw material supplies, administrative and financial arrangements and marketing.

26. The countries of the region had been helped to review their transport and communications situation and requirements, from both an economic and a technical point of view, and in relation to their economic development plans. A number of transport surveys had been carried out and more were planned.

27. Council resolution 823 (XXXII) and General Assembly resolution 1709 (XVI) had given further impetus to the process of decentralization, and the Secretary-General, in his previous report to the Council¹ and in that to the General Assembly,² had described a number of measures adopted or contemplated for strengthening the activities and increasing the resources of the regional commissions. The Commission had already assumed responsibility for regional technical assistance projects and was assisting countries and resident representatives to achieve more rational country programming. At a meeting convened by the Chairman of TAB and the Managing Director of the Special Fund early in 1962, ECAFE had expressed its views on the economic and social considerations to be borne in mind in preparing country programmes. It had also taken part in a number of technical assistance missions which he hoped would pave the way for more efficacious and well-considered projects for consideration by the Special Fund. In addition, the Commission had assumed responsibility, both substantive and administrative, on behalf of the Special Fund for the hydrographic survey and the mineral resources survey projects on the Mekong river.

28. The resolutions he had mentioned had emphasized the urgent need for strengthening the resources and personnel of the regional commission. That was all the more necessary in ECAFE, which had already embarked upon entirely new types of activity such as advisory services, training and operational work.

29. Countries of the region were increasingly benefiting from the Commission's services and the more decentralized technical assistance procedure. It was essential to turn to full account the limited resources available and to make full use of the secretariat's knowledge and experience, particularly for planning, executing and evaluating technical assistance projects. Consequently, the Commission had adopted resolution 41 (XVIII) urging that steps should be taken to provide the secretariat with the necessary authority and resources to carry out its functions, both old and new.

30. While recognizing the needs of newly independent countries in other regions, Member States had noted with regret that the percentage share of ECAFE in EPTA

¹ *Official Records of the Economic and Social Council, Thirty-second Session, Annexes*, item 6 of the agenda, document E/3522.

² *Official Records of the General Assembly, Sixteenth Session, Annexes*, items 12, 28, 29 and 30 of the agenda, document A/4911.

had recently declined. Though the actual amount spent under the programme had been higher than in the previous year, it was felt that the geographical distribution of funds should not be on a regional basis alone, and that equitable distribution among countries was equally important.

31. Among important regional projects he reported the excellent progress made in the Mekong project. If expectations were realized, the first major construction would start at the end of 1963 and three additional tributary projects would reach the construction phase by the end of 1964. In the best United Nations spirit, the four riparian States forming the Co-ordination Committee had met regularly, even during a period when relations between some of them had been difficult. All who were associated with the project were grateful to the co-operating countries, United Nations bodies and other participating organizations. The project not only held out promise of a major economic development in the future, but was also serving as a stabilizing influence in an area where certain problems existed.

32. Steady progress was also being maintained on the Asian Highway project, and the countries concerned were giving priority within their national plans to developing the roads that would link up with the highway. Some tasks had already been completed, but pre-investment surveys for other work would be needed, for which it was hoped to obtain assistance from the Special Fund. He would appeal to advanced countries to give favourable consideration to providing substantial technical and financial aid towards the completion of the project.

33. The "Visit the Orient Year" campaign launched in 1961 was taking shape, and had been so successful that a suggestion had been put forward in the Inland Transport and Communications Committee that co-operative action on a continuing basis should be arranged.

34. In many countries, development was being hampered by the lack of trained personnel for drawing up and implementing development plans. A small beginning had been made by the secretariat since 1960 in the provision of in-service training for a limited number of junior government officials, but much more would have to be done to meet increasing needs in that direction.

35. In order to promote rapid economic development during the Development Decade the Commission had unanimously adopted resolution 36 (XVIII) on the establishment of an Asian institute of economic development that would provide training and expert advice for refining and standardizing planning techniques. It would also encourage a common approach. Such an institute, geared to regional needs, drawing upon the experience of individual countries and bearing in mind their special social and economic features, would fill an urgent need, and there seemed no better way of achieving a more regional outlook and wider co-operation.

36. The Commission and its subsidiary bodies had provided a forum for the discussion of pressing problems and for an exchange of views and experience with a view to their solution. While some could be tackled at the national level, there were a number which could best be handled on a regional and international basis. The Commission had consistently held the view that

economic development could best be accelerated by a co-operative effort between countries of the region and between them and the more advanced countries of the world. It was gratifying to know that the Commission's activities, diligently and constructively pursued over the years, had reached a stage at which emphasis could be placed on greater regional co-operation within a wider international context.

37. Mr. PREBISCH, Executive Secretary, Economic Commission for Latin America, introducing the Commission's report (E/3581/Rev.1), said he was gratified at the decision of governments to extend considerably the industrial counselling functions of the United Nations Secretariat. That would undoubtedly require an increase in the staffs of regional secretariats as would the decentralization of technical assistance activities. There was already a large measure of decentralization in ECLA, particularly with regard to regional projects and advisory groups, but its further extension, and the achievement of administrative flexibility, were hindered by shortage of staff. That was a fundamental problem of the regional commissions, particularly in Latin America where important developments were imminent, due to the chronic slowness of economic growth. The illusion, based on an ephemeral improvement in the terms of trade of the immediate postwar period, that the Latin American countries were entering on a period of spontaneous and rapid growth, had long since vanished. The present situation was one of continuing stagnation, which had considerably aggravated social tensions. He believed that the economic and social structure of Latin America was destined to undergo great changes, and he would like to see the secretariat play an active part in the process.

38. Those changes were inevitable and the problem was whether the process was to be violent and disorderly or conscious and deliberate. Those who advocated the need for structural changes in Latin America recognized that those evolutionary ideas were now being crystallized into new forms of international action. It was a common misunderstanding in both Latin America and elsewhere that the new policy which was being initiated was a master plan conceived by the United States to change the economic and social structure of Latin America. What had really happened was that the United States had recognized the need for those changes which could not come from outside, but must be the result of deliberate action by the people of Latin America.

39. The significance of the new policy of co-operation was very great, since it meant that those who hoped to carry out those changes in Latin America would be regarded not as wicked disturbers of that order, but as men who wished to transform the existing order so as to accelerate economic growth and ensure the equitable distribution of the fruits of growth among the vast masses of the continent. The essential purpose of the policy was to ensure that those men received the necessary support and economic co-operation from abroad which would enable them to carry through those changes in the most orderly and least painful fashion. It must not be expected that the new policy would bring immediate results; setbacks and occasional frustration were inevitable. He did not know to what extent the leaders of

Latin America were amenable to those new ideas, but he was convinced that there was an irrepressible force in Latin America, especially among the new generation, and if those who had the power then did not make those changes, others would inevitably do so.

40. Those changes would undoubtedly affect foreign investment in Latin America, and certain economic and technological enclaves would have to submit to change together with the other constituent elements of the economy. Certain interests might be prejudiced and the policy of technical economic co-operation with other countries might be upset, but difficulties of that kind would have to be faced.

41. Another serious problem was the course of events in the European Common Market and its influence on the economic development of Latin America. The Latin American countries were concerned at the discriminatory treatment of their commodities by EEC and also at its agricultural development policy, which was going to deprive Latin American countries of part of their traditional markets. He himself would have less anxiety if he saw that Europe had a clear understanding that Latin America was entering on a period of fundamental change in which it would need large-scale technical and economic assistance from both within and outside the American hemisphere. He would be happier if he could see that Europe was ready to shoulder its own responsibilities in that direction. Latin America was potentially well-fitted to withstand the impact of the European Common Market, but needed the necessary technical and economic resources for vigorous development. Such development required not only internal structural changes, but also new forms of international trade among which preference must be given to a Latin American free-trade zone. It was a matter for regret that the desire for a Latin American common market was not yet strong enough to produce results as quickly as was needed.

42. In speaking of a Latin American common market, he did not wish to suggest that Latin America should not make every effort to increase her trade with the rest of the world, both in commodities and in manufactures. There were two alternatives: the Latin American countries could either form a common market with the idea of achieving self-sufficiency, or aim at industrial expansion with a view to supplying the world market. The choice would depend on the policy of the world's industrial countries.

43. The ECLA secretariat had reached the conclusion that, if Latin America had sufficient financial and technical aid, it could enter the industrial export market with a series of products requiring a high proportion of labour in relation to capital, various kinds of machinery, for example. Latin America could export semi-manufactured or manufactured products instead of iron ore, and thereby help to absorb immense masses of labour. Such problems would have to be judged by new rather than traditional standards, and a wise policy on the part of the industrial countries with regard to imports of manufactured products could have a considerable influence on the course of events.

44. Mr. KLUTZNICK (United States of America) said that he had been very much impressed by the reports of the regional economic commissions. His government valued its participation in the work of the regional economic commissions and their subordinate bodies, from which it had learned to appreciate their growing role within the United Nations system. The United States would continue to do its best to help them to perform the task for which they had been created. Perhaps the most convincing justification for the commissions was the growing evidence of the varied types of activity they were undertaking to meet the different needs of the regions.

45. Commenting on the commissions in turn, he said that some of the countries of the region served by ECLA had reached a relatively advanced stage. That Commission had evolved a pattern of work adapted to the requirements of its member States. Though it convened few conferences or meetings, it performed an indispensable service in collaborating with other institutions in the area. It was particularly satisfactory to note its work in the preparation of special studies of interest to the Alliance for Progress, the Latin American Free-Trade Association and the Central American economic integration programme. In that connexion, he emphasized his country's sympathy with the aspirations of the Latin American peoples and its desire not to direct and guide but to give assistance as a friendly neighbour.

46. He had noted with interest that ECLA was establishing advisory groups for programming economic development for member countries. Among the pressing problems confronting developing countries were taxation and its administration; a conference on that subject had been convened by the Commission together with OAS, the Inter-American Development Bank and Harvard University and would be followed by further meetings. On another key problem, that of agrarian reform, the Commission had collaborated with OAS, FAO and the Inter-American Institute of Agricultural Sciences. The ECLA secretariat had also given considerable assistance to the group of experts engaged on preparatory studies for the special meeting of the Inter-American Economic and Social Council at ministerial level.

47. All those activities reflected the special position which the Commission had built up for itself in the region. Given its key role, it was natural for the secretariat to have taken the initiative in the establishment of a Latin American Institute for Economic and Social Planning. The institute was to begin working shortly and would thus be the first of the three regional institutes to get under way. As a pioneer in the matter, ECLA had the heavy responsibility of ensuring that the institute operated efficiently and that it undertook training, research and advisory mission functions which did not duplicate those of the Commission itself. In its many achievements, ECLA had responded to the constructive and outstanding leadership of the Executive Secretary, to whose work he would pay tribute.

48. With regard to ECAFE, having attended its eighteenth session, he had been struck by the mature and realistic manner in which the member States had discussed their

economic and social problems. The success of the session had been in part due to the excellent preparatory work of the first session of the Conference of Asian Economic Planners, the Asian Seminar on Planning and Administration of National Community Development Programmes, and the efficiency of the Committee for Co-ordination of Investigations of the Lower Mekong Basin. The Conference had reviewed the past experience of each member State and had compared the stage reached in present development plans. It had also recommended the establishment of an Asian institute for economic development. His government has supported the Commission resolution 36 (XVIII) and hoped to participate in the work of the *ad hoc* committee to be set up under it. The United States had consistently supported the use of Special Fund resources to finance much of the initial cost of such institutes and hoped itself to help with funds and personnel once the institute had been set up.

49. The increasing attention being given to social aspects of development should be firmly encouraged, and he welcomed the important step taken in that direction by the convening in September 1961 of the Asian Conference on Community Development.

50. One of the region's most notable projects was that for the development of the lower Mekong basin, because of the contribution it could make to the political and social stability of the area, without which economic development became extremely difficult, if not impossible. For technical reasons, the United States had not committed itself to an additional contribution towards the work at the Commission's eighteenth session, but it had since indicated that it would consider financing two of the three projects asked for by the Committee for Co-ordination of Investigations of the Lower Mekong Basin and one project recommended by the Ford Foundation, as well as being willing to support continuation of the feasibility survey on the Pa Mong dam site.

51. The *Economic Survey of Asia and the Far East, 1961*¹ had been prepared by the secretariat with care and honesty and the ten-year review had provoked a useful discussion and would provide a solid foundation for an examination of the past and a realistic approach to the future. He would pay tribute to the work of the Executive Secretary of ECAFE.

52. With regard to ECE, he congratulated its secretariat on the high quality of the *Economic Survey of Europe in 1961*, which contained a well-balanced appraisal of recent and prospective developments in Europe. That Commission was the only European body with a membership of all European countries thus providing a forum for the differing economic views of East and West. In a sense, and to a limited degree, it could provide a bridge between the two, though the obstacles to co-operation must be candidly faced. The work of ECE, with its differing characteristics which distinguished it from other regional organizations, demonstrated the importance of the regional approach.

53. The Commission's seventeenth session had been successful largely because less time had been taken up by the discussion of extraneous political issues. With regard

to resolution 5 (XVII) on the organization of the Commission's sessions, he expressed the hope that member States would help the Executive Secretary to eliminate unnecessary duplication and repetition of debates. His government was ready to join with others in an effort to improve the organization of the sessions, being convinced that despite the differences in economic systems the Commission afforded a unique opportunity to its members to find increasing areas for common investigation and common participation. He expressed his delegation's appreciation of the way in which its Executive Secretary and secretariat had discharged their difficult responsibilities.

54. Though the Council had not yet heard the statement to be made by the Executive Secretary of ECA, he wished to comment on its report (E/3586). The United States, as an observer to the Commission, was keenly interested in its work and was convinced that it could make a significant contribution to the development of the area and to the advancement of regional co-operation. Unusual demands were made on the secretariat because of the many basic requirements of the region that were not found in other parts of the world. Commendable progress had been made, particularly in the varied statistical programmes, including training, consultant services, statistical handbooks and data processing.

55. He was particularly pleased to note the emphasis on community development and on the improvement of educational opportunities. His government also welcomed the steps being initiated to establish an African institute for economic development and planning and was glad to know that an application had been made to the Special Fund for that purpose. The report of the panel of the experts outlining a sensible, realistic and gradually expanding programme of instruction in economics over a five-year period (E/CN.14/128) deserved special mention.

56. The proposal to set up an African development bank was an example of the role of stimulation of regional commissions. His government would follow with interest the deliberations of the Committee established to promote that idea. Such an institution would have to be financed by the interested governments, but ECA could fulfil a useful function in pushing the proposal to a stage when it would be ripe for action.

57. Referring to all the commissions in general, he said that his government would, where appropriate, support the programmes of work and priorities set out in their reports. As was well known, it favoured regional development institutes and was anxious to dispel any misunderstanding about the scope of their functions and the immediate results that could be expected from them. Such institutes should have a threefold purpose: the training of competent national personnel; appropriate research and planning; and the provision of advisory services. No regional institute could be a substitute for sound and constructive planning by governments. United States representatives had repeatedly stated that the success of the Development Decade depended on the determination of developing countries to establish sound plans. At some stage in the future the institutes would help to provide badly needed staff for that purpose, but it

¹ United Nations publication, Sales No. 1962.II.F.1.

would be some time before they were in full operation and longer still before persons trained in such institutes could return to their countries. Those countries must not wait until their own personnel was available; regrettable as was the shortage of experts, he hoped that the best use would be made of the possibilities available so as to embark on planning without delay.

58. His delegation thought that it was generally recognized that genuine progress could be achieved only if economic planning were treated as being inseparable from social planning; the demarcation between them was becoming less and less distinct. His government hoped that the regional institutes would be guided by that important consideration in establishing their training programmes.

59. United Nations policy concerning decentralization had been affirmed on numerous occasions, yet the question persisted whether the process was being too slow or too rapid. If the former, field operations might be stultified; if the latter, existing programmes and institutions might be jeopardized. The touchstone should be the effective implementation of programmes with the proper division of responsibility between headquarters and the field by means of good planning and co-ordination at both ends. No simple criterion existed by which the pace for

decentralizing existing operations could be measured, but the reports under review confirmed the wisdom of the policy approved.

60. The outlines of the broad programme were still not definite and there was great need for good staff work, exchange of ideas and co-ordination, so that with the limited resources available the perennial problem of how and where they could best be used to meet an expanding list of priorities could be faced.

61. Among the Council's interesting and challenging items none was more fundamental to its long-term concerns than the one under discussion. The ultimate test would be the impact of the regional economic commissions on the progress of developing countries. Their influence was already marked and had steadily improved, which augured well for the future. Their work provided an impetus for the unprecedented efforts being made by the community of nations to help improve the status and dignity of man throughout the world. The excellent record of the regional economic commissions should strengthen the common resolve to achieve even more during the Development Decade.

The meeting rose at 12.50 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1211th meeting
Thursday, 5 July 1962
at 3 p.m.

PALAIS DES NATIONS, GENEVA

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President : Mr. J. MICHALOWSKI (Poland).

Present :

Representatives of the following States: Australia, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Belgium, Bulgaria, Cuba, Czechoslovakia, Greece, Hungary, Ireland, Romania, Spain, Sweden.

Observers for the following non-member States: Federal Republic of Germany, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Bank for Reconstruction and Development, World Health Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 10

Reports of the regional economic commissions (E/3581/Rev.1, E/3584, E/3586, E/3599 and Corr.2, E/3643, E/3649, E/3664; E/L.953 and Corr.1) (*continued*)

1. Mr. GARDINER, Executive Secretary, Economic Commission for Africa, introducing the Commission's report (E/3586) and drawing attention to the memorandum from Spain (E/L.953 and Corr.1), stressed the rapid growth in the membership and activities of ECA since its inception, a growth which had been particularly marked in the past twelve months.

2. Considerable progress was being achieved in dealing with the Commission's key problem of recruiting more staff, particularly a higher proportion of Africans at senior levels and a larger number of officers with experience in the Secretariat. At its fourth session (February-March 1962), the Commission had adopted resolution 51 (IV)

on staff recruitment and training, establishing a standing committee to examine the recruitment and staff training difficulties of the Commission's secretariat and to assist the Executive Secretary in establishing and implementing a long-range programme of africanization. That process of africanization, however, would not be effected at the expense of efficiency; the Commission counted on a realistic contribution of manpower from its member States, which alone had the pool of qualified Africans on which the Commission could hope to draw.

3. The Commission had already engaged in an impressive volume of activities, as judged by the number of meetings at Addis Abbaba and by the number of visits of staff members to almost all the States members of the Commission. He warned, however, against the tendency to overload the Commission's programme of work; the Commission should relate its proposed programme for a given year to the total resources available for that year, and the Secretariat's performance should be judged in the light of its potential.

4. The major problem facing Africa was how to promote economic development at a pace rapid enough to bring economic progress into step with the great political changes which had taken place. The new African governments were fully aware of that problem and the Commission was doing its best to assist them in their difficult task. In that connexion, he noted with satisfaction that the United Nations Development Decade was opening at a time when there was an increasing awareness among persons in authority in Africa of the need to devise methods and policies to accelerate economic growth.

5. In regard to the decisions on decentralization which had been adopted by the General Assembly, the Economic and Social Council and ECA itself, decentralization was essentially a practical problem. The Commission was already playing a role, and expected to do so increasingly, in the formulation of technical assistance programmes as well as in the production of substantive advice and in the execution of projects. Of particular importance in that respect were the regional advisers who had been appointed in certain fields.

6. As in previous years, the main emphasis in the Commission's work had been on the techniques of economic planning and development. In January 1962, a working party on economic and social development had met at the Commission's headquarters (E/3586, para 21); it was the first full conference to be held of members and associate members of the Commission on that important subject and it had permitted a valuable exchange of views on the problems in planning facing the participants and the solutions to those problems which were contemplated or which had been found adequate.

7. One of the most important problems common to the emergent States of Africa, however, remained that of building up an adequately trained national personnel capable of dealing with the planning and the implementation of development programmes. Most African countries still relied on the services of expatriate advisers. With the assistance of the United Nations Secretariat, ECA had been able to sponsor the establishment of four training centres for African statisticians.

8. In 1961, the ECA secretariat had devoted particular attention to preliminary work on the establishment of an African institute for development and planning (*ibid.*, paras. 25-33). Pursuant to a decision adopted by the Commission at its fourth session (resolution 58 (IV)), the institute would be established at Dakar in the summer of 1963 and its courses would begin in the autumn of that year. The institute would have three main functions: training, research, and the provision of advisory services to member countries. Initially, research would concentrate on the compilation of a body of specific knowledge on African problems which could serve as teaching material and make it possible to relate as closely as possible to the actual conditions prevailing in the region.

9. Another major project was the preliminary work on the establishment of an African development bank pursuant to resolution 27 (III) of the Commission (*ibid.*, paras. 34-37). A panel of experts had met in 1961 and had reported favourably on that project; it had advised that the total operations of the bank should be of the order of magnitude of \$800-\$1,000 million over five years and that African States should contribute at least half the share capital and hold the majority of votes. The establishment of a bank of that size would require more exploratory work and also an attitude of understanding on the part of those countries which were in a position to help African countries in that respect. At its fourth session (*ibid.*, paras. 224-227), ECA had set up a Committee of nine member countries with the task of establishing the necessary governmental and other contacts, of making further studies on the financial and administrative structure of the proposed bank and of drafting a charter. That Committee had met at Monrovia in June 1962. Four teams of experts had been organized, three of them to undertake more detailed negotiations with African governments and a fourth to explore the possibilities of assistance in Europe and the United States of America.

10. Economic development, particularly in a region like Africa, could not be divorced from social development. Accordingly, from its inception, one of the basic tenets of the philosophy of the Commission had been that both types of development should be dealt with simultaneously. Through various meetings and seminars, as well as through advisory services rendered to governments, an effort had been made to assist African countries to strike a balance between the two aspects of development and to evolve patterns of balanced economic and social growth. Certain changes would also be introduced in the organizational structure of the ECA secretariat to ensure that the two aspects of development were handled in a more integrated manner.

11. The criticism had been expressed that as yet the Com-

mission had done only limited work in the field of industry, transport and natural resources. He could report that a start had been made with regard to transport: a successful conference of ministers of transport had been held at Monrovia in the autumn of 1961, and a similar conference would take place at Addis Abbaba in November 1962 to cover East Africa. The Commission had also adopted at its fourth session a substantial programme of work in that field.

12. At its fourth session, the Commission had, by resolution 43 (IV), established a Standing Committee on Natural Resources and Industrialization, the first meeting of which would be held at Addis Abbaba in December 1962. A survey of the industrial situation in Africa was being prepared and specific suggestions for the expansion of existing industries and the development of new industries, wherever possible on a subregional basis, would be formulated.

13. The Commission continued to devote attention to problems of trade, which were particularly important to Africa. More exploratory work was needed on such subjects as the promotion of intra-African trade which, to some extent, depended on the pace of industrialization, but which had to be viewed as a condition for the industrialization of the region. Some of the barriers which hampered trade between west African countries had been examined and discussed with the governments concerned, and the experience gained seemed to indicate that the subregional approach might prove fruitful in some instances.

14. Another important problem facing the African governments was the impact of west European economic groupings on Africa. Fears had been expressed that the association of a number of African countries with EEC might be detrimental to intra-African co-operation. Moreover, the African countries not associated with the Community would probably face increasing difficulties in finding outlets for their products in one of the world's largest markets, in so far as they competed with the same products or substitutes from the associated countries. At a time when both the short-and longer-term prospects for many commodities were not at all promising, it was natural to fear that the gains of the associated countries might be accompanied by corresponding losses by the non-associated African primary producers.

15. Trade problems in Africa, as in other less developed regions, could not be divorced from the questions of primary commodity prices. The situation in the world commodity markets continued to be characterized by persistent surpluses in a number of important commodities and by further declines in prices, leading to a further deterioration in the terms of trade of primary producing countries. The Commission was fully aware that it could do but little in isolation in the matter of primary commodity prices and it had repeatedly stressed the need for world-wide action. It was studying the African aspects of the primary commodity problems and, with the assistance of the United Nations Secretariat and of FAO, it was preparing a meeting to be held at Lagos for the discussion of concerted national and international action; it was thought that direct contacts between African producers and a closer examination of the situation of individual

commodities would be of benefit to member countries of ECA.

16. He paid a tribute to the pioneering work of his predecessor, Mr. Mekki Abbas, and thanked his Imperial Majesty, the Emperor of Ethiopia, and the Government of Ethiopia for their hospitality to ECA.

17. Mr. MELLER-CONRAD (Poland) said that his delegation fully understood the interest aroused by problems of the proper apportionment of functions among the organs of the United Nations and the specialized agencies in the matter of international co-operation in the economic and social fields. Recent decisions of the General Assembly and its organs concerning decentralization showed that the Organization had passed from the stage of theoretical study to the more advanced phase of practical work. Accordingly, the regional economic commissions should receive prominence, for they were best qualified to translate projects into practice.

18. The Secretary-General's report on decentralization of the economic and social activities of the United Nations and strengthening of the regional economic commissions (E/3643), prepared in pursuance of General Assembly resolution 1709 (XVI), and the reports of the regional economic commissions, showed that ECA, ECLA and ECAFE had taken action which not only strengthened their role at the regional level, but also contributed to world development. Thus, they had reacted rapidly and positively to the General Assembly's decision on the study of economic planning techniques.

19. In connexion with planning, the regional commissions had to play a pioneering role, which would involve adapting to the conditions of Asian, African and Latin American countries the theoretical knowledge and practical experience of other countries. Although it was true that assistance organized at the regional level would be the most efficient way of training national planners and establishing national planning institutes, it was none the less necessary to form close contacts between those institutes and the planning centres and institutes of regions such as Europe, which already had much experience in that sphere. Poland was prepared to participate actively in exchanges of experience and assistance, both by sending its own experts and by offering study facilities in its institutions of higher education.

20. Although the programme of work submitted by the Secretariat took into account the possibilities of ECAFE, ECA and ECLA, it was too narrow where ECE was concerned. That seemed to indicate a tendency to underestimate the importance of ECE to the other three commissions and to general economic and social development.

21. The ECE was the only organ of economic co-operation to which all European countries, regardless of differences in social and political system, belonged. The reason why it represented a "special case" (E/3643, para. 14) was that it served an economically highly developed region, which was traversed by the line of contact between the two different social and political systems. Since the Soviet Union and the United States were both members of the Commission, it was partly responsible for moulding the economic, technical and scientific relations between

East and West, between the socialist and the capitalist countries. The economic development of Europe was obviously its main task, but if it was weak and divided it could not come to the assistance either of Europe or of the rest of the world, which had a right to expect its help.

22. Realizing that that should be the role of the ECE, the Polish delegation with several others had submitted to the Commission a draft resolution (ECE (XVII)/L.20) concerning a programme for carrying out the recommendations of Assembly resolution 1709 (XVI), but had been obliged to withdraw the draft in view of the opposition of a number of western countries. Nevertheless, the adoption of that resolution in ECE would encourage direct co-operation between that body and the other three commissions; that co-operation would also be promoted by extending the right of the secretariats of those commissions to settle questions relating to plans of common interest.

23. The ECE projects relating to specific problems of economic and social development were of special interest for the execution of similar or even new projects in other regions. In particular, there were the studies prepared by the ECE committees dealing with steel and coal production, transport, electric power, agricultural problems and housing. The experience gained from such meetings as the Warsaw Symposium on Rationalization of Electric Power Consumption might be adapted to the needs of other regional economic commissions. He praised the initiative taken by the ECE secretariat with regard to programming and planning techniques in countries with different social and economic systems, which would certainly benefit other regional economic commissions. He also noted with satisfaction the study on factors of economic growth in Europe from 1950 to 1960, the research into problems of European integration and its effects on the economic development of less developed countries and the inquiry into the development of agricultural production in Europe and of trade between that continent and the developing countries.

24. It would be premature to consider the effects of decentralization on technical programmes in greater detail, since TAC was to examine the report of the *ad hoc* Committee of Eight on that subject (E/3639). Nevertheless, and without going into detail, he thought that the Secretary-General's report dealt with the subject superficially and limited the action of ECE in that respect to a surprising extent. And yet ECE had particularly extensive opportunities for helping the other regional economic commissions. Apart from the projects of its committees, with which the secretariats of other regional commissions might be associated, it had facilities for in-service training: it was especially qualified to give such practical assistance and it should expand its action in that respect. Furthermore, it was in a position to give advice and to lend the services of experts to other regional commissions in certain branches of activity.

25. It was regrettable that those possibilities had not been taken into account with preparation of the report. He expressed the hope that that omission would soon be remedied and that the General Assembly at its seventeenth session would have before it a report on the implementation of resolution 1709 (XVI) with regard

to ECE. For, if the essential role of ECE were ignored, there would be some risk of prejudicing the effects of the entire decision of the General Assembly concerning decentralization and the strengthening of the regional economic commissions in addition to the implementation of the United Nations Development Decade.

26. Mr. DIOP (Senegal), referring to ECA resolutions 42 and 44 (IV) recommending that Portugal and the Republic of South Africa be deprived of their membership of the Commission, said that no doubt the Republic of South Africa would not fail to point out that the conditions under which the indigenous Africans lived in its territory were better in every respect than those under which the citizens of the newly independent black republics were living. Yet, though the living standard of those Africans might be enviable, they had been deprived of their fundamental human rights before the law, as well as of their dignity and honour. That was why the delegation of Senegal, in keeping with the view it had upheld at the General Assembly, considered that, in the interest of international peace and security, the United Nations should use all means of pressure available to induce South Africa to change its policy.

27. Similarly, his delegation considered that everything should be done to persuade Portugal to put a stop as soon as possible to the genocidal action it was undertaking in Portuguese Guinea, in Angola and, doubtless, in Mozambique. He had in mind the case of certain chiefs delegated by the province of Cabinda to submit a list of complaints to the authorities; they had been imprisoned, and some days later their bodies, tied up in sacks, had been washed up on the seashore.

28. By their conduct, South Africa and Portugal were violating the Charter of the United Nations and the Universal Declaration of Human Rights, in addition to General Assembly resolution 1514 (XV) on the granting of independence to colonial countries and peoples; there was therefore no place for them in the United Nations. His delegation would accordingly vote for the adoption of the ECA recommendations, although it considered them too moderate; the right course would be simply to exclude South Africa and Portugal.

29. Mr. ARKADEV (Union of Soviet Socialist Republics) said that the regional economic commissions were important members of the United Nations family; they offered an admirable opportunity for promoting economic and social co-operation between countries with common interests, with due regard for the interests of countries in other regions.

30. During the past few years, the developing countries had been playing an increasing part in the work of ECLA, ECAFE and ECA. The results of the work of the commissions were most valuable, — for example, ECAFE resolution 37 (XVIII) on international trade, and the resolutions adopted respectively by that commission and by ECA on the establishment of economic development institutes. The basic purpose of those resolutions was to focus attention on methods of offsetting the adverse effects of closed economic groupings such as the European Common Market, to promote and rationalize international trade and to expand regional economic, scientific and technical co-operation.

31. The USSR would support every effort to convene an international conference to study trade problems and to strengthen the regional commissions. It was prepared, through contributions to the Special Fund and the technical assistance programmes, to assist the countries of Asia, Africa and Latin America in the establishment of economic development institutes and to help such institutes in a number of ways; it could lend scientific workers and experts, offer advice on programmes and exchange experience on the subject of planning.

32. Nevertheless, despite the economic progress being made by the developing countries, the gap separating them from the industrialized countries was widening steadily; for that reason the part played by the regional commissions in offering practical assistance to the less developed countries in the implementation of their economic development plans should be increased. In that connexion, mention should be made of the valuable contribution made by the Executive Secretary of ECAFE to the development of regional co-operation and practical activities. The Council should recommend that the regional commissions should undertake a detailed study of the long-term tasks facing them and submit suggestions on methods of rationalizing future work.

33. At the seventeenth session of ECE, the Acting Secretary-General of the United Nations had referred to the contribution that could be made by that commission to the less fortunate countries of the world (E/3584, annex III). For example, it was of the utmost importance to arrange exchanges of information and experience between the original commissions; in that way, joint studies could be undertaken of planning problems, the development of the public sector, land reform, inter-regional and international trade, the training of personnel and many other matters.

34. It was not surprising that some countries were showing impatience at the delay in the implementation of General Assembly resolution 1518 (XV) on the decentralization of the United Nations economic and social activities and strengthening of the regional economic commissions, since very little had been done since its adoption. Judging from the report by the Secretary-General on the subject, the future action envisaged was inadequate. What was required, in his delegation's opinion, was a transfer of a number of posts from United Nations Headquarters to the regional commissions. However, paragraph 12 of that document indicated that, although thirty-seven new posts were being requested for the regional secretariats, an additional twenty-six new posts were being requested for Headquarters. Nor did the explanation of that action given in paragraph 20 appear satisfactory in view of the consideration that, as the regional commissions were assuming new functions, they should be strengthened and their staff increased accordingly.

35. Steps should also be taken to strengthen the regional commissions for the purpose of technical assistance activities on behalf of developing countries. Decentralization should ensure a fuller utilization of the technical and scientific knowledge of personnel from all countries, including socialist countries. That was far from being the case, however, owing to the bureaucratic approach

adopted by Headquarters and some of the specialized agencies. For example, had the regional commissions been consulted about the projects listed in the annex to the Secretary-General's report? If the regional commissions were really to be strengthened, they should be entrusted with the task of examining technical assistance and Special Fund projects, of supervising their implementation, and given control over technical assistance exports and over TAB regional representatives. Another step in the right direction would be to make the executive secretaries of the regional commissions members of TAB and of the Governing Council of the Special Fund, since their participation in those bodies would make it possible to take into account the requirements of the developing countries and to draw up practical programmes. Similarly, a transfer of posts from TAB, the Special Fund and the Department of Economic and Social Affairs at Headquarters to the regional commissions would ensure that the staff actually responsible for providing assistance would be associated more closely with the recipient countries; a transfer of that nature would also reduce administrative expenses. All those measures would help to strengthen the economic activities of the regional commissions and would serve the interests of the developing countries.

36. As to the work of ECE, the Executive Secretary at the seventeenth session had stressed the need for ever closer international co-operation in almost every branch of human activity (E/3584, annex II). His delegation attached great importance to the principle of the universality of the United Nations and to co-operation between all countries, regardless of their economic and social system, and for that reason had urged that representatives of the German Democratic Republic should be invited to participate in the Commission's work. That problem was one which should be settled on an equitable basis in order to put an end to the discrimination being practised against that country.

37. In connexion with the other suggestions and proposals made by his delegation at the Commission's seventeenth session, he reiterated its view that ECE should take urgent steps to remove the obstacles hampering the expansion of intra-European trade. The USSR had also suggested that the Executive Secretary should examine the possibility of helping other regional commissions by assigning experts from States members of ECE. Unfortunately, delegations of certain western countries had shown unwillingness to support such useful activities. Indeed, one important country had implied that the Commission's activities were limited by the existence of political and other factors and of countries with different economic and social systems, and had furthermore questioned the possibility of expanding co-operation within the framework of the Commission. Yet, surely all United Nations activities were based on the recognition of the existence of countries with different economic and social systems, and of the need for co-operation and peaceful co-existence. To deny that basic principle was to strike at the very foundations of the United Nations. The USSR believed that ECE should strengthen its activities, encourage co-operation between all countries and ensure that no polarization, either political or economic, occurred in Europe.

38. In his admirable statement (1210th meeting), the Executive Secretary of ECLA had rightly stressed the important problem raised by the possible adverse effects of the European Common Market on the production and trade of the less developed countries. The Soviet Union delegation wholeheartedly supported the memorandum submitted by the Brazilian delegation (E/3664) emphasizing the need to increase the role of the regional commissions in planning the economic development of their respective regions. However, he was surprised to learn from the ECLA report (E/3581/Rev.1, para. 248) that the *Economic Survey of Latin America* would in future be prepared jointly with OAS, a political body having no connexion with the United Nations. It was doubtful whether that arrangement would work to the advantage of the Latin American countries, since the *Economic Survey* would no longer be an objective document and would include politically biased views.

39. The ECA had taken a most important decision at its fourth session in adopting its resolution 42 (IV). The recommendation that certain countries should be deprived of membership of ECA, a recommendation supported by the Soviet Union delegation, was the answer to the oppressive measures carried out by certain countries against Africans. Moreover, Belgium, France and the United Kingdom, which under that resolution would become associate members, could continue to participate effectively in the work of ECA on the basis of that arrangement. The decision reached should be viewed in the light of the changes taking place in Africa, the desire of the African peoples to manage their own affairs and to restrict the role of the former colonial Powers in view of what were, at times, bitter memories.

40. Mr. BOGLIETTI (World Federation of Trade Unions), speaking at the invitation of the President, said that WFTU had already described, at the sessions of the regional economic commissions, the problems which economic development posed for the workers and trade unions in the different regions of the world.

41. The WFTU had drawn attention, particularly in ECA and ECAFE, to the absence of any improvement in the position of the under-developed countries which were producers of primary commodities; the gap between those countries and the industrialized countries was growing wider, development affected only certain countries and industries, and the resources of the countries to which he was referring were still being drained off towards the metropolitan countries.

42. He would reiterate the view of WFTU that the regions in question stood in need of rapid industrialization and of the heavy industry which was essential for sustained growth and true economic independence. It was to be hoped that the Secretariat would carry out promptly the measures recommended by General Assembly resolution 1709 (XVI) and by the Economic and Social Council's resolution 823 (XXXII) for the purpose of helping ECAFE, ECLA and ECA to satisfy the needs of their regions. The secretariats of the commissions had an important part to play in that connexion and in directing the flow of international technical assistance. In particular, WFTU supported ECA resolution 50 (IV) and the corresponding resolutions of ECAFE and ECLA.

43. Hoping that the regional economic commissions and the Council would note the point, he urged that the trade unions and the workers should be associated with economic planning. In conclusion, the Council's adoption of the four draft resolutions submitted by ECA would decisively strengthen the authority of the Council and of the United Nations in Africa. The peoples of Africa and the workers of the world would be unable to understand how, at a time when the Republic of Algeria was becoming a reality, the policy of racial supremacy, which had done so much harm to mankind for thirty years, should persist.

AGENDA ITEM 24

Non-governmental organizations

REPORT OF THE COMMITTEE ON NON-GOVERNMENTAL ORGANIZATIONS ON APPLICATIONS FOR HEARINGS (E/3666)

44. The PRESIDENT drew attention to the recommendations of the Committee in its report regarding the applications for hearings by six non-governmental organizations in category A.

The Committee's recommendations were adopted.

The meeting rose at 5.15 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1212th meeting

Friday, 6 July 1962
at 10.50 a.m.

PALAIS DES NATIONS, GENEVA

CONTENTS

Agenda item 10:

Reports of the regional economic commissions (*continued*) 17*President* : Mr. J. MICHALOWSKI (Poland).*Present* :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Austria, Belgium, Bulgaria, Canada, Central African Republic, Chile, China, Cuba, Czechoslovakia, Indonesia, Mali, Netherlands, New Zealand, Spain.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Bank for Reconstruction and Development, World Health Organization, Universal Postal Union, World Meteorological Organization, Interim Commission for the International Trade Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 10

Reports of the regional economic commissions (E/3581/Rev.1, E/3584 and Corr.1, E/3586, E/3599 and Corr.2, E/3643, E/3649, E/3664; E/L.953 and Corr.1) (*cont.*)

1. Mr. ROUANET (Brazil) said that the informative introductory statements of the executive secretaries of the regional economic commissions would, as usual, provide a useful basis for discussion. The ECE was unique in grouping for the most part highly advanced countries, a fact which gave it special responsibilities and opportunities for helping other regions. He welcomed the support the Commission had pledged for the Industrial Development Centre and hoped it would also support the proposed specialized agency for industrial development. He agreed with the Executive Secretary of ECE that in order to fulfil its role ECE must also benefit from the decentralization policy recommended by the General Assembly in resolution 1709 (XVI).

2. It would help to place in perspective the assistance given to other regions if the annual *Economic Survey of Europe* could contain as a regular feature a section concerning the liberalization measures adopted by European countries in regard to imports from less developed countries and another on the flow of capital to those countries.

3. Commenting on some salient features of the activities of the other regional commissions, he said that his government had followed with interest the Conference of Asian Economic Planners, held in New Delhi in September and October 1961, and sympathized with the objects of resolution 36 (XVIII) adopted by ECAFE on the establishment of an Asian institute of economic development. Planning and trade were vitally important and might well determine the course of economic development. The Commission's resolution 37 (XVIII) on international trade was therefore to be welcomed.

4. Brazil had always been specially interested in ECA and had noted with interest its resolutions 52 (IV) and 58 (IV) concerning the establishment of an African development bank and an institute for economic development and planning, both of which would promote progress. It shared the concern of many African countries about the possible effects of regional economic groupings on African trade and on the pace of economic development in the region.

5. His country had always placed great confidence in ECLA and in its Executive Secretary. As the most appropriate instrument for promoting the economic and social development of the sub-continent, its services had been of general benefit to all the countries of the region. It was ECLA that had first taught Latin American governments to regard under-development as a situation with identifiable characteristics and causes and that poverty could be eliminated by proper economic measures. It had also shown that the classic theory of foreign trade was inapplicable to Latin America. By stressing the importance of planning, ECLA had put in perspective the need for industrial and economic diversification as the only means of offsetting fluctuations in international trade. It had also demonstrated the need for greater integration between the economies of the region and had been largely responsible for the creation of the Latin American Free Trade Association. The ECLA had played a unique pioneering role and had evolved a doctrine, a strategy and tools for action. Its latest report (E/3581/Rev.1) showed that, far from resting on its laurels, the Commission was now more active than ever.

6. It was a matter for great satisfaction that the Latin American Institute for Economic and Social Planning

was approaching the operational stage. His government had doubts only about the participation of three international organizations in the Institute's Governing Council, as it had indicated at the ninth session of the Committee of the Whole. Brazil had co-sponsored General Assembly resolution 1708 (XVI) in the belief that planning was one of the most effective ways of mobilizing domestic resources for economic development and of co-ordinating national and international effort to the best effect. Without planning, resources might be wasted and economic growth might not keep pace with population expansion. In recognition of that fact, his government had instituted and carried out a programme for the period 1955-1960 covering a few strategic sectors of the economy, which would be succeeded by a comprehensive development plan.

7. General Assembly resolution 1708 (XVI) indicated that international organizations recognized that planning was one of the main instruments of international co-operation. Indeed, technical assistance for that purpose was being given on an ever wider scale.

8. The entry into effect in June 1961 of the Montevideo Treaty setting up the Latin American Free Trade Association had marked a new phase in the closer economic integration of Latin American States. Negotiations on equalizing customs tariffs were under way and a draft Central American customs code had been prepared. The various steps taken in the direction of integration showed that it was an attainable goal and that it would bring about appreciable economies, improve industrial and agricultural productivity and help to cushion the economy of the Latin American countries against the effects of economic groupings in other parts of the world.

9. Another interesting development had been the establishment by OAS, ECLA and the Inter-American Development Bank of an *ad hoc* Co-operation Committee at secretariat level, for the purpose of ensuring that their respective activities did not overlap.

10. His delegation, however, viewed with misgiving the proposal that ECLA, with all its years of experience, was no longer to be responsible for preparing the annual *Economic Survey of Latin America*. He hoped the decision about that transfer of responsibility was not irrevocable.

11. His delegation had submitted a memorandum (E/3664) on the vital question of decentralization, to which it would revert when item 4 — United Nations Development Decade — was taken up. In the meantime, with regard to the question in relation to the regional economic commissions, the statements of the executive secretaries would have sufficed to remove any doubts about the wisdom of General Assembly resolution 1709 (XVI), and his delegation was more than ever convinced that United Nations aims in the economic and social sphere would best be achieved by greater regionalization. During the decade to come operational activities would inevitably increase and the regional economic commissions, by reason of geographical proximity and first-hand knowledge of regional problems, were best equipped to carry them out and to realize the aims stated in operative paragraph 6 of that resolution. Administrative costs would be reduced if greater use were made of experts

serving the regional commissions, and greater reliance should be placed on regional recruitment, particularly when more experts came to be selected from the developing countries themselves, as provided in Council resolution 852 (XXXII). Despite the assertion in paragraph 16 of the Secretary-General's report on decentralization and strengthening of the regional economic commissions (E/3643) that the recruitment of experts, particularly for long-term appointments, had to remain a central responsibility, in his view that responsibility should be transferred in its entirety to the commissions.

12. The importance of the regional commissions as executive arms was gaining recognition, as was the idea that the role of Headquarters should be to respond to stimuli from the periphery, so that programmes could be elaborated in the full knowledge of needs and convictions. That thesis had been forcibly expounded by the Under-Secretary for Economic and Social Affairs in the Committee for Industrial Development (see E/3600, annex VI). His delegation was therefore convinced that the main responsibility for carrying out the tasks devolving on the United Nations under General Assembly resolution 1710 (XVI) should lie with the regional commissions. That being so, it was pleased to note that steps were being taken to implement resolution 1709 (XVI), but it viewed with concern the fact that the recommendations of the Committee for Industrial Development for strengthening industrial personnel at the regional level could not be fully implemented and found it difficult to reconcile the statement in paragraph 20 of the Secretary-General's report that the increase of staff should take place primarily at the regional level with the assertion in the same paragraph that the regional secretariats could not be strengthened without increasing staff at Headquarters. He would welcome information from the Secretariat about the distribution of the thirty-seven new professional posts among the various commissions, which would help the Council to appraise the progress made towards decentralization.

13. As the Executive Secretary of ECLA had stated, under-developed countries in all parts of the world were faced with the need for change, and it was important that that should come about, not by violent means, but with the preservation of democratic liberties, by timely action and, when necessary, by corrective measures. In that regard the United Nations had a crucial part to play and could contribute decisively towards improving the lot of millions of human beings. The time had come for action based on serious research, and the regional economic commissions were undoubtedly the best fitted for the task.

14. Mr. DUPRAZ (France) said that two salient and related facts emerged from the statements of the executive secretaries of the regional economic commissions: on the one hand, the commissions' economic and social tasks were based upon the particular situation of each region and the sometimes pressing problems to be resolved; on the other hand, their efforts tended towards a common end, namely, to ensure a decent level of living through economic development and the improvement of the social structure in the countries of their regions. The identity of aims necessarily brought with it a certain

similarity in the methods applied and it was no mere coincidence that the regional economic commissions had been given similar directives: to seek solutions which would enable the member countries to co-operate in a common task namely, the economic and social advancement of the less developed countries.

15. The activities of the four commissions, of which France was a member, were guided by executive secretaries, to whose idealism he was happy to pay a tribute. In composition, too, the commissions conformed to the spirit of the Charter and the essential needs of the United Nations, being true organs of regional and intercontinental co-operation and solidarity, with the universal character of the United Nations. Similarly, their procedures and working methods were adapted to the needs of a world in constant evolution and their members' desire for co-operation was the surest guarantee of their efficiency and of the quality of the results obtained. Of the four commissions, ECE, ECAFE and ECLA had been able to reach out beyond their continental limitations; in dealing with specific problems, they had taken advantage of the links of solidarity, culture and trade which each of their members had forged with the rest of the world.

16. The Council should give careful consideration to the request by ECA in resolution 42 (IV) for an amendment of its terms of reference; the African countries rightly desired to consider their problems in the light of their special preoccupations, and even special susceptibilities. France, for its part, had always contributed its experience and resources to the search for solutions, taking due account of the future of the African people; in doing so his country had conformed to the so-called Lahore rule established by ECAFE in 1951,¹ according to which foreign countries co-operating in the work of regional economic commissions undertook not to oppose, by their vote, economic proposals relating to countries of the region concerned and supported by the majority of those countries. Since the fourth session of ECA, new developments had taken place which might enlighten the African countries on the most profitable type of co-operation with the outside world: a member State had made a statement before the Council which it had not been able to make before ECA itself, and the progress of Africa towards independence, in which France had played a decisive part, had first been marked by the birth of a new State, Algeria. It was true that the recommendation of ECA raised certain difficulties of a legal nature and from the point of view of the Charter, but the Council should confront those difficulties and should endeavour, in the light of the experience acquired with the other regional economic commissions, to work out the solutions best adapted to the traditions of the United Nations and the interests of regional, intercontinental and world co-operation.

17. The executive secretaries had stressed the need for decentralization if the activities of the regional economic commissions were to be expanded. The Secretary-General, in his report, had defined the spirit in which reforms

should be applied: in the perspective of the Development Decade, he was aiming at a controlled and balanced expansion of the secretariat resources, taking full advantage of the means available at the regional level, but he had also emphasized the organic function of Headquarters, particularly in the co-ordination of the various technical assistance activities. It was therefore the duty of the Council during the current session to determine the various aspects of decentralization and to define the conditions in which it should take place, taking care to reconcile the need to broaden the jurisdiction of the regional commissions with the need to increase the authority of Headquarters.

18. With regard to the problems peculiar to each region, at the 1210th meeting of the Council the Executive Secretary of ECLA had referred to the progress achieved in the region towards economic integration and the establishment of a Latin American common market. France was happy to see the efforts that had been made to harmonize economic relations and to lower trade barriers, a development for which credit was largely due to ECLA. The Executive Secretary had spoken of Latin America's desire for closer relations with the other regions, and particularly with Europe, from which it expected active participation in Latin America's development. It was indeed one of the basic objectives of EEC to promote the expansion of trade not only among its members but also with other countries. The aims of Latin America and of EEC were therefore identical; neither body could contemplate isolation. In the twentieth century, both duty and prudence clearly prompted countries to avoid sterile self-sufficiency and to take the promising risk of a resolute policy of foreign contacts, which gave equal opportunities to all. In that field, the large industrial countries had a special responsibility. The ECLA had also concerned itself with the training of the staff necessary for the execution of its programmes and it had obtained approval for setting up the Latin American institute of economic and social planning, which provided striking proof of the identity of situations and the similarity of the solutions required for certain problems. The reports of the other economic commissions, too, showed the desire to make the means for speeding up the training of the élites that were essential for development available to member countries.

19. At the 1210th meeting, the Executive Secretary of ECE had described the action of that body and the problems it had had to solve. The work of ECE need not always be productive in order to be amply justified, for it was vital to the harmony of Europe and of the world. Indeed, ECE brought East and West face to face and the representative of the Soviet Union had testified to the usefulness and vitality of its discussions. It was a meeting place where the two halves of Europe could exchange ideas and experiences. Its vocation was first and foremost co-operation, particularly in matters of trade. Unfortunately, the possibilities of action in that field were restricted by radical divergencies among its members, which should be specified and studied. During the seventeenth session, however, there had been a noticeable development of the Commission's activities and the Commission had indicated that it was in a position to place lists of experts at the disposal of other

¹ See *Official Records of the Economic and Social Council, Thirteenth Session, Supplement No. 7*, para. 341.

economic commissions; it would be well to act cautiously in that respect, for the information available to the ECE about problems in other regions was not always sufficiently exact.

20. The ECAFE had so far devoted its efforts to determining the complex data bearing on the economic development of the region; its report (E/3599 and Corr. 2) contained an objective analysis of the social and economic progress of the member countries and it showed that the United Nations Secretariat had succeeded in initiating fruitful discussions with the governments of the countries of Asia and the Far East. In respect of concrete action, however, the Commission had met with serious obstacles; the vast extent of the region, the different levels of economic evolution and the divergent points of view of the various countries had made the work of the Executive Secretary — to whose inexhaustible patience he would pay a warm tribute — a constant endeavour to promote mutual understanding. Nevertheless, several resolutions adopted at the eighteenth session concerned concrete projects — the Asian institute of economic development, the Asian Highway, the Lower Mekong basin project, etc. — and were the result of several years of preparatory study. They were significant of the new trend the Commission was trying to give to its activities — namely, to provide the countries of the region with direct aid in the form of a share in concrete projects.

21. France was particularly interested in the work of ECA and appreciated the understanding and efficiency shown by its new executive secretary. With manifold and complex tasks calling for its aid, the Commission had to solve delicate problems of selection and priority, taking into account the difficulty of recruiting suitable personnel. Its work and studies demonstrated the need to use special methods in Africa, where experience acquired in other regions could not be applied without appropriate adjustment. In fact, the Commission's desire to collect first of all the essential statistics and data was in line with this need and gave promise that the economic planning and programming would rest on a solid foundation. The establishment, in collaboration with UNESCO, of an African institute for economic planning and development was the first practical step towards the training of cadres, the major preoccupation of ECA. Equally worthy of note was the project for an African development bank, which would provide credits to speed up economic development, improve the terms of trade and diversify an agriculture which was highly sensitive to fluctuations in world prices for basic commodities. For those various reasons, ECA hoped for an enlargement of its powers and also — like the other regional economic commissions — for an increase in its secretariat.

22. Thus, on the threshold of the Development Decade, the United Nations had successfully set up instruments that would add to the efficiency of its studies and concrete achievements. As the United States representative had remarked at the 1210th meeting, the regional economic commissions were becoming more important without ceasing to improve the quality of their work. It was therefore necessary to place the means they needed at their disposal and to strengthen the bonds that linked the

regional economic commissions and Headquarters in order that the United Nations might remain really united.

23. Mr. KOPCOK (Yugoslavia) said that the reports of the regional economic commissions provided striking evidence of the magnitude of present-day problems. All of them showed that it was impossible to isolate the specific difficulties of each region from problems and developments outside the region and that, in consequence, each of the regional economic commissions was tending to concentrate its attention more and more on the solution of certain key problems. All the reports described the efforts which had been made to extend intraregional co-operation, to strengthen the role of regional commissions in that field, to accelerate decentralization, to consider the various aspects of intraregional co-operation on a longer-term basis and to increase the assistance given by each of the regional commissions to the others.

24. Those efforts were in keeping with the spirit of the Council's work and should be intensified. In that connexion, the memorandum submitted by the Brazilian delegation (E/3664) placed emphasis on certain trends and activities which were in keeping with world development in general and with the objectives of the Development Decade. The positive trends observed in the work of the regional economic commissions did not in any sense detract from the importance of the Council or the General Assembly. On the contrary, the strengthening of the commissions and the decentralization of work showed how essential it was to further international co-operation within the framework of the United Nations and to strengthen the role of the Council in the economic field.

25. With regard to the work of ECE, its success had been impaired by the existence — to quote the words of the Acting Secretary-General — of “economic and military groupings which reflect the political split which has come to permeate so many aspects of international life” and which impeded “the efforts of ECE to further all-European economic solidarity (E/3584, annex III)”. In his progress report, the Executive Secretary of ECE had said that “a polarization of this continent — a division of it into separated parts — would have a damaging effect on Europe and the world as a whole, both in the economic and in the political spheres” and that efforts should be made to intensify co-operation within ECE “as a necessary accompaniment to the work being done within smaller circles” (E/ECE/436, para. 6). The situation seemed, however, to be taking a turn which the Acting Secretary-General considered highly undesirable. According to the *Economic Survey of Europe in 1961* (E/ECE/452) the increasing “polarization” had resulted in a contraction of East-West trade, a standstill in the import of goods from countries outside Europe and a fall in European exports to those countries. At the same time, the Committee on the Development of Trade had hardly begun its work in pursuance of resolution 9 (XVI) in which the Commission had asked it to prepare recommendations that would help towards removing obstacles to the development of intra-European trade. On the other hand, the Executive Secretary had made certain proposals (E/ECE/435, para. 7) for the extension of European

co-operation to the important economic sectors which were still outside the Commission's field of activities, but which nevertheless were of vital importance in overcoming the divisions which at present existed in Europe.

26. The ECE had rendered valuable services to its member countries and, indirectly, to countries members of other regional commissions. Its extensive obligations to the latter countries had induced it to pay due regard, in the preparation of its work programmes, to problems of concern to other regions, particularly the less developed regions, and to the need for consultation between the secretariats of the various regional commissions with a view to establishing a long-term plan of co-operation. He was glad to note that an ever-increasing number of representatives of less developed countries were attending the meetings of the technical committees of ECE and that emphasis had been placed on the role which the secretariat of ECE could play in technical assistance to developing countries.

27. The reports of the other regional commissions had singled out commercial problems as an essential factor in economic development. It was obvious that those problems could not be solved until they had been solved in Europe, within the framework of ECE. If the existing situation continued, it was questionable whether the objectives of the Development Decade could be attained. He hoped that the debate on that agenda item, as also the discussions on the convening of a conference on trade, would give fresh impetus to the work of the regional economic commissions and particularly to the activities of ECE, on which future developments and the work of the other regional commissions largely depended.

28. Mr. NEHRU (India) said that, from the very start, his government had welcomed the creation of the regional commissions and had supported the purposes for which they had been established; namely, to facilitate concerted action in each region, to promote economic development, to raise the level of economic activity and to strengthen economic relations, both among the countries of each region and on a world-wide basis.

29. Before the period of colonial rule, the countries of Asia and Africa had had many intimate economic and other links. Those links had been broken during the colonial period and, instead, a state of dependence on distant metropolitan countries had been created. As a result of the recent social and political transformation, those countries were now entering upon a new period, in which the value of regional economic links was increasingly recognized.

30. An interesting feature of the commissions was that, while ECE represented a regional group of highly developed countries, the other three commissions represented groups of countries in varying, but lower, stages of development. The ECE was also unique in including in its membership countries with divergent economic and social systems. It thus had the power to contribute to the lessening of tension by bridging the gulf between those systems. It could make a similar contribution by bridging the gulf between the developed and less developed countries, which was potentially a more serious cause of

instability and tension than differences in political and social systems. The main preoccupation of ECE was to develop all appropriate possibilities of co-operation between East and West. It was also understood to be devoting greater attention to activities that might be of use to the less developed countries. Some speakers had suggested that a great deal more could be done in both those directions; it was at any rate satisfactory to know that ECE was keeping those objectives in mind, and his delegation hoped that further progress would be made.

31. The ECLA report (E/3581/Rev.1) showed that the Commission was concentrating its activities on the development of regional co-operation, advisory services to member countries, and training and research in problems of economic and social development. The countries of Latin America shared India's concern about impediments to trade which were hampering the implementation of their development programmes.

32. His delegation welcomed the fact that ECAFE was placing special emphasis on regional co-operation and on regionally significant projects. Its report (E/3599 and Corr.2) showed that it was directing its attention to problems relating to planned development and industrialization. Its work on major questions of commercial policy, including the stabilization of the prices of primary commodities, was of value to the region as a whole. His government attached great importance to the work that had been carried out and gave its full support to ECAFE.

33. The ECA was facing more difficult problems. One of them was the lack of trained personnel; his delegation was glad to see that steps were being taken to overcome that difficulty. An African institute of planning and development was being set up at Dakar and there was also a proposal to set up an African development bank. The countries of Africa were also affected by the threat to export earnings arising from impediments to trade set up by the more developed countries. Moreover, a further problem had been created by the association of some African countries with the European Common Market, while others remained outside that association. That was, of course, a matter for decision by each country, but the fears that had been aroused were understandable; his delegation hoped that regional co-operation and healthy economic and other relations among the countries of the region would not be affected by developments that were taking place.

34. His country understood and supported the recommendation by ECA in resolution 42 (IV) made with regard to South Africa and Portugal. The membership of other countries was a regional matter; his delegation would give sympathetic consideration to any proposal which the majority of the countries of the ECA region might make.

35. With regard to the strengthening of the regional commissions, proposals had been made for carrying out some measure of decentralization. His delegation entirely agreed that steps should be taken to implement as far as possible the many resolutions on the subject adopted by the Council and the General Assembly. Nevertheless, there were certain broad considerations

which had to be kept in mind. As a regional commission grew and intensified its activities — and that was the case with ECAFE in particular — it was proper that more functions should be allocated to it and its secretariat strengthened. It was, however, desirable that the existing facilities in the secretariat should also be utilized to the maximum extent, and further thought should be given to that point before additions were made to the staff. A more important consideration was that, while the regional commissions should be closely associated with technical assistance activities, nothing should be done which might interfere with the speedy flow of technical assistance. Some member countries, including his own, had close operational relations with agencies responsible for giving aid and those relations had helped to ensure prompt assistance. Whatever new arrangements were made, the basic objective of speedy and prompt assistance should be borne in mind.

36. With regard to the future, the regional commissions had achieved some measure of success in prompting economic and social development; in addition, governments had spared no effort to that end. Nevertheless, the situation continued to cause a great deal of disquiet. Economic disparities between the developed and the less developed countries were increasing: more people in the world were suffering from hunger and want than ever before. Any increase in production was to some extent nullified by the increase in population. Despite their efforts, the peoples of the developing countries had not succeeded in narrowing the gulf between the two sections of the world community. Progress was being hampered both by existing obstacles to trade in the more developed countries and by inadequate financial assistance to the developing countries.

37. In the light of those considerations, his delegation considered that more thought should be given to the programmes of the regional commissions. In general, they were satisfactory, but they were only a first step in the larger programmes which would have to be framed for the Development Decade. Greater co-operation and co-ordination between all the regional commissions was required; what was necessary was a fully co-ordinated and concrete plan of action which should form part of a long-term plan for the decade as a whole, the main objective of which should be the rapid fulfilment of the tasks outlined in the Secretary-General's proposals for action during the Development Decade (E/3613).

38. Mr. WALKER (Australia) congratulated the regional economic commissions on the reports they had submitted to the Council and on the constructive work they had undertaken during the period. Though a member only of ECAFE, Australia was conscious of the fact that it had something to learn from each of the regional commissions and it appreciated the contribution each of them was making to the work of the United Nations — a contribution that was destined to grow in importance during the Development Decade.

39. While the move for greater decentralization had been welcomed, it had to be recognized that the process brought problems of its own. As the Indian representative had observed, it was important that links and facilities

already established should not be disturbed. Moreover, decentralization was apt to involve increases in costs and additional co-ordination; it was necessary to take precautions against the creation of over-elaborate administrative structures.

40. His country took a very close interest in developments in Europe; indeed 15 per cent of the present population of Australia consisted of Europeans who had settled there since the end of the Second World War. Australia had always had strong economic ties with Europe and still looked to that continent as an important market for its products and as the source of much of the capital investment necessary for its development; it knew from experience how closely its progress and prosperity could be affected by economic developments in Europe. There was naturally an acute and continuing concern in Australia over the trading policies of European countries and of regional and sub-regional groupings in Europe, such as the Common Market. The Executive Secretary of ECE had observed at the 1210th meeting of the Council that west European imports from primary producers were apparently stationary. His delegation hoped that the influence of the United Nations would continue to be exerted in the direction of ensuring that the movement towards European integration would be combined with the maintenance and expansion of trade with other regions.

41. The ECE was the most widely representative of all European economic organizations and included countries with different economic and political systems, a fact which afforded special opportunities for studying problems involved in trade and other forms of co-operation between such countries. That was a further reason why the work of ECE attracted the close attention of countries outside that region.

42. In recent years, relations between Australia and the countries of Latin America had become much closer and were reflected in improved direct communications and in the gradual expansion of diplomatic and trade representation. Moreover, his country frequently had important interests in common with the countries of Latin America which, like Australia, were exporters of foodstuffs and primary products and had to face similar problems of unstable and sometimes contracting markets; it therefore greatly valued the opportunity of supplementing its contacts with Latin America through the study of the reports issued by ECLA. His delegation had listened with great interest to the account given by the Executive Secretary of that commission of the dramatic economic and social changes that were taking place or were pending in Latin America. Australia would follow closely the new developments in the work of the ECLA in the sphere of trade, both with regard to the organization of sub-regional groupings and in the development of new kinds of trade between the mature industrialized countries and the developing countries. Certain possibilities were opening up for Australia, too, as an exporter of manufactured goods in addition to primary products, although the markets for both kinds of goods were in the present circumstances rather uncertain.

43. The recent emergence of many newly independent sovereign African States had greatly reinforced Australia's interest in Africa and was opening the way to more new and extensive relations. The countries of Africa were confronted by extremely complex problems in the field of economic development, which they were tackling courageously. Those economic problems were further complicated by political difficulties that had still to be surmounted, both between sovereign States and in connexion with some of the territories that were not yet self-governing. Not only did the resolution of those difficulties call for great patience, but great forbearance would also be needed to ensure that unresolved political differences did not place obstacles in the way of economic co-operation. In the short period since its establishment, ECA had made remarkable progress in the analysis of fundamental economic problems of the region and in exploring the possibility of concerted action in a number of matters. The future work programme was impressive and his delegation wished the Commission every success in its endeavours.
44. His country's active participation in the work of ECAFE reflected its intense interest in the problems of Asia. Australia's lively consciousness of Asia and its present deep interest in the problems of that continent had developed during the past twenty-five years. It had been prompted in part by the vast political changes that had taken place there, but other factors had contributed to it. With the development of air travel, the shortest route from Australia to Europe lay through Asia, and the countries of Asia had become readily accessible and familiar to Australian travellers. Again, during the past twelve years, Australia had been actively engaged within the framework of the Colombo Plan in many forms of technical and economic co-operation with various countries of Asia. The presence in Australian universities and schools of thousands of Asian students had helped to make the ordinary Australian conscious of Asia, and to build many friendships between Australians and young people from Asia. The Australian people were thoroughly convinced that their future was intimately linked with the peace and progress of Asia and the Far East.
45. His country had always taken an active part in the work of ECAFE, particularly in technical matters. During the year ended 30 June 1962, Australia had been represented at eleven meetings organized by ECAFE.
46. It was encouraging to note the progress being made in regional co-operation, outstanding examples of which were the Lower Mekong basin project, the proposal to establish an Asian institute of economic development and the Asian Highway project, and to learn that there was hope of starting the first major construction in the Mekong project by the end of 1963 and of starting three additional tributary projects a year later. The whole project was an impressive example of international co-operation, involving not only the four riparian States but also others, both within and without the region, which had contributed. His delegation welcomed the news that there was a prospect of further assistance from the United States.
47. Australia had contributed £150,000 under the Colombo Plan for a programme of geological investigations on the Mekong river, along the Thailand-Laos border, and in Cambodia. The investigations in Cambodia were almost complete, but those in Thailand and Laos had unfortunately not yet been made owing to the uncertain security situation in that area. It was hoped to carry them out in the not too distant future.
48. His country favoured the establishment of an Asian institute of economic development, which had been unanimously recommended by ECAFE in resolution 36 (XVIII), and looked forward to early developments in that proposal. His delegation had been glad to learn from the Executive Secretary of ECAFE of the progress that was being made in the Asian Highway project. It also welcomed the steps taken to improve customs procedures and to encourage tourism, both for their practical value as factors in economic expansion and as evidence of the growth of regional co-operation.
49. The economic prospects of the ECAFE region gave grounds for concern in view of the sluggish growth of exports combined with a rapid rise in imports. The terms of trade had deteriorated for most countries and foreign exchange reserves had been considerably depleted. In such circumstances, and against the background of the movement for economic integration in other parts of the world, it was only natural that trade problems should loom very large in ECAFE deliberations. In his country's view, the Trade Committee was one of the most important of the subsidiary bodies of that commission.
50. It had been repeatedly noted in recent years that efforts by developing countries to increase production and to earn the foreign exchange needed for development investments were all too often frustrated by unfavourable movements in the terms of trade; indeed, the under-developed primary-producing countries had lost more foreign exchange through fluctuations in their export prices than they had received through international aid programmes. In that respect, Australia found itself facing the same difficulties as many of its Asian neighbours; it had the same need for stabilization of commodity prices and for the retention and expansion of export outlets. To all the developing countries, the problem of access to the markets of the industrially mature countries was one of vital importance.
51. In the ECAFE region, as in others, there was an evident need for more concentration of effort upon the problems of industrialization. In that connexion, his delegation extended its best wishes to Mr. Mayobre as Commissioner for Industrial Development.
52. Mr. PREBISCH, Executive Secretary, Economic Commission for Latin America, expressed the wish to dispel a misunderstanding which might have arisen in the minds of some representatives. There had never been any question of the secretariat of ECLA handing over its responsibilities for economic planning. The truth was that, instead of dissipating planning efforts, it was trying to concert them by arranging for co-operation with the Department for Economic and Social Affairs of

OAS. As a result of an increase in staff -- twelve people instead of four -- it would be possible to carry out the economic studies which had been contemplated previously but which had been left in abeyance owing to lack of resources. The joint reports to be prepared would contain nothing which had not been approved by ECLA,

and the secretariats of both bodies reserved the right to make observations on economic policies to be followed and on the influence of events on economic and social policies in Latin America.

The meeting rose at 1.15 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1213th meeting
Friday, 6 July 1962
at 3.15 p.m.

PALAIS DES NATIONS, GENEVA

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President: Mr. J. MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Austria, Bulgaria, Canada, Central African Republic, Cuba, Czechoslovakia, Ghana, Greece, Iraq, Ireland, Mali, Romania, Spain.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Bank for Reconstruction and Development, World Health Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 10

Reports of the regional economic commissions (E/3581/Rev.1, E/3584 and Corr.1, E/3586, E/3599 and Corr.2, E/3643, E/3649, E/3664; E/L.953 and Corr.1, E/L.956) (*continued*)

1. Mr. KAKITSUBO (Japan) said that ECE, ECAFE and ECLA had become centres of economic co-operation in their respective regions, and it was gratifying to learn that ECA had become a going concern. All the regional commissions had assumed an increasing amount of responsibility as a result of the decentralization of the United Nations economic and social activities, and his delegation was gratified that the process of decentralization and the strengthening of the regional commissions had been carried out without hampering the activities reserved to Headquarters. The regional commissions should not be strengthened by crippling Headquarters, and the purpose of decentralization was to make the most efficient use of the limited resources available to the United Nations for the purpose of promoting the

economic and social advancement of the developing countries in each region. In that connexion, his delegation noted with satisfaction the statement contained in the first sentence of paragraph 1 of the report of the Secretary-General on decentralization (E/3643), and hoped that the process of decentralization and the strengthening of the regional commissions would be continued on the basis of that realistic policy.

2. It was encouraging to note that the importance of economic planning for the effective mobilization and utilization of the limited human and material resources available had been generally recognized, especially in the developing countries. It was now also generally admitted that foreign technical and financial aid could be used most effectively when incorporated into sound economic programmes. For that reason, it was gratifying to note that the Latin American Institute for Economic and Social Planning had been established in Santiago on the basis of assistance from the Special Fund and the Inter-American Development Bank, to train local experts in economic and social planning and to advise member States on the formulation and implementation of development programmes. Similar bodies were envisaged for the ECAFE and ECA regions, and his delegation was convinced that their activities would greatly facilitate the preparation of well-balanced development programmes by individual countries and of joint programmes for the regions concerned.

3. Japan set great store by the proposed Asian institute for economic development, and would take an active part in the preparatory meeting to be held in Bangkok in August to decide upon the institute's functions and budget. His delegation earnestly hoped that the institute would contribute to the promotion of co-operation in the ECAFE region and to economic development through the adoption, as far as possible, of a regional planning approach. In that respect, Japan had full confidence in the Executive Secretary of ECAFE and his colleagues, but considered that, in order to enable them better to discharge their heavy responsibilities, the staff of ECAFE should be strengthened.

4. Referring to resolution 42 (IV) adopted by ECA, he noted that the reasons for depriving Spain of membership seemed to have disappeared in view of that country's expressed willingness to co-operate with the Commission (E/L.953 and Corr.1). Although his delegation had no strong feelings concerning the proposal to accord associate member status to countries outside the ECA region, he would recall the tradition established in 1951 by ECAFE under the Lahore convention, in accordance with which countries from outside the region which were members of the Commission refrained from voting against any proposals which predominantly affected the interests of

countries of the region. If that formula were acceptable to member States of ECA, countries from outside the ECA region could retain their present full membership without causing undue apprehension to the African members. He urged ECA to consider the matter further at its fifth session and to seek a solution acceptable not only to the African countries, but also to those non-African countries which were willing to co-operate with the Commission.

5. Mr. ROSENSTAND HANSEN (Denmark) said that the increasingly important role being played by the regional economic commissions within the United Nations was due both to the process of decentralization and to the fact that the problems facing each commission were peculiar to the region for which it was responsible and could be dealt with advantageously only by persons who were familiar with the nature and scope of such problems. Additional qualifications required to cope with such problems were frequently acquired through participation in the work of similar regional organizations or other international bodies, and he recalled that persons from the developing countries had in recent years served as internes in the ECE secretariat.

6. However, general planning and policy-making had to be carried out by the central bodies of the United Nations, namely, the General Assembly and the Economic and Social Council, in which the developing countries could discuss their problems with the industrialized countries with the object of evolving well-balanced programmes for the regional commissions. The best guidance in the preparation of programmes of assistance to the developing countries, however, was offered by the discussions which took place in ECLA, ECAFE and ECA themselves.

7. The seventeenth session of ECE had been a satisfactory one, but the most useful and productive work carried out within the framework of the Commission was done by its technical committees. Some of the results of their work, such as the statistical and other information on trade and technical problems, were extremely useful to the governments of member countries in their day-to-day work. Moreover, the seventeenth session had shown that co-operation between the countries of eastern and western Europe was possible if both sides were willing to make progress in fields where common interests were greater than the issues dividing them. His delegation hoped that the problems raised by the existence of different economic systems in Europe would be solved step by step and that trade between the countries of eastern and western Europe could be increased. In view of the existing situation in Europe, ECE would, in his delegation's opinion, best serve its purpose by continuing its present work, concentrated mainly in technical fields, and taking up only such new topics as were of common interest to both groups of countries in Europe. That would open up opportunities for positive and practical results, even if such results did not represent spectacular gains.

8. Mr. WODAJO (Ethiopia) said that, owing to the way in which they had been able to maintain close contact with the thinking, needs and aspirations of the peoples in their respective regions, the regional economic commissions were among the most useful institutions in

the United Nations system. The regional approach, which had always been viewed in the context of the principle of universality, could effectively assist in supplying knowledge to a universal pool of human experience and wisdom, and could be used to single out and apply effectively solutions which had been developed on the basis of international co-operation. The existing policy was to widen the scope of that regional approach by further decentralizing the economic and social activities of the United Nations. General Assembly resolution 1709 (XVI) and the Council's resolution on decentralization (823 (XXXII)) in particular had emphasized the operational nature of that policy, especially in the technical assistance field.

9. The obstacles to decentralization included resistance to change and the institutional difficulties arising from the complexity of the United Nations system and from legislative relationships; but, most important of all, the Secretary-General had been unable to provide all the personnel required to implement the policy of decentralization. However, everything seemed to indicate that in 1963 the demand for personnel at Headquarters would not be so pressing, and he hoped that the Secretary-General would find it possible to provide the regional commissions with sufficient staff to enable them to undertake more operational tasks. There was also scope for more co-operation among the regional commissions themselves.

10. The most vexing problem facing ECA concerned the recruitment of staff. Despite the Executive Secretary's efforts, the number of qualified staff available to implement the work programme was quite inadequate. He wondered whether potential candidates regarded Africa as a hardship station and therefore wanted additional inducements. He also wondered what efforts were being made to recruit experts from the developing countries other than the African countries, or from other regions of the world such as eastern Europe, for example. Owing to the difficulty of attracting experts for assignments in Africa, the representatives of African governments had stressed that the sooner the core of the secretariat staff consisted of African personnel the better. The case for the africanization of the Commission's staff had intrinsic merit, since it would infuse African thinking and aspirations into the secretariat. As in the case of ECLA, in particular, ECA could become a suitable training ground for African leaders but the africanization of the secretariat should not be achieved at the cost of excluding the possibility of using experience from other parts of the world in the form of the services of experts. However, the Executive Secretary had reported that he was finding it extremely difficult to find suitable African candidates with adequate training and experience. That difficulty might be due to an excessively rigid application of United Nations recruitment policies and standards to the special situation in Africa. Those policies and standards placed far too much emphasis on experience to the exclusion of other factors, and thus made it impossible to use the talents of young people, even from the old developed countries, and particularly from the African countries, very few of which were in a position to provide personnel with fifteen or twenty years' experience. Nor was it likely that any promising young African with bright

prospects in his own country would be induced to seek a clerical job with the secretariat.

11. With regard to the work of ECA during the past year, the importance of its statistical activities should be emphasized. The Conferences of African Statisticians had helped to standardize the types of information and data sought as well as the procedures of statistical interpretation. Three regional statistical training centres had been established and many African governments were organizing and strengthening their statistical services along the lines of the Commission's recommendations.

12. Important work had also been done in the fields of economic planning and the social aspects of development. The promotion of intra-African trade and Africa's international trade problems had loomed large in the Commission's discussions and work programme. He noted that in the past African governments had rightly pointed out that the Commission's efforts in the field of surveys of natural resources and industrialization had lagged. That, however, had been due to the difficulty of recruiting experts and it was hoped that the Commission would make good progress in that field in 1962 and 1963.

13. Two important initiatives had been taken by the African governments in proposing the establishment of an African institute on economic development and planning and an African development bank. In both cases the inspiration had come from the experience and thinking of other regions. The institute, it was hoped, would train Africans in sufficient numbers to make an impact on economic conditions. However, he felt that the reports of the panel of experts on the institute (E/CN.14/128 and Add.1-3 and Add.1/Corr.1) were far too timid. The institute, according to the panel's recommendations, was to start with fifteen trainees, a number to be increased to forty after five years. In other words, for the next years the institute would not even be able to train an average of one African national for every member and associate member of the Commission. Most of the African governments had indicated their readiness to assume a major share of the burden of financing the African development bank, which was to supplement the efforts of existing international financial institutions. That bank, by mobilizing African resources, would symbolize the principle of self-help, and his delegation hoped that the visiting mission recently established at Monrovia would receive more explicit declarations of assistance for the bank from some potential contributors.

14. Referring to the decisions adopted by ECA at its fourth session, he emphasized that its resolutions 42 (IV) and 44 (IV) had been in no way motivated by a sense of vindictiveness or a refusal to co-operate on a new basis with the former colonial powers. In spite of the unfortunate episode of colonialism, Africans had buried the past and were willing and ready to use historical relationships for the benefit of all on the basis of mutual respect for each other's sovereignty and the recognition that Africans alone had the right to make final decisions in regard to their future. No African would deny that the knowledge possessed by the metropolitan powers of African conditions and problems could assist Africa in its struggle for economic development. For example, the

ties of language and trade between Africa and the former metropolitan powers could be used to the advantage of both Africa and Europe in pursuance of the new concept of international co-operation developing within the United Nations system. He noted that previously the reason for granting full membership to France and the United Kingdom had been the fact that those powers had been responsible for certain Territories in Africa. Some of the Territories had since become independent and the other Non-Self-Governing Territories were required to be represented under the terms of General Assembly resolution 1466 (XIV), operative paragraph 2 of which read "Specially requests all Member States administering Non-Self-Governing Territories in Africa to propose the participation of these Territories in the work of the Economic Commission for Africa". The same principle had been accepted by Commission resolution 24 (III),¹ which, among other things, invited the Executive Secretary to report to the Commission on the measures taken by the administering Powers to bring about the participation of the Territories in the work of the Commission.

15. Spain had not furnished any explanation, verbal or written, of its attitude in respect of the representation of its African Territories, and its silence had been interpreted as a sign of non-coöperation. Portugal, on the other hand, had refused to apply the General Assembly and Commission resolutions in respect of the representation of Non-Self-Governing Territories; it continued to adhere to the old fiction that its colonies in Africa were an extension of its metropolitan territory, an argument that had been rejected several times by the General Assembly.

16. In the face of such obstinacy and refusal to co-operate, it had been decided that the participation of Portugal and Spain would not serve any useful purpose in the common struggle against poverty, disease and illiteracy in Africa. However, the recent memorandum from the Spanish Government (E/L.953 and Corr.1) indicated a change in that country's attitude, and the Ethiopian delegation was prepared to give the matter further thought.

17. The decision in respect of the membership of the Republic of South Africa was a different case. By applying its policy of apartheid, the South African Government had deprived the vast majority of its inhabitants of the benefits that should be enjoyed by Africans as a result of their association with the Commission's activities. That government had not even allowed a sub-committee authorized to consider the impact of racial discrimination on economic growth to visit the country. It had furthermore refused to co-operate with the Commission, which had taken note of that refusal by recommending the suspension of its membership (resolution 44 (IV)).

18. The Council should view those decisions in the light of the circumstances in which they were taken and should approve them.

19. Mr. PASTORI (Uruguay) said that his delegation had always been a keen supporter of decentralization and the strengthening of the regional economic commissions; and the reports of the four executive secretaries

¹ See *Official Records of the Economic and Social Council, Thirty-second Session, Supplement No. 10, part III.*

confirmed its opinion. At the time of the establishment of the Committee for Industrial Development, the Uruguayan delegation, believing that different economies should be considered from different angles, had argued that there was no single solution, and that different formulae should be sought for the various regions; and it had proposed that the regional economic commissions should be represented on a permanent basis at the Committee's sessions. Such differentiation did not signify the absence of co-operation and co-ordination. At a time when mankind was being further divided into new States, its unity was being strengthened by the advances made in transport and communications, and practical solidarity was thus being created in a number of spheres, including economic affairs.

20. With regard to ECLA, the Uruguayan delegation subscribed to the conclusions reached by its Executive Secretary at the 1210th meeting. Immediately after the Second World War, the Latin American economy had enjoyed a period of prosperity: the size of its population had exceeded that of the United States, its import capacity had increased by 70 per cent and its production capacity by 76 per cent. However, that had been followed by a period of stagnation and of near-regression. The time had now come to reappraise the problem, and the best way of doing so and of finding a solution was to develop a thorough knowledge of the aims and aspirations of the Latin American masses and to abandon the idea of applying to that continent solutions which had been found suitable for economically advanced countries.

21. In the light of those considerations, of the ECLA report (E/3581/Rev.1) and of the realities of the continent, his delegation noted two encouraging facts, the Tripartite Agreement concluded at the first meeting of the OAS/ECLA/IDB *ad hoc* Committee on Co-operation and the establishment of the Latin American Institute for Economic and Social Planning. It awaited with interest the *Economic Survey of Latin America, 1961*, which had been entrusted to the OAS under the Tripartite Agreement. It regarded the Institute as the instrument through which the results that Latin America expected from ECLA could best be achieved.

22. There were two other encouraging elements in the current situation. The first was the Alliance for Progress, a dynamic factor which should facilitate the economic transformation of the continent. Fortunately, the seriousness of the economic and social situation had been appreciated and it had been realized that the only remedy lay in collective action. The new scheme opened up fresh horizons, and its more realistic and broader approach gave hope of a better understanding of Latin America's problems. The second encouraging element was the establishment of the Latin American Free Trade Association, which marked a new stage in the trade relations between Latin American countries. Uruguay had already observed an encouraging increase in its trade with the other countries of the region.

23. Finally, the Uruguayan delegation saw two discouraging elements in the situation. First, it noted with regret that co-operation and co-ordination among the various regions were not always as sincere and as far-reaching as might be hoped; the discriminatory measures

adopted by the members of the Common Market against the primary commodities supplied by the majority of Latin American countries were seriously affecting their economies. His delegation also regretted that express provisions of GATT concerning international trade in those commodities were being distorted. Those developments were of great importance to the Latin American countries, at it was impossible for them to plan their economic development unless they could be sure of being able to sell their primary commodities at fair and reasonable prices. Secondly, his delegation deplored the inadequacy of the resources placed at the disposal of the regional economic commissions. It particularly regretted that, owing to lack of resources, no specific study of trade in traditional products had been undertaken, although such a study had been provided for under Commission resolution 119 (VII) and Trade Committee resolution 4 (I) (E/3581/Rev.1, project 31, pp. 47-48). It urged the Executive Secretary to do everything in his power to ensure that that study, which was of primary importance to the Latin American countries, was made available to them as soon as possible.

24. Mr. EL-FARRA (Jordan) said that, although his country was not a member of any of the regional economic commissions, it had followed their activities with great interest. He was impressed by the achievements of ECAFE; the proposed Asian institute for economic development was one of the many constructive projects considered by the Conference of Asian Economic Planners. The exchange of experience and knowledge was always fruitful and he was glad to note that the Commission sponsored many conferences and seminars for that purpose.

25. Much had been accomplished in a short time by ECA and it was gratifying to see it concentrate on expert planning for the development of Africa. The setting up of a development institute for Africa was in line with General Assembly resolution 1708 (XVI), and would be of assistance to the Commission in its future work; he hoped that the Special Fund would be in a position to give all possible help to the proposed institute. His delegation supported the establishment of the proposed African development bank, which it hoped would play an important part in the future development of Africa.

26. As to the question of membership in ECA, and to draft resolution III (E/3586, part IV) submitted by that Commission to the Council for action, there was unfortunately no indication that Portugal had reconsidered its attitude or shown any desire to co-operate with the United Nations. Spain, on the other hand, had stated expressly in a document before the Council (E/L.953 and Corr.1) that it was prepared to comply with the terms of General Assembly resolution 1466 (XIV) and ECA resolution 24 (III). His delegation was glad to note that, however it arose, the situation caused by the delay in furnishing the information requested under those resolutions had been rectified by that action. The original draft of the resolution submitted to ECA (E/CN.14/L.93) had merely reminded the Spanish Government of the need to fulfil resolution 1466 (XIV) and resolution 24 (III); some representatives had at that time doubted the wisdom of recommending the exclusion of Spain, taking the view that the Spanish representative

might still receive instructions expressing willingness to comply with the resolutions in question. Had the Commission had before it the document now submitted to the Council, its decision in regard to Spain might well have been different. Since Spain had thus announced its compliance with the relevant resolutions in an official document, he hoped that the Council would take steps which would lead to Spain's being given the same treatment as had been accorded by ECA to those countries which had submitted the required information at an earlier date, namely, the United Kingdom and France.

27. It was hardly necessary for him to comment on draft resolution IV submitted by ECA to the Council on the subject of the membership of the Republic of South Africa; his delegation had sponsored all the relevant General Assembly resolutions, which the Republic of South Africa continued to violate, ignore and defy.

28. Lastly, there was an area in the Near and Middle East, consisting of Jordan, Kuwait, Iraq, Saudi Arabia, Yemen, Syria and Lebanon, which belonged to none of the regional commissions. The annual report on economic developments in the Middle East, the inadequacies of which his delegation had already mentioned at the Council's 1162nd meeting, had not yet been issued for 1961. The reason for that delay was that there was no economic centre in the area, although the United Nations Social Centre was situated in Beirut. United Nations experts had emphasized the importance of balanced social and economic development, but the Secretariat had not yet found a way to establish balanced social and economic machinery in the area. His delegation saw no reason why an economic centre should not be set up on similar lines to the existing office in Beirut; such a centre could work in co-operation with the economic department of the League of Arab States. Further, at United Nations Headquarters, in spite of increases in personnel every year, there was no adequate economic section for the Middle East.

29. In conclusion, he would ask the Under-Secretary for Economic and Social Affairs whether the report on economic developments in the Middle East would be submitted to the Council, and if so, when. He also wished to know whether it was planned to establish an economic centre at Amman or Beirut, for example, together with a supplementary unit at United Nations Headquarters for those Arab States which belonged to no regional economic commission.

30. Miss SALT (United Kingdom) said that over the years the regional economic commissions had come increasingly to occupy the position of trust and responsibility in United Nations economic and social work for which their regional knowledge and associations so well fitted them. That development, however, had taken place against the background of a continued and universal recognition that those commissions were arms of an organization which covered the whole world and that their activities formed part of a great co-operative effort embracing all regions and every Member State. That fundamental principle had been recognized in the General Assembly and in the Council itself. Indeed, it was through the Council that that essentially worldwide approach was most clearly apparent.

31. The United Kingdom had long regretted that the restricted size of the Council still prevented it from being as fully representative of the different regions of the world as the majority of Member States of the United Nations would wish. However, the membership of the Council included some States from every region, as a token of a common purpose behind United Nations efforts for worldwide development.

32. She was struck by the extent to which solutions and machinery were developing along similar lines in the different commissions. One example was provided by the economic development and planning institutes, which the General Assembly in its resolution 1708 (XVI) had recommended should be established with Special Fund assistance in the three less developed regions of the world.

33. There was a growing recognition of the advantages to developing countries of increased co-operation in trade matters. That recognition was apparent in the formation of the Latin American Free Trade Area and in the efforts towards the setting up of a Central American common market, towards an association of South-East Asian States and towards a customs union between Nigeria, Dahomey and Togo. In that respect, she disagreed with the Soviet Union representative, who thought that those developments might hinder the growth of world trade; on the contrary, they would greatly stimulate such growth, so long as the groupings remained "outward-looking", to quote the expression used by the Executive Secretary of ECLA.

34. Progress had been made in the decentralization of economic and social activities of the United Nations and in the strengthening of the regional economic commissions in response to General Assembly resolution 1709 (XVI). Unlike the Polish representative, she felt that that progress had been most heartening.

35. Her delegation had always considered that the regional commissions must have a central role to play in the development of regional technical assistance projects. She noted with satisfaction that, in terms of expenditure, ECAFE already directly executed 65 per cent of its regional projects, ECA 80 per cent and ECLA 90 per cent. The commissions were being developed, in the words of the Secretary-General, as "focal centres for advice to governments in the planning of their technical assistance" (E/3643, para. 8). The establishment on a regular basis of meetings at the commissions' headquarters of the resident representatives in the regions would contribute to maintaining close contacts between the secretariats of the commissions and the resident representatives.

36. Staff recruitment remained a key problem; there was clearly no point in shifting the responsibility for different aspects of work to the regional commissions until they were adequately staffed to undertake it. However, subject to the decisions of the Fifth Committee of the General Assembly, continued progress could be hoped for in the matter; further staff additions were proposed, apart from the large increases approved in 1961.

37. Certain functions, however, would have to remain at Headquarters if duplication were to be avoided and efficiency maintained; it was through Headquarters that

the regional commissions were linked with the United Nations as a whole and also with each other. Moreover, where there was a shortage of qualified experts, it was advantageous to keep them centrally available so that they could be used in different regions on request.

38. She was impressed by the rapid growth, the enthusiasm and the energy of ECA. At its fourth session, the need for greater co-operation between African countries had once again been stressed; her delegation wholeheartedly supported the emphasis placed on that point.

39. Two of the draft resolutions recommended to the Council by ECA concerned the membership of the Commission. As far as the position of her own government was concerned, the United Kingdom had always considered itself as being to a large extent a guest of the regional members in the non-European commissions. Accordingly, while trying to play as constructive a role as it could in all their deliberations, the United Kingdom had followed and would always follow a policy of not using its votes in a way which might run counter to the interests and wishes of a majority of the regional members. That attitude was embodied in the Lahore formula, the considerations behind which would also seem to apply to the ECA recommendations concerning the continued full membership in the commission of, among other States, the United Kingdom. She could well understand the concern and perhaps the apprehensions to which those considerations had given rise, and wished to stress that whatever the outcome of the current debate it was the intention of her government to continue to follow the Lahore formula practice in the exercise of whatever voting rights it had in ECA.

40. The United Nations had been founded on the idea that it was constructive for governments with widely different policies and points of view to sit together and discuss their problems and differences. The regional economic commissions were part of that greater whole, and the Council should consider carefully the implications of any action which might seem to detract from the multilateral character of the United Nations. The United Kingdom Government in no way condoned acts such as those described at the 1211th meeting by the representative of Senegal, but it did consider that the exclusion of Member States from the United Nations deliberations was not calculated to bring United Nations influence to bear on their conduct; nor was it the best means of preserving the integrity of the United Nations. If, therefore, she expressed some apprehension about draft resolution III submitted by ECA, it was not because her delegation was primarily concerned about the effects of the United Kingdom, but because certain parts of it seemed to raise issues of the gravest consequence for the United Nations as a whole; those apprehensions applied also to draft resolution IV concerning the Republic of South Africa.

41. With regard to ECLA, the great achievement of the year in the region had been the setting up of a Latin American Institute for Economic and Social Planning, an achievement on which she congratulated the Latin American governments concerned and the Executive Secretary of ECLA. The establishment of similar institutes was of course going forward in Africa and in Asia and the Far East.

42. She had heard with great interest the comments made at the 1210th meeting by the Executive Secretary of ECAFE on the progress made with the great regional projects of the development of the Lower Mekong basin and the planning of an Asian highway. Her government was glad to be able to play a part in those undertakings.

43. As to ECE, she could assure the Council that its seventeenth session had been much more harmonious than might have been suggested by the statement made at the 1211th meeting by the Soviet Union representative. The Executive Secretary of ECE had, as usual, made an important contribution to the success of the session, and mention should be made of his generosity in seconding to ECA the director of one of the most important divisions of ECE.

44. Mr. CERULLI-IRELLI (Italy) said that his delegation had greatly appreciated the statements made by the four executive secretaries. His country was a member only of ECE, but it had followed with interest the work of the other regional economic commissions, sending experts and observers to their sessions. The regional economic commissions had become extremely powerful instruments for carrying out the tasks which the United Nations had set itself. Among the most interesting steps which they had taken were the establishment of a Latin American Institute for Economic and Social Planning, the organization of the Conference of Asian Economic Planners, the investigations of the Lower Mekong basin, and, in Africa, the plan for African educational development.

45. He had listened with interest to the Jordanian representative's comments on the position of Spain in regard to draft resolution III submitted by ECA, and endorsed the wish expressed by that representative for an amicable solution of the problem.

46. The problem of decentralization was of current interest at that stage, and his delegation would make a more detailed statement on it in the Co-ordination Committee. For the moment, it would be better to try to solve the problem on the basis of day-to-day experience, rather than to make long theoretical statements which could not be translated into practice.

47. Mr. ANIEL QUIROGA (Observer for Spain), speaking at the invitation of the President, referring to ECA resolution 42 (IV) concerning the terms of reference of the Commission, said that it was only due to fortuitous circumstances that Spain had not replied to the request for information made by the Executive Secretary of ECA relating to General Assembly resolution 1466 (XIV) and to ECA resolution 24 (III). As a result, Spain had been included in ECA resolution 42 (IV), which noted that "Spain has not furnished any explanation, verbal or written, of its attitude" to resolution 24 (III). The Commission, on that basis, had recommended to the Council that Spain should be deprived of membership of ECA.

48. Spain had since submitted a memorandum, to which reference had already been made by a number of representatives. That memorandum completely altered the circumstances which had led to the adoption by ECA of its resolution 42 (IV). His delegation accordingly trusted that the Council would accede to the request

made in the memorandum and would not include in whatever resolution it might adopt the recommendation relating to Spain contained in operative paragraph 4 of ECA resolution 42 (IV), nor any of the other references to Spain contained in the existing text of that resolution or in draft resolution III submitted by ECA to the Council for action. Spain would not thereby be deprived of the status given to the Powers responsible for the international relations of Territories situated in the geographical area of ECA.

49. Mr. KLUSAK (Observer for Czechoslovakia), speaking at the invitation of the President, commended the regional economic commissions for the important part which they were playing in promoting peaceful co-operation among nations. The four commissions were also playing a substantial role in promoting the development of the less developed countries.

50. His delegation had consistently supported the strengthening of ECE, a body which, in addition to fostering economic and technical co-operation among European States, had an important part to play in extending assistance to the developing countries. In that connexion, he stressed that the member States of ECE represented no less than one-third of the world economic potential; ECE had also the advantage of comprising among its members States of different economic systems.

51. It was, however, unfortunate that the effectiveness of ECE was hampered by its lack of universality; the German Democratic Republic continued to be denied access to the Commission, an injustice against which his delegation had persistently protested. It was unfortunate also that certain useful suggestions for scientific and technical co-operation which had been put forward by the socialist countries, or submitted by the secretariat of ECE on its own initiative, had not been adopted owing to the opposition of certain western countries.

52. In addition, ECE was not playing the important part which it should play in developing trade and overcoming obstacles to trade relations. An open discussion of world trade problems in ECE would have been useful; in that connexion, he drew attention to the harmful effect on world trade of closed economic groupings and discrimination in trade.

53. His delegation expressed its full sympathy with the efforts of the less developed countries to strengthen their economic independence, efforts which were reflected in the work of ECAFE, ECA and ECLA. His delegation supported the efforts of the newly independent countries in seeking to develop their economies, which had suffered from years of neglect under colonial rule; such development was a prerequisite for an increase in the well-being of the peoples of those countries. Those countries were rightly seeking to achieve rapid industrialization and a rational utilization of their natural resources for the benefit of their own peoples.

54. His delegation welcomed the setting up of the Latin American Institute for Economic and Social Planning and the efforts towards the establishment of similar institutes in the other regions. Such institutes would play an important part in the planning of long-range projects for the benefit of the developing countries.

55. At the seventeenth session of ECE, his delegation had suggested that a planning centre should be set up for Europe as well. Such a centre would make it possible for the European region to pool its knowledge and make it available to the other regions. That suggestion, although fully consistent with the terms of General Assembly resolution 1708 (XVI), had not been adopted.

56. The Czechoslovak Government consistently endeavoured to develop international trade relations on the basis of equality of all nations. Those trade relations were currently hampered by the setting up of artificially closed markets. That process had been particularly detrimental to the interests of the developing countries and their anxieties in that respect were reflected in the reports of the regional commissions. His delegation was confident that a world solution of trade problems would ultimately be sought and that a worldwide trade organization would be set up. The existing situation was injurious to the interests both of the developing countries and of the industrialized countries themselves, besides engendering international bitterness. His delegation therefore supported the idea of convening a world trade conference within the framework of the United Nations.

57. Mr. TRAORE (Observer for Mali), speaking at the invitation of the President, said that the reports of the regional economic commissions demonstrated that the world was becoming increasingly aware of the dangers of unbalanced economic growth — with the problem of under-privileged areas — and of the benefits which could be derived from a worldwide division of labour.

58. His delegation had been particularly interested in the statement made at the 1211th meeting by the Executive Secretary of ECA. It regretted that some countries in the world, and particularly in Africa, were still pursuing a policy that was at variance both with the principles of the Charter and the Universal Declaration of Human Rights and with that spirit of loyalty and fraternity without which no genuine co-operation was possible. He was thinking particularly of the Republic of South Africa. He could not understand how a State, in which 72 per cent of the members of the population were held in servitude for the simple reason that their skin was of a different colour, could offer its co-operation to peoples who were racially identical with its victims. In fact, South Africa had itself surrendered its rights to membership of the commission when, in reply to resolution 26 (III) requesting the Executive Secretary to make subregional studies of the economic and social consequences of racial discriminatory practices, it had refused to take part in the fourth session of ECA or to allow a Sub-Committee to carry out investigations on its territory. Spain and Portugal had associated themselves with South Africa in refusing to observe the elementary principles which were indispensable for international co-operation, although one of those countries was making a belated statement which was certainly not inspired by a genuine desire for co-operation. His delegation urged the Council to adopt draft resolutions III and IV which the Commission had submitted in regard to those three countries.

59. He also took the view that the terms of reference of ECA should be amended to allow Territories which were still dependent to participate in the commission's work as associate members in the place of the metropolitan countries. The former understood much better than the latter the sufferings which dependent Territories had to endure.

60. His delegation was keenly interested in resolution 52 (IV) on the establishment of an African development bank. He understood from the Commission's report that the operations of the bank would be of such an order of magnitude that its influence would be felt throughout Africa. The share capital subscribed would be fairly high and it would be purely African — that is, the majority of subscriptions would come from African sources; finally, all African States were to subscribe the same amount. Having in mind the financial situation existing in the majority of African States, his delegation believed that the Council should exercise great care in formulating principles regarding the share capital of the bank, its structure and its relations with national, regional and international banks to which African States were already subscribing or might in future subscribe. At the same time, the fundamental purpose of the African development bank, which was to assist in the promotion of development plans for the continent, should not in any way be restricted.

61. Mr. GRANT (Observer for Ghana), speaking at the invitation of the President, referring to the United Nations Development Decade, said that in order to achieve success, the Decade needed: first, carefully laid plans; second, well-defined goals; third, sufficient resources in men, material and funds; and fourth, adequate publicity to reach the man in the street. In that connexion, a division of functions between United Nations Headquarters and the regional commissions was desirable. The short-term objectives for the Decade should include, in the case of Africa, the setting up of an institute for economic and social planning and of a development bank within the first three years. The long-term aim should be to set up a dove-tailed system of complementary national economies in Africa, especially with regard to industry. The Development Decade was incompatible with the arms race, and the Council should make an appeal in favour of general disarmament, which would release huge resources for the Decade.

62. The growth of the world's population was another great contemporary problem, and an appeal should be made to the countries holding food surpluses, inviting them to help other countries.

63. It was a matter for regret that ECA should have to refer to three countries which had not complied with resolutions 1466 (XIV) of the General Assembly and 24 (III) of the Commission itself; they had not followed the commendable example of the United Kingdom, France and Italy. In view of that non-compliance, his delegation had no alternative but to endorse the recommendation for their exclusion from membership of ECA until they complied with those resolutions. Colonialism still lingered on. The United Nations Development Decade needed an atmosphere of complete freedom, which required a speeding-up of the process of decolonization.

64. Lastly, he expressed his gratitude to all the governments which had extended their co-operation and financial assistance for the Volta River project, which was likely to be implemented within the United Nations Development Decade.

65. Mr. COEYTAUX (United Nations Educational, Scientific and Cultural Organization) said that the work of UNESCO, particularly in education, generally took the form of participation in regional projects, and it was therefore natural that the regional economic commissions should, to an increasing degree, be closely associated with that work. The organization was grateful to the executive secretaries for their collaboration in the three regional conferences at which the ministers of education of Africa, Latin America and Asia had met.

66. New prospects were opening up for such collaboration. The UNESCO had a major interest in the establishment of regional planning and development institutes. His organization conceived of educational planning as a continuous process, organically integrated in national economic and social development plans, and therefore regarded it as extremely desirable that the institutes should include a special section which would impart relevant instruction in appropriate form. It was continuing its negotiations with the secretariats of the regional economic commissions with a view to laying down procedures for its collaboration both in the teaching programmes of those regional institutes and with the organs which would have to guide the institutes' work. Such collaboration was the more essential as the Acting Director-General was to submit, at the next General Conference, proposals for the establishment in Paris of an institute for the training of senior educational planning staff. The specialists thus trained would be able to make an appreciable contribution to the activities of the regional institutes.

67. Mr. de SEYNES, Under-Secretary for Economic and Social Affairs,² replying to the Jordanian representative, admitted that the Secretariat's work relating to the Middle East had not only not experienced the expansion recorded in other areas, but had also been retarded by the force of circumstances. That, however, applied only to economic research. In the social field, a fair level of activity had been maintained, and in the sphere of technical assistance and of the Special Fund, work had been intensified and noteworthy successes had been achieved.

68. Serious thought had been given to the deficiencies pointed out by the representative of Jordan. In the budget estimates for 1963, and perhaps also by other means, it was intended to make arrangements for more intensified United Nations activities, either at Headquarters or at the regional office which already existed in Beirut, in order to come closer to achieving their ideal of balanced economic and social development.

69. With regard to the study, *Economic Developments in the Middle East, 1955-1961* (E/3635), two chapters had arrived in Geneva and would shortly be distributed. The third was expected to arrive before the debate on

² The complete text of the statement made by Mr. de Seynes was circulated as document E/L.965.

world economic trends began. He apologized for the delay in submitting the document.

70. The Secretariat's inability to meet its commitments with regard to the Middle East was due solely to the fact that it had not been in a position to assign the necessary resources to that work. That should be considered together with remarks made on the pace of decentralization. It was not to be supposed that Headquarters was generously staffed, but refused the executive secretaries the resources they required. The truth was that at Headquarters, as elsewhere, the Secretariat was in a state of permanent crisis. For three years, tasks which could not be carried out locally had been becoming more numerous as a result of decisions of the directing bodies, without adequate provision of funds by the General Assembly. The Secretariat was operating like a military commander who, unable to fight on all fronts simultaneously, threw in his troops at different points in turn wherever they were most needed. For three years, the Secretariat had been living on its human capital, demanding unreasonable efforts of its staff. If that state of affairs were to continue for another year, it would certainly lead to deterioration of the human material. Such was the situation explaining the gaps in the work relating to the Middle East, and the pace at which decentralization was proceeding.

71. As to decentralization of technical assistance, it should be realized that the Secretariat was operating under a unified programme, since the General Assembly had not decided in favour of dividing the technical assistance programme into four separate programmes. If the General Assembly had preferred four programmes, three of the regional economic commissions would soon have found themselves compelled to establish substantive and administrative services outside their regions, since, owing to the nature of the technical assistance programme, which was intended to link industrial and under-developed countries, certain operations could be carried out efficiently only at certain places and in a certain environment. The Secretariat accordingly had to operate not only at the periphery, but also at the centre, a double centre, so to speak, forming a New York-Geneva axis. In that context, he shared the view that Geneva and ECE should be assigned a larger role in technical assistance.

72. Together with the trend towards decentralization, another trend, tending towards the creation of centres, had asserted itself, and there was no contradiction in the coexistence of the two phenomena. The more the United Nations decentralized its work, the more it had to strengthen some of its central services. The allocation of work as between Headquarters in New York and the regional economic commissions must be such that the work of the centre and that of the periphery were complementary. That concept was indispensable if technical assistance was to retain its universality and if experience and knowledge were to be effectively exchanged between all regions of the world. If that idea were understood, there should soon be achieved a degree of decentralization satisfactory to those who advocated it.

73. The main problem, however, was one of resources. If effective decentralization were to be achieved without

harming the system, the instruments of decentralization must be developed — institutes, regional advisers, strengthening of regional units and some provision of administrative staff familiar with the intricacies of the programme. All those required resources. It was unlikely that the Economic and Social Council and the General Assembly would be able to disregard much longer the problem of the relationship between tasks and resources. One of the organs of the United Nations should make a searching study of the question in connexion with the Development Decade and attempt to plan the tasks entrusted to the Secretariat.

74. Mr. ARKADEV (Union of Soviet Socialist Republics) said that, in his statement, he had simply analysed the substance of the remarks made by a representative of a major European power, since he disagreed with that representative's views on the future of ECE.

75. He would point out to the United Kingdom representative that one could keep informed of the work of an organization or body without attending its sessions. The United Kingdom representative, moreover, had invoked the principle of the universality of the United Nations in connexion with the resolutions adopted by ECA. That argument sounded rather strange, coming as it did from a country which recognized the People's Republic of China and yet consistently voted against recognition of its legitimate rights in the United Nations. Nor had the principle of universality ever been invoked by the United Kingdom in support of the admission of the German Democratic Republic to ECE.

76. With regard to the remarks of the Executive Secretary of ECLA, he had invariably found the *Economic Survey for Latin America* to be a valuable and reliable document; what he failed to understand was why it had suddenly been decided to change the method by which it was prepared, and why an urgent need for the assistance of OAS had arisen. If the other regional commissions were to follow the example set by ECLA, the *Economic Survey of Europe* would be prepared in co-operation with NATO and the *Economic Survey of Asia and the Far East* in conjunction with SEATO. The matter was one which should be examined carefully by the Council.

77. Mr. PATIÑO (Colombia) expressed his delegation's gratitude to ECLA and to its Executive Secretary. His country was particularly gratified to have a part in the project for the establishment of the Latin American economic and social planning institute. He also expressed satisfaction at the fruitful relations established by ECLA with OAS and with the Inter-American Development Bank.

78. As to ECA resolution 42 (IV), his delegation was satisfied with the explanations given by Spain in its memorandum. Accordingly, it could not support any proposal to deprive Spain of membership of ECA. He was glad to note from the statement by the representative of Ethiopia that the memorandum by Spain introduced a new element which, if it had been placed before ECA at the appropriate time, would probably have led to a different decision in regard to Spain. The representative of Senegal, at the 1211th meeting, appeared to have, tacitly, at least taken the same view. Since a

number of delegations objected to the proposal to deprive Spain of membership of ECA, but none had so far put forward any formal amendment, he suggested that the President might consider deferring consideration of draft resolution III submitted by ECA in order to enable the delegations concerned to discuss the matter.

79. Mr. EL-FARRA (Jordan) pointed out that if action on ECA draft resolution III were to be deferred, the same course would have to be adopted in regard to draft resolution I, because the annual report of ECA contained resolution 42 (IV) relating to membership of the Commission.

80. Mr. GUERRERO (El Salvador) said that the statement by the Observer for Spain and the memorandum submitted by the Permanent Representative of Spain made it clear that Spain was complying with the terms of General Assembly resolution 1466 (XIV) and of ECA resolution 24 (III). He therefore joined the Colombian and other representatives in opposing the proposal that Spain should be excluded from membership of ECA.

81. The PRESIDENT put to the vote the draft resolutions submitted by the regional economic commissions.

The draft resolution submitted by the Economic Commission for Europe (E/3584, part IV) was adopted unanimously.

The draft resolution submitted by the Economic Commission for Asia and the Far East (E/3599, part IV) was adopted unanimously.

The draft resolution submitted by the Economic Commission for Latin America (E/3581/Rev.1, part IV) was adopted unanimously.

The draft resolution submitted by the Committee of the Whole of the Economic Commission for Latin America (E/3649, part III) was adopted unanimously.

82. After an exchange of views between Mr. ARKADEV (Union of Soviet Socialist Republics), Mr. WODAJO

(Ethiopia) and Mr. PATIÑO (Colombia), the PRESIDENT said that a decision on draft resolutions I, III and IV submitted by ECA would be deferred.

Draft resolution II submitted by the Economic Commission for Africa (E/3586, part IV) was adopted unanimously.

83. Mr. MELLER-CONRAD (Poland) introduced the draft resolution contained in document E/L.956, which his delegation, together with those of Brazil, India and Senegal, had co-sponsored.

84. Mr. KLUTZNICK (United States of America) proposed, first, the deletion of the third preambular paragraph, since the memorandum submitted by the Brazilian delegation covered matters other than decentralization; and secondly, in operative paragraph 2 that the words "continue to" be inserted before the words "take steps". With the latter amendment, the text would more accurately reflect the situation, since the Secretary-General had indeed taken steps to implement the policy of decentralization as outlined by the Council and the General Assembly.

The amendments were adopted.

85. Miss SALT (United Kingdom) proposed that the words "in accordance with General Assembly resolution 1709 (XVI)" should be added after the words "the process of decentralization" in operative paragraph 2.

The amendment was adopted.

86. Mr. TRIVEDI (India) proposed that in operative paragraph 2 the word "further" be inserted before the word "steps".

The amendment was adopted.

The draft resolution, as amended, was adopted unanimously.

The meeting rose at 7.30 p.m.



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President: Mr. J. MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Austria, Belgium, Canada, Chile, Cuba, Ghana, Greece, Iraq, Ireland, Mali, Romania, Sweden, United Arab Republic.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Civil Aviation Organization, International Bank for Reconstruction and Development, International Monetary Fund, World Health Organization, Universal Postal Union, International Telecommunication Union, World Meteorological Organization, Interim Commission for the International Trade Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 4

United Nations Development Decade (E/3613 and Corr. 2 and Add.1-3, E/3658, E/3664; E/L. 957, E/L.958)

GENERAL DEBATE

1. The Acting SECRETARY-GENERAL said that the privilege of attending the thirty-fourth session of the Council was enhanced for him by the opportunity of presenting his proposals for the United Nations Development Decade.

2. The question before the Council was more than a broad agenda item; it involved a programme of such significance that if dealt with appropriately, with vision and resolution, it might make the session of the Council an historic one.

3. Since the adoption of General Assembly resolution 1710 (XVI), the United Nations Development Decade had been a major preoccupation for all concerned, prompting much reflection and soul searching. Only two months previously, he had addressed Danish students on that theme during a visit to Copenhagen, and he wished to reiterate some of the thoughts which he had then expressed.

4. The basic fact which warranted, and indeed demanded, a bold worldwide approach to economic and social development was the demonstrated possibility for mankind to create resources, instead of depending on them. The earth was rich in resources, and since mankind had become able to take advantage of its riches, it was no longer resources that limited decisions. It was decisions that made resources just as, in an economy where growth had acquired enough impetus, acceleration of that growth became mainly a matter of effective demand.

5. Not being a professional economist, he could perhaps be candid about the notion of effective demand. It evoked illustration of the Keynesian theories, inviting reflection on the possible stimulating effects on a depressed economy of a mobilization of workers for burying empty cans which could then be dug out. He wondered what Lord Keynes would say if he lived in the modern world, in which 1,500 million people who were suffering from hunger or malnutrition had become pressingly vocal in international affairs. Across frontiers he would see, on the one hand, demand for more necessities and greater opportunities; on the other hand, competition for more and deadlier weapons, which could only be conceived as a highly dangerous substitute for the empty can exercise.

6. In that respect, it was satisfactory, and significant of the United Nations approach, that at a time when the Council was breaking new ground for a momentous long-term plan of economic and social development, it was seized for the first time with the problem of the economic and social consequences of disarmament. That might be historically a coincidence, but one which should be turned into an opportunity for a broader and a deeper reflection on the major problems of the day. Armaments — or disarmament — were a major determinant of the shape, nature and scope of economic and social progress, and they had a bearing in more than one way on the Council's debate. It was of great importance that early in the 1960s a document such as the report dealing with the economic and social consequences of disarmament (E/3593 and Corr. 1) should do justice in a decisive way to an alleged and invidious relationship between armaments and prosperity which might be lingering on in the minds of many. By stating categori-

cally and on the basis of a unanimous finding, that the disappearance of military budgets should not result in the collapse or even in a serious dislocation in the economies of the industrial countries, the experts who had written the report had strengthened the United Nations belief that the trend towards increasing armaments was not irreversible and that disarmament, which was the only dependable insurance against the risk of annihilation, was not beyond the reach of the international community. The experts had at the same time drawn attention to the fact, very relevant to a debate on a decade of development, that action should be planned ahead, and preparations made in the economic and social field, for the advent of disarmament. It was a matter for satisfaction that one could be confident that those preparations were being made.

7. At the same time, he emphasized his conviction that it was not possible to wait upon disarmament. The mobilization of resources for economic and social progress was an effort which must and could go forward, whatever happened to military budgets. If the latter were to dwindle and to disappear in the near future, as was so keenly to be hoped, the less developed world would, of course, share the savings with the taxpayers of the big Powers, and vast additional sums would be available to speed up development all over the world. But fuller international co-operation should not be made contingent upon a particular manifestation of it, however crucial that manifestation might be.

8. Would the imagination of man be spurred only by the fear of an international rivalry? Or would the idea that man could change and better his lot become the most powerful driving force of mankind in the twentieth century? The latter proposition was the one which should come true. What would be the significance, otherwise, of the current process of decolonization, which was bringing to independence so many countries that immediately acquired membership in the United Nations by unanimous vote? Political freedom could only render more intolerable the coexistence between the rich and the poor in the international context, just as in any national one.

9. It was gratifying to see that financial and technical assistance from high income to low-income countries had become an accepted feature of the international economy, with former colonial Powers often accounting for a decisive share in the form of financial and human resources placed at the disposal of the newly independent countries. The problem of increasing external assistance and of maximizing its effectiveness was however, becoming, every day more acute. In a world shrunken by the progress of communication media, the pressure of under-privileged citizens against national inequalities in levels of living became the impatience of entire populations with subnormal standards of nutrition, shelter, education and medical care, while thousands of millions were being spent on, say, space research. If every person was not assured of a share in the benefits of the scientific progress which was leading mankind into space, if the vast growing investment capital and technical knowledge which were applied to push farther the boundaries of the kingdom of man were not also fully used to bring a better life to all within those boundaries, then the fate of

mankind itself was in serious jeopardy. And while, on the plane of tactics, that explosive situation might still allow the interplay of political considerations, on the plane of global strategy it had come to assume the proportions of a compelling moral challenge, in terms of human dignity and human kinship.

10. It was a recognized fact that, with existing population trends, the widening of the gap between affluent societies and low-income economies could only be countered by self-sustaining and accelerated growth in the latter. To achieve that growth in minimum time, efforts should proceed in the most coherent manner towards predetermined objectives. In recent years, the will to obtain more for more people at a fast pace had led governments to frame their major lines of action in the economic and social field in development plans, and that approach was discernible on the international scene.

11. In 1960, by resolution 1522 (XV), the General Assembly had requested the industrial countries to devote at least 1 per cent of their global national product to international aid. In 1961, in resolution 1710 (XVI) the Assembly had set as a target a 5 per cent annual rate of growth of aggregate national income of the under-developed countries. Those figures were very modest ones, and were purely indicative of a desirable mean. They evidenced, however, a definite desire to project, to organize and phase the work in relation to clearly defined and quantified targets — an approach typical of that adopted by an increasing number of governments for their national economies.

12. The United Nations Development Decade was a pressing invitation to the governments of Member States to increase their social and economic investments in a most forward-looking, purposeful, co-operative and integrated fashion. But it was also a development plan for the United Nations family of organizations. His report (E/3613 and Corr.2) attempted a prospective presentation aimed at determining how the current efforts of the United Nations family of organizations — as distinct from the sum of those of their members — could best be pursued and stepped up for a greater effectiveness of their response to the challenge of development. For the numerous fields of activity and many areas of work in which projects had been undertaken under the auspices of the United Nations family, indications were given on the ways in which the secretariats concerned saw a possibility to increase their catalytic role and usefulness to the community of nations on the basis of past experience and current expectations.

13. The analogy with planning exercises conducted in national contexts had not yet been carried very far, as any attempt to detail his proposals in quantitative terms would encounter obvious limitations at that stage. He had, however, endeavoured to determine the targets and envisaged, for example, that the total resources available for United Nations programmes in the field of pre-investment and technical co-operation, including Special Fund activities (but leaving aside extraordinary undertakings, such as civilian operations in the Congo) should grow at a minimum yearly rate of \$25 million, from the level of \$150 million for the year 1962 — a level which, it should be noted, had not yet been reached.

14. One of the most important United Nations undertakings in that regard was the United Nations Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas to be held early in 1963. A glance at the agenda of the Conference showed the breadth and span of man's imagination and inventiveness which had brought him from a subsistence economy to the atomic age. But as mankind was entering the space age, at a time when entire nations still had to make their industrial revolution, the real challenge to that imagination and inventiveness was to render advanced theory and modern practices valid and effective in less developed contexts. The purpose of the Conference was precisely to assess possibilities and stimulate efforts in that direction. The confrontations, discussions, and exchanges which were to take place at Geneva among scientists and experts from many countries at all stages of development should have far-reaching effects. In sharing ideas and experiences about specific development problems, industrialized countries might well receive from less developed countries as much as they would give to them. Also, less developed countries would learn one from another in the true spirit of United Nations co-operation, which was characterized by the increasing proportion of expert and training services provided to less developed countries by countries which were themselves under-developed. The work of the Conference and the discussion of its documents should open up new vistas for investment projects. They should stimulate interest in methods for adjusting different methods and processes to different operating conditions, for modifying concepts, schemes and procedures as required by given changes in milieu. They should inspire scholars, as well as foster among experts the desire and ability to diversify their experience and to try out abroad a "know-how" as yet proven only at home. That whole process should increase the availability of persons professionally and mentally prepared for international service, the human resources on which United Nations programmes of technical co-operation were so dependent.

15. The importance of the human factor was so overriding that the success or failure of the efforts in the course of the United Nations Development Decade might well depend on the success or failure to carry out properly the training activities which the United Nations proposed to undertake in the various sectors of the economic and social life of the less developed countries. Over the past few years, the methods of training had been much improved. The distinctions between academic and vocational training, between adult and child education, between teachers and students, had become ancillary to the urgent task of enabling every human being to assert himself as an individual and as a productive citizen to the best of his capacities, and if the need for education as an essential support to the dignity of man was not compelling enough in moral terms, it was now apparent, in economic and social terms, that no breakthrough would be possible for less developed countries unless they added fast to their resources in skilled manpower. Training abroad, with its special value from the point of view of international understanding, continued to be of importance, but emphasis had now been placed on training within the less developed regions and countries them-

selves. The time was ripe for an all-out effort. Training on the spot, training on the job, training of the teachers who would train the teachers — everything should be done to achieve a maximum multiplier effect inherent in the dissemination of knowledge and "know-how". Without more schools and more institutes, such as those on which the United Nations Special Fund spent much of what its Director so aptly called its "seed money" (E/3646, para. 20), the less developed countries would not be able to turn their population growth from a curse into a blessing.

16. The United Nations Development Decade was an appeal to faith in the preservation and in the continuation of economic and social progress by means of investment in the younger generations who, in addition to education and training, required help to fight malnutrition and disease. Together with investment in industry, large and small, in natural resources and in transport, investment in less developed countries during the Decade had to provide for the construction of more than twenty million dwellings a year in less developed areas and for an increase in food supplies of 50 per cent by the end of the Decade; in those same countries, expenditure on education should rise to an annual rate of 4 per cent of the national product by 1970. All that was necessary in order to meet minimum requirements so interrelated that failure to reach one target in time could jeopardize advances on all other fronts. The complexities of the process of balanced economic and social development were great, and available techniques for comprehensive planning were far from perfect. But enough knowledge and experience had been accumulated to give the efforts decisive momentum. Those efforts would correct and improve with time, but it was necessary to forge ahead in all sectors with mutual supporting programmes and projects. For the time was past of rising expectations, and the era of achievement was at hand, an era counted upon by thousands of millions of persons who did not yet enjoy full rights as producers and consumers, or simply as human beings living in the twentieth century.

17. One very important field in which concrete progress was eagerly awaited was that of international trade. However unfamiliar the layman might be with the intricacies of its many problems, everyone realized that the possibility to sell and buy more abroad was a crucial test of international co-operation. The momentum gathered by the work of the Council's Commission on International Commodity Trade, the initiation of inter-governmental action for the development of international compensatory schemes, taking into account long-term trends in the demand and the supply of primary commodities, went well beyond the mere discussion of the compatibility of regional groupings. Encouraging steps had already been taken. It was to be hoped that, during the Decade, the expansion of international trade would be significant enough for its beneficial effects to be felt in the budget of every household.

18. So much for the tasks ahead; they would no doubt impose a vast additional burden of responsibility on the Secretariat, which over the past few years had already shouldered a great increase of work in the economic and social field. To those new tasks he was determined to devote fully all the resources available to him both

in Headquarters and in the four regional commissions of the United Nations. The heads of the agencies would no doubt similarly devote the energies of their respective secretariats to the tasks falling within their fields of competence.

19. The efforts of the organizations of the United Nations family could not, however, be isolated from the sum of the efforts of their members. For it remained true that the United Nations family could mobilize and utilize no more than the human and financial resources put at their disposal by governments. The extent to which their targets and proposals would acquire value as setting minimum standards of progress depended on the extent to which they could be achieved and implemented, and that again depended on the decisions and pledges of Member States. The Council, for its part, should play a decisive role in the formulation of the plans for the United Nations Development Decade, but also in their implementation, for it was responsible for evaluating progress from year to year and for seeing that all activities proceeded at the right pace and in proper balance in the economic and social field.

20. He was convinced that the discussions and resolutions of the Council would contribute much to translating the proposals for the United Nations Development Decade into integrated programmes for practical action which would unfold gradually and effectively. He expressed the hope that the common endeavours would be a true reflection and a useful complement of the efforts of individual nations to help each other and, in so doing, to make for a more prosperous and safer world for all.

21. Mr. STEVENSON (United States of America) said that, at the thirty-second session of the Council (1157th meeting), it had also been his privilege to follow the opening statement of the then Secretary-General, the late Mr. Dag Hammarskjöld, whose untimely death in the line of duty had given all those concerned with the United Nations an increased devotion to the organization.

22. The Acting Secretary-General, by his opening statement, had demonstrated his leadership and given proof of his devotion to the United Nations. He had been particularly struck by the Acting Secretary-General's reference to the world's division into rich and poor, which was much more explosive than any other division in the contemporary world.

23. On 25 September 1961, at the 1013th plenary meeting of the General Assembly, President Kennedy had proposed that the 1960s should become a United Nations Development Decade, challenging all the nations not to compete, but to co-operate in the difficult battle against the age-old enemies of humanity: poverty, ignorance and disease. Resolution 1710 (XVI) had thereupon been approved unanimously by the General Assembly as a joint pledge for a better life for people everywhere.

24. The United Nations had thus been united in concept; it should now unite in action. Before a programme for the Decade was launched, it might be appropriate to examine the record of the United Nations during the 1950s. That period had been marked by the realization for the first time by many nations in the southern half

of the world that they could achieve self-sustaining economic growth. Mankind had accepted the goal of a better life for people everywhere as a possibility.

25. By proclaiming the Development Decade, the United Nations had accepted the task of making that concept work. The task was a gigantic one and required, for example, the most extensive programmes of education and technical training ever undertaken. It required that a proper share of the world's enormous scientific and technical genius should be reflected on the neglected problems of the less developed countries and a much larger flow of capital investment, in which private investors should play a major part. It required intensive surveys of the natural resources of all emerging countries, a balanced development of industry and agriculture, bold housing and urban development plans, dependable export earnings by the emerging nations and the further growth and co-ordination of international institutions under the auspices of the United Nations.

26. That great world plan, however, required above all good country plans. The decision to develop or not to develop was above all an act of the national will. The developing nations had set out to achieve in a decade, or at most in a generation, what other nations had achieved in a century or more; in that process, they should themselves supply most of the capital and still more of the human talent which was needed.

27. The 1950s had been marked by a steadily increasing flow of development capital to the modernizing countries, and by a remarkable expansion in technical co-operation. It had become evident in that period that brainpower was the most important ingredient in development. There was also an increasing appreciation of the value of multi-lateral institutions of economic co-operation, particularly those within the United Nations system. His own country had supported those institutions wholeheartedly.

28. Unfortunately, many countries had made no appreciable progress towards self-sustaining growth during that period. Mistakes had also been made, unavoidably perhaps, if it was remembered that the thought of helping all people towards a better life was less than twenty years old, while people had been fighting each other for more than twenty centuries.

29. The implication of the United Nations Development Decade was that no nation would in future have to face its tasks alone. International machinery could place at the disposal of every country experienced advice to help it in working out a sound country plan. Foreign capital and foreign skills could be imported to supply critical needs. International commodity agreements could help to ensure a dependable supply of foreign exchange. Seen in its totality, the plan for the Development Decade could be the most inspired common project that the world community had ever undertaken.

30. It had also been learnt that the injection of outside capital into a country was by no means as important as has been generally thought. The common factor of development in countries which had achieved self-sustaining growth had been neither political nor ideological, neither the possession of a wealth of resources nor the abundance of capital. It had been the emphasis on the development of the human being, on training,

education and the building of institutions to develop people's capacities. People were the one common denominator of progress: no improvement was possible with unimproved people. Advance was inevitable when people were liberated and educated.

31. It was for the developing countries to examine their situations, to develop their country plans, to mobilize their peoples and to correct defects in their social and economic structure. In that respect, the Secretary-General had suggested in his report (E/3613 and Corr.2) a number of important measures for action during the decade. Action proposals by the United States Government were outlined in addendum to the report (E/3613/Add.2). Moreover, because of the importance of EPTA and the Special Fund in helping countries, the United States was convinced that a target of \$150 million should be achieved without delay for those two programmes. The slow growth of contributions to date was disappointing, for the total had barely reached \$100 million. His government has pledged \$60 million for 1962, provided only that its contribution did not exceed 40 per cent of the total. The forthcoming pledging conference in October would be a "moment of truth" for all nations which had promised to support the Development Decade.

32. The human element was the key factor in any development activity; progress was being made in the vital field of education, but the extent of the need, which had been described at a series of admirable UNESCO conferences on education, should not be overlooked. The demand for teachers for training was even greater, and the passion for education evident in Africa should stimulate a concerted international effort to develop methods of meeting that vast challenge. The United States was providing young volunteer teachers in the Peace Corps. It had also given thought to the possibility of utilizing the services of older citizens of outstanding knowledge, skill and experience, who would welcome the opportunity to be of service to their fellow men abroad. Thousands of American citizens who had reached the customary retirement age would be glad to devote themselves to a cause as noble as the Development Decade if systematic efforts were made to use them. Comparable action, taken in a number of developed countries, could draw on a rich supply of skill and experience for the benefit of the less developed countries, especially in the fields of industrial management and advanced technology.

33. Education, however, should be interpreted in the broad sense of the word, as implying a profound work of development, for without effective administration, there could be no economic expansion. Another vital form of education was the training of experts in agriculture and farm extension work. Without that training investment would be of little use, and without advances in agricultural techniques there could be no development. The same was true in industry. If capital were invested in developing economies without a new emphasis on training at every level, the enterprise would either have to stay in foreign hands, which was politically unacceptable, or the capital would be wasted. Much more could be done to upgrade and train the officers and workers already engaged in developing industrial systems. On-the-job training, the closest liaison between business — public

and private, foreign and domestic — and the educational authorities were vital elements in the educational progress that was necessary in the next decade. In fact, the most important asset which foreign enterprise had to offer was not so much capital, as the habits and insight of trained industrial workers. Thus the goals of training men and investing in men should be regarded as equal in importance in the next decade with investment in materials and machines. One of the obstacles in that respect was the lack of new service careers to meet the new needs. Among the contributing countries, methods of recruitment seemed haphazard, and men able to train others at the foreman level were probably the scarcest of all. Such obstacles could be overcome only through a genuine international effort in which the various agencies of the United Nations had a specific part to play, in supervising recruitment, training the enlarged cadres, matching demand and supply, and ensuring that all nations, developed and developing alike, played their part in filling the urgent needs of others. The transfer of skills, ideas and techniques implied much more co-operation and joint action and a far more creative interplay of ideas between giver and receiver than the transfer of physical resources.

34. Another vital aspect of development was trade. He noted that, throughout Latin America and Africa, as well as in India, reserves had been built up and new high rates of investment achieved in the years 1951 to 1955. Yet, virtually without exception, prices of primary commodities had steadily declined since then. No sustained development was possible against that background of fluctuating commodity prices. The United States was therefore determined to co-operate with other governments of good will in a search for a solution to problems of commodity trade. At that very moment, his government was participating in a conference of coffee producers and consumers to draw up a worldwide agreement on that commodity, which was second only to petroleum in its importance in world trade. An agreement could be of considerable help to the producing countries, particularly if coupled with action to increase coffee consumption, for example, by reducing internal taxes in western Europe and narrowing the enormous spread between import and retail prices in eastern Europe. The United States was also engaged in consultations or negotiations on various problems relating to a number of other important commodities, such as cocoa, tin and rubber, and its approach to all those problems was pragmatic. Sympathetic consideration was also being given to possible ways of using compensatory financing as a stabilization technique. United Nations bodies and the specialized agencies were doing extremely important work in that field, and would give a better idea concerning the direction of future efforts. If a group of experts were to be designated by the Secretary-General, the forthcoming session of the Council could be presented with a most useful basis for study and effective action. His delegation would submit a proposal along those lines in connexion with the relevant agenda item.

35. Growth could hardly be sustained in economies in the early stage of development unless incomes rose at a rate which allowed for increased population, some growth in consumption, and a margin for saving. Many

of the emerging countries had such low per caput incomes that an adequate rate of savings was too burdensome; but if an adequate flow of external capital were assured, their governments would not need to impose a pattern of savings on their peoples. However, although some nations could not yet afford much domestic saving, it would be no service to them, or to any State, to suggest that the whole burden of saving could be borne by other wealthier States. Development was strictly a "learning by doing" process, and any hope of importing an entire industrial revolution from abroad was doomed to expensive and acrimonious failure. Only by keeping the work of development fully international, by matching the contribution from outside by a full-scale, dedicated effort from within, could progress be made.

36. In that connexion, the *Economic Survey for Asia and the Far East, 1961*,¹ in particular the chapter on the financing of economic growth, was of unusual interest. Domestic savings, the report demonstrated conclusively, were not necessarily related to *per caput* income as much as they were to the attitudes of the government and of the population. It was becoming increasingly clear that, irrespective of a country's capacity to command a flow of foreign capital, its progress depended basically on the willingness of the government and the people to exert their energy in the direction of achieving a proper level of domestic savings. Nevertheless, beyond a certain point, domestic savings were inadequate for the task. At a time of rapid growth, many types of machines, components, factories, tools and scarce materials could be procured only from overseas and only with foreign currencies. So great was the need for those imports that most developing countries would have to double and triple their exports by 1972. Such expansion was unlikely, and a very large increase in private capital investment would be necessary. Any gap that still remained would have to be filled by grants or public loans on favourable terms, through collective international action.

37. One of the most important developments during the past year had been a substantial increase in multilateral financing, almost all of which had gone to the modernizing countries. Of equal significance was the type of credit provided by IDA, which had extended its first credit in May 1961. Its credits had a fifty-year maturity period and bore no interest, and amortization did not begin until a ten-year period of grace had elapsed. The IDA was filling a great need by extending credit which supplemented the normal commercial credits otherwise available to an applicant. His delegation felt that the time had come to explore the conditions under which additional capital funds would be placed at the disposal of IDA. However, it should be borne in mind that capital was meaningless unless adequate preparations were made, which, by creating a climate of confidence, would stimulate investment both by domestic sources and from abroad. In most of the industrialized countries, the source of a large proportion of available resources and skills was the private sector, and such resources were in many ways different from those available in the private sector. Private enterprise was in the best position to

transplant the entrepreneurial spirit, and to conceive, organize and bring into operation new ventures; an increasing number of emerging countries had come to recognize the contribution which foreign private investment could make to their economic development.

38. It should also be borne in mind that capital could be used effectively only in a community ready to absorb it; if adequate preparations had not been made, development was bound to be slow. For those reasons, both the private sector and the government had indispensable roles to play in certain activities basic to development, and no country should lose sight of the need for harnessing both government efforts and the dynamism of free enterprise.

39. He noted that the North Atlantic region was entering a post-colonial era of unprecedented growth and prosperity. That growth provided the very resources of capital and technical and scientific accomplishment on which the new and emerging nations should draw. The United States was determined that the Atlantic community should move in directions that would serve and invigorate the economic and political freedom of the whole world, and especially the interests of the developing nations. Western Europe, as a new economic colossus, should follow a liberal, low-tariff and co-operative policy, join in action to redress the imbalance of world trade and offer to the developing world wider access to Europe's markets. The United States had also urged, in OECD, that all its developed members should endeavour to attain a rate of foreign capital investment and assistance to less developed countries amounting to about 1 per cent of their national income; that figure had already been achieved by the United States.

40. The United States intended to support a growing Atlantic community and to use it as a creative force for unity in the world. It would also make use of all United Nations bodies and programmes and the specialized agencies. Atlantic aid, channelled in part through them, would strengthen both the Atlantic community and international society.

41. The Council's task would only begin with the preparation of a plan of action for the Development Decade; progress would have to be reviewed each year and improvements sought. To that end, he was recommending that the President of the United States should establish a United States Committee on the United Nations Development Decade. The Committee would include outstanding American authorities on all aspects of development and would provide the President with the best possible advice on how to make the most of the country's participation in activities connected with the Development Decade. The challenge of the Decade called for a new approach and new thinking, although old concepts did not necessarily have to be discarded. To succeed in the common task, countries should be daring in thought and action; stubborn problems would not yield to indifference, indecision, timidity or inertia. Furthermore, the basic human relationships involved should be studied to see whether technology could not be combined with less authoritarian structures. No society and no system had all the answers; experience had to be shared in the common interest, and it could be shared most effectively within the framework of the United Nations.

¹ United Nations publication, Sales No. 62.II.F.1.

42. Development and modernization were processes which involved the entire human race and raised problems which could not be solved unless the human family was prepared to work and think together, rising above national or racial or ideological conflicts. The task of development was worth infinitely more than the vast sums wasted on armaments.

43. In conclusion, he assured the less developed countries that the United States was ready to co-operate in providing that critical margin of material and guidance they might request and need. It would be glad to join with others in providing some of those essentials through the United Nations system.

The meeting rose at 12.30 p.m.



CONTENTS

Agenda item 4:

United Nations Development Decade

General debate (*continued*) 43*President* : Mr. J. MICHALOWSKI (Poland).*Present* :

Representatives of the following States: Australia, Brazil, Columbia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Austria, Belgium, Bulgaria, Canada, Cuba, Ghana, Greece, Hungary, Indonesia, Iraq, Ireland, Mali, Netherlands, New Zealand, Romania, Sweden.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Bank for Reconstruction and Development, World Health Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 4

United Nations Development Decade (E/3613 and Corr.2 and Add.1-3, E/3658, E/3664; E/L.957 and Corr.1, E/L.958 and Add.1)

GENERAL DEBATE (*continued*)

1. Mr. GUZINA (Yugoslavia) said that the decision to designate the current decade as the United Nations Development Decade could be of great importance to the future course of political and economic relations. At a time when the existing political division of the world was being extended to international economic relations, the Decade should help to guide international co-operation in a much more positive direction.

2. An equally important aspect of the Development Decade was that it called for more decisive action regarding one of the main problems facing the international community — the economic development of the less developed countries. The growth of investments and

of industrial outlay in those countries postulated an adequate increase in their imports of capital goods; as their industrialization advanced, the import content of their investments increased. Such an expansion in imports of capital goods could be achieved only partially through a change in the import structure; savings realized through a reduction in imports of consumer goods were insufficient to counterbalance increased imports of capital goods, since the formation of industries which were to manufacture goods replacing imports was often accompanied by higher imports of raw materials and semi-finished products.

3. The expansion of international trade in recent years had not favoured either the export earnings of the developing countries or the flow of international capital. For instance, although during the period 1953-1960 world exports had increased by 56 per cent, exports from the developing countries had expanded at a much slower rate, with the consequence that their share in total trade had decreased from 31.5 to 24.7 per cent.

4. While technical and technological achievements were partly responsible for that state of affairs, the numerous artificial barriers raised by a number of highly industrialized countries and the discriminatory practices which they followed were the root cause. Such practices could not be justified by balance-of-payments difficulties and were indeed in conflict with the provisions of GATT.

5. A further reason for the economic difficulties of the under-developed countries was the deterioration of their terms of trade during the previous ten years. The price index of raw materials moving in international trade had fallen steadily since mid-1957, and by 1961 it had been 12 per cent below the 1957 pre-recession level, or 8 per cent below the average for 1953. Meanwhile, the prices of industrial products had steadily increased: in 1961, the price index of products exported by the industrial countries had been 10 per cent higher than in 1953. The result was that the purchasing power of the developing countries was 18 per cent lower than in 1953; in other words, those countries were compelled to export one-sixth more of their products in 1961 in order to secure the same earnings as eight years previously. By 1960, their exports had increased 43 per cent in volume over the 1952 figures, whereas their export earnings had increased only by 27 per cent. The losses caused by the deterioration in the terms of trade represented more than 70 per cent of the total trade deficit of those countries in 1960, and were roughly equivalent to the total foreign capital and international economic assistance they had received.

6. Since the rate of increase in the exports of those countries was slower than the expansion of international

trade in general, and since the terms of trade were unfavourable, it followed that acceleration of their development could not be financed from their own resources. Accordingly, international financing and economic assistance had become a major obligation of the international community.

7. The old methods of private international financing had proved inadequate to meet the requirements of the developing countries: private finance had had to be replaced increasingly by international public financing. Admittedly, the flow of economic assistance from both west and east European countries had increased, but had by no means kept pace with the urgent needs of the developing countries.

8. The growing disparity in the level of economic development was further aggravated by the discriminatory practices of sub-regional economic groupings of industrial countries. The introduction of a common tariff by EEC primarily affected the developing countries which were the traditional suppliers of the west European market. Moreover, the EEC policy of protection for the agriculture of its member countries restricted the export opportunities of the developing countries. The situation was made worse by the preferential treatment granted by EEC to imports from a number of associated countries.

9. The inescapable conclusion was that, in order to achieve the recommended rate of growth during the Development Decade, it was first of all necessary to change the conditions prevailing on the world market and in international economic relations. If existing trends were to continue, the objective of the Development Decade would remain no more than a wish.

10. Although the Secretary-General's report (E/3613 and Corr.2) contained the work programmes of various United Nations bodies in connexion with the Development Decade, it failed to explain the basic goal of the Decade and did not analyse the main economic factors involved in achieving that goal. The United Nations had assumed the obligation to promote the rate of growth of the under-developed countries; for that purpose, projections relating to economic trends, investment, export earnings, capital inflow, balance of payments problems, expansion of international technical co-operation and other important factors in economic development should be elaborated for the Decade, and subsequently for each of its ten years. The preparation of a United Nations Development Decade programme aimed at increasing the annual rate of growth of the income of the under-developed countries to 5 per cent was a responsible task which the Secretariat was well qualified to carry out. It had made considerable progress in working out methods for the gathering and processing of statistical data. The projections available and the estimates of the foreign capital and economic assistance requirements of the developing countries should enable the Secretariat to set up a comprehensive Development Decade programme and to specify the basic factors affecting economic growth.

11. The nature of the obligations facing the international community was well illustrated by figures given in United Nations documents. The conclusion was reached in

chapter V of the report that, on the assumption that the import requirements of the less developed countries grew at the same rate as global production, the developing countries would have to expand their exports at an average annual rate of 5 per cent during the Decade. In fact, the rate during the previous decade had been only 2 per cent, and even if the terms of trade did not deteriorate, the prospects of meeting that minimum requirement were not encouraging.

12. According to data supplied by GATT, exports from the developing countries had increased only by about \$1,000 million annually in the previous eight years. That result was even less satisfactory than it appeared if the impressive expansion of crude oil exports, affecting only a few countries, were taken into account. The projections concerning the growth of agricultural exports prepared by FAO showed that, at best, agricultural exports were expected to remain at their existing level. Mineral exports might show some improvement, but the limited volume of industrial exports could in no way counterbalance the slow growth in other sectors.

13. Whereas the report entitled *Capital Development Needs of the Less Developed Countries* (A/AC.102/5)¹ concluded that it was necessary to increase by over \$10,000 million the annual inflow of foreign capital and economic assistance to the less developed countries, the Secretary-General's report on the *International Flow of Long-term Capital and Official Donations 1951-1959* (A/4906/Rev.1)² estimated that the net flow of capital had been increasing by only \$380 million annually during the period 1956-1959.

14. From the evidence it was clear that the international community was still far from an effective solution for the problems of economic backwardness. It also confirmed how important it was to prepare an adequate Development Decade programme in which full account would be taken of the basic economic factors of the economic growth contemplated and of the expected trends in the course of the Decade.

15. Consequently, action by the United Nations during the first years of the Decade should concentrate on a few basic objectives: first, the removal of the barriers hampering the expansion of exports from the developing to the industrial countries; secondly, a gradual change in the structure of the exports of the under-developed countries, for they could not remain mere exporters of raw materials; thirdly, stabilizing measures for primary commodity trade, in the form of international commodity agreements and compensatory financing; fourthly, the increase of the flow of foreign capital and economic assistance to the developing countries to a level of over \$10,000 million annually; and lastly, the disappearance of discriminatory measures applied by subregional economic groupings.

16. It was evident that existing conditions in international economic relations should be considered at a higher level and that the appropriate political decisions should be taken to ensure the acceleration of efforts to implement the Decade programme. That, in fact, was the primary

¹ United Nations publication, Sales No. 62.II.D.3.

² United Nations publication, Sales No. 62.II.D.1.

purpose of the proposal to convene a United Nations conference on international trade in 1963.

17. The economic conference of the less developed countries and of the countries affected by the closed economic groupings, opening that day at Cairo, would strongly support the General Assembly's initiative for a United Nations economic conference.

18. It was his delegation's firm belief that a systematic and determined approach to the obligations laid down in General Assembly resolution 1710 (XVI) called for a precise definition of the factors determining the economic growth of the less developed countries, for the concentration of efforts on those fields where appropriate solutions had to be found urgently, and for the convening of a United Nations economic conference. His delegation had been guided by those ideas in co-sponsoring two draft resolutions — one on the elaboration of a United Nations Development Decade programme and the other on the convening of a United Nations economic conference (E/L.957, E/L.958 and Add.1)

19. Mr. THOMAS (United Kingdom) said that the report (E/3613 and Corr.2) and the Acting Secretary-General in his statement at the 1214th meeting had suggested ways in which the experience of the United Nations could be used to meet the needs of the Development Decade, above all by promoting co-operation between those who had resources and technical knowledge and those who desired to make use of them in order to give the necessary momentum to their own efforts.

20. It had become clear that the prosperity which had followed upon the advances in science and technical knowledge had to be shared and that an intelligent co-operative effort was required by all countries, whatever their economic and political systems, in which they would devote their knowledge, skill and resources to increasing their productivity, wealth and living standards.

21. In the past, the Council had devoted much attention to the subject of economic growth, to problems of international trade — on which all countries, both developed and less developed, depended for their prosperity — and to the many changes which had occurred in the social field. A complex system of international and national organizations had come into being to deal with those matters. Yet, all was not well: hunger and want were still widespread. The primary producing countries had in many cases been held back by the decline in the prices of their exports. Capital was in urgent demand; but equally urgent was the need for more training, more administrators, and more skilled men and women in the developing countries.

22. His government had welcomed the initiative of the President of the United States which had led to the unanimous adoption of General Assembly resolution 1710 (XVI), by which the Member States of the United Nations had pledged themselves to make during the 1960s a more determined effort than ever to solve the problems of economic development.

23. It had often been stressed, notably by the Secretary-General, that self-sustaining growth was the only sound basis for prosperity and progress. It was that growth

which the Member States should promote. He had been impressed, in reading the Secretary-General's reports, by the emphasis placed on the younger generation and on its needs and aspirations. The Council's actions would be judged by future generations. It had for long been evident that the world's population was increasing greatly. The advances in standards of health which made that increase possible were to be welcomed, but it was clear at the same time that the rising world population was a crucial feature of the problem which the United Nations was trying to solve. For instance, many countries in the earlier stages of development found that rapid rises in population absorbed whatever increases they could achieve in production, and crippled their efforts to raise standards of living. It would not be possible to find by 1970 the complete answer to the challenge of rapid growth in the world's population, but what was achieved in the decade might well set the stage for ultimate success.

24. Meanwhile, there was some satisfaction to be found in what had already been done. During the past two years there had been a further growth of capital flow and technical aid to the developing countries, and there had also been important new efforts to deal with commodity problems. In that connexion he would note the increasingly vigorous activities of the Commission on International Commodity Trade and the Committee on Commodity Problems of FAO and the encouraging increase during the first two years of the Decade in the membership of the commodity groups. There were also prospects for extending the area covered by arrangements for individual commodities, as instanced by the United Nations Coffee Conference and the plans for a conference on cocoa. In the case of commodity problems, there was no real alternative to the commodity-by-commodity approach for the purpose of reconciling the interests of producers and consumers and aiming at stability based on a long-term balance between supply and demand. If nations would approach the problems in a truly co-operative spirit and implement the arrangements internationally agreed upon, progress to the benefit of all could be achieved.

25. Many other crucial problems faced the network of international organizations which had been built up, headed by the United Nations itself and its economic, social and technical agencies. All those organizations had been operating steadily and had accumulated a vast fund of experience. Their work had been supplemented by an immense effort by governments, headed by the United States, to increase the flow of material and technical resources towards those parts of the world which needed them most. The flow of finance of all kinds from western Europe and North America alone had been averaging about \$7,000 million a year in recent years, while IBRD had been lending at a rate of over \$500 million a year. Those vast sums were being supplemented by the successful activities of IDA, which had already granted numerous long-term credits virtually interest free. The resources of IDA would undoubtedly have to be increased during the Decade and the United Kingdom hoped to play its part there also.

26. He had been very glad to note that the Secretary-General's report placed proper emphasis on the role of private international capital in the financing of develop-

ment. In the United Kingdom, it was traditional that substantial sums were privately invested in overseas development every year, a sound and healthy process which worked to the benefit of all concerned; indeed, much of the development of the nineteenth century would not have been possible without it, and private capital was still the backbone of new enterprises everywhere. Nevertheless, it was not enough, and the special extra effort required in the Decade must come from governments, either through the established multilateral channels or direct.

27. The part played by the United Kingdom through multilateral channels bore comparison with any other Member State. Bilaterally, too, it had assumed very heavy commitments and was giving the utmost it could afford without impairing the strength of sterling. It would continue to do so in the years to come, matching its effort to its economic strength. Wherever possible, the United Kingdom would join with others to ensure that the joint effort had the maximum impact. Meanwhile, since 1960, the United Kingdom had been providing some \$800 million a year in capital for less developed countries.

28. Experience had shown, however, that transfers of capital and equipment were not enough; the volume of aid had also greatly increased, and one of the major problems was to develop more efficient techniques to ensure that those resources were used most economically to fill the most urgent needs of the recipient countries. In the pursuit of progress towards self-sustaining growth, the principal impetus would necessarily have to come from inside the countries themselves. The developing countries needed to discover and to mobilize their resources; the United Nations could help further in that direction by studies on the mobilization and increase of domestic savings.

29. It was necessary for those countries to intensify education and training programmes and to acquire new skills; to undertake courageous internal reforms, not least in the fiscal and financial field and in land reform; and to strengthen the machinery of government so that, by realistic planning and efficient administration, they could make full use of all the resources at their disposal. Without such measures, the mere provision of capital and equipment from outside could not lead to enduring growth. It was in helping the less developed countries to equip themselves and to mobilize their full potential that the United Nations could make a particularly important contribution to the Decade. The statement in the Secretary-General's report that the United Nations technical assistance programmes constituted one of the most important tools for the purpose of the Development Decade was particularly welcome. The Organization was also of great value as a forum for the discussion of the intractable obstacles to development which sometimes arose from conflict between the economic interests of individual nations.

30. His country's technical assistance programmes had taken a big step forward during the first years of the Decade; his government had set up a new Department of State with an annual budget approaching \$90 million to direct the United Kingdom programmes of technical co-operation. Its purpose was not only to administer

help but to stimulate all kinds of activity in the United Kingdom, both private and public, directed towards the achievement of the objects of the Development Decade. So far as the immediate future was concerned, the new Department of Technical Co-operation was planning to provide the kind of help which the governments of the developing countries themselves wanted. It was the recipients who had to decide what they needed and in what order of priority. Other Member States, the United Nations, and its agencies had of course their own programmes of technical co-operation, and the governments of the developing countries were free to choose what form of assistance they wanted and from what sources.

31. The emphasis placed by the Secretary-General on the programme for the provision of operational, executive and administrative personnel — the OPEX programmes — was welcome. It was his government's view that an increasing proportion of the funds available for technical co-operation, especially under EPTA, should be devoted to that form of aid. In some developing countries, what was needed above all were administrators and key specialized personnel who could keep the machinery of government going until sufficient trained local personnel were available to take their places. Such personnel would work directly under the governments to which they were assigned and would carry out the policies of those governments.

32. The importance attached by his government to assistance of that kind could be seen from the fact that the United Kingdom spent some \$45 million a year on a similar scheme, the Overseas Service Aid Scheme, under which some 16,000 British civil servants were provided to governments who wanted their services. It was a fundamental characteristic of such a scheme that the officials concerned served only until suitable local personnel were ready to take their place, and it was one of their main tasks to pass on their experience and knowledge to their successors.

33. The donor countries and the United Nations and its agencies, in their capacity as givers of technical aid, should recognize that priorities had to be determined by the recipient governments and that it was the responsibility of those governments to say what aid they wished to accept and what they wished to reject. Recipient governments sometimes had to face a painful social and economic reorganization; the United Nations might perhaps expand its already important contribution in that respect by studying the relationships between social attitudes and economic growth.

34. Much thought, reflected notably in the Charter of Punta del Este, had been given at the outset of the Decade to the social problems connected with development. It was indeed generally recognized that social, fiscal and administrative reforms usually went hand in hand with economic development. The process was not an easy one however; it required great courage on the one side and great understanding on the other, before successful co-operation could be achieved between industrial and non-industrial countries.

35. The successful operation of the United Nations technical co-operation programmes necessarily depended

upon the funds available. His country would do all it could in the light of its economic situation, as it had done in the past, and he hoped that all industrialized countries would contribute in the full measure of their economic strength so as to give the United Nations programmes the force and flexibility that they needed.

36. With regard to economic planning, a very large number of countries had already drawn up plans, in many cases with the help of the United Nations Bureau of Technical Assistance Operations. Such planning obviously presented an immense variety of problems, according to the circumstances in the country concerned, and he was glad to note that no attempt had been made by the Secretary-General to lay down hard and fast rules as to what should be done by each individual United Nations agency. The report rightly emphasized the supervisory role of Headquarters, but the role of the regional commissions in promoting regional planning and projects was fully recognized. His government had consistently welcomed initiatives by developing countries to approach their development problems on a regional basis where appropriate, and had contributed to such regional initiatives as the Mekong and Indus river projects. Nevertheless, there was still more scope for regional co-operation to ensure that there was no unnecessary competition for limited markets or for scarce capital and other resources.

37. There was also much to be gained from more co-ordination of aid at the source. The IBRD had done very useful work in organizing consortia, an immense task calling for expert staffs and much international co-ordination and negotiation. It was evident that where a group of countries was interested in assisting one particular area or country, the recipient would benefit if the donor countries worked together.

38. It was sometimes asked whether the existing machinery for aid and co-operation was adequate. In his view, it was; indeed, if anything, the apparatus built up since 1945 was already too complicated. Quite apart from the undesirability of adding unnecessarily to an already complex machine, there was the growing problem of finding staff with the requisite experience. What was required was not additional machinery but better and more extensive use of the existing machinery.

39. An important objective of the Development Decade should be to help developing countries to diversify their economies and to stimulate their industrial and agricultural production. The international and national organizations listed in the Secretary-General's report were capable of performing the task. The emphasis placed on industrialization in the Council's debates was fully justified. Economic experience showed that growth and wealth went with industry, provided that it was soundly based and that agricultural resources were not neglected. The new industrialization taking place since 1945 would continue at a rapid rate with the help of the old industrialized world, and the growing wealth of the developed countries would bring new wealth and new opportunities for the less developed. The measures being taken to strengthen the role of the United Nations in that process were welcome and the Conference on the Application of Science and Technology for the Benefit of the Less-

Developed Areas to be convened in 1963 would mark an important step forward in the efforts of the United Nations to bring the benefits of modern advances to the developing countries.

40. All that was subject to one condition: that the avenues of trade were kept wide open. The United Kingdom had always lived by its foreign trade, and its tradition had always been one of liberal trading. Together with its friends, it had done its utmost since the war to restore international trade and to keep payments flowing freely. The United Kingdom's trading partners in EFTA shared its ideals and wished to contribute to the full expansion of trade and to strengthen their commercial links outside their own group. The same could be said for the countries of EEC; indeed, the preamble to the Treaty of Rome explicitly stated as much, while article 110 of that treaty and article 2 (d) of the EFTA Convention confirmed in almost identical words the obligations of their members to work towards the harmonious development of world trade and the lowering of trade barriers. The EEC and EFTA were symbols of the vigour and flexibility of Europe. The former was already the principal world importer of a great variety of raw materials and tropical products from the developing countries. Its members had also contributed generously to the development needs both of their own associated territories and those of others. Like the United Kingdom, the members of EEC were contributing in private and public capital well over 1 per cent, and in some cases over 2 per cent, of their gross national product to the developing countries, either direct or through the international agencies. The same was true of the United States.

41. There was a great future in the liberal growth of great trading areas. Intraregional trade, for instance in Latin America, had great benefits to offer and the same could be said of EFTA and EEC. Those groupings would engender new wealth and new opportunities for the exports of others.

42. The pattern of trade would naturally change as its volume grew. The United Kingdom, for example, realized that increasing quantities of industrial goods would have to be bought from the developing countries, for they could not remain dependent on the export of a few primary commodities. The consequential readjustments might be painful, but they were inevitable by-products of the changes occurring in the world.

43. The work of GATT was closely linked with that of the United Nations and was contributing largely to those tasks of the Organization which the Council was considering. The GATT had brought immense benefits to world trade. It was independent of regional trade groupings and was the only international forum to which both the primary producers and the industrial and agricultural nations could come with their problems and expect a fair discussion. It had paid a great deal of attention to the abolition of quantitative restrictions; in the advanced countries, the abolition of those restrictions had already gone a long way, and tariffs had been steadily reduced for the benefit of many non-member as well as member countries of GATT. All but 10 per cent of world trade was conducted under GATT rules, and it was gratifying to see the great increase in the number of less developed countries which had become members.

44. The declaration, approved by ministers of the contracting parties to GATT at their November 1961 meeting, concerning the promotion of the trade of the less developed countries, deserved particular attention. It was an inspiring and important document and was recognized as such by industrialized and developing countries alike. It was central to much of the discussion on the Development Decade and was also important in that it went beyond a mere declaration of intention; it marked a clear recognition by the industrialized countries of their duty to assist the less developed countries through trade as well as aid. Above all, it marked the development of GATT as the forum for discussing and concerting action on one of the greatest issues of the times — the co-operation between the industrialized and developing countries in advancing the prosperity of the world.

45. In conclusion, the Development Decade constituted a tremendous challenge to all Member States — a challenge to work together more closely than ever before and truly in the spirit of the Charter. Miracles could not be expected; but, given goodwill, honest co-operation and unrelenting effort, much could be done towards building an enduring basis for the prosperity and well-being of mankind.

46. Mr. PATIÑO (Colombia) said that, by taking part in the battle for development, the United Nations was associating itself with one of the most significant, authentic and durable endeavours of the modern age, an endeavour whose purpose had been described by the historian Arnold Toynbee as that of imparting the benefits of civilization to the immense majority of the human race.

47. In considering the programme for the Development Decade, the Council was discharging an important duty and responding to the hopes which had been placed in it. But its responsibility had never been so great. In carrying out that task it had the excellent report of the Secretary-General and the constructive replies of the specialized agencies and governments (E/3613/Add.1 and 2). The desire and determination of the United States of America to co-operate, as expressed by the United States representative at the 1214th meeting, gave reason to hope that the Council would discharge its responsibilities under General Assembly resolution 1710 (XVI), of which Colombia had been one of the sponsors. In chapter I, A (vii) of his report, the Secretary-General affirmed that "social reform and economic strategy are two sides of the same coin, the single strategy of development". That was an idea which had won acceptance and was expressed by the phrase "balanced economic and social development". In other words, the problem of the under-developed countries was a problem not only of growth but also of development. "Development is growth plus change; change, in turn, is social and cultural as well as economic, and qualitative as well as quantitative." And the report added: "It should no longer be necessary to speak of 'economic and social development', since development — as distinct from growth — should automatically include both."

48. The report rightly attached great importance to the planning of development and to increased co-operation of the United Nations and specialized agencies with governments in that respect.

49. As a beneficiary of United Nations technical assistance activities, Colombia welcomed the intensification of those activities and in particular the establishment of the Economic Projections and Programming Centre under General Assembly resolution 1708 (XVI). The work of the Centre and of the regional planning institutes, together with the United Nations technical assistance programmes, including those of the regional economic commissions and specialized agencies, would make it possible to assemble the knowledge that was indispensable for the better utilization of resources. The importance of United Nations technical assistance to the countries of the Americas could be seen from the fact that the preparation and execution of development plans were an essential feature of their responsibilities under the Charter of Punta del Este.

50. The attitude of the industrial countries to international economic co-operation had changed so profoundly in the past decade that one could look forward confidently to a strengthening of IDA and to the formation of a United Nations capital development fund. It had been realized that the public sector would largely replace the private sector as the main source of capital for investment in developing countries. Investment of international funds in such fields as education and public health — formerly unthinkable, because not self-liquidating — was increasing, and repayment in soft currency was being allowed.

51. However, that change of attitude had had no repercussions on international trade, and the continued worsening of terms of exchange was restricting economic development in countries which exported raw materials, and was jeopardizing the progress made at the technical and financial level. In its latest report (E/3644), the Commission on International Commodity Trade pointed out that in 1961 the purchasing power of those countries, in terms of capacity to buy manufactured goods, had been 2 per cent less than in 1960, 17 per cent less than in 1953 and 27 per cent less than in 1950. As long as that phenomenon continued, it was impossible to believe that there could be any effective progress towards development. The success of the Development Decade would depend essentially on radical changes in the conditions affecting international trade, and particularly on the elimination of barriers which hindered commodity trade, such as high taxes on consumption, tariffs, state monopolies, discriminatory measures and import restrictions.

52. It was gratifying to note resolution 1707 (XVI) by which the General Assembly urged the industrialized countries, in formulating their trade policies, to take account of the interests of developing countries and to allow them advantages without always insisting on reciprocity. Similarly, the declaration of the contracting parties to GATT approved in November 1961 gave expression to an intention of reducing obstacles to exports from developing countries.

53. In that connexion commodity prices should be stabilized at higher levels. If vigorous action on those lines were delayed, and if only the law of supply and demand ruled, the primary exporting countries would be condemned to sub-human standards of living and the GATT declaration would be frustrated. One of the

objects of the Development Decade was to abolish such alleged "laws" of economics and to build the new economic order in keeping with the irrevocable trends of modern history. The United Nations Coffee Conference, which was being held currently at Headquarters, might be one of the most promising events marking the beginning of the Development Decade. The question of compensatory financial measures to offset fluctuations in the export income of primary producing countries, considered by the Commission on International Commodity Trade at its tenth session (E/3644, section II) was among those which should receive high priority during the Decade.

54. In addition, urgent attention should be given to the industrialization of the less developed countries, for in reality the expansion of trade was not so much an end in itself as a means of broadening the industrial base of those countries. Accordingly, the United Nations and the specialized agencies should do everything possible to increase direct assistance with a view to speeding the industrialization of the countries concerned. In view of the well-known disproportion between the efforts of the United Nations and the agencies for industrialization and their efforts in other directions, his delegation, like that of Brazil and others, had made a strong plea, in the Committee for Industrial Development and in other bodies, for more technical assistance for industrialization and had suggested the establishment of a specialized agency for that purpose. The suggestion was being considered by the Advisory Committee of Experts appointed in pursuance of Council resolution 873 (XXXIII). In any event, the creation of the post of Commissioner for Industrial Development was a matter for satisfaction.

55. Colombia, which had made development its national aim and enthusiastically participated in the work of the United Nations, looked hopefully towards the tasks to which the Organization was now inviting the nations, for development was the prime imperative of the Decade which was opening.

56. Mr. DESAI (India) said that his country had just completed the first decade of planned development; the second, which would coincide with the United Nations Development Decade, would be a decisive phase in the effort to eradicate the abject poverty of millions of his countrymen. It was fitting that, by resolution 1710 (XVI), the General Assembly should have drawn attention to what was undoubtedly the most vital international problem for the coming generation or two. Statisticians and economists had for long been saying that natural resources were unevenly distributed and that disparities created by scientific and technological advance had been growing rather than diminishing, but it was important to remember that the deeply felt urge of the poorer parts of the world was not so much to achieve economic equality with the richer regions as to attain a sense of dignity and self-respect by eliminating the fear of want. It did not matter if already prosperous countries continued to progress, so long as the poorer ones were able to witness a steady improvement in their own living conditions. Progress anywhere would lead to progress everywhere.

57. He had no doubt that sooner or later the problem of poverty would be solved, even if people in the less ad-

vanced countries had to lift themselves by their own unaided efforts, because the means to overcome poverty were there, thanks to the work of scientists and technicians. Nations were not destined to remain poor and dependent. Moreover, the winds of political change had swept across almost the whole world and in the short span of some fifteen years political independence had become a reality in most parts of Asia and Africa, and students of history knew that that would be followed by economic betterment.

58. Although, admittedly, the burden of development had to be borne largely by the developing countries themselves, members of the international community should help to lighten the inevitable strains that that process would imply: one of the most relentless features of the process was that future development could only be assured by foregoing the fruits of current development. In addition, a nation thrown on its own devices might develop excessively inward-looking attitudes that accorded ill with the edifice of international understanding that the United Nations was trying to build.

59. The General Assembly, by its resolution 1710 (XVI), had recognized the need for international action, and it was essential therefore to consider the specific measures needed to achieve the basic object of that resolution. To demonstrate that it was a modest one, if a 5 per cent annual increase in the national income were achieved by 1970, in a country like India the per caput income would still be less than \$100 a year.

60. His delegation endorsed the proposals for common action set out in the Secretary-General's report (E/3613 and Corr. 2) and agreed with many of the points made by the United States representative at the 1214th meeting. Clearly, the primary responsibility for initiating development programmes and for providing the resources for carrying them through rested on the developing countries themselves, but the more prosperous countries and the international community as a whole might make good the shortages which the former could not meet unaided. The highest priority should be given to expanding trade and aid.

61. Though the expansion of the trade of the developing countries had received increasing attention recently, progress in implementing policies unanimously endorsed within the United Nations and its specialized agencies had been slow. The first step which industrialized countries could take to help others to help themselves would be to remove existing obstacles to exports, in the shape of tariffs, quota restrictions, internal fiscal levies and administrative procedures. Such restrictions were imposed for protectionist reasons out of fear of possible disturbance to certain sectors of the domestic economy. It was paradoxical that the rich and technologically advanced countries, which were advantageously placed to produce the most complex products, should insist on protecting simpler forms of manufacture, for the production of which the less industrialized countries were at an advantage. Such a policy was costly, and did immeasurable harm to the developing countries.

62. He fully agreed with what had been said in the Secretary-General's report and during the discussion about the importance of commodity arrangements to

ensure fair terms of trade; but it was not through the export of primary commodities alone that developing countries could achieve viability. They should also be able to find markets for their processed goods, semi-manufactured goods and simple manufactures. In the past their products had been given preferential treatment in the markets of industrialized countries with which they had special political ties, but that treatment suffered from the drawback of discriminating between one developing country and another and making them dependent on a particular market. That type of arrangement should not be perpetuated, but the principle of allowing less developed countries to sell their products on specially favourable terms in the industrially advanced countries was worth preserving.

63. Though there had been some increase in the volume of capital assistance, there was still a long way to go. It was thought that the net flow of long-term funds to developing countries fell short of the target of 1 per cent of the combined national income of the wealthier countries set in General Assembly resolution 1522 (XV). In any estimate of the flow of financial resources from the developed to the less developed countries it was necessary to deduct certain repayments and interest charges on previous loans as well as funds transferred to under-developed countries for defence purposes and expenditure incurred in dependent territories on administration and security. The appropriate corrections in that sense should be made in the United Nations statistics.

64. The national income of the wealthier countries was nearly ten times as large as the total incomes of the developing countries and was increasing at the rate of about 5 per cent a year. In absolute terms that annual increase was about \$45 million to \$50 million. Thus the additional assistance necessary to reach a level of 1 per cent of national income was barely one-tenth of the annual increase of advanced countries, so that the additional sacrifice should not be beyond their reach.

65. The terms on which assistance was given was a no less important question than its volume; what was needed were not loans in the ordinary commercial sense. Interest rates and repayments schedules should not impose an intolerable burden, and it was the recognition of that principle which had led to the establishment of IDA as an adjunct of IBRD and which had governed the policy of some advanced countries. Nevertheless, practice varied widely, and the application of principles already accepted had been slow. Despite the efforts of IBRD little progress had been made towards enlarging the resources of IDA, and the proposed United Nations capital development fund had not yet found favour with those countries whose support was vital.

66. An international debt could not be repaid except through export surpluses, and rapidly developing countries were likely to have balance-of-payment difficulties for years to come. Their capacity to repay would be limited until they had made a great deal of progress and would depend upon the enlargement of their export markets. Most countries offering credits to developing countries insisted, in order to safeguard their own balance-of-payments position, that the credits should be tied to purchases in the lending countries. As a corollary, one might argue that, when the loans were repaid, the repay-

ments should be tied to purchases from the borrowing countries.

67. There was agreement about the basic objective of the Development Decade and it was known that the international community as a whole disposed of the resources to achieve the kind of growth envisaged in General Assembly resolution 1710 (XVI). The time had come to act with courage, determination and faith.

68. Mr. SEN, Director-General, Food and Agriculture Organization of the United Nations, said that since FAO had taken part in framing the proposals contained in the Secretary-General's report, he would speak mainly on their implementation. The Development Decade, which appeared to have the general support of Member States, would call for greatly increased efforts on the part of both governments and international organizations. The essence of the development process in less developed countries was that it meant putting more people to productive work through capital investment, organization and incentive. The existing inequalities between the more and the less advanced countries were not being reduced. Gross income in the less developed regions had grown at an average rate of 3 per cent between 1950 and 1959. Because of the population growth the increase in per caput income had only been 1 per cent annually, or about \$1, whereas in the United States and in the member countries of EEC average incomes during the same period had risen by over \$20 annually.

69. A new dimension had been added to the problem by the attainment of independence by nearly 1,000 million people since the end of the war, whose first demand was a better standard of living. It was fortunate that the developed countries had shown a growing sense of awareness of the difficulties of the less developed along with a determination to help them achieve self-sustained growth.

70. The net capital flow and assistance from developed to developing countries over the past decade had remained too low: less than 1 per cent of the combined national income of the wealthier countries, in spite of considerable increases during the latter part of the decade. It was to be hoped that the action taken in connexion with the Development Decade would remedy that situation.

71. By virtue of its constitution, FAO more than any other international agency was faced with the greatest human problem of all, that of ensuring food for the world's growing population. A recent study disclosed that approximately 500 million persons suffered from lack of adequate calories and another 1,000 million from malnutrition or diet deficiencies. The problem was grave, in view of the relatively high rates of population growth in the developing regions during the past decade, which had been between 2 and 2.5 per cent annually, and was expected to rise from 2.5 to 3 per cent during the current decade. With such a rate of population growth, world food supplies would need to be doubled by the turn of the century to maintain the existing inadequate level of nutrition, and in many of the under-developed areas it would have to be trebled to provide only a moderate improvement. The problem would have to be tackled with all available material and technical resources.

72. The central theme of the Development Decade should be the eradication of hunger to end the woeful human suffering as well as a major cause of instability. A decade might be too short to achieve the objective, but through national and concerted international action a firm foundation could be laid for the future. The target of an over-all growth of national income of 5 per cent annually proposed by the General Assembly was a minimum that the developing countries should aim at, and it should be realized that that would represent an increase of little over \$2 per caput annually for most of the less developed countries. Even such a modest increase would require substantial additional financial resources and many supporting measures at both the national and international level. Hardly less important was the question how the resources — if available — should be allocated. In his own opinion the allocation should be based on an integrated development plan in which a major role was assigned to agriculture. To achieve the proposed target of 5 per cent the over-all rate of growth in agriculture would have to be between 4 and 4.5 per cent. In the developing countries agricultural progress had to provide food for the better nutrition of an expanding population, release labour for industrial development and supply by export earnings foreign exchange to finance imports and capital investment. That had been the role of agriculture in the foremost agricultural country in the world, the United States, during the nineteenth century.

73. Chapter IV, section A, of the Secretary-General's report indicated certain broad targets for nutritional requirements and food supplies for the current and subsequent decades; it stated that food supplies should be increased by 2 per cent per annum during the coming ten years. The FAO thus had a special task to fulfill. Its Freedom from Hunger Campaign launched in 1960 had been fully endorsed by the General Assembly in resolution 1496 (XV). It was hoped that the UN/FAO experimental world food programme as a means of promoting economic and social development was only the beginning of a much better effort in the years to come. Naturally, FAO would continue to work in many spheres with the United Nations and with specialized agencies, but its main contribution would be through the Campaign, in pursuance of which the whole range of FAO activities was being re-orientated with greater emphasis on education and training, assistance in establishing effective administrative services and on basic institutional changes such as land reform. More thought was also being given to over-all agricultural development planning both for the medium and for the longer term.

74. Special attention was being directed to research into optimum patterns of utilization of limited land and water resources, so as to lay a sound foundation for action to satisfy greater demands for food and raw materials in the future.

75. The process of development, as was indicated in the Secretary-General's report, would involve severe strain on the balance-of-payments position of developing countries whose export markets had been subject to vicissitudes. Outside aid could help to alleviate those strains, but without effective action to promote trade, the need for aid would be self-perpetuating and development programmes would be jeopardized, for not even

on the most optimistic expectations would foreign aid suffice to meet the likely deficits in balance of payments. Currently, the ratio of aid to trade was only 1:8, which indicated how important it was to stabilize world market prices for exports from the less developed countries and to eliminate trade barriers. Since most of those exports were of agricultural origin, FAO had a clear responsibility to help in the expansion of markets and the maintenance of prices.

76. A recent study had not given a hopeful picture of export earnings from agricultural commodities during the coming decade if current trends and policies persisted. Hence, special attention would have to be given to international commodity agreements or compensatory payment arrangements for commodities of primary interest to the developing countries. Fortunately, the requisite machinery already existed within the United Nations.

77. In conclusion he would urge that the Development Decade should be conceived not in terms of statistics, but in terms of human needs, so that it would become a truly co-operative effort transcending sectional differences and bringing hope of a better life for millions.

78. Mr. MORSE, Director-General, International Labour Office, said that the Development Decade was the boldest attempt ever made to face the problem of hunger and want in an age of affluence and unprecedented scientific advance. It reflected the universal concern with economic growth and a growing solidarity among nations in their attempt to solve the problems of less developed areas and their realization that a concerted attack on poverty could only be effective with full mobilization of all available resources.

79. The ILO shared in the responsibility of the United Nations family for the Decade and fully subscribed to its objectives. If they were to be attained it would be necessary to impress continuously on the industrialized and the less developed countries alike that the elimination of poverty, and progress towards general prosperity, would be possible only if all countries could achieve and sustain high rates of economic growth.

80. As to the ILO approach to and part in the Decade, its first consideration was that economic growth was not an end in itself but a means to a better life in a good society. The two indispensable elements of such a society were greater material well-being for all through a more equitable distribution of the benefits of economic growth and the opportunity for individual development coupled with the growth of institutions through which people could freely decide for what aims they would work. Such considerations transcended exclusively economic ones, and therefore increasing attention had been given to human resources. Capital investment might be ineffective or wasteful unless administered by educated and trained people. Progress would only be possible if the unused talents of the peoples of the developing countries were directed into channels serving the interests of development.

81. The ILO fully agreed with the Secretary-General (E/3613 and Corr.2, chapter III) that highest priority should be given to the better utilization of the labour force by improving the level of productive employment;

to improving the quality of the labour force by vocational education and training; and to enlisting popular support for national development tasks. All three had long been of close concern to the ILO.

82. It was important, particularly for countries with surplus labour, to use available manpower as fully and productively as possible. The practice of certain countries of including employment targets among their development objectives should be encouraged, and the targets should be based on prospective as well as on current needs for jobs, because young people accounted for a large proportion of the unemployed in countries with surplus labour. Policy measures to deal with that most urgent problem should be economically sound and compatible with fundamental freedoms.

83. Preparations were in progress for a further comprehensive examination of employment policies in relation to economic development at an ILO technical conference to be held in the latter part of 1963. It was hoped that the conclusions reached would be suitable for incorporation in an international instrument for adoption by the International Labour Conference in 1964.

84. The training activities of the ILO would also have to be expanded. Their importance was indicated by the fact that during the past decade expenditure on them had increased fifty times. The sum of \$10 million earmarked for the purpose in 1962 was a pitifully small sum in relation to needs, but it was a step forward. A considerable spur had been given by the initiation of large-scale projects financed from the Special Fund, but in order to achieve the aim of an annual growth of 5 per cent by 1970, ILO activities in the great training task would have to be expanded. A better direction of efforts was also needed and improved methods for assessing and meeting future manpower needs would have to be devised.

85. The two main priorities in the matter of training, as indicated in the Secretary-General's report, were for high-level manpower so as to overcome the shortage of the skilled manpower without which it would be impossible to achieve the planned rate of annual growth. There would be a great need for planning management and key personnel including vocational training instructors. The second priority was to train persons in order to achieve an over-all improvement in agricultural productivity. There was a dualism in most developing countries in the form of a modern sector with relatively high productivity and a traditionally low productivity sector which covered most of the rural areas. Many countries were introducing agrarian reform measures, and ILO action through new rural development programmes was urgently needed.

86. The small-industries sector was receiving more attention from the ILO, which was trying to improve the efficiency of smaller undertakings by training courses for workers and management. Progress in small industries and among the rural population would be a major advance towards overcoming the social inequities inherent in that dualism.

87. Action to improve and integrate its training programme more closely with economic development programming would be strengthened by the recommendation on vocational training adopted at the forty-sixth Inter-

national Labour Conference after full consultation with UNESCO.

88. With regard to the enlistment of popular support for the task of social reconstruction, it was essential that the whole population should participate in development programmes, and an important way of achieving that was through community development programmes, various forms of co-operative organization, especially among the rural population, and a responsible trade union movement. The ILO with its tripartite structure was well qualified to help in that task.

89. All the urgent problems posed by the Development Decade had been considered by the International Labour Conference and a resolution expressing full support for the venture had been adopted unanimously at its forty-sixth session. The resolution would provide the basis for ILO action. The challenge presented by the Development Decade could only be met by vigorous united action which would have the whole-hearted co-operation of the ILO.

90. Mr. PATE, Executive Director, United Nations Children's Fund, said that the Executive Board of UNICEF at its session in June had devoted a considerable amount of time to discussing what UNICEF could contribute towards the Development Decade. In its declaration (E/3658) transmitted to the Council by the Secretary-General, it had emphasized the essential need to invest in human resources. The connexion between the quality of the population and economic growth had been generally recognized, but the conclusions to be drawn from that recognition should be more effectively reflected in action. The UNICEF workers in the field reported that for that purpose a number of different programmes concerned with health, education, social welfare, labour and community development would have to be co-ordinated. All international bodies concerned with development programmes should consider what could be done for children and young people. The needs certainly overtaxed the organization's own resources, and accordingly he hoped that all other bodies giving assistance to developing countries would give consideration to the matter.

91. The UNICEF had been at work for fifteen years in 107 countries and territories and had taken part in a total of 472 programmes administered by governments. It had allocated a sum equivalent to \$365 million for various projects, and as governments bore most of the cost — at an average, over 70 per cent — it could be estimated that UNICEF had encouraged the initiation of projects costing over \$1,000 million. It should also be remembered that the projects had, in some cases, created permanent services.

92. Until recently, UNICEF had been engaged exclusively in projects concerned with nutrition and health, in co-operation with WHO and FAO. For example, it had assisted in the establishment of maternal and child health clinics and in campaigns against malaria, yaws, trachoma, tuberculosis and leprosy. After the Executive Board's decision to enter the field of child welfare, a first step had been taken in 1959 with the Board's approval of aid for social services for children. It was co-operating with UNESCO and the ILO in matters concerning education and early vocational training.

93. He hoped that that new departure would not lead to any reduction in UNICEF's support for health and nutrition projects and that funds from government and private sources would continue to rise steadily. At each session of the Board, allocations for assistance in training were increased. In 1961 the amount allocated had been 17 per cent of the total as against 10 per cent in 1960. That form of assistance was regarded as giving a high return in terms of social and economic benefits.

94. The UNICEF was also developing closer relations

with the United Nations regional economic commissions and with other bodies working towards the common objective.

95. During the coming three years the Executive Board was planning to approve commitments amounting to over \$40 million annually. It was grateful to the governments which had increased their contributions for 1962 and for their pledges for 1963.

The meeting rose at 6.5 p.m.



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President: Mr. J. MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Austria, Belgium, Canada, Greece, Indonesia, Iraq, Ireland, Mali, Netherlands, New Zealand, Romania, Sweden.

Observers for the following non-member States: Federal Republic of Germany, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Civil Aviation Organization, International Bank for Reconstruction and Development, International Monetary Fund, World Health Organization, Universal Postal Union, Interim Commission for the International Trade Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 11

Report of the Statistical Commission (E/3633)

REPORT OF THE ECONOMIC COMMITTEE (E/3669)

1. Mr. LOBANOV (Union of Soviet Socialist Republics) asked whether approval of the report of the Economic Committee (E/3669), and the consequent endorsement of the work programme contained in the report of the Statistical Commission on its twelfth session (E/3633), would imply approval of the immediate establishment of an international servicing and computational centre for processing and making available data on external trade. The Statistical Commission had recommended

establishment of such a centre by its resolution 11 (XII) contained in paragraph 122 of its report.

2. Mr. de SEYNES, Under-Secretary for Economic and Social Affairs, replied that, once the draft resolution recommended by the Economic Committee had been adopted, the Secretariat would be authorized to take the necessary steps to establish the centre in question.

3. Mr. LOBANOV (Union of Soviet Socialist Republics) recalled that, when the Economic Committee had discussed the report of the Statistical Commission at its 310th meeting, his own delegation and certain other delegations had expressed misgivings regarding the establishment of the proposed centre. His delegation had no objection to the idea of establishing a centre of the type suggested; such a centre could be of assistance, particularly to the developing countries, which did not possess adequate equipment themselves. It considered, however, that a decision to set up the centre immediately would be premature; in the absence of a thorough study of all its financial and administrative implications, such a decision would do more harm than good at that stage.

4. Certain questions of principle, such as the situation of the proposed centre, should be settled before any final decision was taken, and it was not surprising that certain delegations should have reserved the right to revert to the matter in the Fifth Committee of the General Assembly.

5. Another important point to be borne in mind in connexion with the proposed centre was that there were certain differences of opinion between the United Nations and the specialized agencies in the matter. In addition, if the proposed centre were to be set up, it should be made perfectly clear that participation in it and in its financing would be a voluntary matter. Not all countries would wish to avail themselves of the proposed centre; the Soviet Union, for example, had indicated to the Statistical Commission that it would probably not make use of the proposed centre.

6. In conclusion, he wished to make it clear that, in voting for the draft resolution in the Economic Committee's report (E/3669), his delegation did not support the item of the Statistical Commission's programme of work relating to the proposed centre; his delegation reserved the right to revert to the question of the financing of the scheme in the Fifth Committee of the General Assembly.

7. Mr. WELLS (Food and Agriculture Organization of the United Nations) said that he had informed the Economic Committee that there had been no agreement or understanding between FAO and the United Nations on the proposed compilation and electronic processing

of international trade statistics at the five-digit level of the Standard International Trade Classification. For those reasons, he had indicated that FAO had reservations regarding the proposal, reservations on the technical feasibility of the proposal as it applied to agricultural trade statistics and, more important, reservations on the implications with respect to the FAO operating programmes and constitutional responsibilities which would have to be discussed with the governing bodies of FAO, the Council and the Conference. In that connexion, the spokesman for the United Nations Secretariat had given an assurance that the Secretary-General had no intention of overriding the existing jurisdiction of any international body in the field of external trade statistics or in any way interrupting the work of FAO in that field.

8. Mr. CZARKOWSKI (Poland) said that his delegation would vote for the draft resolution contained in the Economic Committee's report. With regard to resolution 11 (XII) of the Statistical Commission, his delegation would support any steps conducive to the development of external trade. However, after carefully studying all the relevant documents, it felt that the time was not ripe for taking a decision on the establishment of a centre for the publication of international data on external trade, equipped with an expensive electronic computer. His delegation reserved its position on that point, pending the discussion of the matter in the Fifth Committee of the General Assembly. It also reserved its position with respect to the situation of the centre, should it be decided to establish it.

9. Mr. VIAUD (France) said that his delegation was prepared to vote for the draft resolution, but reserved the right to revert in the Fifth Committee to the financial implications of the establishment of the centre envisaged in resolution 11 (XII) of the Statistical Commission. Those implications involved two problems. The first was the estimation of costs. The estimates currently available were based on a series of assumptions which the Fifth Committee would have to study in detail in order to see how the project could be carried out as economically as possible. The second was the apportionment of the expenditure. To be useful, the centre must contribute, through its work, to the avoidance of duplication in the compilation of statistics. As the Statistical Commission pointed out, the centre would be able to offer its services to governments and other interested international organizations and it would receive payment for the services it provided. In other words, part of the expenditure might be offset by revenue, and although it was still too early to make an estimate of such revenue, the fact should not be lost sight of. For those reasons, the French delegation was unwilling to commit itself at that stage in regard to the financial implications of the proposal.

10. Mr. ZADOTTI (Italy) confirmed the statement made by his delegation at the 310th meeting of the Economic Committee to the effect that it reserved the right to revert to the financial implications set forth in annexes I and II to the report of the Statistical Commission, particularly those relating to the international compilation of external trade statistics by computer. Subject to that reservation, his delegation would vote for the adoption of the draft

resolution contained in the report of the Economic Committee.

11. Mr. de SEYNES, Under-Secretary for Economic and Social Affairs, pointed out that the question of the situation centre remained open; nothing had yet been decided. There was no question of the United Nations buying the electronic equipment required for the computational work planned. The magnetic tapes could obviously be sent for use anywhere in the world where such equipment was available. The essential thing was that the programming work required for the use of the electronic equipment should be carried out under the authority of the United Nations Statistical Office, which was in fact already performing that function in part under Council resolution 765 (XXX).

12. Mr. WILLIAMS (International Monetary Fund) said that there had been a constant and fruitful exchange of data between the Fund and the Statistical Office of the United Nations. A United Nations servicing and computational centre for processing and making available data on external trade would be very useful, for it could improve the quality of the data obtained and its classification. He hoped that the close relationship between the Fund and the Statistical Office would continue in the future.

The draft resolution submitted by the Economic Committee (E/3669, para. 3) was adopted unanimously.

AGENDA ITEM 4

United Nations Development Decade (E/3613 and Corr.2 and Add.1-3, E/3658, E/3664; E/L.957 and Corr.1, E/L.958 and Add.1, E/L.960)

GENERAL DEBATE (*continued*)

13. Mr. HOFFMAN, Managing Director, Special Fund, recalling the speed and thoroughness with which the countries ravaged by the second world war had accomplished the enormous task of rebuilding their shattered economies, said that the peoples of those countries were then enjoying a standard of living that could not have been envisaged by the most optimistic less than two decades previously. The world was now faced with the equally tremendous task of the conquest of poverty, illiteracy and chronic ill-health everywhere. The decade of the 1960s was a critical decade, in which the momentum must be built up to ensure that by the end of the century there would be a world without want.

14. The General Assembly had set as an objective for each less developed country a minimum annual rate of growth of 5 per cent in aggregate national income. That was a modest figure, which was in fact already being exceeded by a number of countries.

15. Fortunately, most of the less developed countries, which he preferred to call "modernizing" countries, had the physical resources necessary to provide their growing populations with a relatively decent level of living. Fortunately, too, modern science and technology could speed up the process of bringing to light knowledge of the physical resources of those countries. Experience had shown how aerial surveys could reveal resources hitherto

concealed by geographical obstacles; aerial maps could show where certain crops could be grown or where the most powerful head of water for hydro-electric power could be obtained; aerial cameras, supplemented by electronic devices, had brought to light valuable new petroleum fields and mineral deposits.

16. The problem of seeking out the physical resources of the modernizing countries was thus largely a matter of finance. However, the potentialities of the new resources could be realized only as trained people were made available. Previous speakers had already stressed the importance of education and training; in that connexion, if economic development were to be adequately speeded up, priority must be given to the training of those categories of person most urgently needed for the process of development. In one country top priority should perhaps be given to an institute of public administration, but in another to an engineering college.

17. The educational task could not be accomplished by traditional methods, and he would suggest that several institutes should be established for the purpose of devising new teaching methods appropriate to the new countries, and of finding new uses for radio, teaching machines and, in some cases, television.

18. The mobilization of the physical and human resources of the low-income countries was the primary function of the United Nations Development Decade, and the goals which the governments and peoples of those countries had before them were but moderate objectives well within their capacities.

19. The progress envisaged for the Decade could, however, take place only if certain hard facts were faced and acted upon. The first was that all nations must work together in concert; no country was so poor that it could not help another country and no country was so rich that it could not benefit from an expanding world economy.

20. The second fact was that while external aid had a vital role to play, that role was strictly limited. The main impetus towards economic growth and social betterment must come from within the country itself.

21. The third fact was that more pre-investment work must be undertaken promptly and on an adequate scale. There was no dearth of capital for sound development schemes but, in order to attract investment, the natural resources and production possibilities of the modernizing countries needed to be defined more specifically. He estimated that something less than \$6,000 million would flow from the industrial countries to the modernizing countries in 1962; of that amount, \$600 million or so would be for pre-investment work of the kind carried out by the Special Fund — i.e., for surveys, research, technical education and training.

22. The fourth fact was that all sources of external assistance had their part to play, international organizations, national governments, private foundations and religious and other groups. There was, however, a pressing need to establish criteria for determining the best channel through which aid should be provided. To his mind, the obvious criterion was that the channel that would produce the most effective results at the lowest

cost should be used. If that criterion were applied, governments would channel an increasing amount of their assistance through the United Nations. In 1962, approximately \$150 million out of the \$600 million being devoted to pre-investment work was flowing through the United Nations family. The application of that criterion would probably double the figure of \$150 million.

23. The fifth fact was that investment capital must be forthcoming in increasing volume. In the remaining seven years of the Decade, some \$30,000 million of additional investment capital would be required, of which \$10,000 million should meet the highest investment and banking standards and thus qualify for either IBRD loans or private investment. Of the remaining \$20,000 million, about three-quarters would have to take the form of soft loans of the IDA type or grants for pre-investment projects. A contribution of \$20,000 million in high-risk investments and in grants represented a very substantial amount of money, but it was indispensable if the Decade was to be a success. Moreover, that investment in peace did not seem excessive when compared with the more than \$800,000 million that would be spent by the Member States of the United Nations on armaments during the next seven years if expenditure on armaments continued at the current rate.

24. Over and above the compelling political and economic reasons for making a success of the Decade lay the profound moral reasons that none could afford to ignore and to which the Acting Secretary-General had already drawn attention. It would be the unique privilege of all those associated with the Decade to help to bring to hundreds of millions of people lives of increased comfort and well-being and, above all, of greater dignity.

25. Mr. ARKADEV (Union of Soviet Socialist Republics) said that he had listened very carefully to the opening statement by the Acting Secretary-General at the 1214th meeting and had been particularly struck by his remarks on world peace and on the fact that the Council was considering at the same time the United Nations Development Decade and the economic and social consequences of disarmament. Yet at the very time when the Economic and Social Council was discussing the United Nations Development Decade and the economic and social consequences of disarmament, a monstrous crime was perpetrated in the Pacific Ocean. The United States of America had exploded an atomic bomb of great destructive force in outer space. His delegation protested against that crime against the peoples of the world. Those peoples would not tolerate much longer such crimes by imperialists and militarists; they wanted to live in peace. The World Congress for General Disarmament and Peace had just opened in Moscow, and it was significant that the United States Government had chosen to make its nuclear explosion coincide with the opening of that congress. Mankind would never forgive that act of folly on the part of the United States.

26. The Council was called upon to discuss proposals for action in connexion with the United Nations Development Decade. The aim, as laid down by General Assembly resolution 1710 (XVI), was to promote more rapid development in the developing countries. But in order to promote that rapid development, certain conditions must

be fulfilled; otherwise, all the schemes proposed would bring about no change, but would remain merely pious hopes.

27. In the first place, it was no accident that in many government replies (E/3613/Add.2 and 3) to the proposals for action for the United Nations Development Decade in the report by the Secretary-General (E/3613 and Corr. 2), it had been stressed that the main purpose of the Development Decade should be the rapid elimination of the economic consequences of colonialism. The collapse of the colonial system had led to the breaking up of the political relationships between the colonialist powers and the newly independent countries. That collapse, however, had scarcely affected previous economic relationships. The more important sources of raw materials had remained in the hands of foreign monopolies, which had also retained control over capital investments. A consistent attempt was being made to maintain economic control over the newly independent countries and to perpetuate colonial exploitation. That attempt undermined the essence of the independence of the new countries. Colonialism would not be liquidated until its economic roots had been pulled out. Of particular significance were the new methods of collective colonialism, in the form of links with the European Common Market; a whole network of one-sided treaties kept the newly independent States tied to the economies of the countries of EEC.

28. The colonial powers were responsible for the wretched conditions prevailing in the newly independent countries, which were unable to sweep away the aftermath of colonialism. It was regrettable that the Secretary-General's report made no mention of the need to ensure, as was the duty of the United Nations, the rapid elimination of the economic consequences of colonialism. Fortunately, in his opening statement the Acting Secretary-General had made an apt reference to the process of decolonization and to the need for co-operation in the task of bridging the tremendous gap between rich and poor.

29. His report, however, was couched in far too general terms and its language was vague. In fact, General Assembly resolution 1710 (XVI) set a specific target of a 5 per cent annual rate of growth in the aggregate national income of the less developed countries. That target, as pointed out by the Acting Secretary-General, was a very modest one. Standards of living would be doubled in the developing countries in some twenty-five to thirty years, but allowing for an annual population increase of three per cent, a much longer period would be necessary to reach that result in the developing countries. His delegation considered that the rate of development represented by that 5 per cent annual rate of growth was a minimum for those countries which wished to eradicate want.

30. It was regrettable also that the report did not take into account the national development plans of the countries concerned. It ignored the proposals made by the Soviet Union and other socialist countries, which included proposals regarding measures to promote the rapid elimination of the economic consequences of colonialism.

31. Another defect of the report was that it made no

reference to the views expressed in formal declarations by the developing countries themselves. The report gave the views of GATT, which was not a member of the United Nations family and was far from universal in character, but made no reference to the important pronouncements of the 1961 Belgrade Conference of Heads of State or Government of Non-aligned Countries. That conference had proposed the early convening of an international conference to formulate measures for the elimination of obstacles to and the promotion of development. At that very moment an important economic conference of the developing nations was being held at Cairo, and he felt sure that an equally valuable contribution would be made by that conference. The views of the countries primarily concerned, as expressed in the declarations adopted by such conferences, should be taken into account in planning the United Nations Development Decade.

32. It was remarkable that General Assembly resolution 1710 (XVI) had had no significant impact on the work of the United Nations Secretariat. No integrated plan for promoting the development of the developing countries had emerged. In fact, the Secretary-General's report lacked an element which could have easily been introduced by the Secretariat; no indication was given of what use would be made for the Development Decade of the \$1,000 million which would be available for the Special Fund and other United Nations development activities between 1962 and 1970.

33. The solution of some of the key problems referred to in the Secretary-General's report would lead to the solution of all the others. Such key problems included the establishment of a modern industry in the developing countries, producing machinery and equipment as well as consumer and export goods. At the same time, reliance on a single-crop agricultural system should be eliminated, with a view to the achievement of economic independence.

34. To accelerate the industrialization of the developing countries, particular attention should be paid to the sources, prices and sales conditions of the equipment they required, in addition to the sources of blueprints for industrial projects and to methods of training local technical personnel. Those were basic problems; they had been encountered by India and the United Arab Republic, during the course of their development, but were completely ignored by the Secretariat. The approach would vary according to the conditions and requirements of individual countries; in some Asian countries, the primary task was to create a heavy industry, in others, a food-processing industry. Other countries which were as yet unable to set up heavy industries could pool their efforts and co-operate in the establishment of regional or subregional industrial enterprises. That approach was already being followed successfully by some of the African countries. The regional economic commissions and the appropriate United Nations bodies should draw up and submit, for the Council's consideration, recommendations on the development of industry, taking into account the peculiarities of each region. The long-term plan should provide for the comprehensive development of agriculture, since only in that way could the problem of malnutrition be solved. However, an expansion of agricultural production was impossible without land reform, where necessary,

and the organization of agricultural co-operatives, bearing in mind the characteristics of countries and regions.

35. The development of the public sector, particularly of industry and trade, was of great importance and would be of inestimable value in mobilizing the resources of a country, providing a sound basis for economic development and accelerating economic progress. The need for development planning had been rightly mentioned in the Secretary-General's report, and the developing countries should be assisted in the preparation of their national plans on a country-wide basis. Such planning helped to mobilize resources and to channel foreign aid into fields regarded as important by the developing countries themselves, instead of allowing it to gravitate towards projects offering a high yield. The aims of economic planning should be the establishment of a comprehensive economic structure designed to raise standards of living, and valuable assistance to that end could be provided by the socialist countries which had long planning experience. Shorter-term plans of two, three or five years should also be drawn up in the Development Decade as a means of defining aims and checking the progress of the long-term plan. The USSR would be glad to help the developing countries in that direction.

36. More attention should have been paid in the Secretary-General's report to the question of training local staff whose number should be increased not just by 10 per cent — as indicated in item 2 in the list of "new approaches" contained in the introduction to the document — but many times over. The long-term plan should provide for the establishment of regional higher education institutions to train experts from the developing countries, in addition to schools, courses and seminars; the specialized agencies, in particular FAO, were already doing good work along those lines. Furthermore, selected persons from the developing countries should be sent for training in factories in the developed countries and also receive on-the-job training in plants already set up in their own countries. The long-term plan should also indicate who was to train local technical staff and workers for undertakings in the developing countries and should emphasize that such training was to proceed simultaneously with the implementation of industrialization plans, and not in stages. The USSR would continue to provide assistance in training experts from the developing countries.

37. The basic condition for the rapid development of the developing countries was the recognition of their sovereign right freely to dispose of their natural resources; unless that condition were met, talk of economic independence would be meaningless. It would also be necessary to include in the long-term plan proposals for assisting countries in the exploration and development of their natural resources, such as oil and mineral deposits.

38. The important aspect of financing development had already been emphasized. Substantial additional sources of funds could be opened up by placing ceilings on the profits accruing to foreign monopolies exploiting the natural resources of the developing countries, and by increasing the royalties payable by foreign companies, particularly oil companies, a subject mentioned by implication in General Assembly resolution 1710 (XVI).

Specific proposals on the subject should be included in the long-term plan since, if the demands of the developing countries for an equitable share of the profits of foreign companies were met, the additional funds thus made available would go a long way towards financing their development. Another related source of funds could be tapped if part of the wealth siphoned off by the former colonial powers over the centuries were returned to the developing countries. Restitution in the form of grants and loans represented only a small fraction of the total that had been plundered.

39. An important aspect of the general problem was the opportunities available to the developing countries for obtaining long-term loans and credits; he was therefore surprised to find no mention in the secretariat documents of the possibility of setting up the special United Nations Fund for economic development (SUNFED) to meet that need. It had been suggested that IDA could replace SUNFED in that respect, but IDA was to all intents and purposes a branch of IBRD engaged in infrastructural financing, and of the twenty loans it had granted, four had gone to Chiang Kai-shek. The SUNFED, on the other hand, would be an independent agency of the United Nations, able to finance the industrial development of Member States.

40. Another source of funds for the economic development of the developing countries could be uncovered by fixing fair prices for their commodity exports and for the industrial products they had to import. The best ways of achieving that goal would be to reduce tariffs on agricultural products and commodities to the minimum and extend the practice of long-term international trade agreements. Unless favourable conditions were created in the markets of the developing countries, their development would be seriously hampered. For that reason, the long-term plan should contain proposals for the stabilization of prices and for tariff reductions on agricultural products and primary commodities. The importance of the problem of stabilizing the prices of primary commodities had already been emphasized by the Secretary-General's report and the success of the Development Decade largely depended on its solution. The Secretariat should set up a group of experts, including representatives of the developing countries, to undertake a study on the extent and consequences of the economic exploitation of the developing countries by foreign monopolies through high prices, unfair trade practices and excessive profits.

41. Yet another source of financing would be opened up through general disarmament, as had rightly been stressed by the Acting Secretary-General.

42. With regard to closed economic groupings, such as the European Common Market, a number of representatives, in addition to the Executive Secretary of ECLA, had noted their possible adverse effects on the development, trade and production of the developing countries. The Secretariat, in drafting its Development Decade plans, should therefore undertake a study of the effect of EEC on the economic development of the less developed countries. The Secretary-General should also convene, as a matter of urgency, an international conference on trade problems to discuss the establishment of an international trade organization to include all the countries

of the world without distinction. For that reason, his delegation welcomed the initiative taken by the co-sponsors of draft resolution E/L.958 and Add.1. The USSR Government, in its reply to the Secretariat's request (see E/3613/Add.2), had already indicated the items that should be included in the agenda of an international trade conference. Opponents of the idea of such an international trade organization claimed that the lack of an appropriate specialized agency was offset by the existence of GATT and FAO. But GATT had only some forty members, dealt with a very narrow aspect of trade, and fixed tariffs without taking account of the need to protect the infant industries of the less developed countries. Moreover, the fact that some of its members had reduced rights infringed the principle of equality. The trade activities of FAO, on the other hand, were confined to questions of trade in agricultural products and foodstuffs. The international trade organization should be a permanent part of the United Nations system and all countries should be admitted to it on an equal footing. Its main tasks should be to draw up and help implement measures calculated to promote trade, with due regard for the interests of the developing countries, to eliminate artificial trade barriers, to draft recommendations with a view to the establishment of fair prices for raw materials and manufactured products and to promote the conclusion of long-term trade agreements.

43. The Council's discussion should make clear the aims of the Development Decade. Unfortunately, judging from the statement made at the 1214th meeting by the United States representative, it appeared that the United States felt that the work to be carried out by the United Nations and the specialized agencies in connexion with the Development Decade was to strengthen NATO. Surely the developing countries were entitled to expect something more from the Development Decade than that.

44. With regard to assistance and credit facilities extended by the USSR to the developing countries, currently 23 countries in Latin America, Asia and Africa were receiving such help in connexion with 480 projects. That assistance was not subject to any political or military conditions, but was inspired by a sincere desire to help all countries jealous of their freedom and national independence. The development of the less developed coun-

tries could be promoted by outside assistance and the United Nations and the specialized agencies should do everything in their power to stimulate the development process. The Secretariat should, in the light of the replies of governments, the statements of representatives and the recommendations of international economic conferences, draw up a long-term plan for speeding up the economic and social development of the less developed countries. Any such plan should take into account the points he had made.

45. Mr. STEVENSON (United States of America) said that, in making an unwarranted attack on the United States, the USSR representative had raised matters irrelevant to the debate and the agenda item for the purpose of propaganda. The USSR representative's statements, moreover, had grossly distorted the United States delegation's statement on the substance of the documents before the Council, and he therefore reserved the right to reply at greater length at a later date.

46. The hypocrisy of the USSR representative's indignation over the United States test explosion in the Pacific was proved by the fact that the USSR had unilaterally broken the testing moratorium in 1961. The United States had resumed testing only with great reluctance after the USSR had ignored all pleas over a period of six months to sign a test-ban treaty. The United States, for its part, was prepared to sign such a treaty at any time. Would the Soviet representative say his country did not plan another series of tests?

47. That another peace congress was being held in Moscow was unimpressive in view of the fact that only a few weeks ago the USSR had refused to subscribe to a declaration to put an end to war propaganda. For its part, the United States would continue to do everything in its power to promote and strengthen the economic and political freedom of the developing countries.

48. Mr. ARKADEV (Union of Soviet Socialist Republics) disclaimed any departure from the subject under discussion; he had merely drawn attention to a statement by the United States representative. He reserved the right to reply in greater detail to the United States representative's remarks at a later date.

The meeting rose at 1 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1217th meeting

Tuesday, 10 July 1962

at 3.15 p.m.

PALAIS DES NATIONS, GENEVA

CONTENTS

Agenda item 4:

United Nations Development Decade

General debate (*continued*) 61*President* : Mr. J. MICHALOWSKI (Poland).*Present* :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Austria, Belgium, Cuba, Greece, Iraq, Ireland, Mali, Mexico, Netherlands, Romania, Sweden, United Arab Republic.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Bank for Reconstruction and Development, World Health Organization, Interim Commission for the International Trade Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 4

United Nations Development Decade (E/3613 and Corr.2 and Add.1-3, E/3658, E/3664; E/L.957 and Corr.1, E/L.958 and Add.1, E/L.960)

GENERAL DEBATE (*continued*)

1. Mr. DEMUTH, International Bank for Reconstruction and Development, reaffirmed the support pledged at the thirty-third session by IBRD, IDA and IFC for the objectives of the Development Decade.

2. General Assembly resolution 1710 (XVI) was timely, and provided an opportunity to plan for the future, for which purpose the Secretary-General's report (E/3613 and Corr.2) would be a useful guide. It was impossible to predict with certainty to what extent the goals suggested in the Secretary-General's report would be reached by the end of the Decade, but the experience of the 1950s indicated that with determination, good will and concerted

action, it would be possible, even in the relatively brief span of a decade, to make substantial progress.

3. A little more than ten years previously the industrialized countries had not yet recognized the necessity of furthering the economic and social advancement of the less developed, very little organized assistance for development had existed and only limited resources had been mobilized for such assistance. Certainly, in the early 1950s, a report such as that of the Secretary-General would have been inconceivable. The change in attitude had taken place since the establishment of IBRD and was dramatically illustrated by changes in IBRD itself, which, as a co-operative institution, necessarily reflected the views and philosophies of its members.

4. When IBRD had been set up in 1946, attention had been focused on the restoration of war-damaged economies. At that time, few voices had been raised in the more developed countries to urge the necessity, in the interests of the world community as a whole, of raising living standards in the less fortunate countries, and scant attention had been paid to such urgings. Even in 1948, when the European Recovery Programme had caused a shift of emphasis from reconstruction to development financing, progress at first had been disappointing. By the end of the following fiscal year IBRD had made only three development loans, aggregating slightly more than \$100 million. That state of affairs had been largely due to circumstances prevailing in the less developed countries; lack of projects fulfilling IBRD standards, limited administrative and technical skills, limited resources of domestic capital, unsatisfactory economic and fiscal policies, political insecurity and other causes. But to some extent at least, the slow pace of initial activity had reflected the attitude of the industrialized countries toward economic development. They had shown no sense of urgency, only a bare awareness of the difficulties and ramifications of the problems involved, and little inclination to tackle them.

5. However, during the succeeding decade, great progress had been made. The apathy of the industrialized countries had given way to a recognition that they had a direct concern with the economic well-being of the rest of the world. Concurrently, the less developed countries had come to realize better that they themselves should take economic and financial measures, build institutional foundations and accept the disciplines required to make economic development a reality. Economic development had been recognized as being in the interests of every country, and the capital-exporting countries had accepted the responsibility for promoting the development, and as a consequence vigorous action had been taken to discharge the responsibility. Development assistance

had been increased enormously in volume and scope, and increasing emphasis had been placed on international agencies and international co-operation as a means of promoting development.

6. Comparison of IBRD operations at the beginning and the end of the past decade showed that in the fiscal year ending 30 June 1952, IBRD loans had amounted to less than \$300 million. In contrast, during the latest fiscal year IBRD and IDA had provided finance in excess of \$1,000 million. Currently, the total IBRD and IDA loans outstanding amounted to almost \$6,800 million, representing 343 loans and credits to sixty-three countries.

7. In 1952, IBRD had had fifty-one members with subscriptions totalling \$8,500 million, as against seventy-five members with subscriptions of over \$20,000 million in 1962. Whereas in the early 1950s IBRD had sold its bonds only in the United States, Switzerland and Canada, its securities had since been marketed in Belgium, Germany, the Netherlands and the United Kingdom.

8. Early in the 1950s, it had become apparent that, however important loans by IBRD might be, additional financial tools were necessary to meet the varied capital needs of the developing countries. First, and largely as a result of the Council's deliberations, IFC had been created in 1956. Recently the IFC investment authority had been broadened to include the purchase of equities and the underwriting of security issues, and both the scope and scale of IFC investments were steadily increasing. In 1960, IDA had been set up.

9. Growth in the volume and variety of financing had been accompanied by growth in many other directions. Economic development depended upon more than capital; it could not be achieved without wisdom and skill. The IBRD had accordingly devoted considerable effort to enhancing the ability of its members to make the most effective use not only of development assistance, of whatever origin, but also of their own resources. The emphasis had been on assistance in the selection, preparation and execution of projects, help in development programming, and advice on economic and financial policy and management. Various techniques had been used according to circumstances: survey missions, the services of resident advisers and resident representatives, training programmes, and the fostering of development banks. In addition, IBRD had created a staff college for senior development officials, the Economic Development Institute, and had established the Development Advisory Service, consisting of a corps of experts to provide economic and financial advice, especially in the preparation and execution of development programmes. It had used its good offices, upon request, to facilitate the settlement of disputes both between governments, and between governments and private parties, and was considering the possibility of creating some kind of arbitral machinery. It had published a study concerning proposals for multilateral investment insurance.¹

10. The IBRD, having begun as a purely financial institution, had become the keystone of an integrated

complex of development assistance agencies, able to offer a wide range of financial and technical help. Together with the United Nations and other bodies, they provided a variety of well-tried instruments for fostering the objectives of the Decade.

11. However, two important limitations had to be noted. In the first place, the world-wide shortage of experts placed severe restrictions upon the plans of all agencies, national and international, dispensing assistance; in the case of IBRD, it was one of the major obstacles to the further expansion of activities. Through many different training programmes, efforts were being made to increase the numbers of skilled and experienced personnel, but, clearly, for years to come the supply would not meet the demand. As was indicated in the Secretary-General's report, every new programme and institution was a further burden on the already limited supply of trained manpower. It was probable that new programmes or institutions, through being inadequately staffed, would fail to be fully effective and that at the same time the effectiveness of existing programmes would be impaired as a consequence of the additional obligations imposed upon the existing personnel. Therefore, it would be better to concentrate on making better use of existing machinery for development purposes than to strain constantly after new approaches and new institutional arrangements.

12. The second limitation was one of capital. The IBRD and IDA could be expected to be the principal channels for the financing of multilateral programmes proposed in the Development Decade. The former had had no difficulty in recent years in raising, through the sale of bonds and in other ways, the funds needed even for its greatly expanded lending operations. But its opportunities for lending were necessarily circumscribed by the creditworthiness of its members — their ability prudently to incur additional foreign exchange debt on conventional terms — and, to some extent, by the types of project which IBRD was designed to finance. Accordingly, while IBRD would try to maintain its high level of lending, the bulk of any additional finance needed to achieve the objectives of the Development Decade would probably have to come not from IBRD, but from IDA.

13. The IDA, as pointed out in chapter IV of the Secretary-General's report, was well fitted to play just such a role. Not only could it provide financing on the "lenient" terms which balance-of-payments considerations often necessitated, but it was also authorized to finance any type of project, as long as it was of high priority, including both directly productive projects and those relating to technical training programmes, education, water supply and so on.

14. However, if IDA were to play a key role in the Decade, its resources would have to be promptly and substantially increased. The President of IDA had recently told its executive directors that, on the basis of commitments already made and projects contemplated, the initial capital of \$760 million would be fully committed by mid-1963. Accordingly, if there was not to be a serious interruption in operations, its member governments would soon have to decide upon the replenishment of the resources of IDA and the period

¹ *Multilateral Investment Insurance — A Staff Report*, International Bank for Reconstruction and Development, Washington, D.C., March 1962.

which the additional resources were intended to cover. To a considerable extent, the measure of support given to IDA would be an earnest of governments' intentions to make the Decade a period of notable advance, and of their faith in the effectiveness of multilateral channels to achieve that objective.

15. Over the years, harmonious and fruitful co-operation had been developed between the United Nations and the Special Fund, on the one hand, and the IBRD group of institutions, on the other. Close relations had also been established with the other specialized agencies, particularly in connexion with their advisory missions. With the advent of IDA, which permitted the financing of a wider range of projects, including many falling within the fields of interest of other specialized agencies, co-operation had been intensified. The satisfactory way in which those common efforts were proceeding augured well for their work together in the many programmes of the Decade for which they shared responsibility.

16. The IBRD and its affiliated bodies welcomed the opportunity of participating in the debate, not so much because it would initiate new programmes and institutions, though some might become necessary, but because it would encourage governments to try to increase the efficacy of existing machinery by making available increased resources of funds and personnel. Given those resources, the challenge presented by the Decade would be successfully met.

17. Mr. DIOP (Senegal) said that his country had supported General Assembly resolution 1710 (XVI) concerning the Development Decade because political independence should not be considered by the young nations as an end in itself, but as a means of raising standards of living. If they had to contend with chronic poverty, the political independence of the countries concerned would become a dangerous illusion.

18. The development of those nations was so heavy a task that they could not carry it out unaided. In Senegal, for example, the entire budget resources would be absorbed if schooling were provided for all its children of school age. That situation showed what difficulties confronted the State in the discharge of its responsibilities to society. A second-best solution would be to provide schooling for half the young Senegalese instead of about a third, as was the case currently. But the repercussions of such a step might be disastrous on the training of the workers and of senior personnel. It was generally recognized that a country's successful development depended as much on human skill as on the physical means of production, that is, capital and equipment, and that it needed highly skilled labour and management. Accordingly, it was evident from Senegal's educational problems that assistance from the developed to the less developed countries was indispensable; similar conclusions could be drawn from the evidence concerning other social and economic sectors.

19. The United Nations Development Decade would be the most promising venture of modern times provided the aid given to Africa was so planned that it produced the maximum benefit and that development was effective. In the first place, the African countries should have ample latitude to prepare their development plans and

particularly to settle the order of priorities: development should not be confined to large urban centres, but should extend also to the villages which were the basic cells of the African society. Secondly, the African States themselves should realize that they would develop only in so far as they succeeded in generating internal savings on a scale which would attract foreign investments. The donor countries should earmark 1 per cent of their national income for assistance to the less developed countries; in that connexion Sweden's decision to raise its contribution to the Special Fund to \$5 million was welcome. That aid should not, however, jeopardize the political independence of the recipient countries. Thirdly, schemes affecting more than one country should receive as much attention as strictly national projects; for example, a scheme similar to the Mekong basin project was needed for the Senegal River. It would be desirable to integrate national plans into an over-all regional plan, and at the same time to establish a co-ordinating body for Africa as a whole, for economically the countries of Africa were complementary and should not compete with one another in the world markets. At the same time, the developed countries should establish a plan for the protection of primary agricultural and industrial commodities and facilitate their marketing.

20. The decentralization of United Nations activities at the regional level was a happy move, and it was to be hoped that a regional economic development and planning institute, an African development bank and an institute for the training of senior industrial and business executives would be set up in Africa. The ultimate goal was to raise the rate of expansion of the African countries to 5 per cent by 1970, to build 20 million dwellings, to increase by 50 per cent the food ration of the under-developed world's 1,500 million inhabitants, to double their medical care, and to give them an education that would enable them to benefit by and to maintain, what the society of nations, in an immense effort to construct what President Senghor had called "the civilization of the universal", would achieve for them during the Decade. That was the best safeguard of international peace and security.

21. Mr. FRANZI (Italy) said that there was no need to recall his delegation's view on General Assembly resolution 1710 (XVI) since it had been expressed at the XVth General Assembly. The fact that the resolution had been adopted unanimously showed that there was no difference of opinion on its fundamental ideas or objectives; he had no intention of using the debate on so important a matter for propagandist purposes. The accelerated development of the young nations called for a concerted and harmonious effort on the part of all the countries concerned and it would be both dangerous and harmful to sow the seeds of mistrust of the donor countries in the minds of the recipient nations.

22. The excellence of the Secretary-General's report to the Council (E/3613 and Corr.2) was a first guarantee that the United Nations would do all it could to achieve the targets set for the Development Decade; it outlined the problems involved with remarkable conciseness and clarity. The Secretary-General and the heads of the specialized agencies were to be congratulated on

their co-operation in the matter, but it was regrettable that, in fact, only four countries of the less developed areas had replied to the Secretary-General's invitation to submit proposals for the programme of the Decade and its application in their national plans; however, the replies received would provide useful material.

23. The Secretary-General's report outlined the conditions created in previous years for the development of the young nations and representing the basis of their future advancement. It reaffirmed the idea that development could be achieved by general plans and programmes taking into account all the possible elements. The inference to be drawn was that it became a secondary and somewhat academic question whether, *a priori*, a demarcation line should be drawn between public and private initiative and whether the choice lay between, for instance, agricultural and industrial development or between heavy and light industry. The report also recognized the need for international measures to deal with the instability of the international commodity trade and for the better use of existing specialized bodies such as GATT and the Commission on International Commodity Trade. It further suggested an inventory of national resources and investment possibilities for each country and recognized the basic importance of the human factor, the chief problem of the developing countries being mainly one of capacity to produce. Lastly, it affirmed the trend towards regional co-operation. Accordingly, the achievements of past years served as signposts of trends and methods: they showed the path to be followed and the means to be used in the promotion of economic and social progress. One of the basic problems in that connexion concerned the development of better methods to ensure a more economical use of the resources of international assistance.

24. His delegation shared the Secretary-General's view that one of the basic problems was to find a way of translating into effective action the desire of the industrial countries to provide assistance, and supported the proposal for intensifying the studies relating to the flow of public and private capital towards the developing countries and for creating in those countries the right climate for foreign investment. The Secretary-General had rightly drawn attention to the need to establish a balance, which was still most inadequate, between the weighing up of industrial and agricultural production problems, and it was to be hoped that his appeal would be heeded. The true problems of development were saving, technical training and planning, and they should be viewed in the general perspective of judicious planning. The Decade should be placed, as the Norwegian Government had suggested, under the sign of planning both for an increase in production with regard to current and future opportunities in domestic and world markets, and for a solution of problems relating to the structure and diversification of economies.

25. Although the question of human rights had not received due attention in the report, doubtless the Secretary-General and the Member States bore that problem in mind, since no one denied that development was a concept embracing all economic and social aspects. A rather greater emphasis might also have been placed on the specific needs of children — and not only on

the training of skilled manpower — since children, although not the builders of the Development Decade, would be the builders of the ensuing decade and deserved as much consideration as their parents.

26. With the necessary goodwill, it should be possible to find the means required to achieve the purposes of the Decade. The Italian Government was prepared to contribute its full share within the limits of its economic and financial resources and of the needs of its domestic policy.

27. Mr. DUPRAZ (France) said the true object of the Development Decade, as the United States representative had said at the 1214th meeting, was to give expression to a common determination to rise above national, racial or ideological divisions in carrying out a great human venture. The programme of the Decade would be valueless or doomed to failure unless based on the intention of Member States to contribute separately or jointly to improving the lot of humanity and unless it promoted the necessary frame of mind. All countries were agreed on targets to be set, and France accepted the Secretary-General's list of priority tasks, which was the basis of a joint programme of action.

28. One of those tasks was to give developing countries the technical assistance which they would need for a long time to come. To co-ordinate technical assistance activities, the United Nations had established EPTA and the Special Fund. France, too, had adjusted its own programmes of technical assistance as the needs of the recipient countries grew and became apparent, transforming such assistance into a concerted, and no longer a unilateral, instrument. From past experience it had become evident that, to be effective, technical assistance should form part of development plans covering the main economic sectors and should be adjusted to the phases of plans fixed by governments, for they alone could speak on behalf of the recipient countries. That presupposed a great familiarity with the problems to be solved and an administration capable of establishing and co-ordinating economic and social development; co-ordination should not take away what independence had given, but should be an additional element of national viability. In view of the vast potential scope of technical assistance, all the vital forces of a country should be enlisted in support of development. The needs of the less developed countries were so great and called for the deployment of such great resources, that United Nations technical assistance and bilateral aid together would scarcely suffice.

29. In that connexion, the Secretary-General in his report had expressed his hope for an increased volume and a greater regularity in the flow of foreign capital to the developing countries. Since 1956, France had, on the average, provided annually to those countries more than \$1,000 million, a figure which was equivalent to between 2 and 2½ per cent of the gross national product; thus, France was amongst the most important contributing countries. Out of that total, 65 per cent had come from the public sector. The contributions made by France to multilateral assistance bodies, including the Development Fund of EEC, would probably exceed \$100 million in 1962. His government would also consider what place there should be in the programme of the Decade for

the proposal to increase the resources made available to IDA, but would not let that cause any slackening in its own efforts to assist the newly independent States.

30. Another essential task of the Decade should be to increase the export earnings of the under-developed countries. Though agreement on generalities was easy, opinions differed concerning methods; some thought that the countries in question should be encouraged to industrialize, others that primary commodity prices should be revised upwards. The researches of the United Nations Secretariat and of FAO showed that what was needed was a concerted commodity policy. France favoured higher levels for the prices of primary commodities as a means of relieving private producers and States from the incubus of marginal prices. It was argued that such a course would encourage countries which were already producing foodstuffs on favourable terms, and would need increasing state intervention. Actually, the French approach involved only the broader application of methods which had proved their worth in a narrower context. His delegation appreciated and supported the demands being made to guarantee the export earnings of the primary producing countries, though it felt they were only short-term palliatives and the real problem was how to remove the causes of the situation. Moreover, unless there was a world reorganization of agricultural trade, the world food programme adopted by the United Nations and the Freedom from Hunger Campaign launched by FAO would not enter the revolutionary phase which the Development Decade was supposed to represent and would simply constitute two praiseworthy methods for disposing of surpluses.

31. Similar considerations applied to manufactured goods. In that connexion, however, a special difficulty arose: the new industrialization of the young nations would be added to the productive capacity of the industrial countries. If the latter were to open their markets to the goods produced by the former, international agreements like the arrangements relating to the trade in cotton textiles signed in 1961 under the auspices of GATT would have to be concluded to avoid the disorganization of the markets. Furthermore, countries undergoing industrialization would have to seek new outlets and also, perhaps, certain regional forms of trade organization.

32. The fear that the resources available for assistance to countries undergoing development would be inadequate had induced the United Nations to study the economic and social consequences of disarmament and to inquire whether new resources could be released. The study on that subject transmitted in the Secretary-General's report (E/3593 and Corr.1) was based on an ideal which should be maintained without discouragement, but also without illusion, for disarmament was hardly in immediate prospect. Still, the study showed that disarmament would have a generally favourable effect on the economic and social development of the countries concerned. Two problems remained: the problem of disarmament itself, and the problem of estimating what resources so released could be applied to development. Whether there was disarmament or not, however, the industrialized countries had adopted a policy of assistance to the less developed countries,

and their immediate concern was that the means available for that purpose should be used in ways which satisfied the needs as effectively as possible.

33. In that connexion, all resources would be fruitless if the recipients could not profit by them. France attached great importance to the human aspects of development, and considered that steps should be taken to ensure the physical and mental health of the human beings responsible for building their country. So far as physical health was concerned, France was participating in the campaign against endemic diseases in Africa, was helping the Congo (Leopoldville) to institute a medical service and was following with interest the efforts made by FAO and WHO in the fields of nutrition and malaria control. It also supported the UNICEF recommendation (E/358, annex) that Member States should give the problems relating to children their due place in development plans.

34. Education meant more than the strictly utilitarian training of administrators, technicians and skilled labour; the true object of education was to produce human beings able to grasp and master all aspects of development, and to carry out in a peaceful and orderly manner the structural reforms which were both the condition and the consequence of development. It was by that criterion that the French delegation judged the parts of the Secretary-General's report (E/3613 and Corr.2) which dealt with the OPEX programme of the United Nations, with community development, occupational training, land reform and other matters affecting man and his environment.

35. In all circumstances, however, there had to be respect for human rights, without which development would create a new form of slavery more ruthless than all those from which mankind had ceaselessly striven to free itself.

36. Resolution 1710 (XVI) of the General Assembly called upon the Member States of the United Nations and specialized agencies to shape their policies in such a way that the Development Decade would be a sure success. Convinced that the immensity of the task and of the needs made rivalry and competition unnecessary and harmful, France intended to continue and to intensify its efforts. All countries had their part to play in that vast undertaking, each according to its genius: the successes and failures of the industrial countries would give material for reflection to all others; and the developing countries would have to adjust themselves to the demands of expansion and give their peoples faith in the future. The United Nations and the specialized agencies would have the function of stimulating effort and of acting as a clearing house of information. If, in the final reckoning, the Development Decade strengthened the ties between peoples, it would enhance the prestige of the United Nations and would above all give each of its Members the feeling of having made an effective contribution to a great human endeavour.

37. Mr. WINIEWICZ (Poland) said that economic competition between socialist and capitalist countries had been one of the contributory factors in the rapid growth of the previous decade, during which world output had increased at an unusually high rate. Co-existence was essential since an armed conflict might

annihilate whole nations and destroy civilization, whereas peaceful competition was becoming a major spur to world-wide development. His government, like those of other socialist countries, pursued a policy of peaceful co-existence and co-operation within the United Nations.

38. Recent economic development, however, had its dark side; the poorer countries were lagging behind, suffering from hunger and want and enjoying little of the benefits of scientific and technological progress. During the past decade, per caput incomes in the wealthy capitalist countries, already ten times greater than in the less developed, had continued to increase at a faster rate than the latter. Thus disparity between the favoured and the under-privileged had become ever greater.

39. The problem of the less developed countries was a central issue not only economically but politically and morally as well, and responsibility for its solution lay with the whole of mankind. As a matter of historical justice, the heavier part of the responsibility should be borne by those countries which owed their high standards of living largely to the exploitation of the under-developed areas, whether by means of colonial subjugation or by other no less brutal forms of enforced dependence. However, the progress of socialist countries had radically altered the pattern of the division of the world into privileged and under-privileged nations. Before the socialist construction, they had subsisted on an economic level comparable to that of the less developed countries and had often suffered from exploitation by foreign capital; but in a relatively short time, they had made an enormous advance, attained far higher economic levels and achieved a spectacular rate of growth. Their example should increase confidence in the possibility of rapid development elsewhere—a point he wished to emphasize particularly because some representatives had advocated methods usually applied in capitalist countries. It was to them that the United States representative might have addressed the remark which he had made at the 1214th meeting that no system could provide all the answers however much it might be tempted to claim that it had.

40. Poland presented an example of how under-development could be rapidly overcome. It had gone through an arduous phase of accelerated industrialization during the 1950s which had called for continuous self-denial and sacrifice, but in the end an economic level, far higher than that of the pre-war period, had been achieved and conditions had been created for balanced, sustained and swift growth. The economy was capable of an annual rate of increase in the national income of 7 to 8 per cent, with a balanced expansion of consumption and capital expenditure. The overwhelming majority of the less developed countries could probably attain the same rate of economic growth.

41. He endorsed the reading of the current world situation which had inspired the idea of the Development Decade, and was anxious that the programme should be positive and effective so as to match, at least to some degree, the magnitude of the problem to be solved. Unless the Decade resulted in considerable progress, the prestige of the United Nations might suffer.

42. The objective laid down in the Secretary-General's

report of creating conditions in which the national income of developing countries could increase by 5 per cent annually up to 1970, and that thereafter standards of living should double within a period of twenty-five to thirty years was a minimum if viewed in the light of possibilities and expectations. Dissatisfaction had been growing at the striking disparity between living standards of various nations and continents which was felt to be a blow at human dignity. It was paradoxical that those inequalities should be wider than ever in an age of unprecedented scientific and technological progress.

43. The contemplated annual rate of increase was low, not only in the light of the experience of Poland and other socialist countries, but also in the light of the expectations of improved economic conditions in countries of Latin America, Asia and Africa. Yet it would be hard to succeed with even that minimal programme unless certain essential and decisive prerequisites were satisfied. Both internal and external factors exerted an influence on economic development, and the main attention during the Decade should be directed towards creating favourable external conditions by improving the whole structure of international economic relations. The Secretary-General's report contained a series of recommendations to governments and United Nations organs, some of which involved indispensable institutional changes in agrarian structure and in other sectors, while others laid stress on industrialization as the most important vehicle of development. Indeed, industrialization had a special part to play because it created structural conditions favourable to self-sustained growth, to better relations with the rest of the world and to greater economic independence.

44. Measures undertaken by the United Nations to help the less developed countries shape their development policies should be maintained and expanded. But persuasion and advice were not enough in themselves. Some statements made during the discussion had been marred by a patronizing attitude towards nations who through their struggle for freedom and their will for national independence had displayed complete political maturity. What was needed was assistance which would enable those countries to take action. Accordingly, the United Nations programme should first provide for extensive studies and proposals concerning external factors of economic development; in that connexion, he awaited with interest the outcome of the deliberations of the working group set up under Council resolution 875 (XXXIII) to formulate a declaration on international economic co-operation.

45. From the standpoint of the less developed countries, the main importance of international trade lay in the fact that it created sound possibilities of capital investment, without which any development was inconceivable. Under the existing economic structure of those countries, more than 50 per cent of the capital equipment had in many cases to be imported from the industrially developed countries. Thus the development process, at least in its early stages, was accompanied by a growing demand for imports. To accelerate their economic development, the developing countries should therefore be given a chance to expand their exports and should have an assurance that they would command a proper price. In time, the

countries in question would be able to solve their capital investment problems through structural changes in their own economy; but for the next twelve years or so they would have to rely on foreign trade.

46. It followed that international trade was the major problem where the less developed countries were concerned. Yet the increase in the demand for their export goods was slight, and at the same time the terms of trade were deteriorating. That was a tendency which countries exporting agricultural and mineral raw materials were unable to counteract. It was a paradox that, the greater the desire of those countries to develop, the less favourable became the terms of trade for them, precisely because their development forced them to expand their exports towards a limited market. If the national income of the developing countries was to increase at an annual rate of 5 per cent, their importing capacity would have to increase at a still higher rate; yet the real value of their exports had risen by a mere 2 per cent annually during the past ten years.

47. It was therefore difficult to conceive that the objectives of the Decade would be implemented unless the conditions of world trade were drastically changed. The United Nations should therefore convene a world trade conference to consider, in particular, measures for promoting trade expansion and to culminate in the establishment of an international trade organization. It was difficult to understand those who, while voicing support for the Development Decade, claimed that such a trade conference would be premature.

48. The influence of closed economic groupings like the west European Common Market made the convening of such a conference all the more urgent. The law of economic power, under which the strong became stronger and the weak still weaker, played a decisive role in the economic relations of the capitalist world. The economic reinforcement of the strongest parties in world trade through integration could not be expected to add to the strength of the weaker parties: quite the reverse. Although new in form, the integration in western Europe seemed to retain the old contents perpetuating the relations of economic dependence and exploitation; that was why the term "neo-colonialism" had been used in that respect. On the eve of the Development Decade, the stronger partners were resorting to protectionist methods and thus petrifying the existing international division of labour, so disadvantageous to the less developed countries. What he was saying could not be dismissed as propaganda; it was a situation that was plainly occurring. Protectionist tendencies would be unobjectionable if used by the weaker against the stronger, but there was no justification for them if used in the opposite direction.

49. He did not oppose the establishment of closer forms of co-operation between countries in the same region; Poland itself belonged to a sub-regional group consisting of several socialist countries. What mattered was the true character of such groupings: they should facilitate co-operation and should not damage the interests of others. The United Nations might well draw up a code of rules for regional or sub-regional groupings, to ensure that international economic relations followed a pattern which took into account the interest of the less developed countries and, indeed, the general interest.

50. With regard to the proposals for establishing common markets for geographical regions outside Europe, it would be preferable and more effective in the case of the less developed countries to start with a preliminary form of co-operation consisting of the regional co-ordination of development plans and of long-term trade agreements.

51. A fundamental change in the orientation of international trade and of economic co-operation between nations was obviously indispensable. Trade should become the major channel of co-operation between countries with different social and political systems and belonging to different geographical areas; politically, such co-operation could serve the cause of peace.

52. It followed from his arguments that the essential financial means for the economic development of countries should be sought in their own natural resources. Indeed, the fact that the less developed countries were in need of assistance was largely due to the circumstance that the economic relations of the past had forced the colonially exploited countries to accept a division of labour unfavourable to them and had turned foreign trade into a means of earning profits in the sole interest of the highly developed capitalist countries. Economic assistance was desirable, but the essential condition for accelerating the economic development of the less developed countries was the improvement of international economic relations.

53. History offered a great chance to mankind; for, if complete disarmament was achieved and a large portion of the resources so released was used to assist the less developed countries, they could achieve the existing economic level of the highly industrialized countries within one generation. Hence, anyone who was sincerely anxious for the success of the Decade should be an enthusiastic supporter of general and complete disarmament.

54. The forms and channels through which capital assistance was given were not without their significance. Assistance could be given bilaterally, but the multilateral method was more important. That was why the proposals for a special United Nations fund for economic development (SUNFED) and later for a capital development fund had been discussed for years in the United Nations; but those proposals had not materialized because of the adamantly negative attitude of the western Powers. The situation had not improved since the proclamation of the Decade.

55. Economic assistance should be concentrated on industrial development and on the creation of the conditions for such development. The desirability of industrial development had been recognized in the Secretary-General's report on the Development Decade and in other United Nations publications, and the Organization had set up a Committee for Industrial Development; but, in addition to capital assistance, technological assistance was equally necessary for industrial development. For example, the Secretariat should endeavour to obtain more information concerning the pre-investment needs of countries requesting assistance, and perhaps the United Nations might help to establish national and regional consulting firms for different industries.

56. The socialist countries, including Poland, had gained a wealth of practical experience in solving the problem of economic growth. He could not but feel that a great many of the ideas contained in the programme of the Development Decade, such as development planning, industrial development, and the need for economic diversification, were based on the experience of the socialist countries. Poland was ready to share its experience; Polish experts were employed in many countries, mostly under bilateral agreements. Poland could take a much larger part in multilateral assistance projects, were it not hampered by United Nations procedure, to the obvious disadvantage of the potential beneficiaries.

57. If the Development Decade programme was not to be a dead letter, it had to be carried out through a concerted common effort; if it was to be effective, it should not be confined to marginal action but should deal with essential problems; if it was not to become merely a bureaucratic scheme, it should be a continual process, within which the United Nations would constantly correct and supplement its programme of action in concert with all its organs, in particular the regional economic commissions and its affiliated organizations. The Council should approach so vital a matter in a critical spirit and without illusions; it should never content itself with words or resolutions alone.

The meeting rose at 6 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1218th meeting

Wednesday, 11 July 1962
at 10.45 a.m.

PALAIS DES NATIONS, GENEVA

CONTENTS

Agenda item 4:

United Nations Development Decade

General debate (*continued*) 59*President* : Mr. J. MICHALOWSKI (Poland).*Present* :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Yugoslavia.

Observers for the following Member States: Austria, Belgium, Bulgaria, Canada, Cuba, Ghana, Indonesia, Ireland, Mali, Romania, Sweden, United Arab Republic.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Civil Aviation Organization, International Bank for Reconstruction and Development, International Monetary Fund, World Health Organization, Universal Postal Union, Interim Commission for the International Trade Organization.

AGENDA ITEM 4

United Nations Development Decade (E/3613 and Corr.2 and Add.1-3, E/3658, E/3664; E/L.957 and Corr.1, E/L.958 and Add.1, E/L.960)

GENERAL DEBATE (*continued*)

1. Mr. EL-FARRA (Jordan) said that the Development Decade marked a new phase of international economic co-operation which should be faced with a new spirit. Irrelevant political issues should not be raised in the discussion of item 4, which was concerned with the future, and not with the past. Further, the discussion of the merits of rival ideologies was a matter for other bodies than the Council, which was a technical organ of the United Nations.

2. General Assembly resolution 1710 (XVI) embodied the principle of partnership between the developed and the developing countries. Whether people liked it or not, they lived in a shrunken world, and they were all

interdependent; they would have to move towards co-operation, simply because the alternative was complete annihilation. Interdependence, and partnership between equals, not communism or capitalism, could capture the mood of the nationalists of Asia and Africa, and the peoples of those continents would play an important part in the emergence of a new world; their countries had immense resources and potentialities.

3. The new States Members of the United Nations, as well as some older Members, continued to face many obstacles in their economic development. They had a low level of technical knowledge and organizational efficiency, and were also beset by the pressing problem of population growth, which was particularly rapid in many parts of Asia and Africa.

4. The increase in population hindered plans for development, a fact which had been repeatedly recognized in responsible quarters. In Asia, Japan had succeeded in keeping population growth within reasonable bounds by various methods; it might be advisable to urge the Special Fund to sponsor a study of the international problem of population growth, or a seminar to be conducted at Tokyo or some other suitable place.

5. Another serious problem was the exhaustion of natural resources, which would deprive some developing countries of their income. Unless a means were found of safeguarding the economic development of those countries, it would be difficult for them to achieve economic independence.

6. In the Arab world of that time, there was a keen interest in the promotion of higher levels of living. Planners were seeking the most effective methods of pursuing a balanced social and economic development. Their pressing demands outreached the financial and scientific resources available and the Development Decade could be a great help in that respect.

7. The thorny problem of achieving balanced social and economic development had faced the twelve Arab States participating in the Conference on the Social Aspects of Development Planning in the Arab States, organized by the United Nations at Beirut from 6 to 12 November 1961. It had been shown at that conference that social justice and economic considerations were inseparable.

8. Within the framework of the Decade, special attention should be given to scientific knowledge and its application. For instance, many developing countries were dependent on weather conditions, particularly rainfall, and with the advance of technology, ways and means might be found to control rainfall.

9. The 1960 United Nations *Statistical Yearbook*¹ revealed the alarming fact that the industrial nations were getting richer and that the developing countries were receiving relatively less for their products. The value of world exports had reached a record level of \$1,125,000 million in 1960, but the under-developed nation's share of world trade had decreased by 30 per cent in the previous ten years. Even more alarming was the fact that poorer nations were spending a higher percentage of their gross national product on their peoples' needs, thus sharply curtailing their ability to provide investment funds. In order to fill that gap, grants and loans, which in 1960 had amounted to \$4,000 million, had been given to the developing countries. The contributors of those grants and loans deserved the thanks of the developing countries, but it would be unfortunate if that situation were to continue for many years to come. That problem should be given attention within the framework of the Development Decade.

10. The question of industrial development was of great importance to the developing countries and also deserved special attention. In that connexion, governments could promote the establishment of industrial development corporations, as had been done in Jordan. Such corporations could help in ascertaining the needs of developing countries and the opportunities available. Similar corporations in the developed countries could help to overcome difficulties in finding the experts needed for technical assistance and research. The Economic Committee of the Council might therefore consider the idea of establishing an effective system of co-operation, through such bodies as industrial development corporations, between developing and developed countries.

11. In order that all those ideas should prove fruitful, it was essential that the developed countries should not take steps or agree on measures which would make co-operation in the developing countries expensive and impractical. Groupings which might prejudice the rights of others and bring about unfair competition should be discouraged, particularly if the very governments which championed those groups did not permit such trade practices within their own territories among private organizations. It should be realized in the developed countries that prosperity could not be achieved in a divided world and that investments in the developing countries were an investment in peace, in prosperity and in the common good.

12. He noted with appreciation that a United Nations coffee conference was being held that month, and that a conference on cocoa was planned for the spring of 1963. Many Member States were also calling for the convening of a United Nations conference on international trade. All those conferences, if properly timed and arranged, could be helpful in improving the trade outlook of the developing countries and in seeking remedies for the problems of primary commodity markets.

13. The Secretary-General's report (E/3613 and Corr.2) contained some very constructive proposals, to which his delegation would revert in the Economic Committee.

14. Mr. WALKER (Australia) said that, before considering the Secretary-General's report containing proposals for action, it was appropriate to recall that General Assembly resolution 1710 (XVI) was addressed in part to Member States, and called for measures on the part of both developed and developing countries. Member States were called upon to pursue policies and adopt measures calculated to assist the developing countries. Those countries would set their own targets within — according to the introduction to the report — the general objective of doubling their standard of living in twenty-five or thirty years, an objective which it was heartening to see was regarded as feasible.

15. He had been particularly struck by the statement in the second paragraph of the introduction to the report: "Development is not just economic growth, it is growth plus change." In fact, even in the wealthy countries, economic growth brought with it important changes; one of the consequences of economic progress was the re-allocation of labour and resources between different sectors of the national economy. Resistance to those changes often prevented even modern communities from taking full advantage of technical progress: much of the agricultural protectionism of the industrialized countries reflected their unwillingness to adapt themselves to some of the changes produced by technical progress in countries having natural advantages in agriculture.

16. In the case of many developing countries, the problems of growth were even more complicated because far-reaching social changes had to be carried through before any considerable economic growth became possible. Those countries frequently had to establish entirely new industries and adopt new ways of life and new attitudes. The main responsibility for economic development should therefore remain with the individual countries concerned, which alone could assess the readiness of their peoples to accept the changes in social organization and habits of life that economic development entailed.

17. In considering the report, the Council should give special attention to the question of priorities, a matter to which the Australian Government had already drawn attention in its comments (see E/3613/Add.2). It was perhaps one of the shortcomings of an otherwise excellent report that it did not provide much assistance on that question of priorities. It was not, of course, altogether silent on the subject, and he noted the reference in the penultimate paragraph of chapter I to six important tasks "which have to be completed to make our hopes come true". Those six tasks might well qualify for inclusion in a list of priorities, on the grounds that it was a good principle to finish what had been started.

18. His delegation hoped that when the Council came to formulate its resolution on the Development Decade, it would indicate priorities for the guidance of the United Nations and associated international organizations, priorities which would recognize the need for special emphasis on certain activities, particularly in the earlier stages of the Decade.

19. In attempting to indicate certain kinds of action which should receive special emphasis, he would leave out many activities which should undoubtedly continue as integral parts of the Development Decade. For

¹ United Nations publication, Sales No. 61.XVII.4.

example, the Director-General of FAO had presented a most convincing case for ensuring that specific targets were set both for improvements in nutrition and for agricultural production (see E/3613/Add.1), targets which would be consistent with the over-all objective of a 5 per cent per annum growth proposed for the Development Decade. The Australian Government's reply had likewise stressed the urgent problems of nutrition and agricultural development. Similarly, his delegation did not underestimate the importance of industrialization or of the promotion of health. It was not his intention to suggest a rigid scheme of priorities to be applied within each country, or to assess the relative importance of various factors in the over-all process of development, but merely to focus attention on certain immediate priorities within the scope of United Nations action in the Development Decade.

20. On the basis of the report, there could be no doubt that first priority for United Nations action in the next few years must be assistance to the developing countries in the training of personnel; in one context after another, the report referred to the need for more trained staff in those countries. Despite all efforts, the lack of skilled persons might prove to be the most formidable obstacle in the near future to progress in many countries. Of course, the United Nations and its specialized agencies, particularly the ILO, had long been engaged upon important training programmes. However, it was not only industrial training that was needed; training in agriculture and in many other fields was of prime importance, and one of the greatest disabilities from which the developing countries suffered was the lack of educational facilities from the primary stage upwards. As suggested in the section on education of the Australian Government's reply, there seemed to be "scope for a re-orientation of educational systems towards the real needs of the under-developed countries themselves".

21. For young people, problems of education and training were closely related to employment. Special emphasis should therefore be given in the Development Decade to assistance requested by countries facing serious difficulties in the employment of young people and in their adaptation to the new conditions created by economic development. With regard to training generally, it would be helpful to the Council if the Secretariat could prepare a summary of what was being done in various fields by the whole United Nations system, indicating how much money was being devoted to training and the approximate line of demarcation between different kinds of training. That information would help the Council to consider whether additional resources should be devoted to training in general or to certain kinds of training in particular.

22. Another very high priority for United Nations action was assistance to the developing countries in the exploration, assessment and exploitation of their natural resources. Some of the most promising possibilities of work in that field involved a regional approach; the Mekong River project (E/3613 and Corr.2, annex II) was no doubt the forerunner of similar joint enterprises elsewhere.

23. The growth and adaptation of science and technology to the needs of developing countries should also

receive special emphasis in the Development Decade. In that connexion, he had been struck by item eight in the list of "new approaches" contained in the introduction to the report. In the Economic Committee, the application of non-conventional sources of energy for the benefit of the developing countries had been under discussion, but that was only a small part of the field, and he looked forward to the 1963 United Nations Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas; the work so initiated would play an important strategic role in the development of many countries.

24. With regard to improvements in the institutional machinery for development, the matter varied in importance from one developing country to another; it should, however, receive special emphasis in the Development Decade. There would undoubtedly continue to be many requests from developing countries for technical assistance in economic and social planning, in connexion with requests for international financing and also for assistance to governments in their attempts to guide the course and direction of development. Under that heading, mention should also be made of action to assist governments to improve the collection and publication of statistics, which was essential both for development planning and for the conduct of economic policy. Equally important, and urgent in many countries, was the need for assistance in the reform of taxation systems and other methods of mobilizing domestic financial resources, a matter to which perhaps insufficient attention had been given in the report.

25. As to international trade, he had not given it first priority because he had been discussing priorities for United Nations action, not the relative importance of various factors in development or the responsibilities of governments. From the latter point of view, international trade policy was, of course, a matter to be given very high priority.

26. It was significant that the list of six major outstanding tasks mentioned at the end of chapter I of the report included "An increase, and subsequent more vigorous growth, of the export earnings of under-developed countries." The same point was emphasized in operative paragraph 2 (a) of General Assembly resolution 1710 (XVI). Rapid advance in that field was a top priority for government action in the Development Decade. It did not necessarily follow, however, that new kinds of action by the United Nations system were urgently needed. What had been lacking was not so much machinery as a sufficient will on the part of governments to make the existing machinery work for the good of all countries, including in particular the developing countries.

27. In a recent study (E/3628), FAO had reached disquieting conclusions as to the outlook for major agricultural commodities in international trade and the prospects for food production and demand generally. Even under the optimistic growth assumption of 5 per cent per annum in gross national product, the FAO projections indicated that nutritional deficiencies would still be widespread in 1970.

28. Any plans for development must take into account the need for the developing countries to increase pro-

duction in order to feed their own peoples and at the same time produce surpluses which could earn foreign exchange to further their development plans in all sectors of the economy. However, as the depressing trade history of the last decade had revealed, it was not enough to solve the problem of production. In the absence of satisfactory access to markets and stable remunerative prices, the terms of trade had turned steadily against the primary producing countries, making it impossible for them to finance development plans from their export earnings.

29. At the 1214th meeting, the United States representation had advocated a pragmatic commodity-by-commodity approach, and the Australian delegation supported that approach, which enabled the range of problems inherent in international bargaining to be narrowed down to measurable dimensions, thus offering the greatest promise for general agreement on satisfactory stabilization schemes. In recent years, real efforts had been made to work out international agreements dealing with a number of commodities such as coffee, cocoa, tin and rubber; cereals, including wheat, and meat, were also commodities for which such an agreement would be extremely valuable. His delegation considered that the following principles could be valuable guides in working out such arrangements: first, an increase in world market prices for primary commodities to bridge the gap between those prices and the prices paid to producers in importing countries; second, the possible need for some limitations on exports to prevent increased prices in exporting countries from leading to excessive increases in supply having regard to the market situation; third, the examination of international arrangements to take excess supplies off the market and make them available to less developed countries at concessional prices.

30. The developing countries would inevitably also seek to increase their foreign exchange resources by expanding their exports of semi-manufactured and manufactured goods. To achieve success in that effort, they needed liberal access to the international market and, above all, to the markets of the industrialized countries. In that connexion, the removal of tariff differentiation in the industrialized countries against processed raw materials should not prove too painful a process and it would help the developing countries by increasing the volume of processing taking place in those countries. Trade in manufactures, on the other hand, tended to be a somewhat different matter, particularly because developing countries often turned first to simpler and labour-intensive forms of manufacture, such as cotton textiles. The corresponding industries in the industrialized countries were often in a state of relative stagnation; and, deeply entrenched and long-established, they tended to react sharply against new competition from the developing countries. Any solution to that problem would entail adjustments in the internal structure of the highly industrialized countries to make room for a growing volume of the simpler forms of manufactured products by a progressive shift of their productive resources to the more intensive and complex forms of manufacture. In that connexion, international co-operative action was required: a progressive liberalization of import policies on the importing side and measures of restraint on the

exporting side designed to ensure that the impact of imports from developing countries would not be so sudden or so sharp as to cause dislocation or discontent in the industrialized countries.

31. Much study, consultation and negotiation were being conducted through bodies such as GATT, FAO and the Commission on International Commodity Trade to deal with those problems of international trade. A number of governments were actively engaged in negotiations at Brussels and other capitals relating to the admission of new members to EEC and the trading arrangements between the existing or enlarged Community and other countries. Against that background, it was not a simple matter to decide what further immediate action was required from the United Nations. The United States representative had also suggested a review by a group of experts of the entire international machinery concerned with trade problems. The Australian delegation looked forward to having further particulars of that interesting suggestion, since it had itself been considering the possibility of seeking, through the existing international machinery, some continuing review of the measures that it was to be hoped would be undertaken by Member States in pursuance of operative paragraph 2 (a) of resolution 1710 (XVI).

32. As to the problem of external financing for economic development, he would hope that a determined attack upon the trade problems of the developing countries would reduce the rather staggering estimates of the amount of international aid that might be required if existing trade conditions persisted.

33. In conclusion, he expressed the hope that other delegations would be willing to pursue further the problem of priorities in the course of the discussions in the Economic Committee with a view to arriving at recommendations that would enable the Council to make a significant contribution to the direction of the United Nations action programme in the Development Decade.

34. Mr. OKAZAKI (Japan) said that United Nations activities in the economic and social fields had become increasingly geared to operational activities in the form of rendering advisory services and technical assistance to the developing countries. That shift in emphasis had been further accelerated by the steady increase in voluntary contributions to EPTA and the Special Fund. Japan supported that trend in the work programmes of the United Nations and its related agencies and hoped that it would be further promoted under the United Nations Development Decade. However, care must be taken to ensure that the expansion of the activities of various organizations did not give rise to a proliferation of new uncoordinated programmes and projects, leading to wasteful duplication. Nor should it be forgotten that there was a close interrelationship between economic and social development and that the ultimate aim of economic growth was to raise the living standards of the people. The fact that the work programmes of the United Nations and the specialized agencies were based on the wishes or requests of governments was a sound principle, and their initiative and free choice should be respected during the development Decade.

35. The Secretary-General's proposals were designed to mobilize and make the best use of resources available to mount a concerted attack on the problems hampering economic development. In the formulation of an action programme for the Development Decade, therefore, steps should first be taken to determine those areas of activities which were of the greatest strategic importance for economic growth and establish concerted action programmes.

36. The Secretary-General's report rightly emphasized the important role that the United Nations system could play in assisting the developing countries in formulating their development programmes, improving their planning techniques and training their local personnel in planning. In that connexion, his delegation welcomed the establishment of the Economic Projections and Programming Centre in the United Nations Secretariat. Training facilities in the field of development planning had also been increasing within the United Nations system. Japan, as a member of ECAFE, attached great importance to the proposed Asian institute of economic development, which, when established, would render valuable services both in training Asian planners and in giving advice to Asian countries on the formulation of their national development programmes.

37. The economic development of the less developed countries depended largely on their capacity to export, and it was widely recognized that trade was far more important than aid in promoting their development. The most effective means of expanding international trade appeared to lie in the promotion of freer multilateral trade relations among the trading nations of the world through the relaxation of import restrictions and the lowering of tariff barriers. Primary commodities would long remain the major exports of developing countries, but as exports of semi-processed and manufactured goods had assumed increasing importance, he hoped that the developed countries would refrain from applying discriminatory measures against such products from developing countries.

38. The emergence of EEC had given rise to some apprehension on the part of non-member countries, which felt that preferential treatment might be given to the developing countries associated with the Community. Representatives of the members of EEC had, however, given assurances that EEC did not intend to be a closed economic bloc; his delegation had confidence in their statements and hoped that they would adopt an outward-looking trade policy. Japan, which was highly dependent on foreign trade, hoped that a free and multilateral trading system would be maintained in as wide an area as possible, and wished to co-operate further with the developing countries in trade. Its capacity to import primary commodities and to give financial assistance to the developing countries would increase as its economy expanded and its exports increased, especially to the developed countries. His delegation therefore hoped that the developed countries would give due consideration to Japan's position in formulating their trade policies. The work of GATT, the only international trade organization, had an important bearing upon the work of the United Nations in that field. For that reason, his delegation felt that the discussion of trade problems in the United

Nations would be greatly facilitated if a concise annual report on the activities of GATT were made available to it.

39. His delegation recognized the urgent need for further expanding the total flow of capital and assistance from the developed to the less developed countries. It was therefore gratifying to note, from a recent report of OECD, that the volume of such assistance was still increasing. In that connexion, the total outflow of Japanese financial resources to the developing countries had increased in 1961 by over 50 per cent above the level of the preceding year, amounting to 1.08 per cent of the national income. His government would continue to make efforts to increase its aid to the developing countries.

40. However, the achievement of the objectives of the Development Decade depended primarily upon the self-help of the developing countries. The aid-receiving countries themselves should co-ordinate the multilateral and bilateral assistance they received, while the TAB resident representatives should play a greater role in co-ordinating the technical assistance provided by the United Nations.

41. In the Development Decade, the regional economic commissions were to play an increasingly important role. The ECAFE had gradually evolved as a central and unique forum of regional co-operation in its region, and Japan wholeheartedly supported its work. However, in view of the serious efforts at self-help being made by the ECAFE countries, of their large populations and development needs, and of the absence of any regional financial institution, his delegation hoped that they would receive a larger share of the financial and technical assistance from the developed countries and international organizations.

42. He welcomed the decision reached at the eighth session of the Governing Council of the Special Fund to authorize its Managing Director to provide, on an experimental and *ad hoc* basis, and at the specific request of a recipient country, advisory services on follow-up investment in the Special Fund-assisted projects (E/3646, para. 63(e)). The existing working relationship between the United Nations on the one hand, and IBRD and IDA on the other, should be further strengthened and better co-ordinated in the Development Decade. His delegation also hoped that exchanges of information and consultations on the subjects of common interest to the two groups would be promoted by using for the purposes of liaison the Advisory Committee of the Special Fund, which, if convened regularly, would help to promote follow-up investments in Special Fund projects and to dovetail the operations of the two groups.

43. With a view to formulating an effective action programme for the Development Decade, his delegation suggested that the Council should consider the advisability of establishing machinery to identify, in co-operation with the specialized agencies, priority areas and projects requiring urgent attention. Subsequent detailed work could then be referred to a special *ad hoc* working body of the Council, which might be established during the current session and which might submit a progress report at the thirty-sixth session. At the same time, a small but efficient unit on co-ordination might be set up

within the United Nations Secretariat to assist that special *ad hoc* body and to serve as the focal point of communications and information on the achievements of the Development Decade's action programmes. His delegation hoped that its suggestion would be given further consideration in the Co-ordination Committee when it took up the co-ordination aspect of the Secretary-General's report.

44. Japan would continue to make due contributions, financially and otherwise, to the attainment of the goal of the Development Decade. So far as the United Nations was concerned, the successful implementation of its action programme would depend largely on the funds available to EPTA and the Special Fund. Japan would therefore also continue, within the limits of its financial capacity, to make financial contributions to those programmes with the target of \$150 million in view.

45. Mr. WODAJO (Ethiopia) said that, as the Ethiopian delegation had been one of the co-sponsors of the proposal that eventually became General Assembly resolution 1710 (XVI), his government derived pride and satisfaction at having been associated with the idea from its inception. That resolution was universal in the sense that the basic precepts, aims and goals of the Development Decade represented a sum total of agreement, enlightened understanding and a symbolic synthesis of ideas. The concepts enshrined in the resolution had not, however, been achieved without a great deal of controversy, for example, concerning the role of private and public investment and of planning in the development of the economies of the under-developed countries. Those countries themselves, he noted, had played a role no less significant than the representatives of the two more predominant social systems in defining areas of agreement. Those areas of agreement on concepts and action in the economic and social field were clearly defined in the Secretary-General's report, which laid the basis for an effective and workable programme for the Development Decade.

46. Much of the groundwork for the action that was to be taken during the Development Decade had been done in the 1950s, through the creation and development of important instruments of international action and co-operation. Those instruments included the United Nations and the specialized agencies, the various international finance institutions and the many types of multilateral and bilateral assistance programmes. Important research in the critical area of economic and social development was also being carried out in a number of academic institutions, voluntary associations, and foundations, and, to a limited extent, those institutions were carrying out positive programmes of action. Without the debates, the agreements and the institutions set up in the 1950s, a Development Decade would have been impossible, and the impetus for international co-operation would have been lacking.

47. The Secretary-General's proposals contained in his report were based on a number of assumptions. First, they recognized that modern man had in his hands all the necessary means for creating better conditions of life and that the developed countries would give their effective assistance to that end. Secondly, it was recognized that, as the problems of economic development involved a

number of interrelated social, economic and political factors, the assault on the problems of economic and social development should be carried out on a number of fronts. Thirdly, it was recognized that the major responsibility for mobilizing resources, and for mapping out plans of operations, rested on individual countries.

48. He would suggest that, if the objectives of the Development Decade were to be achieved, certain conditions had to be met in the less developed countries. For example, as economic development was first and foremost a question of leadership, the leaders of each developing country should be imbued with a sense of social justice and capable of instilling into their people a sense of enthusiasm and hope. They should be capable of mobilizing resources, introducing a certain measure of discipline and explaining why self-sacrifice was needed. Economic development was also contingent upon the development of human resources and the ability of a population to utilize the benefits of technology and to explore new frontiers of knowledge. Although the ability of any country to expand educational opportunities for its people was limited by the forbidding costs of modern education, the effect of education in increasing the productive capacity of a country justified large expenditures on education. Further, a sustained growth of national income, in the final analysis, depended upon the ability of a country to maintain a steady expansion of the rate of investment. The capital required for that purpose, apart from foreign private investment and foreign assistance, entailed the selling abroad by the developing countries, at remunerative price levels, of more of their products, in order to realize sufficient resources to pay for their imports of capital goods.

49. The comments at the 1215th meeting of the Yugoslav representative on international trade problems had been admirable. There had been a steady and persistent decline in the margin of gain for the exporters of agricultural and industrial raw materials, while the margin of gain in international trade achieved by the industrial countries had increased. In the past three years, for example, the increase in value of the exports of the primary exporting countries as a group had amounted to only about 50 per cent of the increase in the volume of their exports. That downward trend was continuing. The annual expansion of exports by the less developed countries had not been accompanied by a corresponding increase in their value, and since just before the Korean hostilities, the purchasing power of an export unit in the under-developed countries had declined by 18 per cent. In 1960 alone, the losses sustained by the under-developed countries as a result of falling prices of primary commodities were nearly equal to the total amount of capital they had received from foreign sources.

50. The Development Decade should therefore start with an examination of international trade and of its implications for the economies of the less developed countries. A liberalization of trade, the reduction of customs and other fiscal charges should be the first goal, and countries which had formed regional groupings should be persuaded to pursue trade policies which did not damage the export trade of the under-developed countries. Prices of primary commodities should be maintained at a stable and equitable level, and workable

commodity arrangements should be worked out, preferably on a commodity-by-commodity basis.

51. It was equally important that the volume of international loans and grants from the industrial countries to the developing countries should continue to expand. The importance of that capital inflow was evident from the fact that a flow of capital representing 1 per cent of the incomes of the developed countries added about 10 per cent to the national incomes of the under-developed countries, and about 100 per cent to their existing net capital formation; if that amount were invested at the normal rate, it was capable of ensuring an annual growth of national income of at least 3 per cent.

52. The United Nations and the specialized agencies could contribute to the achievement of the goals of the Development Decade by continuing to act as effective platforms for the exchange of experience and the confrontation of ideas, thus enlarging the area of agreement on means and objectives. They could, moreover, co-operate in the elaboration of programmes and the establishment of targets, preferably in quantitative terms. The efforts of international institutions should be co-ordinated and unified. Historically, those institutions had grown up on an *ad hoc* basis, without relation to each other, and specifically to meet a certain set of problems. However, it had come to be realized that the problems of economic development consisted of interrelated, social, economic and political factors.

53. The operative activities of the United Nations must therefore be co-ordinated and administered in the most economical way. In that respect, there was much merit in strengthening the regional economic commissions as the executive arms of the United Nations. Moreover, technical assistance should be integrated in the development plans of the recipient countries. For that purpose, it might be necessary to introduce, in the technical assistance field, a system of programming over a number of years.

54. In conclusion, he would emphasize that, for the less developed countries, the crux of the problem in international co-operation was trade. The problem of trade was of such cardinal importance that his delegation was a co-sponsor of draft resolution E/L.958, which strongly recommended the convening of a world trade conference.

55. Mr. HESSELUND-JENSEN (Denmark) said his delegation agreed that the highest priority should be given to stimulating development in the low-income countries in the interest of international solidarity, and he was glad to inform the Council that the Danish people and Government had in principle accepted the idea that the Danish contribution to the developing countries should as soon as possible be increased to 1 per cent of Denmark's national income.

56. In deciding how governments should channel the greater part of the development assistance, two criteria should be borne in mind, namely, which channel would provide the most effective results at the lowest cost, and which channel was most likely to increase the volume of assistance which it was possible for an individual donor country to render at a given time. Acceptance

of the first criterion would in many cases lead governments to channel a greater share of their development assistance through the United Nations system. The specialized agencies had the necessary expert knowledge to decide upon the technical soundness of proposed projects and the regional economic commissions had the necessary local knowledge to guarantee that the projects could be effectively integrated into the development plans of the recipient countries. However, in view of the human element involved, he took the view that if the people of the donor countries were provided with visual and oral information on the scope and effect of a particular development project with which a specific contribution was to be associated, the result would be to increase enthusiasm and willingness to contribute and also the size of the contribution. The United Nations information services could be of considerable assistance in that respect by helping public and private information media in the donor countries.

57. For the above reasons, it was necessary to find new means of associating, under United Nations auspices, the advantages derived from bilateral programmes with those inherent in the United Nations systems of multilateral programmes. In that respect, chapter VI — on development financing — of the Secretary-General's report was of particular interest, and it was clear that the Council should find ways and means of ensuring close contact between all agencies interested in development financing. In the case of foreign private investment, the Council might help to find ways of reconciling the interests of foreign investors and those of the recipient countries with a view to an expanded flow of private funds.

58. His delegation noted with satisfaction that the Governing Council of the Special Fund had unanimously approved a decision by which the Special Fund would include financial advisory services in its aid programmes to the developing countries. Such services should be rendered not only in the form of documents, but by including, in United Nations courses and seminars for persons from the developing areas, relevant information on the possibility of acquiring different forms of development capital, including funds from private sources. The participants could subsequently assist their respective countries in implementing their economic development plans, deriving maximum benefit from available international sources as well as from private investments.

59. In that connexion, the Danish Government was considering the introduction of legislation to establish an insurance system to facilitate increased financing of development projects from private sources; his delegation had on several occasions drawn attention to the possibility of establishing a multilateral system for the insurance of private investments against non-business risks, such as nationalization and confiscation.

60. Another way of encouraging foreign private investment would be for the developing countries to provide foreign investors with adequate information on investment opportunities and conditions. The necessary services for that purpose could be provided by the proposed regional development banks. Pending their establishment, financial officials from the developing countries participating in United Nations seminars might, while receiving

instruction in available sources of development capital, provide adequate information concerning development opportunities in their respective home countries.

61. In that connexion, he referred to the meeting in May 1962 of the Committee for the United Nations Capital Development Fund, at which the Danish and Netherlands representatives had suggested new ways of bringing economic aid to the developing countries through the expansion of existing bodies, notably the United Nations Special Fund, rather than through the setting up of a new organization that would increase overhead expenses still further. His delegation had been encouraged to learn from the Managing Director of the Special Fund that Special Fund assistance was already in many cases associated with assistance received through bilateral channels.

62. A new venture in foreign assistance would shortly be launched in the form of a joint United Nations/FAO World Food Programme; whether it would be possible and advisable during the Development Decade to expand that programme would largely depend on whether the implementation of General Assembly resolution 1714 (XVI) proved that supplementary aid in the form of surplus commodities could be given and accompanied by adequate provisions for the legitimate protection of the trade and interests of producers in the developing countries.

63. Guidance on the best possible organization and distribution of available aid should come from the developing countries themselves. It was therefore encouraging to note that those countries attached the greatest importance to matters such as education, vocational training, land reform and transport; that appraisal coincided with the Danish Government's reply to the Secretary-General's communication (see E/3613/Add.2). The importance of education and training was obvious and his government had accordingly given priority to that question in its reply.

64. In the light of Danish experience, rural development

seemed to be impossible without appropriate land reforms, which could in many cases be achieved by applying appropriate taxation systems. In Denmark, agrarian institutional reforms had been instrumental in promoting rural improvements. Agricultural developments must be viewed as an important aspect of economic development and should therefore be given an adequate place in any national development plan.

65. His delegation was glad to learn that the Special Fund was prepared to assist the establishment of small-scale industries, serviced initially as part of the industrial estates under the Special Fund's auspices. It was also encouraging to learn that technological institutes had proved their worth in promoting industrial growth in the developing countries and that, in some cases, governments had established special institutes to assist cottage industries and small entrepreneurs.

66. It was gratifying that due attention was being paid to the important field of transport development, and he expressed the hope that the regional commissions would be instrumental in planning, improving and maintaining the transport systems of their respective regions. It was, however, alarming to learn that about one half of the total population of Latin America, Africa and Asia were homeless or lived in housing conditions that were a health hazard; Denmark was therefore glad to be able to contribute in some small way to better housing conditions in the developing areas through its participation in EPTA.

67. In conclusion, he said that United Nations community development programmes depended on the mobilization of popular support and offered the advantages of associating the population directly with the national development effort; for that reason, it was imperative to ensure the participation of all the groups involved.

The meeting rose at 1 p.m.



CONTENTS

Agenda item 4:

United Nations Development Decade

General debate (*concluded*) 77*President*: Mr. J. MICHALOWSKI (Poland).*Present*:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Bulgaria, Canada, Cuba, Czechoslovakia, Iraq, Ireland, Mali, Netherlands, Sweden, United Arab Republic.

Observer for the following non-member State: Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Civil Aviation Organization, International Bank for Reconstruction and Development, World Health Organization, World Meteorological Organization, Interim Commission for the International Trade Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 4

United Nations Development Decade (E/3613 and Corr.2 and Add.1-3, E/3658, E/3664; E/L.957 and Corr.1, E/L.958 and Add.1, E/L.960)

GENERAL DEBATE (*concluded*)

1. Mr. VALLADÃO (Brazil) said that, although he was going to comment on the Secretary-General's report (E/3613 and Corr.2), he wished it to be clearly understood that, while the views of his delegation might differ from the proposals of the Secretary-General in a few minor respects, there was no disagreement as to essentials.
2. The report, although very detailed as to the goals to be achieved, was rather reticent as to the means by which they were to be attained; in particular, it failed to explain how the proposed work was to be divided among the

different component parts of the Organization. If decentralization was to achieve its object, it was clear that an increasing share of United Nations activities within the Development Decade would have to be entrusted to the regional economic commissions. Yet the role of those commissions was practically ignored in the sections concerning industrialization, natural resources, transport and social development. The Secretary-General might, perhaps, prepare a supplementary report on the tasks of the Decade to be undertaken by Headquarters and the regional economic commissions respectively. The principles of co-ordination and broad policies would clearly have to be laid down at Headquarters. In the case of operational activities, however, the commissions were much better equipped than any central agency; their staffs were more familiar with conditions in the recipient countries; sources of information were within their easy reach; and they had a better knowledge of the needs of governments. Above all, the regional commissions had a much more concrete approach to problems, and were uniquely well-equipped to assume greater responsibilities in the execution of the programme for the Decade. As the Under-Secretary for Economic and Social Affairs had rightly said during the discussion on item 10 at the 1213th meeting, the stimulus for international action should come from the periphery rather than from the centre. If it responded adequately, the United Nations would undoubtedly achieve the goals set for the Decade; but it was essential that the regional organizations should have sufficient personnel and financial resources. The delegation of authority called for in General Assembly resolution 1709 (XVI) would make it possible for Headquarters to fulfil better its essential functions of policy guidance and co-ordination of programmes in their entirety. He hoped that the views set forth in his delegation's memorandum (E/3664) would be taken into account by the Secretary-General in his supplementary report on the role of the regional economic commissions in the Development Decade.

3. His next point concerned the problem of the availability of resources to carry out the programme. The Development Decade called for special efforts on the part of Member States of the United Nations and the specialized agencies and also on the part of the United Nations family of organizations as such. In the case of efforts by governments, although the measures required would undoubtedly entail substantial financial sacrifices, there was no need to specify in detail what the necessary expenses would be. In the case of action by the United Nations family of organizations, however, it seemed inevitable that some indication of the estimated expenditure should be given if governments were to have a clear picture of the programme. The resources of the

United Nations would have to be commensurate to the task, which was of gigantic proportions, for otherwise the programme would amount to little more than an enumeration of priorities. Yet the Secretary-General had not referred to the need for additional resources; he had merely said in his address at the 1214th meeting that the United Nations family could mobilize and utilize no more than the human and financial resources put at its disposal by governments. It was hard to see how the most massive international campaign ever waged against under-development could be successful on the basis of good intentions only. It was obviously unrealistic to establish the goal without specifying the means. No doubt the reason for the omission was that quantitative estimates had not yet been made and that consequently detailed financial balance sheets could not be prepared; if that were the case, such quantitative studies should be undertaken urgently, and that was the intention of the draft resolution, and especially of its operative paragraph 2, co-sponsored by Brazil (E/L.957 and Corr.1).

4. One of the difficulties of General Assembly resolution 1710 (XVI) was that it referred to many problems without giving a clear indication of priorities. A more selective approach was needed; a few strategic sectors should be singled out which would have a maximum impact on the economic development of the less developed countries. Those sectors were the encouragement of industrial development, the expansion and liberalization of trade, the increased flow of capital aid, and increased technical assistance activities.

5. Although it was universally recognized that faster economic growth could be achieved by appropriate emphasis on industry and that industrialization offered the best protection against the vagaries of international trade, it often happened that industry was not given its due place in international proposals and programmes. In the United Nations itself, the balance was tilted in favour of agriculture; resources allotted to it were about forty times as great as those allotted to industry. One way of correcting the discrepancy would be to establish a specialized agency for industrial development which would be able to perform the same service for industry as FAO and WHO were performing for agriculture and health. Such an agency offered the best possible hope for the promotion of accelerated industrial development in the less developed countries; but no reference was made to it in the report's section on industry, which confined itself to industrial planning, industrial advisory services, the promotion of small-scale industries and industrial training. Little was said in the report about the need to give greater emphasis to industry in the technical assistance and pre-investment programmes of the United Nations, although the Technical Assistance Committee and the Committee for Industrial Development had insistently recommended the need for such emphasis. He did not wish to imply that industrial development should be dissociated from social and agricultural development; but the expression "balanced social and economic development" might in practice mean a one-sided emphasis on social aspects, which might well lead to misuse of desperately scarce resources. For instance, reference was made in the report to an ambitious housing plan drawn up by a group of experts; if implemented,

that plan would consume investment resources equivalent to 10 per cent of the gross national product and in many cases to the entire investment resources available in less developed countries. Such wildly unrealistic targets could severely damage the development efforts of those countries.

6. With regard to the trade problem, he welcomed the assurance given by the United States representative at the 1214th meeting that that country was seeking a solution to the problem of trade discrimination against less developed countries. His delegation also welcomed the interest shown by the United States delegation in the discussion of compensatory financial arrangements in order to mitigate the effects of price fluctuations on primary commodity exports. It was high time that all trade problems were considered as a whole, and for that reason it was both advisable and timely to convene an international trade conference early in 1963 as proposed in resolution E/L.958. Such a conference would discuss vital matters such as the effects of regional economic groupings on the economic development of less developed countries, the removal of trade barriers, compensatory financing, and state trading practices.

7. Despite the report's statement to the contrary (chap. I, A (vi)), the shortage of capital continued to be the main obstacle to the economic development of the less developed countries. There was no doubt that only the contribution of external capital, matching domestic savings, could generate resources for economic development. If General Assembly resolution 1522 (XV), recommending that 1 per cent of the combined national incomes of developed countries should be devoted to the assistance of the less developed countries, could be effectively applied, the total resources generated would correspond to 10 per cent of the national income of less developed countries and to 100 per cent of their net domestic capital formation. Unfortunately, the target of 1 per cent was not yet in sight, although many individual countries actually exported capital in amounts corresponding to more than 1 per cent of their national income. The international flow of long-term capital to under-developed countries in the period 1951-1959, including aid from the socialist countries, had amounted to some \$35,000 million.¹ That total was equivalent to only 0.6 per cent of the gross national product of the economically advanced countries, to 2.9 per cent of their gross savings and to a per caput figure of as little as \$8.² It was obvious that much more would have to be done during the Development Decade even if only to reach by 1970 the somewhat unambitious goal of a 5 per cent annual rate of growth of aggregate national income referred to in operative paragraph 1 of General Assembly resolution 1710 (XVI). In addition to increasing the volume of development capital, the economically more advanced countries should channel more funds through multilateral arrangements. It was scarcely encouraging to learn³ that 90 per cent of long-term capital in the period 1951-1959 had been

¹ See *The Capital Development Needs of the Less Developed Countries* (A/AC.102/5), United Nations publication, Sales No. 62.II.D.3, chap. II, para. 68.

² *Ibid.*, para. 69.

³ *Ibid.*, chap. III, para. 124.

provided on a bilateral basis and that of the remaining 10 per cent, only 2 per cent had been supplied by the United Nations. Efforts should therefore be undertaken to increase the share of multilateral aid; in particular, the industrialized countries of the East and the West should make a decisive contribution to the Development Decade by supporting the United Nations capital development fund, the establishment of which was more necessary than ever. The IDA did not fill the void left by SUNFED. In the first place, IDA resources were becoming increasingly insufficient. Secondly, the inadequate share of the less developed countries in the decision-making apparatus of IBRD and its affiliates was becoming increasingly difficult to bear; those countries considered that a United Nations lending agency should be established which would be more responsive to the needs and aspirations of borrowing countries.

8. The existing joint target of \$150 million for EPTA and the Special Fund was obviously not related to needs and required to be considerably increased. The Secretary-General considered (E/3613 and Corr.2, chap.VI, A.1) that the resources for the United Nations programmes of technical assistance in pre-investment should grow at a minimum yearly rate of \$25 million from the level of \$150 million for the year 1962 which, incidentally, had not been reached. Thus the minimum sum necessary by the end of the Decade appeared to be \$350 million. It depended on the economically advanced countries whether that target would be achieved. After all, technical co-operation was practically the only weapon in the United Nations arsenal, since a capital development fund was opposed by the industrialized countries. Unless contributions were enlarged, there was little likelihood that the needs of less developed countries for technical assistance and pre-investment would be filled.

9. The Development Decade offered an unparalleled opportunity to mankind. In the twentieth century man had the power to abolish poverty. In order to achieve that goal, much more was needed than physical capital or trade expansion; what was required was a complete change of heart, together with the capacity to revise anachronistic assumptions and attitudes. To the Secretary-General's reference to the need for under-developed countries to change certain traditions (E/3613 and Corr.2, introduction) and to similar comments made by the United States and United Kingdom representatives at the 1214th and 1215th meetings respectively, he would reply that the under-developed countries did not have the monopoly of obsolete traditions and that many industrialized countries had national taboos and mental habits which were no less damaging to the economic development of less developed countries. All countries, whether developed or under-developed, whether in the East or in the West, had to learn to live in a spirit of tolerance and active partnership.

Mr. Patiño (Colombia), First Vice-President, took the Chair.

10. Mr. PASTORI (Uruguay) said that General Assembly resolution 1710 (XVI) marked a decisive stage in the history of the United Nations, for it recognized the need to end the division of mankind into those whose prosperity

was constantly growing and those who were increasingly suffering from poverty and hunger. To realize the objectives of the resolution, the industrialized and the under-developed countries would have to work together as partners.

11. From the Secretary-General's objective report and his opening statement to the Council at the 1214th meeting it seemed that the United Nations Development Decade would be a turning point for the world economy. And the resolution itself, in operative paragraphs 6, 7 and 8, outlined an ambitious programme of action for the Council.

12. Two questions deserved top priority: that of international commodity trade, and the question of the way in which the targets of the Decade could be reached effectively and promptly. The other problems of development should not, of course, be ignored. On the contrary, in its own development schemes the Uruguayan Government paid attention to education and public health which, together, absorbed 50 per cent of the state budget, to improved agricultural production and a better utilization of natural resources, to housing, transport and communications. But the long-term development plan, in which foreign investment, international co-operation and technical assistance played a great part, could not be carried out until the problems of international commodity trade had been solved.

13. Like many other developing countries, Uruguay depended heavily on export earnings. Not unnaturally, therefore, its terms of trade had worsened in the past ten years in consequence of the customs barriers, quota restrictions and high tariffs imposed by countries which bought Uruguay's products. The declaration of the contracting parties to GATT approved in November 1961 and the efforts of the countries belonging to the Latin American Free Trade Association to intensify and integrate intraregional trade should go some way towards relieving the situation. Yet, whereas the developing countries would tend to buy more and more capital goods, their relative share in international trade had actually diminished since 1950. Their total exports had increased by only 40 per cent, whereas the total volume of world trade had increased by 50 per cent. Moreover, whereas the share of the developing countries in world exports had risen, in terms of value, from 44 per cent in 1953 to 52 per cent in 1960, the prices of primary products had not increased to the same extent as the prices of goods bought from the industrial countries. It followed that not only should the obstacles to the trade in primary products be removed, but also that primary commodity prices should be stabilized. Both the obstacles to trade and the price fluctuations penalized the non-industrialized countries and jeopardized their development plans. With the advent of the Development Decade, the time had come for the Council and the General Assembly to decide to establish compensatory financing machinery. Had such machinery existed, Uruguay would have benefited to the extent of about \$100 million in the period 1953-1960.

14. As to the methods for achieving the objects of the Development Decade, the General Assembly had laid down a guiding policy; and it was for the Council to take specific action. The United Nations could give its

specialized agencies special powers or delegate technical tasks to a new *ad hoc* body. The solutions should be practical and effective, and that implied a spirit of co-operation among the nations.

15. The United Nations Coffee Conference, currently meeting in New York, represented an important precedent, and he hoped that other meetings of that kind would be organized to consider problems relating to other commodities. By encouraging the more extensive use of that method during the Development Decade, the United Nations would be discharging its great mission and would have the satisfaction of giving the great majority of mankind something more than an illusion or a hope.

16. Dr. CANDAU (Director-General, World Health Organization) said that the spirit in which the General Assembly had initiated the United Nations Development Decade had led the World Health Assembly to adopt its resolution WHA.15.57 (E/3611/Add.1).

17. The Development Decade gave WHO an opportunity and a responsibility to expand health programmes and to review their focus as part of the common effort to speed the pace of development during those ten years. In such an effort, health was important not merely for its own sake, but as a prerequisite for economic development. Moreover, the absence of health was one of the most important contributing factors to the instability of the individual, the family and the entire community. For the newly independent countries, independence might mean a breakdown of the barest minimum of health services, and their health problems had to be faced.

18. The Acting Secretary-General in his statement at the 1214th meeting had emphasized the overriding importance of the human factor in the entire development process. It had to be borne in mind that economic and social development was required for man, that human beings were the means of achieving that development and that it was they who would benefit from it. Health meant more than individual care for the sick, more than nationwide or international attacks on the causes of disease; it meant the heightening of the vitality of the people, so that their work would become more productive and they would have the energy to learn new skills and to adjust themselves to the new patterns of living which constituted economic and social progress. Thus, improvement in health contributed to progress in practically every sector of the development programme and made people more receptive to training and more able to work for their own betterment.

19. When the Fifteenth World Health Assembly had considered the General Assembly's resolution, one of its main conclusions had been that, in developing countries, the creation of a network of minimum basic health services was an essential pre-investment operation without which agricultural and industrial development would be hazardous, slow and uneconomic. It was obvious that the infrastructure of a country, if it was to be complete, should provide the minimum health services for the country.

20. The World Health Assembly had made specific recommendations to governments in connexion with the

Development Decade. The establishment of a national health plan for each country, co-ordinated with its plans in other sectors, was of fundamental importance. A realistic health plan would take epidemiological and other technical data into consideration and would relate them directly to economic facts, such as resources and costs, and also to the degree of benefit that could be expected. Plans for minimum health services to the people should make provision for education and training, so that countries could staff their health services with their own professional and auxiliary workers and build up, as early as possible, their own training institutions for health staff. The magnitude of the problem was illustrated by what were considered to be the minimum requirements for basic health services: one physician per 10,000 inhabitants, one nurse per 5,000 inhabitants, one sanitarian per 15,000 inhabitants and one sanitary engineer per 250,000 inhabitants. The difficulty of achieving such a goal in the developing countries would vary, for example, according to the proportion of physicians graduating in different areas of the world. According to estimates based on 1955/56 figures, an average of six or seven physicians per 100,000 population graduated every year in Europe. In the Americas and Oceania the figure varied between 3.5 and 5 per 100,000 population, whereas in Asia and Africa the figures were 0.8 and 0.5 respectively. A physician required, after full secondary education, six or seven years of training; in some countries which had few or no doctors of their own, two-thirds of the decade would be over before even a small part of the basic national staff could graduate from medical school. That indicated how urgent it was to provide every possible assistance to the developing countries, not only in training individuals but in the early establishment of training institutions.

21. The World Health Assembly had also recommended that governments should establish certain indices of their current health situation to enable them to gauge progress towards their own targets for the Decade, which would be defined in the national health plans. In many of the underdeveloped countries a high prevalence of communicable diseases represented a hazard which kept down the standard of living. The experience of WHO had demonstrated that the circle of disease, low productivity and poverty could be broken by a concentrated attack on its biological components through sustained mass campaigns against the most prevalent communicable diseases. Accordingly, the World Health Assembly had proposed a concentrated attack during the Decade on some of the prevalent communicable diseases with a view to their eradication or at least to reduction to a point where they would cease to endanger public health or the economy. Efforts to prevent premature death should be made, and the infant mortality rate should also be lowered during the Decade. Malnutrition, too, presented an immediate challenge; in co-operation with FAO, WHO would intensify the programme on the health aspects of malnutrition. Finally, a direct attack on the environment, beginning with an intensified community water supply programme, would be undertaken.

22. The World Health Assembly had further recommended that countries should devote increased resources to the control of disease and the improvement of health. The Acting Secretary-General had said that in the less

developed areas, expenditure for public health services should be doubled during the Decade; it was the hope of WHO that that modest goal would be achieved.

23. The many new nations sought the technical independence which would enable them to work effectively for their liberation from ill health, poverty and ignorance. The Development Decade could make a decisive contribution to that end.

24. The World Health Assembly had agreed upon a programme of action, and WHO possessed the structure, the machinery, the techniques and experience. What WHO needed were the additional resources, human as well as financial, that would enable it to make its contribution to the achievement of the objectives of the Decade.

25. Mr. ERCHOV (United Nations Educational, Scientific and Cultural Organization) said that the contribution his organization was to make to the United Nations Development Decade was summarized in the first addendum to the Secretary-General's report (E/3613/Add. 1); the report itself (chap. III) emphasized the importance of the human factor in development and the part played by education and science in improving the productivity of the labour force.

26. The UNESCO was already engaged in long-term action in the fields within its competence; since 1959 it had organized several conferences at which the countries of Africa, Asia and Latin America had specified the aims they intended to achieve in the development of their educational systems; it had established priorities such as teacher training, and had estimated the cost of the programmes to be undertaken and the amount of the external aid that should be provided. The governments of the African countries had decided to raise their expenditure on education to 4 per cent of their gross national product by 1965, to 5 per cent by 1970 and to 6 per cent by 1980; those of the Latin American countries aimed at achieving a target of 4 per cent by 1965; the target for the Asian countries was to be between 4 and 5 per cent in 1980 (E/3613/Add.1, UNESCO summary, A, para. 6).

27. In addition, a long-term planning programme had been undertaken for the development of information media, and his organization had prepared, in the field of the exact and natural sciences, a plan for the co-ordination of scientific research at the national and international levels, for the exploration of the planet Earth, for related scientific research and for the application of science and technology to the industrialization of the developing countries. Accordingly, by the time the General Assembly had adopted its resolution 1710 (XVI), UNESCO had already developed specific plans and objectives in several fields within its competence.

28. One of the most urgent and most important of the tasks of UNESCO concerned the training of experts in the planning of education. For that purpose, it was proposed to establish in Paris, in co-operation with IBRD and in consultation with the United Nations and the agencies concerned, an international institute for education planning. The experts trained at the institute would either be in charge of planning the educational services in their home countries, or teach the subject of education planning in the regional planning and devel-

opment institutes, or else participate in UNESCO expert advisory missions to governments in that field.

29. Another major contribution of his organization to the Decade was the illiteracy eradication and adult education programme, for which it had prepared an ambitious ten-year plan; the plan would be placed before the General Conference in 1963. It would be the responsibility of the international community to decide whether it could release the necessary resources for the eradication of illiteracy. At all events, with the extra-budgetary resources from EPTA and the Special Fund, which for the financial year 1963-1964 would amount to more than the organization's ordinary budget, more funds could be devoted to the priority activities which were precisely those appropriate to the Decade.

30. His organization considered that it should make a positive contribution to the success of the joint venture and that it was already in a position to do so in the spheres that were its rightful concern. It was convinced that the only method by which effective progress could be achieved was for each organization to carry out a programme within its own particular sphere of competence, the existing machinery of co-ordination being used to avoid wastage of effort and resources.

Mr. Michalowski (Poland) resumed the Chair.

31. Mr. DAVIES (Secretary-General, World Meteorological Organization) said that it was clear that the aims of General Assembly resolution 1710 (XVI) could only be attained if the related national projects were conceived and implemented on a well-balanced and co-ordinated basis.

32. General Assembly resolution 1710 (XVI) had been discussed by the Executive Committee of WMO at its annual session in June 1962 and a corresponding resolution had been adopted relating to the role of WMO in the programme. The resolution warmly supported the General Assembly's initiative and noted with appreciation the stress laid upon the exploitation of scientific and technological potentialities for the purpose of accelerating development.

33. His organization's interest in the Development Decade programme stemmed from the fundamental fact that a knowledge of the weather and climate in a country and the application of meteorological and hydrological skills and techniques were essential in many ways to that country's full economic development. For instance, the development of water resources including the effective utilization of available water for hydroelectric plants, irrigation schemes, and for water supplies for human and industrial use, all depended upon many meteorological and hydrological factors. The importance of those vital factors had on occasion been overlooked in the past, with the result that costly projects had failed. In that connexion, he would mention that the ninth annual interagency meeting on water resources had just taken place at the WMO secretariat, at which the United Nations and all the specialized agencies concerned had discussed concerted action in that sphere, including co-ordinated plans for a hydrological decade.

34. Similarly, the agriculture of any country was very largely bound up with the climate; the choice of crops

was dependent upon it; the spread of many diseases among plants was known to be related to meteorological factors. Meteorology also played an important part in aviation, shipping and industry; not only did industry need water, but the weather affected the control of pollution from industrial effluents, including radioactive effluents from atomic reactor plants. There were also promising developments in the utilization of wind energy and solar energy as new sources of power.

35. In connexion with the Development Decade programme, WMO would urge all governments to give attention to meteorological and hydrological factors in the preparation of national plans for economic development. All governments should be fully aware of the practical applications of meteorology in economic affairs, and national meteorological and hydrological services should be sufficiently developed to play their full part in the implementation of national plans. The question of training was closely linked with the role of national meteorological and hydrological services; the WMO had conducted studies into the general question of meteorological training, particularly in the newly independent States, and was contemplating greater efforts during the coming decade in order to overcome the world-wide shortage of meteorologists.

36. The WMO would ensure that as far as possible the new and important scientific and technological developments that had recently taken place were passed on for the benefit of all countries. One of those important advances was the use of meteorological satellites: WMO had prepared a comprehensive report (E/3662) on the uses of meteorological satellites; it proposed a system to be known as the World Weather Watch, whereby data covering the whole world received from meteorological satellites, launched in accordance with an internationally agreed plan, would be made available promptly to all countries. The report also outlined a programme for the next ten years, the progressive implementation of which would have an important bearing on the Development Decade. While its benefits would be felt by all countries, those in regions — particularly tropical and sub-tropical regions — where the provision of a meteorological service was especially difficult at the current time, would be helped very considerably. It was interesting to note that, in the preparation of that report, WMO had had the assistance of scientists from the United States and the Soviet Union — an encouraging gesture of co-operation by the two leading countries in the field.

37. Mr. MARLIN (International Civil Aviation Organization) said that a key factor in stimulating thought about the economic development of the less developed countries had been the growth of air transport which had made accessible even remote places to those responsible for important policy decisions.

38. The ICAO had contributed towards the growth of the network of airlines since the war and had assisted developing countries to construct airports, install communications and navigation aids, organize air traffic control and provide essential aeronautical services. From the start, emphasis had been on the training of personnel, and almost 5,000 technicians had graduated from ICAO schools and courses conducted under EPTA. A new

impetus had been given by the creation of the Special Fund, but much remained to be done. Speed, efficiency and regularity of flights were the goals. As part of economic development plans, domestic air routes should be built up and speed regulations, licensing, airworthiness and maintenance systems improved. No compromise should be allowed on safety standards anywhere, and technical requirements should be fulfilled whatever the level of economic development: in that respect ICAO had a special duty to assist the less developed countries.

39. Another important task to be undertaken in collaboration with regional economic commissions was the survey of air transport requirements and the co-ordination of air transport with other forms of transport on a regional basis.

40. Air transport had greatly contributed to economic development in a short space of time by providing a form of transport that could be put into operation with a minimum of capital investment in countries handicapped by lack of communications and in places where there were physical obstacles to other forms of transport. The ICAO expected to play its part in the Development Decade, the objectives of which it warmly supported.

41. Mr. ABOU GABAL (Observer for the United Arab Republic), speaking at the invitation of the President, said that his government noted with great concern the declining share of the developing countries in the expansion of world trade during the past decade and the generally downward trend of the prices of their primary commodities and the upward trend of prices of manufactured goods. The deterioration in the terms of trade of developing countries would seriously affect their ability to implement economic and social plans. Even if more international financial assistance were provided for the developing countries, their trading position would still remain precarious unless they could earn more from their exports.

42. In addition, trade between developing and industrialized countries was growing more slowly than between industrialized countries themselves. It was a matter of concern also that certain industrial countries had liberalized trade with one another while maintaining restrictions against third countries, and that moves were being made to enlarge such trading areas. Those restrictions were a serious threat to the stability of international trade and hampered its expansion. Recognizing the importance of increasing the export earning of the developing countries, a declaration had been approved in November 1961 by the Ministerial Committee of GATT indicating a series of measures that ought to be taken to remedy the situation. Those principles, if seriously applied, would be of general benefit to both groups of States.

43. His government welcomed the idea, mentioned in General Assembly resolution 1707 (XVI), of holding an international conference on international trade problems, for such a conference would offer an opportunity for the exchange of views and consultations on ways of solving the problems facing certain countries. It would provide an opportunity for reaching agreement on measures designed to achieve balanced trade and more dynamic expansion.

44. In the light of the General Assembly recommendation and the principles embodied in the declaration of GATT, an international conference on the problems of economic development, in which countries from all over the world were participating, was currently being held at Cairo. The participants would be able to discuss thoroughly various problems of development and trade and hoped to make a positive contribution to the proposed United Nations conference. He would be circulating the text of a statement made by the representative of the United Arab Republic at the Cairo conference, giving more detailed information about his government's attitude.

45. Mr. BARTON (International Confederation of Free Trade Unions), speaking at the invitation of the President, said that his Confederation supported every initiative to help the under-privileged nations to free themselves from poverty and to embark upon a rapid economic and social development; together with its affiliated organizations, ICFTU played an active part in the efforts made to that end. The Confederation accordingly welcomed the idea of the Development Decade, the more so since, for over three years, it had been advocating what had become a corner-stone of the whole Development Decade — the proposal that every wealthy industrial country should contribute at least 1 per cent of its national income to the aid of developing countries.

46. The wealthy industrial countries were not merely under a moral obligation to change the existing disparity: it was in their interest to do so, since the unity of the world was at stake.

47. The free trade union movement, which had consistently fought exploitation and humiliation, was alert to social and economic injustice. In its fight against injustice, the movement furthered both the interests of labour and of society as a whole.

48. The short-sighted view was still held in some quarters that the interests of the importing industrial countries were served by low and unstable prices for food, raw materials and other commodities produced in under-developed countries. Even from a narrow economic standpoint, that view was obviously wrong; while potentially enormous markets in the developing countries remained untapped, many industrial countries were suffering from surpluses of goods and excess capacity. Moreover, unless effective policies were adopted for rapid economic and social development, many of the poorer countries concerned would be in danger of succumbing to totalitarianism, with disastrous consequences for themselves and for democracy throughout the world. That was another reason why the labour movement was so deeply interested in development projects, since under totalitarianism, workers were deprived of their most elementary rights and of their human dignity.

49. The Secretary-General's report rightly placed as much emphasis on diversification as on quantitative growth. Over-emphasis on industrialization was only a new, inverted form of the old imperialist practice of one-sidedly promoting single economic branches. In some under-developed countries, ultra-modern industrial plants existed which were as dependent on foreign markets as the producers of primary commodities. In many cases, such an industrialization had begun in the days of colonial

rule; automation in the Congo was a striking example. Another possible outcome of over-emphasizing industrialization was the totalitarian pattern where the almost exclusive customer of industry was industry itself.

50. In addition to growth and diversification, a third important target should be the integration of the economy, either nationally or regionally. Some explanation was necessary of what he meant by an integrated economy. *The World Economic Survey, 1961* (E/3624 and Add.1-6) commended some developing countries on having made progress towards self-sufficiency. It would be most unfortunate if self-sufficiency were to be the ultimate object of integration: the self-sufficiency of the Soviet bloc had hampered attempts at co-ordinated assistance to the less developed countries. A truly integrated national or regional economy was not one closed by barriers to the external world but one in which different sectors were closely linked and where external relations were determined by internal needs.

51. The Secretary-General's report rightly stressed the importance of planning and careful preparatory work, but seemed to view planning in a somewhat naïve way. In fact, planning had been practised for several decades, sometimes with remarkable results and at other times causing depressions and even disasters such as the famine which had followed the first Soviet five year plan and the collectivization of agriculture. If planning was to be one of the main instruments of the Decade, the planners should learn from past experience so as to avoid the repetition of blunders. Good planning should be flexible and should not seek to force economic processes to conform to any blueprint. It should be a continuous process in which foresight was more important than target-setting and in which target-setting was balanced by target-revision in the light of events. It should not be a prerogative of economists or governments, but a democratic process in which all social groups affected participated.

52. In one respect the Secretary-General's report was a step backwards from the report of the Committee for Industrial Development (E/3600 and Corr.1), which stated that trade unions should be brought into the planning for industrial development at the earliest stage. Although that principle had been accepted, the Secretariat had ignored it. That was the more surprising since the Secretary-General's report stated that the success of the Decade depended, in the first place, on the skill of workers at different levels of economic activity and also on their support. The term "human resources" (E/3613 and Corr. 2, chap. III) was offensive, for it suggested that workers could be dealt with like money resources, capital equipment or raw materials and allocated by planners to the most effective use. There were two sides in industry, and in a modern democratic society they should be able to meet at the bargaining table. He hoped the Secretariat would re-examine and correct its views in that important matter. Notwithstanding, ICFTU with its 56 million members in 97 countries would play the part assigned to it by them in the development of under-privileged countries.

53. The functions of trade unions in the developing countries were vast, much greater than in the industrial

countries. Labour standards were often appalling in the developing countries, but that was not the most difficult problem. Accelerated industrialization created huge masses of uprooted city-dwellers both attracted by the steady earnings in industry and fearful of the unfamiliar environment. The trade unions had an important part to play in reducing the excessive numbers of small tradesmen and craftsmen resulting from that situation and in fostering suitable training programmes. They also had to encourage people from the countryside to take up work on building sites before seeking factory work.

54. Local trade unions, democratically run by the members, could help uprooted workers to establish new relationships in a new social setting. All those functions presupposed trade union participation in the planning of small and large plants, in the operation of labour exchanges and in vocational training schemes.

55. The attitude of the United Nations Secretariat to trade unions was not unimportant. A constructive approach on its part would help to convince the governments of some developing countries that they were doing harm to their own countries by hampering, whether by repressive measures or by paternalist practices, the rise of independent trade unions. Unless the situation changed in the countries in question, the free trade union movement would have to resume the battle for recognition fought earlier in the industrial countries. The genuine concern of the unions for rapid economic growth could not allow them to overlook the social implications of industrialization.

56. Mr. PELT (World Federation of United Nations Associations), speaking at the invitation of the President, said that the problems posed by General Assembly resolution 1710 (XVI) had been discussed at the seventeenth Plenary Assembly of the Federation, and emphasis had been placed upon the need for orderly and balanced economic development coupled with social development. He was glad that their interrelation had been recognized in the Secretary-General's report.

57. The Federation's Assembly, which had been attended by members from both developed and developing countries, had sought to frame practical suggestions for the Decade. One had been that all countries should immediately make proportionate increases in their contributions to EPTA and the Special Fund so as to achieve a combined target of \$150 million in 1962, as urged by resolution 1529 (XV) of the General Assembly of the United Nations. It had also been strongly felt that the diversion of armament expenditure to peaceful purposes would considerably improve world economic and social conditions. Suggestions had been made for promoting the expansion of industry and trade, with stress on the role to be played by regional economic commissions. Great importance had been attached to expanding training facilities and to increasing the number of experts through bilateral and multilateral programmes; and it had been stressed that the programme for the Development Decade should be drawn up in close co-operation with the specialized agencies.

58. Though the resolutions of the Federation's Assembly contained no detailed technical suggestions, it had been aware of such problems as land reform and methods of

industrialization, on which developing countries were in need of reliable and disinterested expert advice. Those countries, while realizing that they had to attract foreign capital, also wished to be protected against an undue outflow of national income. As a counterpart, of course, they would have to be prepared to give proper protection to foreign capital. Because of the great interest in nutrition problems, the Federation's Assembly had discussed at length the FAO Freedom from Hunger Campaign.

59. Inasmuch as the success or failure of the Decade could depend on the mobilization of the support of the entire population, the Federation's Assembly had agreed that it was essential to raise the status of women and improve their education and training in many developing countries so that they could contribute to the economic and social progress of their country. The part to be played by youth had also been discussed and he would reiterate his suggestion that the Technical Assistance Board should study the scheme for using young people in national and international development projects on a voluntary or semi-voluntary basis. Information and education were among the main objects of the Federation and they would both play a large part in the Decade. He pledged the Federation's co-operation in support of the programme for the Decade.

60. Mr. KLUTZNICK (United States of America), referring to earlier debate, said that the Soviet Union representative, supported by the Polish representative, had, in their statements at the 1216th and 1217th meetings respectively, misinterpreted Mr. Stevenson's words at the 1214th meeting, as implying that the Development Decade was being used to strengthen the Atlantic Community. In order to dissipate that misunderstanding he would quote a passage from Mr. Stevenson's statement: "We are determined that the Atlantic Community, far from being opposed to the general interest, shall move in directions that will serve and invigorate the economic and political freedom of the whole world and especially the interest of the developing nations. International trade today has hanging over it the vast question mark of Britain's entry into the Common Market. Whatever the outcome of negotiations it is clear that a new economic giant exists in western Europe. It is essential that this giant shall be a liberal, low-tariff, co-operative giant ready to engage in joint policies to end the imbalance in world trade and to see to it that positive policies are adopted to give the developing world fuller advantages and wider access to Europe's fabulous demand. We shall seek, in season and out, to demonstrate that the fortunate and advanced of the world are forming an association not to withdraw from our common human responsibilities but to explore them more effectively, not to look inward on our own affluence but outward to our common tasks. That is our pledge for the United Nations Development Decade."

61. He had been impressed by the remark of the Indian representative at the 1215th meeting that the disparity between the advanced and the developing countries and the economic expansion of the former were not at issue and that greater prosperity anywhere would reinforce the common effort to promote development.

62. In each nation there was some unsatisfied domestic

demand: that was true even of the United States with its high level of prosperity. The task was not to discourage the advanced countries from further progress which would in fact yield additional resources and the expanded markets needed by the developing countries. It was rather to assist the latter to raise their levels of living.

63. He regarded the Common Market in Europe as a benefit: an economically depressed western Europe would be no asset. The problems it posed for the United States and other countries were welcomed as a challenge. Following an important debate in the United States concerning the Common Market, adjustments would be made to that welcome new development. It was easier to deal with problems of prosperity than with those of a depression. No purpose would be served by staying the urge towards progress by the advanced countries; on the contrary such progress could enable them more effectively to help the developing ones to tackle their problems.

64. He agreed with the statement made at the 1218th meeting by the representative of Jordan that the Development Decade should not become an arena for a cold war between different economic and social systems. As Mr. Stevenson had said: "No society, no system, has all the answers, however much it may be tempted to claim that it has. We must all share our experiences and see if we can do better, and where can we do so more constructively than within the framework of the United Nations family to which we have already given our assent and support?"

65. He did not wish to flaunt the success of free enterprise which provided a good life and made possible aid to the less prosperous. He extended the hand of friendship to all who were taking part in the Development Decade so that a determined attack would be made in a co-operative and not competitive spirit on poverty, ignorance and disease.

66. Mr. ARKADEV (Union of Soviet Socialist Republics) agreed that long-term plans for promoting development should not become a cold war battle ground. His government had voted in favour of resolution 1710 (XVI) and would make a practical contribution to the discussion of the measures proposed in the Secretary-General's report so as to serve the purposes of the United Nations and to help the less developed countries to solve problems which they could not tackle unaided. Other delegations might hold views concerning the implementation of the resolution which differed from his own delegation's views. If Mr. Stevenson's statement had been misunderstood the fault lay surely in some measure with the speaker. Further passages in his statement, not quoted by the United States representative at the current meeting, lent themselves to the interpretation that the United Nations and the specialized agencies were being used to reinforce the Atlantic Community. No suggestion had been made that that interpretation had been due to some mistake.

67. The United States representative had reproached the Soviet Union delegation for indulging in propaganda and had implied that it made no constructive contribution to the discussion. He would not have had the temerity to level the same criticism against the United States delegation, despite its recourse to propaganda of the kind conducted in the United States press. Such attacks were

tendentious and lacking in objectivity, as was the assertion that the Soviet Union delegation had withdrawn support for its own amendment to the text which had later become General Assembly resolution 1710 (XVI). That amendment had sought to emphasize the need for putting an end to the consequences of colonialism and it had been withdrawn, not because those consequences had ceased, but because the Western Powers and the United States understandably disliked such references and would have so arranged the voting that the amendment would have been defeated. He was unable to say why certain States, including Belgium, France, Portugal, the United Kingdom, the United States and the Union of South Africa had not voted for the declaration on the granting of independence to colonial countries and peoples (General Assembly resolution 1514 (XV)), but was bound to point out that it expressed the will of the people and constituted a solemn undertaking for all Members of the United Nations. The Soviet Union amendment in question had been based on that declaration, which should have provided a guiding line for the preparation of the programmes under the Development Decade, and for the preparation of the Secretary-General's report, instead of which the principles laid down in it had been ignored. The United States representatives were trying to prove the unprovable, but his delegation would continue to insist that those recommendations be taken into account by the Secretary-General and the Council.

68. Mr. KLUTZNICK (United States of America) regretted that the Soviet Union representative had not attended the negotiations that had taken place in the Second Committee at the sixteenth session of the General Assembly and that he had overlooked the fact that reference was made to the declaration in the fifth paragraph of the preamble to resolution 1710 (XVI). He also regretted that the Soviet representative had again misinterpreted Mr. Stevenson's remarks. He would urge him to peruse carefully the statement made by Mr. Stevenson at the 1214th meeting which would surely show that the construction placed on his words had been entirely erroneous.

69. Mr. ARKADEV (Union of Soviet Socialist Republics) said that he would never refuse a hand of friendship sincerely offered but could not concede principles. Truth must prevail and it was useless to deny that the consequences of colonialism still persisted and that certain countries were still struggling to gain their independence.

70. He also wished to take the opportunity of refuting Mr. Stevenson's assertion at the 1216th meeting that the Soviet Union was responsible for the resumption of high-altitude nuclear tests by the United States. In fact, they had formed part of United States strategic plans. It had been the Soviet Union Government which had put forward proposals for disarmament, the discontinuance of nuclear tests and for a complete ban on nuclear weapons.

71. The PRESIDENT declared the general discussion on item 4 closed and proposed that the item, together with the draft resolutions (E/L.957 and Corr.1, E/L.958 and Add.1, E/L.960), be referred to the Economic Committee.

It was so agreed.

The meeting rose at 6.35 p.m.



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President : Mr. J. MICHALOWSKI (Poland).

Present :

Representatives of the following States : Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Belgium, Bulgaria, Central African Republic, Ghana, Indonesia, Ireland, Mali, Netherlands, Romania.

Observers for the following non-member States : Federal Republic of Germany, Holy See.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, World Health Organization, Inter-Governmental Maritime Consultative Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 5

**Economic and social consequences of disarmament
(E/3593 and Corr.1 and Add.1-4; E/L.962, E/L. 963)**

GENERAL DEBATE

1. Mr. WINIEWICZ (Poland) said that the problem of general and complete disarmament had become the crucial issue of modern times. The more concrete were the prospects of disarmament, the more attention would have to be paid to its economic aspects and social consequences. The study of the consultative group of experts contained in the Secretary-General's report (E/3593 and Corr.1) contained new and extremely important economic and social arguments in favour of general and complete disarmament.

2. Isolated efforts to answer, at least in part, some of the questions involved had been made in the past. Since,

however, disarmament was an international problem, it had been obvious that studies on its economic and social effects should be undertaken on a far broader scale. For several years, therefore, a number of States, including the socialist countries, had called upon the United Nations to initiate the necessary work; the study of the consultative group of experts carried out in pursuance of General Assembly resolution 1516 (XV) was a successful piece of research. The members of the consultative group had come from countries with different economic and social systems and at different stages of development, but their conclusions were unanimous.

3. No government had questioned the need for general and complete disarmament or the fact that nations would derive great economic and social benefits from disarmament, and the study explicitly stated that "the achievement of general and complete disarmament would be an unqualified blessing to all mankind" (para. 195).

4. What made the unanimous conclusions of the study so important was that they represented scientific findings, corroborated and substantiated by the analysis of an abundance of facts and data. It was a paradox that it had been emphasized in certain countries — and in some of them still was — that military expenditure tended to maintain favourable economic conditions: the considerations underlying their argument were obvious, in view of the profits involved. The study, however, destroyed such myths and reduced the problem of the economic difficulties of the process of disarmament to one of readjustment. Such readjustments had been made by national economies many times in the past. The study contained a detailed analysis of shifts to be made in the trends of capital investment and in the allocation of financial and productive resources released as a result of reductions in military budgets.

5. It showed that, in the centrally planned socialist economies, which made full use of their productive resources and were geared to peaceful construction, conversion from military to peaceful expenditure could be fairly rapid. As to the less developed countries, which imported their armaments, disarmament would release foreign currency resources which could be immediately applied to imports of investment goods to serve the economic growth of the country and the welfare of the people. Lastly, in the case of the developed capitalist countries, the study clearly showed that governments had at their disposal a system of fiscal and other measures which could be applied to maintain total effective demand and an effective level of productive activities during the conversion period. Thus the general conclusion was that the problems of the readjustment of domestic economies could be solved wherever they appeared, and that the

difficulties likely to be encountered were infinitely smaller than the benefits to be derived from the disarmament process.

6. The study paid a great deal of attention to the possibilities of usefully employing the resources released by disarmament, but the consultative group had not tried to establish an accurate order of priority of the purposes to which those resources should be applied. What it had done was to draw up a brief list of the most urgent claims (para. 19). Some of the needs could be filled immediately, and the conditions could be created for such rapid economic progress all over the world as would open up the prospect of satisfying in full and promptly the elementary demands of the world's population. Mankind, living in fear of destruction, found it hard to imagine that the world might undergo radical changes so soon. The great merit of the study was that it opened up, at least in part, a vision of a disarmed world, demonstrated how many of the problems which for ages had been the scourge of mankind could be solved and disclosed new prospects of applying the creative energy of man in societies freed from the burden of armaments. By linking disarmament to a programme of economic growth, the consultative group had outlined the realistic task of developing the less privileged areas of the world in such a way as to enable every man and woman to enjoy the fruits of modern civilization. That task could be accomplished in less than a generation, and it would be extremely disappointing not to embark upon it immediately.

7. The alternative — the continuation of the armaments race — meant continued political tensions, the threat of armed conflicts and the perpetuation of economic inequalities, poverty and hunger. All nations would eventually be forced to squander, for non-productive purposes, part of their national income which could be used for bettering the life of every human being. For it was one of the inevitable consequences of the armaments race that military expenses grew continuously, and the costs of a modern military establishment were already immense.

8. Owing to the competitive nature of the armaments race, even the modest objectives for the economic growth of the less developed countries, as envisaged during the Development Decade, might prove unattainable, for the armaments race, if continued, would reduce the resources which might otherwise be used for economic assistance.

9. The conclusions of the study, in view of their scientific and social character, were bound to have an impact upon the foreign policy of many governments, inspiring them to seek peaceful coexistence. Nor should it remain without influence on the work of the Conference of the Eighteen-Nation Committee on Disarmament. That the peoples were convinced of the potential benefits of disarmament was evident also from the discussions of the World Congress for General Disarmament and Peace currently being held in Moscow.

10. In his delegation's opinion, the study should be regarded as the first step in the process of economic preparation for general and complete disarmament, and as a basis for further research to be undertaken, on an even broader scale, by all international organizations. For that reason, the unanimous conclusions of the study should be recognized and accepted by the United Nations with

a view to accelerating the conclusion of an agreement on general and complete disarmament. The Economic and Social Council should appeal to all governments, particularly to those participating in the Disarmament Conference, to take the conclusions of the study into consideration in shaping their foreign policy, and the study should be officially submitted to that Conference at its forthcoming resumed session. Furthermore, the economic and social organs of the United Nations, the regional economic commissions and the specialized agencies in particular, should continue, in their respective fields, to carry out research into the economic and social consequences of disarmament in the light of the conclusions contained in the study. Lastly, the study should be widely circulated and published in the languages of Member States, and should be used by the United Nations Information Service and transmitted to the non-governmental organizations in consultative status with the Economic and Social Council. Those were the recommendations proposed by his delegation in its draft resolution (E/L.963).

11. Mr. NEHRU (India), commending the work of the consultative group, said his delegation was particularly pleased that an Indian economist had served as one of its members.

12. Both the arms race and the widening gulf between the developed and the developing countries constituted threats to world peace. The equally important problems of disarmament and of economic and social development were, however, being discussed in other forums or under different heads of the Council's agenda.

13. The particular item before the Council, although related to disarmament and development, was in some ways separate from both. It was concerned with the effect which disarmament, if achieved, would have on national economies and on international economic relations. To some critics it might appear that a study of that question was premature, since as yet disarmament appeared to be a remote possibility. His delegation did not share that view. One of the obstacles to disarmament was the fear which seemed to exist in some quarters that a stoppage of military expenditure might have adverse social and economic effects. A systematic study of that question, as had been carried out so admirably by the experts, should help to remove that fear. Also, by stressing the possibility of a more creative use of resources, the Consultative Group's study could help to educate world opinion and strengthen the desire which existed throughout the world to end the arms race.

14. In view of the great public importance of the study, it was desirable that it should receive the widest publicity. It covered a wide field, but it was naturally not final, and further studies would be necessary.

15. With regard to the use of the world's resources for military purposes, the report mentioned some disturbing facts. Seven countries, six of them among the world's leading industrial countries, accounted for 85 per cent of the world's total military expenditure (para. 12). The total annual expenditure on military account throughout the world had been estimated at roughly \$120,000 million, or almost one-tenth of the world's annual output of all goods and services; that figure was actually very nearly

equal to the entire national incomes of all the under-developed countries put together (para. 8).

16. And yet, while such a large part of the world's resources was being used for military purposes, it was becoming increasingly clear that, in the nuclear age, the arms that were being accumulated so rapidly could not be used at all without involving the risk of total annihilation. War itself as a possible instrument of policy had become completely outdated.

17. The arms race among the developed countries had created some military necessities for all countries, so that developing countries had also been obliged to incur military expenditure, which in India represented only 2 per cent of the gross national product, including capital investment in the comparatively few enterprises of its national defence industry. As in other developing countries, foreign exchange resources had to be used for importing military equipment, resources which those countries would much rather have used for purposes of development.

18. Disarmament would not mean the complete elimination of the immense expenditure to which he had referred. Relatively small forces in each country would have to be maintained for internal security purposes; some expenditure, possibly heavy, might have to be incurred on various control and verification measures. However, even on the assumption that only three-quarters of the current expenditure would be saved, the amount released would still represent roughly \$90,000 million.

19. The next question would then be whether the demand for development purposes could absorb an amount of \$90,000 million. The supply of money or of industrial and other goods did not automatically lead to development; the countries concerned would have to be ready with plans and be capable of using assistance. That was a matter which needed further attention.

20. It was also desirable to work out some estimate of the total development needs of the world; no such estimate existed at the moment, although the experts had given some indication of the needs of certain countries. There were so many competing claims upon resources that the real problem might well be one of establishing a scale of priorities. The subject required further study but, as the report stated, it was abundantly clear that no country needed to fear a lack of useful employment opportunities for the resources that would be released by disarmament (para. 173).

21. With regard to the re-allocation of resources, no serious problem was likely to arise for the developing countries in the adaptation of manpower or productive capacity to non-military needs. The output of the defence industries in India, for example, could easily be absorbed by civilian demand. Military personnel in India accounted for only about 0.3 per cent of the country's labour force. However, it was sometimes said that the readjustment following upon disarmament might pose serious problems for the more developed countries; for that reason some hesitation was occasionally shown about disarmament proposals. The experts of the consultative group had performed a useful service by analysing some of the problems involved. They had taken a generally optimistic view in regard to conversion problems, a view based

on experience gained during the immediate post-war period. Admittedly, during that period a tremendous amount of physical destruction had had to be made good; nevertheless, in general, his delegation supported the view that development needs would be such throughout the world that conversion measures, if carefully planned in advance, would present less difficulty than had sometimes been expected.

22. The study stated (para. 124) that disarmament would have favourable effects on the development of international economic relations; in the field of trade, the effect might well be a reduction of various barriers to the exchange of goods. However, disarmament would also involve some decline in the demand for certain particular commodities currently being bought for military programmes (para. 133), a decline which might cause some dislocation of the trade of primary producers in the less developed countries. Further studies were needed in that respect, although the broad conclusion of the experts concerning the impact of disarmament on trade had considerable force.

23. The experts were equally optimistic regarding the effects of disarmament on aid for economic and social development (chap. 6). It was obvious that drastic cuts in military expenditure would release resources that could be used for purposes of aid. The developing countries could easily absorb a considerably larger flow of productive investment (para. 141). However, in view of competing claims in the developed countries, the possibility existed that some of the resources released by disarmament might be absorbed in the developed countries themselves. The matter should be given further consideration so as to ensure that, in the event of disarmament, there would be an equitable distribution of the released resources. In that regard, consideration might be given to the suggestion contained in the study that an appropriate proportion of the resources released might be allocated to international aid in its various forms, simultaneously with their use for domestic purposes (para. 192).

24. As to the social consequences of disarmament, the study gave a somewhat general examination, but the broad conclusion could be accepted that, in a disarmed world, a rapid rise in levels of living and increased leisure were likely. Governments could be expected to accord a higher priority to social objectives (para. 194).

25. His delegation generally agreed with the views of the experts on the various matters dealt with in the study; however, he wished to make three suggestions. First, further studies should be undertaken on some matters on which further clarification was needed. Second, subsequent studies should be carried out in co-operation with the regional economic commissions and the specialized agencies in order to give greater weight to the conclusions embodied in the preliminary report. Third, while future possibilities were being examined, immediate demands should not be neglected. The less developed countries could not wait for disarmament for the fulfilment of their needs, which were urgent and immediate. His delegation accordingly suggested that while research was proceeding, the more developed countries should study the possibility (a) of effecting savings in their military budgets so as to provide a given percentage for the

needs of economic development, and (b) of relaxing and liberalizing still further trade and aid policies as a contribution to the growth of the less developed countries and to the removal of disparities which, together with the arms race, were a growing cause of tension and conflict in the world.

26. Mr. KLUTZNICK (United States of America) said that it was an encouraging sign that the consultative group, which had included a United States expert, had been able to arrive at a unanimous report, although its members came from States with different types of economies and political systems.

27. It was appropriate at that point to reiterate the policy of his government. The United States had long recognized that disarmament would present opportunities for enlarged assistance to developing countries, but his government had not permitted that possibility to prevent it from continually enlarging its unprecedented aid programmes. President Kennedy, addressing the General Assembly at its 1013th plenary meeting (sixteenth session), had made a plea for general and complete disarmament with effective control and had simultaneously urged the intensification of economic co-operation through the United Nations Development Decade.

28. In the United States, disarmament and the unfulfilled needs of the less developed parts of the world were subjects preoccupying both the major political parties. It was, moreover, realized in the United States that the peoples of the developing countries could not stay their search for social and economic development until general and complete disarmament had been achieved. His country's record of performance in the field of aid to the peoples of the developing countries was an earnest of how much more could be done in a world released from the heavy burden of armaments.

29. His country regretted profoundly a world condition which seemed to make inescapable huge outlays for defence and security purposes and had often expressed its willingness to proceed to a secure and sane disarmament. One of the beneficial exercises in which all the States concerned could engage in their own interest was to keep the problems of adjustment under constant study. He hoped that report would stimulate national study efforts and possibly a continuing and valuable exchange of ideas and conclusions among all States concerned.

30. After the Second World War, the United States economy had gone through a phase of readjustment. Military outlay, which had absorbed more than 50 per cent of the national output at the peak of the war effort, had fallen to less than 9 per cent in three years. The United States economy had demonstrated the resilience and elasticity of a free society by accomplishing the reallocation of resources quickly, while at the same time the national product had risen to new higher levels. That experience more than justified optimism for the future; the United States could readily adjust the military share of its economy to the outcome of effective international disarmament agreements at whatever speed those agreements might determine.

31. In December 1961, his delegation had transmitted to the Secretary-General a communication (see E/3593/Add.1) containing data and extensive analyses related to the study of the consultative group. He drew particular attention to the second and third paragraphs of its introduction wherein it was stressed that the United States could maintain as high or as low a level of defence expenditures as might be deemed necessary for its security; also, that the allocation of resources to purely military purposes was not an economically creative process: hence the positive economic interest of the United States in disarmament.

32. He welcomed the consultative group's unanimous conclusion "...that all the problems and difficulties of transition connected with disarmament could be met by appropriate national and international measures" (para. 195). However, any general assumption by either free-enterprise or centrally planned countries that the adjustments would take place automatically would be a dangerous one. Any over-simplification of the realities involved would invite less sensible uses of released resources.

33. It was beyond the possibilities of any group of experts to produce in ultimate detail an account of the needs of each affected nation when disarmament arrived. Perhaps the greatest value of the report lay in the demonstration that there were no unsurmountable economic or social obstacles to disarmament.

34. At the moment, armaments were still thought to be necessary for national security, but no real barrier existed to the creation of a world pattern that would herald a new and different era; all that was needed was the wisdom and courage to achieve it. Ever since the days of President Wilson, the United States had repeatedly declared that man desired peace with justice and security within a framework of law and order. Nations could be expected to surrender their faith in armaments only when they had faith in another and better system of justice and peace under law. In that sense, disarmament would become a most valuable by-product of successful international action that built each nation's confidence in its security and was better protected by new arrangements for settling disputes, together with new arrangements for securing the peace, prosperity and progress of mankind.

35. He urged the Council to record the acceptance of the study of the consultative group, and to transmit it to the General Assembly. The document should be treated as a basis for further study and action by governments.

36. Two draft resolutions (E/L.962 and E/L.963) had been submitted to the Council on agenda item 5; the ideas of his delegations were not very far removed from those embodied in those draft resolutions, and it would be glad to consult with other delegations with a view to working out a generally acceptable text.

37. One of the most valuable features of the study was the priority which it gave to stocktaking by the countries concerned of the various resources that disarmament would release for peaceful uses, and to planning at all levels, public, private, local, national and international.

38. In keeping with the aim of resolution 1516 (XV), which had established the consultative group, the United States was mobilizing its best resources, both public and private, to concentrate on disarmament and on its consequential problems.

39. Miss SALT (United Kingdom) said that before the conclusions reached by the experts could receive tangible expression in the form of readjustments in the economies of Member States, agreement had to be reached in the Disarmament Commission. Her delegation sincerely hoped that such agreement would be possible.

40. She commended the consultative group on its study, which estimated that an amount of \$120,000 million would be released if a disarmament agreement were achieved. The full extent of the resources released would, however, depend on a number of important factors; for instance, the cost of reliable international verification and peace-keeping machinery would not be low. Nevertheless, the sums freed for other more constructive purposes would be enormous.

41. The study had also destroyed the myth that the market economies of the free world depended for their health and vigour largely on armaments production. That myth had been used to support allegations that some governments, including her own, had not been serious about disarmament as they could not afford to liquidate the armaments and ancillary industries on which their economic strength was based. The report proved that any economic dislocations resulting from a disarmament agreement would be of a purely transitional nature; it also indicated that it would be relatively simple not only to prevent a slackening in the economies of the disarming countries but even to produce a considerable expansion. Far from being an economic threat, disarmament would bring vast material benefits to countries which at the moment bore a heavy armaments burden and, through them, to the entire world.

42. Her government had long pursued the cause of disarmament in the interest of peace and international goodwill, and had recognized the economic benefits that would come in its train. The government and people of the United Kingdom would like nothing better than to see their national wealth directed to more constructive purposes than armaments. Nor could anyone familiar with her country's record doubt that a substantial part of any savings from disarmament would be devoted not simply to the improvement of its own economic situation, but to the cause of rapid economic and social development throughout the world. The United Kingdom was already giving great assistance to developing countries, and would continue to do so. Her delegation was gratified to note that the consultative group had adopted a position which the United Kingdom had long upheld, but which had not previously been accepted by all countries.

43. The study should be widely disseminated. However, it would not remove any of the obstacles in the way of a satisfactory disarmament agreement, and it would be sad if it were to arouse hopes and expectations that would remain unfulfilled if the disarmament negotiations were unsuccessful. Her delegation failed to see what benefits could be expected from further detailed studies, for they were bound to remain hypothetical until some

progress was made towards an international agreement on disarmament.

44. Mr. ZEA (Colombia) said that the study of the consultative group would be an incentive for those who had the means of satisfying the universal desire for disarmament. Its strictly scientific analysis was the work of eminent experts who, far from taking widely divergent views, had reached a unanimous conclusion with which nobody could quarrel.

45. It might seem premature to speculate how the vast material and human resources employed in the military apparatus might be redeployed in other directions, for as yet disarmament was still a remote ideal. Nevertheless, one should cherish the hope that one day in the not too distant future mankind would escape from barbarism and become truly civilized.

46. The consultative group had abundantly proved that armed peace involved scarcely less hardship than war itself. Vast numbers of people, even in some rich countries, were homeless, hungry, sick and a prey to ignorance and crime. The sums needed to relieve their condition were so large as to be beyond accurate calculating. Despite the efforts of governments, despite international co-operation, despite technical and scientific advances, the world population was growing so fast that the resources constantly lagged far behind the evils they were intended to cure. What was needed was a change in mentality, a spirit of mutual trust, which would make defence measures superfluous.

47. The first beneficiaries of any concerted economic reconstruction following upon the elimination of military budgets should be the developing countries, for there could be no lasting peace so long as the gap between the backward and the industrialized countries persisted. Discontent was a constant potential danger to peace. The resources released by disarmament should therefore, in the first place, be re-allocated to assistance to the under-developed countries; in that connexion, he was pleased to note that the study cited (para. 153) the declaration made by the General Assembly in its resolution 724 A (VIII).

48. The consultative group rightly said (para. 24) that in the under-developed countries the principal resources released by disarmament would be manpower, a significant proportion of industrial and transport capacity and, in many cases, foreign exchange, but that the effective utilization of those resources would depend upon the soundness and vigour of development programmes and the volume and character of aid received. In many of those countries the army was responsible for public order, and armed forces could not therefore be abolished altogether but would have to be transformed into a police force. As it was improbable that the sums spent on such forces could be appreciably reduced, the less developed countries would benefit from general and complete disarmament mainly through the increased economic assistance in the form of foreign capital to finance programmes for social progress and public works and to offset balance-of-payments deficits. They might also receive technical assistance on a larger scale, and employ technicians, scientific research workers and skilled staff who were at the moment serving in the

armed forces of the great Powers. They would benefit, too, from the help of the young men who would be released from military service and who might be formed into militias for peace and progress. For example, the Peace Corps, one unit of which had done stalwart work in Colombia, might be reinforced and build up a brotherhood of international workers for peace.

49. The study before the Council was of great value, but what would be far more important would be an agreement between the great Powers on disarmament in answer to the hopes of all peoples. With good faith, and with genuine concern for humanity, agreement would be reached. Accordingly, governments should study the report in the spirit of the Charter, carefully analysing its conclusions and preparing themselves for an event which would mark the beginning of a new and happy era.

50. Mr. BOGLIETTI (World Federation of Trade Unions), speaking at the invitation of the President, said that the subject under discussion was of the greatest interest to the working masses.

51. The study of the Consultative Group had the essential merit of demolishing the argument of certain groups — the militarists and the armament trusts — that halting the armaments race would have very serious social consequences, particularly in increasing unemployment. Actually, the armaments race had not prevented mass unemployment in capitalist countries; nor had it prevented successive economic depressions and the widening of the gap between developed and developing countries. It was, rather, a powerful generator of inflation, and therefore seriously affected the level of living of the workers. If disarmament became a reality, industry might regret the loss of the profits from military contracts, but surely the cause of peace was more important than the profits of the privileged few.

52. With regard to the communication from IAEA on the peaceful uses of atomic energy as a new source of power (see E/3593/Add.1), disarmament would help the developing countries to enjoy the benefits of nuclear science more speedily; the uranium-producing countries of Africa, for example, would benefit enormously if uranium could be used as a source of energy for the African continent as a whole.

53. With regard to trade-union claims more specifically, the Federation shared the experts' view (chap. 7) that disarmament would make it possible to reduce hours of work without loss of remuneration, to lengthen leisure time and paid vacations, to improve or introduce social security, to build housing and hospitals and to use more resources for education and occupational training.

54. The Federation approved the conclusions of the consultative group, which accorded with the principles upheld by its affiliated organizations. He would quote a resolution adopted by the Executive Committee of the Federation in 1959, calling upon the national trade unions to assess the savings which could be effected by disarmament and to propose programmes of capital goods production, to draw up a programme for the reconversion to peaceful purposes of national economies having a military emphasis, and to stress the long-term, low-interest finance which could be provided for the developing countries if military budgets were reduced. In that resolution, the organization had also claimed for the trade unions the right to be associated with the drafting and implementation of such reconversion programmes.

55. The trade-union organizations and the workers had always been aware of the need for disarmament. Although, admittedly, disarmament would result from growing confidence among nations, the struggle for disarmament might itself produce that confidence and secure acceptance of the principles of peaceful coexistence. The recognition of those principles would contribute to the improvement of trade-union relations at the international level and to greater unity among workers.

56. He hoped that the Council would decide to continue the studies of the subject under consideration, more particularly through the regional economic commissions and the specialized agencies which, like the ILO, had a special responsibility for labour problems. In addition, he suggested that the Council should address an appeal to all States to do their utmost in order to make general and complete disarmament under international control a reality.

AGENDA ITEM 22

International control of narcotic drugs (E/3648)

57. The PRESIDENT said that the report of the Commission on Narcotic Drugs on its seventeenth session (E/3648, chap. XVI) contained a draft resolution, submitted by the Commission to the Council for approval, which referred to the participation of the Government of Lebanon in the work of the Commission and its Committee on Illicit Traffic. He suggested that, under rule 75 of the Council's rules of procedure, he be authorized to communicate with the Government of Lebanon and invite it to be represented in the Council at the consideration of the draft resolution in question.

It was so decided.

The meeting rose at 12.55 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1221st meeting

Thursday, 12 July 1962

at 3.15 p.m.

PALAIS DES NATIONS, GENEVA

CONTENTS

Agenda item 5:

Economic and social consequences of disarmament

General debate (*concluded*) 93*President* : Mr. J. MICHALOWSKI (Poland).*Present* :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Austria, Belgium, Bulgaria, Central African Republic, Czechoslovakia, Iraq, Ireland, Mali, Sweden.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Republic of Korea.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, World Health Organization.

AGENDA ITEM 5

Economic and social consequences of disarmament
(E/3593 and Corr.1 and Add.1-4; E/L.962, E/L.963)

GENERAL DEBATE (*concluded*)

1. Mr. ABOLTIN (Union of Soviet Socialist Republics) said it was not surprising that public opinion in both advanced and developing countries should be interested in the economic and social consequences of disarmament. It was a monstrous paradox that an insignificant minority of evil men should be imposing its will on the rest of mankind, which, being aware of what a nuclear catastrophe would entail, was anxious for peace and security. That minority was obviously composed of war industry magnates in western capitalist countries, obsessed by the desire for huge profits and therefore keeping up the arms race. Such persons maintained that disarmament would lead to unemployment and would reduce standards of living, and that argument had been taken up by a number of western economists who had sought to prove that a high level of government expenditure could promote prosperity and that disarmament would have dire effects for less developed countries because it would lead to a

decline in the trade in and the prices of raw materials. Although those assertions were patently false the peoples of the west, being exposed to a continuous flood of propaganda, found it difficult to discern the truth.

2. Mr. Khrushchev, in a speech made on 10 July 1962, at the world congress for general disarmament and peace in Moscow, had pointed out that it would be of general benefit to the economy of all countries to put an end to military expenditure and to convert war industries to peaceful uses. He had also indicated that disarmament would bring enormous advantages to developing countries, which were grappling with difficult problems, as well as to countries striving to gain their independence.

3. Despite the widespread misconceptions about the consequences of disarmament, some western economists had recently arrived at a sounder assessment of the position. The economic effect of the armaments race was obvious and, as an example, in 1961 the military expenditure of the United States had reached the highest level of any year since the second world war, but the growth of its industrial production had been the lowest. The same trend was continuing in 1962. Furthermore, there had been the spectacular falls on the New York stock market during the present year as well as a high level of unemployment, rising prices and a decline in standards of living. Obviously the situation would be greatly alleviated were it not for the large volume of military expenditure. Successive issues of the *World Economic Survey* clearly revealed that in the United States, where military expenditure amounted to 10 per cent of the gross national product, the rate of economic growth during the last decade had been strikingly slow. In Japan, where military expenditure was only 2 per cent of the gross national product, the rate of economic growth had been particularly rapid. At the present time, when doubts were growing about the stability of the economic position in the United States, a higher level of military expenditure was being advocated, a fact which served to show how pervasive were the contradictions that were choking the capitalist system. The consultative group's study contained in the Secretary-General's report (E/3593 and Corr.1) would be particularly important in dissipating the misconceptions about the consequences of disarmament. The group's main and unanimous conclusion had been that rearmament imposed a heavy burden and that general disarmament would benefit all countries. The group had usefully considered the various uses to which the resources released by disarmament could be put and had pointed out what priorities might be established for their allocation. It had indicated that those resources might also be used to raise the low level of wages and to increase social investment. Among other advantages of disarmament the group had mentioned that it would open the way to promoting

research and mobilizing science for constructive purposes, such as harnessing atomic energy for peace.

4. All those considerations were in sharp contrast to the growing military expenditure of the United States and its new exploit: the high-altitude nuclear test of 9 July 1962.

5. Among the measures that could be taken by capitalist countries as a consequence of disarmament the consultative group had mentioned the reduction of income tax, particularly of that payable by the lower-income groups, as well as the reduction of indirect taxes on consumer goods. He entirely agreed with its conclusion that it should not be difficult to maintain effective demand during the transitional period, particularly as real incomes would be rising. Nor did the conversion of war industries pose any new problems.

6. He also agreed with the group's view that one of the advantages for developing countries would be the release of skilled workers from the armed forces.

7. The group had recognized that the switch from military to peaceful production would present no problems for the socialized countries and that demobilized men would easily find employment.

8. With greater resources available for investment and for increased economic aid to developing countries, demand for industrial equipment, building materials and the like would rise and world trade would expand. That might in turn stimulate demand for raw materials to the advantage of the less developed countries.

9. The consultative group had expressed the view that with disarmament the heavy industries of more advanced countries would be able to give wider help to the less developed countries. The Soviet Union and other socialist countries were not waiting for international agreement on disarmament and were already giving such help.

10. The group had rightly forecast that in a disarmed world a general improvement in standards of living, particularly in those of low-income groups, could be expected, as well as shorter working hours and longer holidays. An important social effect of abolishing military service would be that men would no longer be compulsorily separated from their families.

11. He would not mention the group's final conclusions which had already been commented on by other speakers but wished to express his delegation's gratification at the fact that members of the headquarters secretariat as well as of ECE had taken an active part in the preparation of the study. It was significant that the group itself had been composed of experts from countries with different economic and social systems and at different stages of development.

12. In some ways the study could be improved; thus, for instance, chapters 3 and 4 contained some repetitious matter which could easily be eliminated. Chapter 6 might be amplified so as to include information about the beneficial effects of disarmament on standards of living in developing countries, and chapter 7 should also be expanded.

13. It was the duty of the economic organs of the United Nations and the specialized agencies to play a greater part in helping to solve the problem of disarmament and, to that end; they must continue and, indeed, extend their

studies on its economic and social consequences, using as a guide the principles laid down by the consultative group.

14. The economic and social consequences of disarmament should be discussed each year by the Council at its summer session. His delegation supported the proposal in operative paragraph 6 of the Polish draft resolution (E/L.963).

15. In conclusion, he hoped that the consultative group's study would foster the cause of peaceful coexistence and of general and complete disarmament under strict international control.

16. Mr. KLUTZNICK (United States of America) regretted having to intervene in the debate. His delegation had come fully prepared to discuss one of the most important problems of the day in a constructive spirit. Unfortunately, the Soviet Union representative had seen fit to slander the United States and find fault with its internal policies. The United States delegation rejected most emphatically the completely unfounded allegation made by the Soviet representative that "an insignificant minority of evil men", profiting from the arms race, was imposing its will on mankind. Indeed, the Soviet representative himself had been one of the group of experts who had unanimously rejected that absurd thesis. Its absurdity had also been demonstrated by the United States submission to the group of experts and by his (the United States representative's) own statement at the 1220th meeting on the subject. One should also remember that evidence was freely available to show why it had been difficult to achieve agreement on disarmament and on the discontinuance of nuclear tests, and that evidence reflected no credit on the Soviet Union.

17. No one could impugn the status, dignity and good faith of the United States without a reply being given. But the United States delegation hoped to avoid being drawn into such an indecorous discussion when the Council was engaged on serious business. On the two items discussed up to then in plenary, only the USSR had turned from constructive debate to cold war propaganda.

18. Mr. FURLONGER (Australia) commended the consultative group on its valuable, realistic and objective study with its generally encouraging conclusions. It was particularly reassuring to read that the group had concluded that the problems and difficulties involved in the transition to disarmament could be met by appropriate national and international measures. It was gratifying that so diverse a group should have reached unanimous agreement.

19. One of the most valuable features of the study was that it would remove a number of misconceptions going back some forty years since disarmament had been a subject of international discussion and particularly the oldest, which was that private enterprise countries were unenthusiastic about disarmament because of industrial reconversion difficulties. An important conclusion in the study was that summarized in paragraph 176 that the maintenance of effective demand in the industrialized private enterprise economies should not prove too difficult after disarmament had taken place; at the same time

the group had wisely not glossed over the fact that although there were solid grounds for optimism about the way in which long-term adjustments could be made there would be real short-term problems for all economies. The study had set problems in their proper perspective. Disarmament was not a unique economic phenomenon but, as the study pointed out, was only a special case of adaptation to changing conditions requiring reallocation of resources such as took place in the normal course of economic growth. Moreover, the study indicated that the over-all problem presented by general disarmament would be smaller in scale than that successfully surmounted at the end of the second world war. In his own country demobilization and reconversion of the war-time economy had been carried out smoothly and he did not expect any serious problems to arise in reallocating personnel and resources under a programme of general disarmament.

20. A constant concern in Australia since the second world war had been to keep in check, in the interests of stability and controlled growth, demands in the civilian sector which had tended to get out of step with available resources and supplies. Limitations had affected not only personal consumption, but also private and government investment. Accordingly, there was a reserve of potential demand, and any accrual to the civilian sector of resources and supplies currently being used for military ends would be welcome. The observations in paragraph 47 referring to the heavy backlog of urgent needs in the social field in all countries reinforced that comment. The developing countries, whose needs were greatest in that regard, had most to gain from a massive increase in resources that could be devoted to social investment but there was also much to be done both in countries like Australia, which was at an intermediate stage of development, and even in the most highly industrialized countries. Those considerations justified the authors' confidence that a smooth transition to a disarmed world could be made.

21. As to some aspects of the study which had not been mentioned by other speakers, the analysis in chapter 3 of the impact of disarmament on national production and employment should be particularly useful to governments which regulated their economies by sophisticated and largely indirect methods. The specific suggestions put forward in paragraphs 75 to 85 provided a valuable reminder of the need for positive action so as to ensure that resources released by disarmament were not wasted and were directed into channels that would provide high levels of consumption for all sections of the population.

22. As indicated in paragraph 86, the degree of success in maintaining effective demand by the highly industrialized countries during the early stages of disarmament would be of great importance to all primary producing countries. Indeed, that was an important consideration at all times for Australia, which was one of the major exporters of primary products in the world. As the consultative group had pointed out, among the most beneficial effects of disarmament should be a long-term expansion of international trade, a more rational international division of labour and a more effective use of world resources. Those were certainly goals towards which all Members of the United Nations should work, but his delegation did

not fully endorse the suggestion in paragraph 132 that in a disarmed world the tendency was likely to be that advanced countries would open their markets more widely to imported foodstuffs. That argument seemed to be based on the assumption that agricultural protectionism was due to security preoccupations, but although it was true that the desire for agricultural self-sufficiency in time of war was a factor, his government's experience indicated that in fact protectionism was due more to political and social influences. His government saw no *prima facie* reason to expect that these influences would be weakened with disarmament.

23. Another problem which might adversely affect exporters of primary products and raw materials unless special steps were taken was the disposal of stockpiles of food and materials built up for strategic purposes.

24. He hoped the consultative group was right in its conclusion that disarmament would be accompanied by a reduction of trade barriers imposed by industrialized countries on exports of manufactured goods from the developing countries; that question was assuming increased importance with the expansion of manufacturing capacity in the latter countries, mostly as a result of international aid. The question was likely to grow in significance as a result of the Development Decade.

25. It would be a mistake to assume that disarmament would automatically produce improvements in the above-mentioned fields and the problems involved should continue to engage the attention of the international organizations concerned.

26. He entirely agreed with the conclusion in the study that the promotion of the economic and social development of developing countries was one of the main ways in which resources released by disarmament could be used. The reduction of the gap in standards of living between the industrialized and the developing countries was one of the great challenges of the present generation and one of the factors that lent urgency to efforts to bring about disarmament. No one could fail to be struck by the fact pointed out in paragraph 140 of the study that the world's total military expenditure was at least five times as great as the combined gross investment expenditure of the less developed areas. Such figures and others in the study pointed out their own moral.

27. The consultative group's study had made a valuable contribution to the whole subject and should be helpful to the disarmament talks about to be resumed. It had cleared the way for the governments taking part in those talks to concentrate on the fundamental causes — political, psychological and military — which had long bedevilled the arduous search for a workable disarmament programme.

28. Mr. ABOLTIN (Union of Soviet Socialist Republics) said that he was reluctant to speak again in the discussion, particularly as he had not been clear as to why the United States representative had been so provoked. There had been nothing in his statement constituting interference in United States internal affairs, and he had simply mentioned that country as an example of the proposition that increased military expenditure was accompanied by a slower rate of economic growth. He was

unable to understand why a well-known fact of that kind should be regarded as insulting, and was certain that the United States representative would not think of himself as belonging to the group of arms manufacturers who were the main instigators of the armaments race. However, he and the United States representative would never be able to agree on what were the causes of the armaments race.

29. Mr. KLUTZNICK (United States of America), intervening on a point of order, said that the question of responsibility for the armaments race had no relevance to the item under discussion.

30. The PRESIDENT regretted the turn taken by the discussion but considered that the Soviet Union representative was exercising his legitimate right of reply.

31. Mr. ABOLTIN (Union of Soviet Socialist Republics), continuing his remarks, which he considered were entirely relevant to item 5 of the agenda, emphasized that it would be impossible to discuss the consequence of disarmament without establishing the cause of the armaments race. He could see no harm whatever in an exchange of views on the matter: indeed it would otherwise be impossible to reach a common conclusion. That had been the procedure followed by the consultative group itself.

32. Mr. ROSENSTAND HANSEN (Denmark) expressed his appreciation of the Secretary-General's report (E/3593 and Corr.1 and Add.1-4) which shed valuable light on some aspects of the problem of general disarmament. His delegation concurred wholeheartedly in the conclusion that a diversion to peaceful purposes of the resources now in military use would benefit all countries and lead to the improvement of economic and social conditions in the world.

33. The most significant finding of the consultative group's study was that disarmament would not present any essential economic or social difficulties to any country, irrespective of its political and economic system and of its stage of development. It was most encouraging that that conclusion should have been reached unanimously by a group of experts from countries with widely differing political and economic backgrounds. In particular, his delegation was in full accord with the view that a very close connexion existed between the problem of disarmament and that of furthering economic development in the developing countries.

34. Since Denmark had not replied to the Secretary-General's inquiry he would outline his country's position. Denmark's expenditure on military and civil defence now amounted to approximately 1,300 million kroner, representing about 3 per cent of the gross national product. The release of those funds for other uses would not cause any economic difficulties, because in the foreseeable future, there would be no lack of urgent investment needs in the private and public sectors of the Danish economy. At that stage it would be unrealistic to prepare a priority list of the projects to which the money spent on defence could be diverted: a decision by the government on that question would have to take into account the political, economic and social conditions prevailing at the time of disarmament, and would also require the consent of the legislative power.

35. The manpower engaged in military and civil defence establishments constituted between 2 and 3 per cent of the total labour force. In the favourable employment situation that had prevailed in Denmark during recent years, the manpower released as a result of a disarmament agreement would probably be smoothly and quickly absorbed. Such an agreement would be likely to have a stimulating effect on the Danish economy.

36. The immediate impact of disarmament on Denmark's imports and exports would be of a modest order; imports would not decline by more than 2 or 3 per cent, while the effect of the elimination of exports for military uses would probably be even less significant.

37. The value added by firms engaged in manufacturing for military purposes was extremely small and accounted at most for 2 to 3 per cent of the contribution made to the gross national product by manufacturing industry. Consequently, disarmament would not result in any major dislocation of industrial production.

38. Mr. KAKITSUBO (Japan) said that the excellent study carried out by the group of experts provided valuable material for the analysis of one of the most vital issues before the United Nations. It was noteworthy that despite the differing economic and social systems and stages of development of the countries to which the experts belonged, they had adopted the report unanimously.

39. The study showed that huge sums of money were being devoted to armaments not only by the major Powers, but also by the small developing Powers as well. It was tragic that the latter Powers, who so badly needed their resources for economic and social development, should have to devote so large a proportion of them to non-productive defence expenditure. On the other hand, it was gratifying to note the experts' conclusion that, so long as appropriate counter measures were taken in time by the countries concerned, the adverse effects which some people feared would follow the implementation of disarmament measures could be avoided. That conclusion was an encouragement to disarmament negotiators to persevere with their work.

40. At the same time, it was impossible to overlook the limitations placed on the usefulness of the report by the fact that it had been prepared on the assumption that general and complete disarmament would be implemented within a short period of time. Unfortunately, no agreement to that effect had been reached, nor did one seem likely to be reached in the near future. His delegation hoped that the Conference of the Eighteen Nation Committee on Disarmament, which would shortly be resuming its work, would be successful in paving the way for general disarmament; meanwhile, in the absence of an agreement on concrete measures of disarmament, any report dealing with the economic and social consequences of disarmament was bound to appear academic or at least premature. The study would have had greater practical value if it had been prepared after some concrete measure of disarmament had been agreed between the major Powers. In order to make such a report really useful, once an agreement on disarmament had been concluded further studies should be made of various factors that had a direct bearing on conversion and transfer of

resources from military to peaceful uses. The factors requiring more thorough study were the impact of disarmament on employment; the transitional measures to be taken with regard to countries exporting strategic materials for military purposes; the adjustment of aid programmes for countries now in receipt of military assistance; and the conversion and transfer of materials to be released as a result of disarmament, particularly in the centrally planned economies.

41. There was no doubt that if general and complete disarmament were to come about, part of the resources at present devoted to armament purposes could be used for the economic and social development of the developing countries. But assistance to those countries should be increased without waiting for the achievement of disarmament, because the economic and social development of the low-income countries was so urgent that it could not be delayed until general and complete disarmament was agreed upon and enforced.

42. Mr. GUZINA (Yugoslavia) said that the importance of disarmament arose above all from the great danger to mankind presented by the arms race; but the thorough analysis of the economic and social aspects of disarmament made in the study provided an impressive additional argument in favour of an early international agreement on disarmament.

43. There were three very important points. First, disarmament opened up great possibilities for economic and social progress; it was inconceivable that the collective conscience of mankind should permit them to remain unexploited. The standard of living in all countries could be raised and a radical approach made to unsolved problems in such matters as education, health and housing. Moreover, disarmament would have a powerful effect on the acceleration of economic development, a particularly important question for the less developed countries.

44. Secondly, the problem of reconversion from military to civilian production would not present insurmountable difficulties, although his delegation shared the view of the consultative group that certain aspects of the problem raised by the discontinuance of military production and the employment of the funds thus released required further study. For that reason the economic and social consequences of disarmament should remain continuously on the agenda of the Council, and the Secretary-General should be requested to study further aspects of the question.

45. Thirdly, given the numerous existing possibilities for further material progress in the world, and in the light of the wide measure of agreement on the absurdity of the arms race, it was advisable to take immediate steps to see what could be done now to tap, if only in some small measure, the resources wasted on the arms race. His delegation appealed to governments, and more especially to those of the great Powers — who were responsible for 80 per cent of the world's total military expenditure — to examine the possibility of allocating a certain percentage of their military budgets to meet the needs of economic development. That percentage could be small at the outset on the understanding that it would increase as disarmament progressed. The funds thus released would

be employed for projects of general international significance and, above all, to speed up the economic development of the less developed countries. It was imperative that such a possibility should be examined afresh; a recommendation to that effect appeared in a draft resolution (E/L.962) of which Yugoslavia was one of the co-sponsors.

46. Mr. CERULLI IRELLI (Italy) said that his delegation had studied with interest and satisfaction the Secretary-General's report on the economic and social consequences of disarmament. The study contained in that report provided fresh evidence of the urgent need to carry out controlled general disarmament without delay. One point deserved special mention: the ten experts representing eastern and western countries who had been asked to carry out the study had been unanimous in stating that there was nothing to fear from the economic consequences of disarmament; disarmament would release immense resources which could be utilized for civilian purposes, particularly for promoting the economic development of the less developed countries, as was noted in the preamble to the draft resolution proposed by Ethiopia, India and Yugoslavia (E/L.962).

47. His government had sent a detailed reply to the Secretary-General's questionnaire and there was thus no need for him to re-state Italy's position on that item of the agenda. The Italian delegation supported the proposal in operative paragraph 6 to the Polish draft resolution (E/L.963) that the Secretary-General be requested to have the report and the replies to the inquiry widely distributed. It was no doubt strange to be dwelling so long on the consequences of disarmament before it had been realized, but it was to be hoped, for the sake of mankind, that controlled general disarmament would be achieved at an early date.

48. Mr. WODAJO (Ethiopia) said that his government's views on the economic and social consequences of disarmament were based first and foremost on its deeply felt conviction that the arms race not only constituted a heavy burden on humanity but was fraught with dangers to world peace. If international co-operation were to be promoted, there was no alternative but to disarm; the peoples of the world and their governments desired peace, as was apparent from the fact that governments had accepted the goal of general and complete disarmament; and such disarmament was a practical proposition capable of immediate implementation.

49. The very fact that the General Assembly should have recommended a study of the economic and social consequences of disarmament (General Assembly resolution 1516 (XV)) constituted recognition of the idea that disarmament was feasible. Moreover, it was significant that a group of experts drawn from countries with different social systems and at different stages of development should have reached unanimous conclusions; a few years previously, the examination of so important a problem would have been impossible or at least beset with ideological difficulties.

50. Furthermore, the experts' study (E/3593 and Corr.1) had helped to dispel certain defeatist attitudes, such as the doctrinaire idea that some societies had such a vested interest in the production of armaments as a way of

maintaining their economies that it was impossible to expect them to agree to any disarmament proposal, or the equally doctrinaire notion that certain societies were so anxious to expand their ideological influence, if necessary, by the use of force, that they would never be interested in disarmament. The conclusion in the report that all the problems and difficulties of transition connected with disarmament could be met by appropriate national and international measures pointed the way to a correct and realistic approach in future discussions of the problem.

51. It was self-evident that vast resources now expended on the creation of means of destruction would be freed by some measure of implementation of general and complete disarmament and could be used for the material and spiritual advancement of humanity. No less than \$120,000 million was spent annually on military account and 20 million human beings were involved in so wasteful an enterprise.

52. To the question whether, once disarmament had been achieved, the existing effective demand for goods or services could be maintained, the experts had replied with an emphatic affirmative. Even in the most advanced industrial countries there was a large margin of needs in terms of personal consumption that still remained to be satisfied. Plant had to be modernized and a vast amount of social investment in housing, education and health was required. There would also be an increase in effective demand for goods and services arising from the increase in the volume of international trade likely to ensue from a slackening of international tension.

53. In the under-developed countries, the majority of which were devoting between 8 and 10 per cent of their aggregate national income to armaments, disarmament would lead to great savings in foreign exchange, which could then be profitably used to pay for purchases of capital equipment; disarmament would also result in the release of skilled personnel for economic and social development. If disarmament were accompanied by a corresponding increase in private and public non-military

expenditure, the demand for the raw materials produced by the under-developed countries would not decrease and, indeed, might rise appreciably. What was most significant for the under-developed countries was the fact that disarmament would increase the volume of financial and technical aid they received from the industrialized countries. If the rate of total capital inflow to the under-developed countries could be increased to \$15,000 million per annum, it would be possible to raise the aggregate national income of those countries by between 3 and 5 per cent.

54. The adjustments required in conversion did not present insurmountable difficulties and were no greater than those needed immediately after the second world war.

55. His delegation shared the hope expressed by the United States representative at the 1220th meeting that progress would not await the achievement of general and complete disarmament. For that reason his delegation had joined in sponsoring draft resolution E/L.962, operative paragraph 2 of which recommended that Member States should consider the possibility of effecting savings in their military budgets to provide a given percentage for the needs of economic development of the less developed countries.

56. The PRESIDENT declared the general debate on item 5 of the agenda closed.

57. It had been decided by the Council at the 1209th meeting that the item should be discussed in the Economic Committee after it had been considered in plenary. However, the sponsors of the two draft resolutions (E/L.962 and E/L.963), were endeavouring to prepare a generally acceptable unified draft. If their efforts were successful, the new draft should be considered at a subsequent plenary meeting and, in that case, the item would not be referred to the Economic Committee for discussion.

It was so agreed.

The meeting rose at 5.10 p.m.



CONTENTS

Agenda item 3:

General review of the development, co-ordination and concentration of the economic, social and human rights programmes and activities of the United Nations and specialized agencies as a whole

General debate 99

President : Mr. J. MICHALOWSKI (Poland).

Present :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Austria, Belgium, Canada, Chile, Cuba, Dominican Republic, Hungary, Indonesia, Ireland, Mali, Netherlands, New Zealand, Romania, Sweden.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Civil Aviation Organization, International Bank for Reconstruction and Development, International Monetary Fund, World Health Organization, Universal Postal Union, International Telecommunication Union, World Meteorological Organization, Inter-Governmental Maritime Consultative Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 3

General review of the development, co-ordination and concentration of the economic, social and human rights programmes and activities of the United Nations and the specialized agencies as a whole (E/3611 and Add.1 and 2, E/3612 and Corr.1, E/3615, E/3620 and Add.1, E/3621 and Add.1, E/3623 and Add.1-3, E/3625 and Add.1, E/3627, E/3630, E/3632, E/3642, E/3647 and Corr.1, E/3651, E/3657, E/3660; E/L.961)

GENERAL DEBATE

1. The Acting SECRETARY-GENERAL said that agenda item 3 was a necessary complement to the item

the Council had already debated, when discussion had centred on the international activities that should be extended in the Development Decade in order to reach the goals set by the General Assembly. The Council was now called upon to examine the foundations on which to build the machinery at the disposal of the United Nations, the appropriateness of its procedures and how its decentralized system of institutions had been organized for its greatly enlarged tasks.

2. The reports before the Council, particularly those of the specialized agencies, of ACC and of the ad hoc working group set up to review documents under item 3, made it clear that proposals for action by the United Nations in the Development Decade had a solid basis. The proposals were not just so many desirable objectives, but were feasible in terms of international expertise and machinery. In fact, a remarkable range of international activities, covering almost every field of human endeavour, had been built up over the years in response to the growing demands of governments. That process had been reviewed by the intergovernmental organs of the United Nations and the agencies at every stage. The last such general review, the so-called "programme appraisal", had been undertaken by a committee appointed by the Council. The report of that committee, entitled *Five-year Perspective, 1960-1964*,¹ had been a principal source of inspiration in the formulation of his own proposals. One of its conclusions, that the nations of the world had at their disposal the basic international machinery for carrying out a larger and broader programme than any hitherto attempted, was just as valid as when it had been written.

3. As regards co-ordination, when he had met the heads of all the agencies in ACC two months before he had been a newcomer to a subject with which many representatives on the Council were familiar. It was therefore not surprising that he should have been struck by the complexity of the interagency relationships and by the number of matters which required constant attention. But what had struck him even more forcibly had been the firm foundation for co-operation and co-ordination that had been built up, the sense of devotion felt by all his colleagues to the common goals embodied in the United Nations Charter and the constitutions of the specialized agencies. He had left the session with the knowledge that in the course of the past year progress had been made in a number of fields; that there was a closer mutual understanding; and that there were fewer problems outstanding than when the ACC discussions had begun. That progress was reflected in the report of ACC (E/3625 and Add.1), almost every section of which had a direct bearing on the

¹ United Nations publication, Sales No. 60.IV.14 (E/3347/Rev.1).

urgent tasks confronting governments and the United Nations in the Development Decade. Its proposals for the Decade underlined the crucial importance of development planning which ACC had discussed with particular reference to the development planning institutes to be linked to the regional economic commissions. It had stressed the importance in the development process in many countries, particularly those whose independence was newly won, of extending education and building up an efficient public administration; there again, ACC had provided a framework for a concerted approach by the United Nations just as it had in other sectors, such as industry, water resources, urbanization, housing and community facilities and the welfare of children and young people. The report also showed that progress had been made towards better co-ordination of assistance at the country level through the resident representatives and with the co-operation of the secretariats of the regional economic commissions.

4. While ACC provided indispensable mechanism for dealing with matters of concern to several agencies, direct co-operation between individual agencies was of no less importance; indeed, among the most significant recent developments from the point of view of co-ordination were the establishment of the Joint UN/FAO World Food Programme, the joint session of the United Nations Commission on International Commodity Trade and the FAO Committee on Commodity Problems, arrangements in the field of education such as an FAO/ILO/UNESCO agreement on co-ordination in the field of agricultural education, as well as the growth of closer working relationships between IDA and the United Nations and other agencies. There was also promise of closer and more fruitful co-operation amongst the agencies concerned with the promotion of industrial development, particularly the United Nations, the ILO and IBRD.

5. Problems of co-ordination arose not only among, but also within the various international organizations. Such problems, common to all large organizations, existed within the United Nations itself, as well as problems due to the geographic dispersal of United Nations activities. Although he believed the United Nations could stand comparison with most national administrations, it was the constant preoccupation of both his colleagues and himself to obviate internal problems of co-ordination or solve them as they arose. A useful contribution was being made by the Economic Policy Board which he had recently reconstituted in connexion with the programme for the Development Decade. With such short experience of the economic and social work of the United Nations family, he hesitated to formulate specific conclusions or recommendations on interagency co-ordination, but wished to make two general observations, one on the negative and the other on the positive aspect of the matter.

6. First, in 1961, at the 1163rd meeting, the Secretary-General in his introductory statement had noted that the task of co-ordination among the United Nations family was becoming more difficult because of such factors as the increased complexity of the tasks being undertaken, the process of decentralization and the expansion of regional activities, and the growth of bodies within and outside the United Nations, both

at Headquarters and in the regions, each of which was in one way or another concerned with a wide range of subjects. A greater effort at co-ordination was now being made, but the process was becoming costlier in time and money. One immediate reason was the growth in the number of reports being called for. Quite apart from the labour of its compilation, even a report that confined itself to communicating and describing the activities of the United Nations family in a particular field was likely to involve a good deal of interagency consultation. Any attempt to go farther by defining more closely the aims of different organizations, or by proposing new approaches, would inevitably require a long process of interagency discussion. A good deal of research was absolutely necessary, both by the Secretariat and by the Council, but they should not be asked to do too much at a time. It would be helpful if the Council would scrutinize its standing requests for studies and reports relating to co-ordination, as well as all new proposals for additional documentation of that kind, with a view to eliminating whatever was not really essential. Greater flexibility in deadlines for the completion of Secretariat studies and reports and, whenever possible, for meetings as well was also desirable. That would enable all organizations to make a more effective response to the requests made of them.

7. Secondly, as regards the influence towards unity that could be exercised by the Development Decade itself, within each government and in the Economic and Social Council, the contributions of the United Nations and the various agencies were being appraised as a whole. That should lead to a better concerted approach and closer co-operation among the various organizations than had so far been realized. From the point of view of the Secretariat, interagency co-operation would be strengthened by a clearer understanding of the magnitude of the challenge and by the concentration of energies on the tasks of highest priority. The Development Decade provided all that was necessary in the way of such a unifying conception, and he looked forward with confidence to ever closer co-operation within the United Nations family in the years ahead.

8. The extent of the contribution each organization could make to that common enterprise, however, was naturally dependent on the resources at its disposal. Enough had already been said at the current session concerning the need for a substantial increase in the funds available for technical and pre-investment assistance; there was a no less pressing need to match the expanding work-load created by decisions of the Council and the General Assembly with an appropriate expansion in the regular budget of the United Nations itself. Owing principally to the difficult financial position of the United Nations, a conscious effort had been made during recent years to limit requests for additional credits in the regular budget. As a consequence, the growth of the United Nations' own programmes during that period had not been matched by a comparable growth of the means for carrying them out, particularly staff, provision for consultants and appropriations for travel. Such limited increase as had been requested under those heads in the United Nations budget had been mainly strengthening resources in the economic and social area, but were

quite inadequate for the purpose. One result of that state of affairs had been that the absorptive capacity of the United Nations staff had been strained beyond all measure. In certain sections, the work-load had more than tripled, while their establishment had remained practically unchanged. Such a situation could not continue without a serious deterioration in standards. It was now urgent that the situation should be remedied. Another result had been a lack of balance between the various activities, whose growth had been conditioned more by the hazards of the language used in reports and resolutions than by any over-all judgement of priorities. One notable example was public administration, where the Secretariat establishment had remained far below the needs reflected in the demands of governments.

9. Furthermore, there had long since disappeared from the Department of Economic and Social Affairs, whether at Headquarters or in the regions, any margin with which to meet emergency situations such as had developed in recent years, or to take up new projects such as the Development Decade without having to cancel or postpone other high-priority activities. A policy of controlled expansion, based on a careful review of needs, priorities and resources, was essential. Some of the steps for its initiation he could take on his own responsibility, but others would require action by the Council and the General Assembly.

10. First, controlled expansion would mean establishing certain yearly targets for the total budget in the economic and social field. That would be consonant with the spirit of General Assembly resolution 1710 (XVI) on the Development Decade. In fixing those targets, the General Assembly would certainly need the guidance of the Council.

11. Secondly, more discipline should be introduced into the process of decision-making in relation to the programme of work. The priorities and targets established by the Council, together with the Council's views on the incidence and rate of expansion, should be brought to the attention of all committees and commissions, and constitute the framework for the decisions to be taken by them.

12. Thirdly, improved procedures were needed to ensure that new requests were not made without due regard to existing criteria and available resources. Most of the specialized agencies had developed a mechanism for the simultaneous elaboration of their programme of work and determination of annual resources, but it was not certain that the United Nations could adopt the same procedure. The question of procedures for improving the existing situation should, however, be studied as soon as possible, in the first instance by the Economic and Social Council.

13. Those issues were by no means new; they had figured prominently several years previously in the discussions of the Council and in the reports of the Advisory Committee on Administrative and Budgetary Questions. He had raised them again because of their importance for the development of the economic and social activities of the organization, and because he felt sure that the Council would wish to consider the institutional and procedural changes needed to enable the United Nations

to make the maximum contribution to the Decade of Development.

14. Mr. KOTSCHNIG (United States of America) said the item under consideration was important because the very structure of the United Nations system, with its autonomous agencies, tended to encourage a certain separatism. That was understandable, since no modern organization could be effective without clearly defined departments operating without undue interference. However, some focal point was necessary to provide guidance, with full recognition of the interrelated nature of needs, policies and programmes. In the interests of co-operation, steps had to be taken to overcome the difficulties raised by those who for political reasons appeared to be more interested in weakening than in strengthening the common effort and who wished to reorganize the various subsidiary bodies of the United Nations in such a way as to impair the status and integrity of an effective international civil service.

15. The American people had provided more than \$61,000 million in foreign aid for economic and social activities between 1945 and 1961, and the United States Government was contributing about 40 per cent of the total funds available to the United Nations for its economic and social activities. In those conditions, it was only natural that the American people should take an interest in the use to which those resources were put. Any publicly contributed resources should be used in the most effective way, and the extent to which additional resources were made available would depend on proof that United Nations programmes were effective, properly concerted and free from waste.

16. The American people, as a multi-racial society, shared the aspirations of the developing countries for a better life, and believed that the United Nations had a real contribution to make in that respect. Unfortunately, political crises and failures tended to conceal the role played by the United Nations in assisting the less developed countries. For that reason, the annual review of programmes was essential; it gave an opportunity to evaluate programmes and define priorities for action in full understanding of the needs of recipient countries, particularly the less developed countries.

17. Some of the documents under consideration might have been more helpful had more emphasis been placed on issues and problems rather than on the cataloguing of conferences, meetings and projects, regardless of their relative merit or importance. They did, however, reveal that headway was being made in the establishment of a set of top-level interrelated priorities. There was a broad acceptance of the need for co-ordinated assistance in development planning at the country level and a growing recognition that projects carried out by individual agencies should be related to country development plans. There was also a greater readiness to make use of resident representatives in the field and to engage in closer consultations at the Headquarters level both for planning and implementation. Manpower surveys, such as the one undertaken by the ILO in Cameroun (see E/3620, p. 22), were pioneering ventures which would help to relate plans in the field of education and training to over-all economic and social development needs and objectives.

What the ACC and the *ad hoc* working group had to say about the need for further co-ordination on the part of the agencies concerned, the development of secondary education, and the problem of recruiting and training teachers, had his delegation's full support.

18. There was also growing concern over problems of public administration. The scarcity of trained administrators in the newly emerging countries would seriously impede the creation of governmental institutions essential to economic and social progress. The United Nations and the specialized agencies should make full use of regional development institutes for the training of public administrators in the economic and social fields, while fellowships for training abroad and facilities for in-service training should be made available on a large scale. Meanwhile, top- and middle-level operational personnel should be provided through international channels such as the OPEX programme, which had been inadequately used. Co-operation between the United Nations and the specialized agencies in that respect had not been as close as it should be. The United States would support any move towards more systematic exchanges of information on public administration activities.

19. His government was pleased with the progress made by FAO in its Freedom from Hunger Campaign and in the establishment, jointly with the United Nations, of the experimental World Food Programme. Assistance in agricultural development was bound for many years to come to remain a matter of primary interest to the peoples of the world and of top priority for international action. With the establishment of the United Nations Industrial Development Centre and the appointment of the United Nations Commissioner for Industrial Development, new international machinery had been created in the field of industrialization. Those additional tools should facilitate concerted action by the appropriate specialized agencies. His delegation also welcomed the intensification of activities in the field of trade designed to expand the trade of the less developed countries and to ensure them a fair return on their exports of primary commodities, and had sponsored a draft resolution on the subject (E/AC.6/L.278). However, the new machinery recently set up in the industrial field, and earlier in the trade field, should be allowed to demonstrate its capabilities before steps were taken to set up any more.

20. Progress in the field of housing, urbanization and rural development had been uneven. In the case of housing, the Council might be able to achieve a breakthrough by approving the recommendation of the Social Commission for the establishment of a committee on housing (E/3636, para. 55) similar to the Committee for Industrial Development. Much would depend on the extent to which the specialized agencies and other bodies supported an expanded programme in that field, which was crucial to the welfare of more than a hundred million ill-housed people. Modest but promising programmes had been developed in matters of urbanization. Those activities should be stimulated by the establishment of the new committee on housing. At the present time, however, it was questionable whether the general level of activity in that field was as high as the gravity of the problem required. The record of achievement in the field of rural

development was disappointing, and the *ad hoc* working group on co-ordination rightly felt that there was an urgent need for a concerted attack on the problem of improving living and working conditions in rural areas (E/3647, para. 24).

21. The large volume of migration from the land to the towns in many of the less developed countries showed the interrelationship between rural development problems and urbanization, which was fostered by industrialization. Special attention would have to be paid to interrelationships in the development of more effective programmes for rural development. The problem called for close co-operation, which was not yet evident, between the United Nations and the specialized agencies, and he hoped that ACC would give the matter active consideration and report to the Council in 1963.

22. There were certain specific problems which the Co-ordination Committee might examine with a view to ensuring that the best use was made of the limited resources at the disposal of the United Nations family. He had been struck by the scant references to the elimination of marginal programmes and projects. For example, the Secretary-General's report entitled "Observations on the United Nations Work Programme in the Economic, Social and Human Rights Fields" (E/3657) was studded with references to projects which had had to be delayed owing to insufficient resources and staff, yet little attempt was made to offer solutions, except in the form of statements that larger resources were required. His delegation was not convinced that every one of the delayed projects, and particularly studies, was essential. The report contained examples that clearly indicated that it was possible to lighten the work-load and concentrate resources on essentials. Those examples included attempts to reduce the duration and number of meetings, rationalize the pattern of conferences and trim work programmes to available resources. A wide application of that approach was bound to produce helpful results, and his delegation was ready to give the most sympathetic consideration to any proposals by the Secretary-General along those lines.

23. A reduction in the number of conferences and meetings should not be viewed only from the point of view of economy. At present their number was growing rapidly and even for a country the size of the United States it was becoming increasingly difficult to send representatives and technical experts to them all, to prepare for them and evaluate results. For some of the smaller countries the difficulty was very much greater, because they had to draw heavily on their scanty resources, with adverse results on their own national programmes. His delegation intended to propose in the Co-ordination Committee that ACC should be requested to study and suggest, for the consideration of the Council at its thirty-sixth session, means whereby the conference schedules of the United Nations, the specialized agencies and IAEA could be more systematically co-ordinated and streamlined. Consideration should also be given to the possibility of combining meetings in cognate areas and of holding them under joint auspices, and of expanding the Council's Committee on the Calendar of Conferences to assist in that task.

24. In the light of the comments of ACC on the question of assuring full consultation before over-all survey missions were organized (E/3625, paras. 166-172), his government felt that the time had come for a specific Council resolution on the subject, urging agencies to consult with each other before undertaking general survey missions, to co-operate in the planning of such missions and to keep resident representatives fully informed and seek their assistance in the execution of such missions. As pointed out by ACC, such measures would require the full co-operation of governments which requested missions. As far as possible, the reports of those missions should be transmitted, with the consent of the government concerned, to all the agencies assisting in the development of a given country.

25. He regretted the lack of appropriate machinery to carry out a comprehensive evaluation of United Nations economic and social activities in terms of achievements and failures. The United Nations had failed to present to the world a convincing picture of its record, in which achievements greatly outweighed failures. His delegation therefore hoped that at that session of the Council the foundations could be laid for studies of performance and attainment which would fill that gap. An important step had recently been taken by the Jordan representative, in submitting to TAC a draft resolution (E/TAC/L.270/Rev.1) requesting the Executive Chairman of TAB to consider improved methods of helping TAB to evaluate results achieved in recipient countries. His delegation hoped that the Council would enlist in that effort not only the Executive Chairman of TAB, but the administrators of the other major operational programmes of the United Nations and its related organizations. The leadership of such an effort might be assumed by ACC, which should be asked to submit to the Council at its thirty-sixth session a comprehensive plan for the evaluation of the effectiveness of United Nations programmes and activities. Special attention might be given to the potential contribution that could be made by resident representatives.

26. He noted that the *ad hoc* working group on co-ordination had suggested that it might be combined with the Committee of Eight and that the size of the combined body might be enlarged so as to make it more fully representative (E/3647, para. 63). His delegation had some doubt about that proposal. His government attached great importance to the work of the Committee of Eight, and considered that the merging of the *ad hoc* working group with the Committee of Eight might be difficult, since the terms of reference of the *ad hoc* working group were much wider than those of the Committee of Eight. A better solution might be to merge the *ad hoc* working group with the kind of committee proposed by the Japanese representative at the 1218th meeting to assist in development and review of United Nations Development Decade programmes and activities. His delegation found great merit in the Japanese proposal and hoped that the Co-ordination Committee would give it the most careful consideration. Should the Council decide to set up some such committee, his delegation opined that the new committee, assisted by a special unit in the Secretariat, might be best qualified to take over the functions of the *ad hoc* working group. That

arrangement commended itself because the success of the Development Decade depended on the ability to plan United Nations programmes to the best advantage on a continuing basis.

27. Mr. SEN, Director-General, Food and Agriculture Organization, said that if the Development Decade was to have meaning, it was necessary both to increase the resources available to international agencies and to secure their most effective use. For that purpose, it was essential to pay much greater attention to planning at the national level, as well as to co-ordination at the international level. The FAO Freedom from Hunger Campaign had been designed to supplement programmes which governments and international agencies were already carrying out to increase agricultural production and productivity. The World Food Congress, to be held in June 1963, at the mid-point of the campaign, would serve as a rallying ground for all those committed to action, as well as those able to give it leadership and guidance.

28. The FAO was devoting increasing attention to international commodity problems. The value of exports from the developing countries was about eight times the value of the aid which they received, and falls in the export prices of primary commodities had in recent years been of such magnitude as to offset all that aid. The FAO, in co-operation with the United Nations, provided a multilateral framework within which the interests of both developed and developing countries could be represented for the preparation of international commodity agreements to reduce fluctuations in the trade of the developing countries. Concrete proposals for concerted action had been submitted to the latest meeting of the FAO Committee on Commodity Problems, which had made recommendations for follow-up action. Such action must be taken urgently because, unless satisfactory progress were made in the solution of commodity problems, all other action to promote development would be of little avail.

29. The FAO studies on the possibilities of food aid were aimed at bringing to an end the paradox of vast surpluses co-existing with vast poverty. The experimental World Food Programme was being undertaken by FAO jointly with the United Nations, and a pledging conference was due to open on 5 September 1962.

30. His organization was strengthening its assistance to governments in planning rural development. Particular emphasis was being placed on the fact that planning of the rural sector was not simply a matter of methodology, but also of intimate knowledge of the difficulties, desires and aspirations of the peoples of the countries whose development was being planned. Efforts were being made to integrate agricultural development plans with the broader plans for economic development by co-operation with other agencies, as appropriate. The FAO was also becoming increasingly concerned with the more fundamental problems of rural development. At the regional level, a project such as the FAO study on the Lower Ganges-Brahmaputra basin was designed to determine the long-term optimum pattern of land use in a region where the population explosion made it imperative to adopt the most intensive pattern of agricultural development. As to the FAO African study, its findings and

recommendations would no doubt be of assistance in the formulation of national development plans and in the promotion of regional co-operation in the area. At the country level, FAO was about to undertake integrated studies in Nigeria and Indonesia, to assist those countries in formulating long-term objectives for agricultural development in the context of general economic development. Many country problems needed to be examined in their regional context. In that manner individual countries could adjust their development measures and policies to the greatest advantage of all and avoid over-emphasis on self-sufficiency, with consequent waste.

31. In all those studies, FAO had sought and received the fullest co-operation from all the other agencies concerned. He hoped that the work of FAO on planning would contribute to the integration of all international assistance with national development efforts. He also hoped that the preinvestment surveys being undertaken by FAO would be followed up by an adequate supply of national and international investment resources and commended the steps which the Special Fund was taking in that direction.

32. The rapid expansion of the activities of the United Nations family made the problem of co-ordination one of increasing importance. The FAO was primarily responsible for assistance to the developing countries in rural development, where its responsibility extended to advice on the institutional framework of agriculture. He recognized, however, that rural development had other facets which involved other international organizations, and welcomed the extension by ACC of the terms of reference of the Working Group on Community Development to cover rural development as a whole (E/3625, para. 133). As regards land reform, which in many countries was a necessary condition for rural development, a clear understanding had been reached by the United Nations and FAO regarding their relative responsibilities. The FAO would prepare future reports on land reform in collaboration with the United Nations and other interested specialized agencies. The agrarian research and training institute which the Latin American and Far Eastern countries proposed to establish would help to provide the training and advice required in the planning and implementation of land reform programmes.

33. As to industrialization, any country with a predominantly agricultural economy which attempted industrialization in a great leap forward and neglected agriculture in the process would be running grave risks. There could be no industrial development without rural development. Many agricultural raw materials provided the basis for industrial growth. His organization had specific responsibility for serving such industrial sectors as the forest and food-processing industries; it was also concerned with the development of small-scale industries which could play a major role in using under-employed rural labour. In dealing with all those problems, FAO worked in close co-operation with the United Nations.

34. With regard to the role of education and training in the process of development, he endorsed the importance attached by FAO, UNESCO and the ILO to co-operation in a field in which all had an interest. The establishment of a Latin American Institute for Economic

and Social Planning and the proposal for the establishment of development institutes in Africa and Asia were fully in accord with the emphasis which FAO placed on planning. The principles on which intersecretariat co-operation and co-ordination had been built up over the years, including the establishment of joint divisions in the regional economic commissions, should also apply to the development institutes. The provision made in the Latin American Institute for an advisory committee could provide for suitable machinery for associating the specialized agencies with its activities. He hoped that that would be done and that similar arrangements would be made with the other two institutes.

35. The special problem which arose in the newly independent countries was that many of them were faced with what was almost a breakdown of their administrative services as a result of the departure of officials of the withdrawing metropolitan powers. In common with the United Nations and the other specialized agencies, FAO was under continual pressure from governments to help them fill the void with administrative and executive personnel of the type furnished by the United Nations under the OPEX programme. Unless appropriate measures were taken accordingly, technical assistance to those countries would be wasted; there could be no purpose in sending advisers under EPTA or arranging pre-investment surveys, if there was no one at the administrative level to see that such assistance was properly used. He hoped that the recommendation by the Committee of Eight relating to OPEX-type appointments (E/3639, para. 86) would be given effect without delay. It should be recognized, however, that such appointments would not strictly be OPEX appointments, since the experts in EPTA would remain under the general supervision of the agency concerned and would not be employees of the government. It would be necessary in each case, as a temporary measure until more satisfactory arrangements could be made, to have a counterpart officer who would eventually take over and meanwhile assume the legal responsibility for financial and other administrative matters.

36. Another problem which needed special attention was that of the impact of special problems on the normal activities of the specialized agencies. That was a matter which affected FAO more than any other agency: the total funds available to FAO in 1962 were over \$44 million, of which only a little over \$14 million came through the regular programme. The formula adopted for meeting the extra costs involved in planning, administration and supervision was, in the case of the Special Fund, that "identifiable costs" were being reimbursed, and in the case of EPTA that a fixed percentage of 12 per cent of the total project costs of a given year was paid. An analytical study recently made by FAO staff showed that for external programmes, mainly the two referred to above, FAO was paying about \$3 million, or about 20 per cent, from its regular budget to meet the extra costs, and to that extent starving its regular programme as approved by the FAO Conference. The eleventh session of the FAO Conference had asked him to continue his efforts to ensure that agency costs recovered from external sources were adequate fully to support both the operational costs of field programmes and those of planning,

preparation and execution. On the other hand, several delegations at the eighth session of the Governing Council of the Special Fund had expressed the view that the executing agencies should increase their efforts to adapt their organizations to the specific requirements for implementing large-scale Special Fund projects and, if necessary, to revise their work schedules accordingly. The time had come when a reconciliation of those two points of view must be attempted; and that could only come from governments of Member States looking at the problem as a whole. The Council might feel that it had a definite responsibility to assist such a reconciliation.

37. With regard to the recommendations of the Committee of Eight, with some of them he had no disagreement: for instance, he would welcome an increase in the contingency allocation to the Executive Chairman of TAB (E/3639, para. 65). On a number of points of major importance, however, the recommendations demanded more study. While he agreed that each agency should assign priorities in its regular programme and concentrate on those activities which appeared most essential, priorities at the country level would have to be determined primarily by priorities in the development plans of each of the countries concerned. Also, the Committee had not paid sufficient attention to the role of country representatives or mission chiefs of the specialized agencies, or to their regional structures and activities, which played an increasingly important role in regional co-operation.

38. But it was the proposals concerning procedures for planning and programming which called for special attention. The Committee's recommendations, as they stood, would mean a change not only in the procedures governing Expanded Programme technical assistance, but also in the principles of such assistance. Hitherto, programming had been governed by the rule that, within a given financial objective, the country was free to plan the assistance required and the agencies could reject only projects found to be technically unsound. The Committee took the view that no financial allocation should be made until after the formulation and approval of a programme (*ibid.*, paras. 73, 78), and their recommendations could be interpreted to mean that priorities should be established at two levels, the national and the international. In fact the Committee referred to a two-tier system of priorities (*ibid.*, para. 73). That concept should be considered in the light of the basic requirement that technical assistance should be planned within the framework of country development plans. There were some who thought that national plans for developing countries should be prepared by the aid-giving agencies and that their acceptance should be a condition for the grant of aid; but he hoped that the Council would not encourage that wholly mistaken theory. He did not suggest, of course, that the United Nations and the specialized agencies should be prevented from advising the developing countries in determining priorities and in programming their technical assistance, but it should be beyond question that the final decision belonged to the country itself. Action on those recommendations should be held over until ACC had had an opportunity for a full discussion of their implications. Moreover, any arrange-

ments for the further study of those questions should provide for the participation of interested specialized agencies.

39. Mr. COOK (International Telecommunication Union), introducing the Union's report on its activities in 1961 (E/3660), said that ITU had made good progress during the past year, and that its membership had increased from 104 to 116, including five associate members.

40. The special European Broadcasting Conference had examined the situation as regards sound and television broadcasting in the VHF bands, and had drawn up plans for television stations working in the UHF bands. In addition, a panel of experts had met to study measures to reduce congestion in the frequency bands between 4 and 27.5 megacycles. The work of the International Frequency Registration Board had increased as a result of the entry into force of the new radio regulations. The Board was also required to give special assistance to the administrations of countries searching for frequencies for their radio services; to study the use being made of the radio spectrum; to administer an entirely new procedure aimed at securing better high-frequency services; and to undertake the technical planning for radio conferences. The International Telegraph and Telephone Consultative Committee had been concerned with the development of intercontinental circuits since the extensive development in transocean submerged repeater telephone cables had opened up the possibility in the near future of semi-automatic operation throughout the world.

41. Technical assistance activities had also continued to expand during 1961; there had also been a greater demand for assistance under funds-in-trust and OPEX programmes. ITU had continued to co-operate with the United Nations in the Congo, and had provided a team of technicians to keep telecommunications working in the country and help in training Congolese staff.

42. In preparation for the conference on the allocation of frequencies for outer space, to be held in the autumn of 1963, a Joint Study Committee on Space Questions had been set up at ITU headquarters in November 1961 under the chairmanship of the Secretary-General. The ITU's first report on the peaceful uses of outer space (E/3645) had been submitted to the Council at the current session.

43. Although the risk of duplication of effort was small, ITU co-operated closely with organizations such as ICAO, WMO and IMCO, each of which had a special interest in some aspects of telecommunication matters. In addition, ITU had worked with IBRD in an investigation into the possibilities of financing telecommunication development plans in Central American countries. It had also maintained close relations with UNESCO in view of the role of telecommunications in the fields of mass communication and freedom of information, particularly with respect to information media in Africa and the peaceful uses of outer space.

The meeting rose at 1 p.m.



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President : Mr. J. MICHALOWSKI (Poland).

Present :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Yugoslavia.

Observers for the following Member States: Argentina, Belgium, Central African Republic, Cuba, Dominican Republic, Ghana, Iraq, Mali, New Zealand, Romania, Sweden.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Civil Aviation Organization, International Bank for Reconstruction and Development, World Health Organization, Universal Postal Union, World Meteorological Organization, Inter-Governmental Maritime Consultative Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 3

General review of the development, co-ordination and concentration of the economic, social and human rights programmes and activities of the United Nations and the specialized agencies as a whole (E/3611 and Add.1 and 2, E/3612 and Corr.1, E/3615, E/3620 and Add.1, E/3621 and Add.1, E/3623 and Add.1-3, E/3625 and Add.1, E/3627, E/3630, E/3632, E/3642, E/3647 and Corr.1, E/3651, E/3657, E/3660; E/L.961)

GENERAL DEBATE (*continued*)

1. Dr. CANDAU, Director-General, World Health Organization, said that the year that had elapsed since his statement to the Council at the thirty-second session had witnessed some important developments in the work of WHO.

2. In the first place, as stated in its reports (E/3611 and Add.1 and 2), WHO had continued to progress towards its aim of universality. Western Samoa, Tanganyika and Mongolia had become full members of the organization, and Jamaica and Uganda had been admitted as associate members. The WHO now had 111 members and four associate members.

3. One of the most important events of the year had been the examination by the World Health Assembly of the second report on the world health situation for the years 1957-1960, a document that indicated the trends in the world's progress towards better health, examined the many problems that still remained to be faced, and explained the role which health research and international collaboration could play in the furtherance of those trends.

4. Signs of progress were evident not only in the fundamental statistical rates of mortality and in the declining incidence of communicable diseases, but in every aspect of health administration, whether it were the number of child welfare centres, the welcome increase in health budgets, the growing cadre of personnel or the expenditure on social security. Data for 94 countries showed a decrease in the infant mortality rate from 65.4 deaths per thousand live births in 1950 to 48.6 in 1960. The average crude death rate for 124 countries and territories had fallen from 10.7 per thousand population in 1950 to 9.3 in 1959.

5. With regard to the incidence of communicable diseases, of the total population of 1,381 million in the malarious areas of the world from which information was available, 764 million, or 55.3 per cent, were at present covered by malaria eradication programmes. Malaria had already been eradicated for 22.1 per cent of the original population in the malarious areas, leaving 22.6 per cent not yet protected, of which a large proportion was in Africa. In India, a malaria eradication programme — the largest of its kind in the world — was protecting the whole population of the country living in malarious areas, amounting to some 428 million people. In areas of India containing some 150 million people, the transmission of malaria was considered to have been stopped, thus making it possible to move on to the consolidation phase. There was no need to emphasize the economic importance for India of being able to utilize land that had previously been unusable because of malaria.

6. In the case of smallpox, the incidence of the disease had slightly increased during 1961 and had spread to Europe. It was clear that the only solution of the problem was for the well-developed countries to help the less developed countries to control and eradicate the disease in their territories.

7. There had been a serious epidemic of cholera El Tor in certain parts of Asia. It was a disease normally confined to Celebes, but in 1961 it had spread to other parts of Indonesia and to Sarawak, Macao, Hong Kong and the Philippines. That form of cholera was being investigated, and the World Health Assembly had endorsed the opinion of the Committee on International Quarantine that cholera due to the El Tor vibrio should now be treated as a quarantinable disease.

8. There had been an outbreak of yellow fever in a remote part of south-west Ethiopia, causing over 3,000 deaths. The Ethiopian Government, with the help of the Institut Pasteur, had carried on an extensive campaign of control, research and vaccination; the experience thus acquired would be useful elsewhere.

9. The incidence of venereal disease had increased in some 30 countries during the period 1957-1960.

10. Environmental sanitation was of great importance in health programmes. Probably the most important factor was the provision of satisfactory water supplies. Some positive results had been achieved in that connexion in the Americas; investments amounting to \$127 million by the Inter-American Development Bank would finance twenty-three projects benefiting 10 million people in eleven countries. A loan had been made by IDA for the community water supply at Amman, Jordan, and the Special Fund had provided an amount to enable WHO to make preliminary studies for the Calcutta water supply project.

11. The lack of well-trained personnel was a major problem, the solution of which depended fundamentally on the development of general education. The WHO had very strong reservations on the subject of sending young people to complete their education abroad in an entirely different environment; the best course was to train them in their own country or in a neighbouring country. There was, however, no harm in sending graduates abroad for specialized studies. In a survey undertaken by WHO in twelve African countries, it was found that, in an area with about 150 million inhabitants, there was on the average one physician per 20,000 inhabitants. If that figure was to be doubled in twenty years, in other words, if there was to be one physician per 10,000 inhabitants, it would be necessary, taking into account population growth, for more than 1,000 young physicians to complete the medical school course every year for the following twenty years. In fact, the existing schools would only be able to train less than half of that minimum number. That example clearly demonstrated the magnitude of one of the tasks which WHO had undertaken — namely, the creation of new schools of medicine.

12. In the Congo (Leopoldville), a large scheme for training Congolese was in operation, and it was expected that in ten years' time the Congo would have some 250 fully qualified doctors who had graduated from Lovanium University and universities in France, Switzerland and Belgium. The number of students studying medicine at Lovanium University would increase from 38 to 60 in the academic year 1962/63; in 1963 and subsequent years, the figure would rise to 100. Within eight years, it would be possible to replace the 160 doctors sent to the Congo by WHO. The problem in Rwanda and Burundi would be solved within a similar period.

It was therefore clear that if money could be made available for new medical schools, newly independent countries everywhere could plan to have a similar number of medical graduates.

13. With regard to operational staff, the World Health Assembly, in its resolution WHA15.22, reproduced in document E/3611/Add.1, annex C, had appealed to the General Assembly to arrange that EPTA, the Special Fund and the OPEX programme be given sufficient resources to finance certain health needs defined in section I of the resolution. Those resources were not required to meet the Congo type of crisis, but to meet the position in the newly independent countries as a whole; in many cases, independence had resulted in a decrease in health services owing to the departure of the existing staff and it was necessary to fill those gaps. What was required was medical staff to carry on day-to-day work, to staff hospitals, rural dispensaries, and so forth.

14. The medical research programme had been extended. Since 1958, WHO had participated in 185 research projects. Although communicable diseases had been given some priority, cancer, cardio-vascular diseases, malnutrition, immunology and many other subjects were also being examined.

15. His organization was very much interested in the development of the World Food Programme owing to the important relationship between nutritional problems and health. It was not only a question of distributing supplies but of knowing what was the right food in a given area.

16. The World Health Assembly and the Executive Board had made an extensive study of the question of co-ordination and had considered priorities and methods of work. Both bodies had been satisfied with the way in which co-ordination was proceeding; he hoped that the existing arrangements for collaboration which in reality were more effective than some people realized, would be maintained and strengthened, and that no new machinery would be superimposed that could interfere with the technical responsibilities of WHO.

17. Mr. MAHEU, Acting Director-General, United Nations Educational, Scientific and Cultural Organization, said that the UNESCO report (E/3621 and Add.1) would enlighten the Council on the main points of its work during the past year; he wished to add some explanatory remarks on his organization's spheres of action and on the general problems it encountered in stepping up its assistance for development.

18. International bodies had gone far in recognizing the capital importance of education in the economic and social complex; in that connexion his organization's increasingly close co-operation with the regional economic commissions, its growing responsibility in carrying out more than one-quarter of the projects of the Special Fund and its co-operation in the investment field with IDA were most significant. All those bodies had realized that education was an essential component of, and not a mere ancillary to, economic development. That trend had been due primarily to the governments themselves, stimulated as they were by the aspirations and demands of the peoples, who had everywhere become conscious

of the value of education, which they had come to regard not only as an inalienable right, but as a vital necessity.

19. That obviously implied increased responsibilities for UNESCO, and he would outline the way in which they were being tackled. In the first place, UNESCO endeavoured to help member countries to evaluate their needs in an expansionist setting, as well as their national resources and the outside assistance that would be required if the needs were to be met. The UNESCO also helped them in planning methods on the basis of their requirements and available means.

20. In that connexion, he would draw the Council's attention to the three regional conferences organized in 1962 at Santiago de Chile, Paris and Tokyo respectively and to the meeting of Ministers of Education of African Countries held in March 1962 at UNESCO House in Paris. Those conferences had been noteworthy on more than one score. Their preparation had required an intensive effort at integration on the part of the participating agencies, which had included, apart from UNESCO, the competent regional economic commissions, the ILO, FAO and in the case of the Santiago Conference, which had been the most complex from the standpoint of preparation and integration, OAS. The quality of synthesis had been apparent too in the attendance at the conferences, which had included not only educationists, but economists, financiers, planners, technicians and ministers. That had shown itself in the results: targets in quantitative terms had been fixed for each region; and before determining the amount of outside aid which would be required to attain them, the participants had realistically and courageously defined the individual efforts which the States had pledged themselves to make in order to devote, by 1970, 4 per cent, instead of the current 2 to 3 per cent, of the gross national product to education. Those three regional conferences had given UNESCO a clear idea of the goals to be achieved and a regional framework into which national plans could be fitted. The twenty-fifth Conference on Public Education recently held in Geneva and attended by representatives of eighty-two governments, which had been devoted mainly to the problem of education planning, had been the logical culmination at world level of the regional conferences; the standards it had laid down constituted a sound basis for developing international co-operation in the field of education.

21. In regard to educational planning, UNESCO was endeavouring to define the particular sectors in which international action could be most effective. It was furthering studies and research to that end and had just set up in the secretariat a division for the analysis of the role of education, science, technology and information in economic development. It was also sending to member States, upon request, missions to organize planning machinery; thirty such missions had already been sent. The extent and variety of the requests had, however, soon brought to light a shortage of specialists, and UNESCO had therefore been led to take up the problem of training planners; apart from the co-operation which it was to give the regional economic commissions in the future regional institutes for the training of planners and senior staff in education, it was going to set up in Paris an

international institute for the training of such planners and specialists.

22. The UNESCO was also concerned with out-of-school education, where two very different problems arose. The first was that of illiteracy, which affected 45 per cent of the world's population; UNESCO was in process of preparing a report analysing the situation and was proposing a plan of action to reduce illiteracy by 50 per cent in ten years. The cost of the programme was estimated at \$40 million a year, \$30 million to be provided by the States themselves and \$10 million through international co-operation; in due course the community of nations would have to decide whether it was prepared to put in an effort of that kind. The second problem was that of the continuation of education, for it was now considered that education should go on throughout life and not stop at school or university. In that field information media were called upon to play a leading role and UNESCO was laying stress on the needs of the developing countries. In that connexion he would stress the great significance of the launching of a satellite designed to retransmit television programmes, a scientific achievement which showed that the time had come to give serious consideration to the establishment of machinery for international co-operation to make full use, for the benefit of all mankind, of the immense possibilities now within its grasp and to avoid possible misuse.

23. The field of science was no less important, and it was to be expected that the forthcoming General Conference of UNESCO would pass solutions similar to those adopted in the field of education. However, in his organization's opinion, scientific national co-operation should not be restricted to the transfer, distribution and dissemination of knowledge; if scientific development was to be on a scale commensurate with mankind's needs, attention had to be given to the problem of planning research and training research workers just as in education. Moreover, science was not merely a matter of seeking knowledge and technical formulae; it implied first and foremost a spirit of objectivity and a constant practice of international co-operation. The UNESCO was very conscious of that aspect of science, as its activities in the arid zone and in the field of oceanography showed. It hoped that the same opportunity for co-operation would exist in connexion with outer space and that there, too, it could play its allotted role.

24. As to the problems encountered by UNESCO in its participation in assistance for economic development, there was first of all a problem of adaptation. Originally UNESCO had been concerned mainly with exchanges; now, however, 51 per cent of its projects were of an operational character and the number of experts on mission was about equal to that of officials at headquarters. Another problem was that of the growing regionalization which affected programmes, consultations with member countries and the structure of the secretariat.

25. Last but not least, there was the problem of the relationship between the activities financed out of the regular budget and the activities financed from extra-budgetary resources, particularly EPTA and the Special Fund; the time was drawing near when the extra-budgetary resources would equal the regular budget. Like

FAO, UNESCO was in favour of a policy of integration of financial resources, irrespective of source, for one and the same use; but that policy raised the question of the balance of programmes: all the organs of UNESCO considered that the regular programme constituted the indispensable technical basis and could not be subordinated to extra-budgetary activities. He would point out in that connexion that the extra-budgetary resources were insufficient to meet the administration costs at headquarters.

26. However important aid to development might be, UNESCO had another role which could not be neglected: it must work for peace by reducing obstacles to communications and mutual understanding among men. The removal of inequalities and barriers with a view to establishing fraternal relationships between people was its real *raison d'être*. In that connexion, measures to promote among the young generation the ideals of peace, mutual respect and understanding among the peoples, on which UNESCO had to report to the Council, were amongst its basic preoccupations.

27. Mr. WODAJO (Ethiopia) said that his government had always appreciated the wide variety of assistance which the United Nations family of organizations had been able to offer to the developing countries, thus enabling them to choose the precise type of assistance that would meet their specific needs. Nevertheless, desirable as the variety was, it had presented certain problems; for example, it had led to the creation of a highly complicated organizational structure, which had given rise to serious co-ordination difficulties within the United Nations system. His delegation urged United Nations organizations to work out a system of priorities which would result in the concentration of effort in certain selected fields. It would also like to see joint programmes undertaken by the United Nations and the specialized agencies, since, although economic and social under-development had many facets, it was essentially one single problem and should therefore be tackled on a number of co-ordinated fronts.

28. Valuable assistance had been provided to his country by UNESCO, FAO, WMO and ICAO, and the meeting of ministers of education of African countries participating in the implementation of the Addis Ababa Plan was of special significance to the Council, which had invited all members of the United Nations family to co-operate with the African countries in the implementation of the Addis Ababa Plan. The plan had been commended by the General Assembly at its sixteenth session, and a resolution (1717 (XVI)) had been adopted inviting all Member States to contribute towards the deficits that the African countries would be facing during the next five years in carrying out the modest but realistic educational targets which the plan contained. For the moment, the African countries had postponed the realization of compulsory education; the whole scheme was based on the assumption that education could be planned as a factor to speed economic development and attention would be concentrated on secondary and technical education. The African ministers of education had examined their national educational plans and budgets for 1962 and 1963 and had established a priority pro-

gramme for educational development. They had agreed that priority should be given to educational planning, teacher training, second-level education and adult education; national plans were being revised in the light of those decisions. The programme was in two senses a co-ordinated one. First, in such matters as the training of teachers, institutes for educational development and the production of textbooks, several of the States had joined together in sponsoring common institutions. Secondly, the programmes were integrated with over-all national plans and took into account surveys of manpower showing the industrial, commercial and agricultural needs in terms of human resources which educational institutions would have to meet.

29. It was not surprising that a co-ordinated programme of such importance required the help of all United Nations organs — not only those connected with finance and supply like TAB, the Special Fund, UNICEF and IDA, but also the ILO, FAO and WHO. The Council should now ask United Nations agencies to respond to that request from the African countries. The report of the meeting of ministers of education of African countries (E/3621/Add.1) might be examined by the Co-ordination Committee of the Council, which should note that the technical soundness of the programme had been endorsed by the Executive Board of UNESCO.

30. The meeting of ministers of education of African countries had also provided a detailed break-down of the financial deficit that would be faced in 33 countries, after taking account of the financial aid received in 1961, in implementing the Addis Ababa educational targets for the years 1962 and 1963. Those figures had been provided in response to the General Assembly resolution (1717 (XVI)) to which he had already referred, and the Second Committee of the General Assembly should consider the matter.

31. His delegation had noted with great interest the decision of the meeting to create a permanent conference of African ministers, the aims of which would be first to keep under continual review the Addis Ababa Plan and ensure its full implementation by the countries concerned and, secondly, to harmonize all sources of external assistance to the African countries in respect of educational development. His delegation welcomed the appeal to UNESCO and the Economic Commission for Africa to provide the permanent conference with secretariat services. There was no doubt that other members of the United Nations family associated with that enterprise would continue to provide the conference with their technical services and guidance. The African countries had been pioneers in evolving that unique instrument for co-operation and co-ordination. The Council should call the attention of the General Assembly to that development, in view of the General Assembly's recommendation (resolution 1717 (XVI)) that there should be a further conference of the African States in 1963.

32. In the light of those considerations, his delegation, together with that of Senegal, had sponsored draft resolution E/L.964 on African educational development; the draft resolution might be examined by the Council's Co-ordination Committee and dealt with in the appropriate manner.

33. Mr. EKLUND, Director-General, International Atomic Energy Agency, said that the work of IAEA of interest to the Council was described in its report (E/3612 and Corr.1).

34. The Acting Secretary-General had expressed his determination to devote all available resources to meet the challenge of the Development Decade and he (Mr. Eklund) too pledged the full co-operation of IAEA. Science had a vital role to play in any programme of development; indeed, the extent to which progress was made would depend first and foremost on the advance of science and technology and the extent to which they took root in the developing countries. For that, scientific equipment, supplies and scientific workers would not be enough and it would be essential to foster a scientific spirit and a recognition of its importance at all levels of government.

35. Changes in the developing countries during the Decade would also be greatly influenced by the strides made in technically advanced countries; and the United Nations had shown awareness of that fact by deciding to hold in 1963 the United Nations Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas, and by the steps it was taking to make beneficial use in meteorology and communications of discoveries in outer space.

36. Nuclear energy in a broad sense would obviously play an important part in scientific and technological development and the application of radioisotopes, an already well developed branch of nuclear science, could be expected to expand steadily in volume and range of uses. The first complete project for the application of radioisotopes in agriculture financed from the Special Fund had recently been approved and was the first for which IAEA would be the executive agency. He also hoped that the type of arrangement made with FAO, whereby the Agency served as its sub-contractor and used radioisotope tracer techniques to investigate underground water resources, would be followed in other hydrology projects that the United Nations and specialized agencies were carrying out for the Special Fund.

37. Nuclear power was on the threshold of being economically attractive, and during the coming ten years was expected to cross that threshold in some countries and areas. If expectations were correct, by the end of the decade it would have ceased to be a matter of experiment and of prototype testing and would have become one of the sinews of world industry. As the decade was to be an important one for nuclear energy, the Agency was engaged in preparing a long-term programme covering the period up to 1969, which it was hoped would be submitted to the IAEA General Conference in 1963. It was impossible to foresee events, but it was perhaps significant as indicated in the Agency's report that a number of developing countries were beginning to show definite interest in nuclear power projects to be launched with the assistance of the Agency.

38. For technical and economic reasons nuclear power was first becoming commercially attractive in industrial countries or enclaves in developing areas. For other countries the present stage was primarily a preparatory one. However, the promise of nuclear science had fired

the imagination of many governments in developing areas and had induced them to invest valuable resources in research, training reactors and related facilities. A research reactor was a complicated and costly tool operated by a category of workers that was scarcest of all in developing countries, so that it was important for such investments to be turned to the best account. One way of doing that would be to make nuclear science facilities the focus for scientific research in general including research in physical and even certain biological sciences. Possibly in the long run the Agency's contribution might extend to science and technology in a wider sense.

39. The conclusions of the Consultative Group's study on the economic and social consequences of disarmament (E/3593 and Corr.1) should do much to dissipate groundless fears about the dislocations that might ensue from disarmament. The communication from the Agency's secretariat (E/3593/Add.1) indicated that few sections of the economy would be more affected by disarmament than those concerned with the peaceful uses of atomic energy. The proportion of scientific personnel and resources devoted to military uses of nuclear energy was generally known to be preponderant in many nuclear Powers and the release of that personnel and those resources would give a great impetus to the peaceful applications of atomic energy and might bring forward the date on which it would become economic in many parts of the world.

40. As to regional co-ordination, it did not present problems to the Agency, as it had no country or regional representatives, but relied on the regional representatives of TAB for co-ordination of technical assistance in the field and, where necessary, co-operated with regional economic commissions or the regional offices of the specialized agencies. That collaboration had been most useful. The issue of greatest interest to the Agency was that of co-ordination at Headquarters.

41. With regard to priorities, three levels had to be established. First, those on the international level so as to ensure maximum impact on development; second, at the national level, and third, within a particular branch of the economy. As an example, a national atomic energy commission was continuously being faced with the choice of alternative applications of resources and it was there that a specialized body could play a particularly useful advisory role. Any new arrangements for international technical co-operation should permit the agencies to continue performing that role in close co-operation with their counterpart authorities in national administrations.

42. In the search for more effective means of deploying United Nations resources, the value of comparatively small projects should not be overlooked, a view that seemed to be shared by TAB, TAC and the Council itself. In the atomic energy field, for instance, the individual fellowship, expert or item of equipment could be very important. The provision of a single trained health physicist might affect a relatively large programme.

43. The means for providing experts and fellowships should be rapid and flexible and might require some continued delegation of that function to individual agencies.

44. The Agency's regular programme of technical assistance was financed entirely from voluntary contributions and experience had been that contributions remained at much the same level each year irrespective of the target set. That meant that the regular programme had not the flexibility to meet growing demands and that increasing reliance would have to be placed on EPTA and the Special Fund if technical co-operation activities were to be expanded. It also meant that it would be impossible for the Agency to take over the financing of individual atomic energy projects at present paid for out of EPTA funds. The Council should bear those facts in mind when considering new arrangements for the technical co-operation activities of the United Nations family.

45. Mr. URABE (Japan) said that the Japanese representative in his statement at the 1218th meeting on item 4 of the agenda had already expressed his government's support for an expansion of United Nations activities with emphasis on operational aid to developing countries during the Development Decade. The Secretary-General's proposals for action as set out in his report (E/3613 and Corr.2) were numerous, covered a wide field, and all seemed indispensable for the balanced economic and social growth envisaged in General Assembly resolution 1710 (XVI). Shortage of personnel and financial resources made it imperative for the United Nations and its specialized agencies to intensify their co-ordination measures so that resources could be concentrated where need was most urgent and the reward most promising.

46. He welcomed the high priority assigned to education and training in the Secretary-General's report and the efforts made by UNESCO and WHO to harmonize their policies and demarcate fields of responsibility. It was satisfactory that the criterion of maximum benefit to development plans should be applied in drawing up programmes. As a number of specialized agencies were initiating education and training projects, multi-lateral consultations in ACC and its sub-committees should be extended. It would also be appropriate for those organs to survey country-by-country and discipline-by-discipline needs in the field of education and training in order to establish to what extent they could be met.

47. In recent years the regional approach to co-ordination had been rightly emphasized and both regional economic commissions and resident representatives had been given wider responsibilities. The regional conferences of UNESCO and the manpower surveys of the ILO demonstrated the value of that approach. Each developing country knew best its own needs, and projects should be adjusted to fit them.

48. In its report (E/3625), ACC had recognized the high priority that should be given to aid in public administration. Initially, the United Nations had launched the OPEX scheme to help train local personnel, and since the specialized agencies were to enter the field, new co-ordination problems would arise. The *ad hoc* working group's suggestion (E/3647 and Corr.1, para. 45) that the execution of operational projects in public administration might be made the responsibility of the Bureau of Technical Assistance Operations was a good one.

49. If the suggestion made by the Japanese representative at the 1218th meeting that a special body be created to determine, in co-operation with the specialized agencies and other interested organizations, strategic areas for action during the Development Decade were to prove acceptable, his delegation could agree to winding up the *ad hoc* working group on co-ordination, useful as it had been to the Council. As all United Nations activities were to be concentrated during the Decade on implementing General Assembly resolution 1710 (XVI), the *ad hoc* group might be replaced by a special committee with terms of reference that did not compete with the responsibilities of ACC and its sub-committees, with which it should work closely. His delegation had wondered whether it might be possible to merge the *ad hoc* working group with the *ad hoc* Committee of Eight, but now that the Technical Assistance Committee was considering under draft resolution E/TAC/L.276 the maintenance of the latter, and with some justification, a separate committee seemed necessary for the Development Decade, though of course it would refrain from detailed examination of the matters covered by the *ad hoc* Committee of Eight. What he had in mind was a committee that would keep under constant review the activities of the United Nations and the specialized agencies in the economic, social and related fields during the Development Decade and which would, where appropriate, consult with the specialized agencies and ACC about the priorities to be established or activities that needed to be expanded in order to attain the objectives in view. The committee would submit to the Council suggestions on such action programmes, realizable within available resources, as were likely to give effective results. It could operate for two or three years or for the duration of the Decade and perhaps at a later stage might be merged with the *ad hoc* Committee of Eight.

50. There was one matter on which the Secretary-General's proposals were inadequate — namely, assistance for arousing popular enthusiasm for development projects. More consideration ought to be given to the way in which internal resources could be mobilized, a need which was mentioned in General Assembly resolution 1710 (XVI).

51. Mr. PORTELLA de AGUIAR (Brazil) expressed appreciation for the reports submitted, which by narrowing down the field to be examined had a definite advantage over comprehensive reviews because they enabled the Council to focus attention on a single problem at a time. The interesting statements on the activities of the specialized agencies together with their detailed reports provided, as always, valuable information. However, his delegation viewed with misgiving the increasing bulk of documents presented just before each summer session for consideration by the Council. He estimated that a total of 700,000 words needed to be read and digested in preparation for a conscientious review of and informed comment on the present item; the task was virtually an impossible one for the analytical capacity and memory of the normal human brain. It was therefore difficult to escape a sense of helplessness and frustration. The activities of the United Nations family must grow; the reports must become longer,

and co-ordination problems harder to solve. The only course open to delegations was to select a few subjects meriting direct attention for comment in the limited time available, which meant that the manifold activities, all of which deserved constructive analysis, were too hastily reviewed and justice was not done to the work nor constructive criticism offered. The Council could not hope to do more than scratch the surface of the many problems involved. All the measures initiated or planned were useful, but resources were limited and the main task, as usual, was to allocate them as best possible. It was almost superhumanly difficult to weigh up all the different factors in order to decide on future action.

52. The numerous problems of modern civilization were being tackled with traditional methods which were beginning to prove inadequate. The Council's efforts to deal with the item were no more than a legal fiction; it was pretending to control a machine that had become too big to handle, which had a life and momentum of its own, and which continuously churned out material that the Council was unable to digest. Much less could the Council issue clear directives from above. At best, it could only hope that the numerous component parts which it could influence directly would do such work as was needed.

53. He had no solution to propose for co-ordinating the welcome but uncontrollable expansion of activities, and could only point to the growing problem and suggest a possible approach. First, a single document centre should be set up to record the various activities of the United Nations family; the organization as a whole had outgrown its present methods for handling documents. The centre must direct itself to suppressing duplication, make it easier to locate important documents and provide for their wider distribution. Though the establishment of such a centre would entail technical difficulties and heavy expenditure, it would become necessary sooner or later and it would therefore be wise to study how it could be organized most efficiently. The centre would save time and labour not only for international organizations, but also for government departments, and would promote true co-ordination and a conscious direction of international action.

54. Because of the impossibility of considering the necessary measures individually, the only course was to establish guiding principles or criteria for drafting programmes and for decisions at all levels. In fact, such principles had already been outlined in General Assembly resolution 1710 (XVI). All existing programmes should be viewed in the context of their contribution to economic and social development, and those not likely to bear fruit during the Decade should be curtailed or discarded for resumption later when the most urgent problems of development were on the way to a possible solution. Resources were never sufficient and it was therefore logical to strive for a concentration of effort during the Decade. All other activities, however useful, should give way as far as possible to those contributing towards the main objective of development.

55. The Secretary-General's proposals for action represented a great step forward and together with the com-

ments and suggestions by delegations provided a number of guiding principles in all spheres.

56. Careful attention should be given to the proposal recalled by the Japanese representative for the establishment of a Council committee to work out priorities.

57. Mr. MARLIN (International Civil Aviation Organization) said that the ICAO report (E/3627) was as usual its Council's annual report to its Assembly, and would be supplemented by a summary of activities during the first half of 1962. The supplement was being issued later than usual so that it could be as up-to-date as possible for the ICAO Assembly's fourteenth session in August.

58. As the report indicated, no dramatic changes had occurred in 1961 in the civil aviation sector. There had been an unusually small increase in traffic, combined with a normal capacity increase, which had brought about a sharp decline in load factors. Substantial numbers of new turbo-jet aircraft had come into service.

59. Despite disappointing financial results for many of the world's airlines, gains in tonne-kilometres performed meant that there could be no slackening of governmental effort to provide aeronautical services and to set standards with ICAO help that would ensure efficiency and safety. The report gave details of the progress made in technical air navigation to keep pace with world-wide developments. It also dealt with ICAO activities in other fields covered by the Convention on International Civil Aviation, notably economic questions related to air transport, the joint financing by user States of facilities in certain other member States and on the high seas, a relaxation in documentary requirements and border formalities, and legal questions.

60. The two chapters in the report dealing respectively with the co-ordination of activities with the United Nations and specialized agencies and with technical assistance and relations with other organizations demonstrated that ICAO had continued to play its part in EPTA and had made a good start in several Special Fund training projects. The responsibilities of ICAO in the Congo, both operational and advisory, had grown. It had sought to maintain good working relationships with other agencies and had found the existing machinery of co-ordination adequate for all matters with which it was concerned.

61. The report also set out the views of the ICAO Council on the consolidated report entitled *Five-year Perspective, 1960-1964*.¹

62. The forthcoming Assembly was expected to review developments over the preceding three years and to lay down guiding lines for the organization's Council and its subsidiary bodies for another three-year period. Broadly speaking, the task would be to develop policies that would ensure the safe and orderly growth of international civil aviation throughout the world, which meant not only dealing with technical and other developments in the jet age but making adequate preparation for the advent of supersonic aircraft.

¹ United Nations publication, Sales No.: 64.IV.14.

63. Mr. DAS GUPTA (Universal Postal Union) briefly outlined the main features of his organization's work in 1961 and early 1962 as set out in the report (E/3615). The membership of UPU had reached the figure of 117 as a result of the admission of fifteen new States. Relations between UPU and its restricted unions had become closer, a fact which was bound to further the development of international postal communications, and, despite its limited staff and budget, the Union had managed to carry out an increasing volume of work.

64. With regard to its relations with the United Nations and the specialized agencies, UPU had submitted to the Council an application to participate in EPTA with a view to administering the postal projects in that programme and becoming a member of TAB; its application had been unanimously accepted by the Technical Assistance Committee. Within his organization, the postal administrations of member countries were already taking part in bilateral assistance by exchanging experts, fellowship-holders, trainees, documentation and information. The UPU would be happy to collaborate in the joint work of United Nations technical assistance in close liaison with the resident representatives as a means of improving international postal communications.

65. Apart from the priority problem of technical assistance, UPU had discussed other issues with the organizations of the United Nations family. It had endeavoured to make its contribution to those aspects of their work which fell within its province: it had helped in the preparation of the United Nations and UNESCO reports on freedom and development of information, and of the ICAO study of air transport costs, and it had published recommendations or suggestions by FAO, WHO and UNESCO for the issue of postage stamps in connexion with campaigns for cultural or humanitarian purposes. At the instance of UPU, ACC had decided to consult the International Bureau before member organizations issued such postage stamps.

66. As the date for its fifteenth Congress, to be held at New Delhi in 1963, drew nearer, UPU assured the Council of its intention to maintain the best possible relations with the various United Nations bodies and with the specialized agencies, since such relations represented a vital element in the accomplishment of its work.

The meeting rose at 5.55 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1224th meeting
Monday, 16 July 1962
at 10.50 a.m.

PALAIS DES NATIONS, GENEVA

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President : Mr. J. MICHALOWSKI (Poland).

Present :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Belgium, Bulgaria, Dominican Republic, Ecuador, Hungary, Indonesia, Ireland, Mali, Spain, Sudan, Sweden, Tunisia.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Bank for Reconstruction and Development, International Monetary Fund, World Health Organization, World Meteorological Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 19

**Report of the Commission
on the Status of Women (E/3606 and Rev. 1)**

REPORT OF THE SOCIAL COMMITTEE (E/3672 and Corr.1)

1. The PRESIDENT drew the Council's attention to the report of the Social Committee (E/3672 and Corr.1) and invited it to vote on the draft resolutions I to VI contained therein.

I. REPORT OF THE COMMISSION

Draft resolution I was adopted unanimously.

II. EQUAL PAY FOR EQUAL WORK

Draft resolution II was adopted by 15 votes to none, with 2 abstentions.

III. ACCESS OF GIRLS AND WOMEN TO ELEMENTARY EDUCATION

Draft resolution III was adopted unanimously.

IV. STATUS OF WOMEN IN PRIVATE LAW

A. INHERITANCE LAWS AS THEY AFFECT THE STATUS OF WOMEN

Draft resolution IV A was adopted by 16 votes to none, with 2 abstentions.

B. LEGAL STATUS OF MARRIED WOMEN

Draft resolution IV B was adopted unanimously.

V. UNITED NATIONS ASSISTANCE FOR THE ADVANCEMENT OF WOMEN IN DEVELOPING COUNTRIES

Draft resolution V was adopted unanimously.

VI. ADVISORY SERVICES PROGRAMME

Draft resolution VI was adopted unanimously.

AGENDA ITEM 3

General review of the development, co-ordination and concentration of the economic, social and human rights programmes and activities of the United Nations and the specialized agencies as a whole (E/3611 and Add.1-2, E/3612 and Corr.1, E/3615, E/3620 and Add.1, E/3621 and Add.1, E/3623 and Add.1-3, E/3625 and Add.1, E/3627, E/3630, E/3632, E/3642, E/3647 and Corr.1, E/3651, E/3657, E/3660; E/L.961, E/L.964)

GENERAL DEBATE (*continued*)

2. Mr. JENKS (International Labour Organisation), introducing the report of the ILO (E/3620 and Add.1), said that the successive debates on the progress of co-ordination during the past sixteen years had been marked by a combination of recurring themes and changes of emphasis; that discussion would be coloured by the consciousness of greatly enlarged tasks and the foreknowledge of perhaps yet greater ones, as foreshadowed during the debate on item 5.

3. The Director-General of the International Labour Office had indicated in his statement on item 4 (1215th meeting) that the challenge of the Development Decade could only be met effectively by intensifying and unifying the action of the whole United Nations family. In gauging needs, account would have to be taken of all that had happened in the respective organizations and the world at large as a result of the emergence in a short span of time of many new nations and the quickening aspirations for

better standards of life in a larger freedom throughout the world, the political structure of which had radically and permanently changed in recent years.

4. The original purpose of the United Nations system had been to save succeeding generations from the scourge of war by the practice of tolerance and good neighbourliness in a world dedicated to the dignity and worth of the human person and pledged to the promotion of economic progress as an avenue to social justice. The underlying assumption had been that the United Nations could be built on a foundation of international relations bequeathed by the slow processes of history. Internal peace, order and good government, orientation of economic policy, institutions and ways of life, were regarded as exclusively a national concern and national attitudes in those matters were taken for granted as the raw material with which the United Nations system must work. In the past, the world had looked to certain acknowledged centres of political authority and influence as the main source of stability and progress but that was no longer the case, and political maturity was now more widespread than ever. However, more than ever the world needed stability and progress, and only the United Nations system could fill the role previously played by particular nations or groups of nations. Such a conception of its role called for its further development far beyond what the boldest imagination would have thought practicable within the lifetime of those who had attended the San Francisco Conference. Recent changes had been so far-reaching that the United Nations had become the backbone of a new world society with the virtues and weaknesses of youth: that fact was responsible for the problems and tasks facing both the ILO and the Council.

5. The greatly enlarged membership of the United Nations and the specialized agencies, the increasing calls upon them for a wide range of new services, the greater need to combine foresight with hard-headedness were all aspects of the same problem. Those changes and developments had a fourfold impact on the issues annually discussed under the co-ordination item: they had profoundly affected the nature, content and emphasis of much of the work and the relative scale of priorities; they had demanded a reconsideration of traditions and habits, methods, forms of organization, rules and procedures; they had greatly enlarged the scope and need for a positive and concerted approach by the whole United Nations to a wide range of new political, economic and social problems; and they had increased the complexity of co-ordination. More than ever before a comprehensive view was needed to decide how requirements could be most effectively met.

6. The impact of the changes in the ILO's work were fully reflected in its report. Traditional activities had been maintained, though it had become increasingly difficult to keep up research, both in volume and quality, at a time when resources were severely strained by the constant expansion of operational activities. That presented a major problem because research had so great an influence on the efficacy of future policy.

7. The process of ratification had continued with 2,560 ratifications registered. The results secured in the realm of human rights were particularly striking. To date,

the 1930 Forced Labour Convention had received 80 ratifications; the 1957 Abolition of Forced Labour Convention, 57; the 1949 Freedom of Association and Protection of the Right to Organise and Collective Bargaining Convention, 58; the 1921 Right of Association (Agricultural) Convention, 66; the 1951 Equal Remuneration Convention, 40; and the 1958 Discrimination in respect of Employment and Occupation Convention, 38. Those ratifications represented a further substantial advance on the figures he had supplied at the thirty-second session, particularly in the case of the last convention, which had received twelve additional ratifications during the past year. Ratifications already deposited were a challenge to countries which had not yet taken action. The ILO would not rest until those fundamental human rights conventions had become universally applied. Both the Governing Body and the Conference were keenly alive to their responsibility for ensuring that countries matched their pledges by performance, and the ILO's report recorded further important developments in the procedures for supervising the execution of obligations assumed.

8. Expenditure on training had increased 50 times during the past ten years and the ILO was serving as executing agency for 35 Special Fund projects of a total value, including counterpart funds, of over \$74 million. The emphasis in all that operational work was on improving human skills, without which there could be no self-sustaining economic growth, and on creating conditions for dynamic but orderly social progress, without which no economic advance could achieve its main purpose of contributing to freedom and welfare. Adjustment of the programme to changed needs, with increasing stress on educational programmes, was equally important.

9. The point had been reached at which it would be timely for the International Labour Conference to make a comprehensive review of the response of the ILO to the crisis of growth in which it was involved. At the recent forty-sixth Conference, the Director-General had listed a series of questions that ought to be considered in any critical self-examination by the organization of its place in a changing world. They included: the role of the Conference and its methods of work; the need for more regional work to bring the ILO into closer contact with local realities and increase its practical effectiveness without detracting from its universal character and mission as a unifying force in a world where regional divisions were all too strong; the importance of associating employers and workers more closely with new activities, such as technical co-operation and education; the extent to which existing conventions and recommendations needed review in the light of new conditions everywhere; the adaptation of the structure of the Office so that it could deal better with a growing volume of operations, without prejudice to other responsibilities and in such a manner that it could look ahead and anticipate new needs. Those were domestic problems, similar in some respects to those of other members of the United Nations family, but having many special features by reason of the nature of the ILO's responsibilities, their close connexion with some of the most controversial national and international issues, and the unique structure of the ILO and its abiding concern with the freedom

and dignity of man. The Conference would have an opportunity of considering the whole matter fully in 1963 on the basis of a report to be prepared by the Director-General.

10. The problems confronting the United Nations family as a whole reflected the same fundamental forces as were shaping the development of the ILO, and required a similar approach. The ILO fully concurred with the Acting Secretary-General's endorsement at the 1222nd meeting of the conclusion reached two years previously by the Committee on Programme Appraisals that the nations had available international machinery capable of carrying out effectively a far wider programme than had so far been undertaken. In some respects that machinery might need to be supplemented, though chiefly by bodies for undertaking special operational tasks, but by and large there was less need for new machinery than a more imaginative use of the latent possibilities in the existing machinery. That was true in the spheres of education and training, industrial development and public administration which ACC and the Council's *ad hoc* Working Group on Co-ordination agreed should be given special consideration during the current year.

11. In respect of education and training, the ILO would continue to pursue vigorously the policy of fuller co-ordination, the first fruits of which had been recorded on several occasions by ACC. The Council would have noted that the measures already taken to secure a more co-ordinated approach in Africa and Latin America had been extended to include Asia. He fully shared the view expressed by the Australian representative in his statement on item 4 that training must be a first priority (1218th meeting).

12. He welcomed the insistence of the Council's *ad hoc* Working Group on Co-ordination that there should be closer co-operation between the United Nations, the ILO and IBRD in regard to industrial development (E/3647, para. 22), and agreed that the immediate objective should be to ensure consultation between them from the earliest stages in the planning of activities. The ILO looked forward to working closely with the Commissioner for Industrial Development with that end in view. Training, productivity, management development, relations between labour and management and small-scale industries were the most important aspects of the extensive practical work on which ILO was already engaged which could make a direct contribution to industrial development.

13. The ILO had co-operated in the review of public administration programmes by the consultants appointed by the Secretary-General (see E/3630), and had found their conclusions balanced and wise.

14. Rural development would need more detailed consideration in 1963 in the light of an intensive examination of the whole matter by ACC. As the Director-General of FAO had said at the 1222nd meeting, it was not merely a matter of agricultural techniques, but one that involved the whole structure of society and, as the ACC report indicated (E/3625, para. 130), was a major element in the problems of general economic and social development calling for intensified co-operation among the international organizations concerned. The commitment of the

ILO was a particularly heavy one towards emerging nations which had repeatedly stressed their desire that it play a larger part in helping them solve their problems of rural development within the broadest context of economic and social policy. Those priorities were typical illustrations of problems for which the United Nations family had to accept a far greater burden of responsibility supported by far greater resources than would have been thought necessary a few years previously. The future of the world might well depend on the way in which those tasks were tackled, and success was more likely if they built on existing foundations instead of attempting to improvise new machinery at each new phase.

15. In the same spirit of seeking a balance between change and stability, the ILO was approaching the problem of achieving wider and more effective co-ordination, but it had no illusion about the possibility of achieving that end by attempting to impose new forms of centralized authority upon living forces which were working towards increasing dispersion of authority throughout the world, a process which neither the improvement of communications nor the impact of modern technology had been able to avert.

16. The difficult readjustments made necessary by the changed scale of responsibilities had strengthened his organization's belief in the importance of finding an equilibrium between autonomy and intimate partnership. Those urgent readjustments related to programmes of work, the composition of representative bodies and the relationship of responsibility and financial resources. Much could be learned from common experience, but the readjustments would be made more readily if each specialized agency remained free to do so in the manner suggested by its own special needs. Those considerations confirmed the wisdom of the policy decisions embodied in the Charter of the United Nations that there should be what the Acting Secretary-General had described at the 1222nd meeting as a decentralized system of institutions. Far from representing the dead hand of the past, it reflected the political realities of contemporary civilization; decentralization was not a synonym for chaos. The ILO, in its relations with the United Nations, made no claim to sovereignty, but only to an effective voice in the implementation of a general policy laid down in its constitution and the Declaration of Philadelphia. It could not abate that claim without betraying its trust, particularly at a time when economic security and equality of opportunity remained widely unattained, when prosperity depended more than ever on the elimination of poverty, and when the future of personal freedom and that of social justice had become completely interdependent.

17. As far as co-ordination was concerned, the ILO believed in dynamic pragmatism. It excluded nothing that was dictated by real practical need, provided any course of action was preceded by proper consultation to determine what was necessary and how it could be achieved. The ACC was the natural instrument for such consultation which enabled the executive heads of each organization to consult their governing bodies and secure whatever policy adjustments might be necessary; its report recorded a whole series of measures which exem-

plified that process. It was his duty to say plainly that no new machinery was needed for the Development Decade. The Council, by reason of its central position under the Charter, and ACC, by reason of the executive authority of its members, were the only two bodies that could effectively contribute to co-ordination of an undertaking on the scale of the Development Decade. The ILO would co-operate fully in ensuring that the necessary co-ordination was achieved in that way, but he must reserve the attitude of the Governing Body towards any new machinery suggested until it had been informed of the exact reasons why it was thought necessary, what its task was to be and how it was to be carried out. The ILO Conference had not contemplated any new machinery when it had pledged its full co-operation in the Decade. If, as time went on, specific needs for new measures of co-ordination for particular purposes emerged during the Decade, the ILO would loyally play its part in applying them.

18. It was vitally important that co-ordination should not dilute executive responsibility: the combination of responsibility to fully representative bodies qualified to interpret the wishes of all members of the organization with a wholly impartial executive was as essential to an effective international organization as it was to good government. That did not reduce the need for full co-ordination in the framing of policy and in field operations, but had a major bearing on the manner in which co-ordination could be effected. In the world as it was nothing could be well administered that was not based on general consent. He therefore pleaded for an effort to create and consolidate that general consent so as to transfigure the process of co-ordination into one of self-sustaining growth. That was the task in the accomplishment of which ACC hoped to act in fruitful partnership with the Council. The ultimate test was what had been done to further the cause of human freedom and dignity, to banish fear and want and to promote greater economic security and equality of opportunity. The ILO was pledged to work for those aims, and would co-operate fully in any action that would contribute towards their attainment.

19. Mr. CZARKOWSKI (Poland) said that the institutional forms of the United Nations system had been elaborated in a different historical situation from that of 1962, but as new tasks arose the system had to be adapted in strict conformity with the principles of the Charter and General Assembly directives. The importance of co-ordination had grown and it was essential to achieve the most effective use of resources. Perhaps there were too many co-ordinating organs, entailing considerable expense and additional work for the United Nations and the specialized agencies. Excessive co-ordination might create confusion rather than harmony and hinder steady progress. With the greater expansion of activities, co-ordination must be simplified and must not distract staff from their primary duties. With those considerations in mind, his delegation could not support the suggestions for new co-ordinating machinery such as the committee contemplated by the Japanese representative at the previous meeting. The Development Decade did not entail a new set of activities, but a continuation of existing ones on a bigger scale accompanied by a concentration

of effort. Existing machinery could serve the purpose which the Japanese representative had in mind but must, of course, be improved where necessary and used to the best effect. Another objection to the suggested new committee was that it might conflict with the aims of the General Assembly resolution 1709 (XVI). He had been pleased to note that the ILO shared that view.

20. The discussion on the item under consideration enabled the Council to examine the relative emphasis being given to the various activities within its purview. Too little attention was being paid to international trade, the expansion of which was so important in the interests of economic co-operation. If co-ordination were to be effective, the order of priorities must be carefully scrutinized and action taken whenever it became clear that a project was ceasing to serve a useful purpose. With the increase of international economic co-operation, contributions from Member States were not keeping pace with needs, and it was therefore necessary to eliminate obsolete programmes so as to release resources for more pressing ones. The *ad hoc* Working Group on Co-ordination had rightly stressed in its report activities in education and training, industrial and rural development (E/3647). Those activities should be expanded in a balanced way, taking into account the economic structure of the countries concerned. There the regional economic commissions and the Committee for Industrial Development, as well as regional planning institutes, had an important part to play.

21. Special attention should be given to training local personnel in the less developed countries. His delegation could not support the proposed expansion of OPEX activities because they had led to administrative functions in such countries being taken over by United Nations experts. The machinery of the United Nations and its specialized agencies must not be used to infringe the sovereign rights of countries receiving assistance or to fulfil purposes contrary to the Charter. He had therefore noted with regret from paragraphs 71 and 72 of the *ad hoc* Working Group's report that co-ordination with non-United Nations programmes should be carried out at the Headquarters level and that the development of co-ordination might provide the basis for associating United Nations aid with aid from "other sources"; unlike United Nations aid, the latter often had political conditions attached. The absence of such conditions had greatly enhanced the Organization's prestige and the confidence it enjoyed and such a move would be damaging to it and contrary to the Charter.

22. Both the ACC report and that of the *ad hoc* Working Group ascribed an importance to the role of resident representatives which was inconsistent with the rule that responsibility for co-ordination at country level must be borne by the governments of recipient countries. That rule had been accepted by the *ad hoc* Working Group and reaffirmed in Council resolution 851 (XXXII). If the ACC view were upheld, the administrative costs of technical assistance would be greatly increased. He was also not clear whether the relationship between resident representatives and the executive secretaries of regional economic commissions fully respected the prerogatives of the commissions as envisaged in General Assembly resolution 1709 (XVI).

23. The rule of equitable geographic distribution should be strictly applied to the important posts of resident representatives and he would like to be informed of the present situation in that regard. Technical assistance staff should be drawn from all countries and not just from a certain political group. The same principle should hold for all personnel employed in economic, social, scientific and technological activities, particularly when additional technical assistance funds were being sought. The Polish representative in his statement on item 4 (1217th meeting) had already pointed out that the United Nations was not making full use of the contributions offered by socialist countries to EPTA and other programmes, and that experts from those countries were seldom engaged, one of the reasons being that the procedure for accepting experts was too protracted and bureaucratic. His delegation would have more detailed comments to offer and some new points to raise on the item during the discussion in the Co-ordination Committee.

24. Mr. DAVIES, Secretary-General, World Meteorological Organization, said that it would be clear from the annual report of the World Meteorological Organization (E/3642) that the year had been one of steady progress and development in the fulfilment of the programme of his organization, and that there had been close co-operation in all fields of interest to the United Nations and the other specialized agencies. The fact that, in the section of the report dealing with the action taken on recommendations of the General Assembly and of the Economic and Social Council there were no less than twenty-five different sub-sections, indicated the close co-ordination of WMO activities with those of the United Nations. Of those twenty-five items, he proposed to select four which seemed to be of particular interest and importance.

25. In its resolution 829 B (XXXII), the Council had drawn attention to the various applications of meteorology to economic development and had noted the serious deficiencies in the networks in meteorological stations in many parts of the world. That resolution had served a very useful purpose; although the situation was still far from being completely satisfactory, good progress had been made in remedying it. The importance of that resolution had been accentuated by developments in relation to outer space and to the full utilization of data from meteorological satellites, a subject to which he would refer later.

26. The General Assembly, in its resolution 1629 (XVI) on the effects of atomic radiation, had invited WMO "to examine urgently the feasibility of extending the present meteorological reporting system to include measurement of atmospheric radio-activity...". It was one of the main functions of WMO to co-ordinate the activities of the countries in taking standardized atmospheric observations, and in that field it had built up a store of knowledge and experience which it could use in implementing that resolution. Nevertheless, as measurements of atmospheric radio-activity involved other than purely meteorological questions, WMO had consulted the United Nations Scientific Committee on the Effects of Atomic Radiation and IAEA before preparing a plan giving effect to the General Assembly resolution. The plan was

being examined by those two bodies and, if they agreed, it would be introduced without further delay.

27. Under General Assembly resolution 1710 (XVI), the current decade had been designated the Development Decade. In that connexion, as he had pointed out at the 1219th meeting, there were many ways in which meteorological and hydro-meteorological factors affected economic development; he had referred briefly on that occasion to the use of man-made satellites for meteorological purposes.

28. In accordance with the terms of General Assembly resolution 1721 C (XVI) concerning international co-operation in the peaceful uses of outer space, WMO had prepared its "First report on the advancement of atmospheric sciences and their application in the light of developments in outer space" (E/3662). Scientists, not least those engaged in the study of the atmosphere, had been particularly interested in the launching of Sputnik I on 4 October 1957, since it had offered the first opportunity of observing the atmosphere from beyond the atmosphere. The launching of Explorer VII and of the Tiros series of meteorological satellites had shown that the atmospheric sciences and their practical application could be greatly advanced by that new technique of observation. In the first place, meteorological satellites could carry cameras; since a satellite-borne camera orbiting at an altitude of several hundred kilometres could scan at any one time thousands of miles of the earth's surface, it meant that, by a combination of photographs, views covering huge areas of the earth's surface were obtainable. Hence the cloud systems associated with storms and their atmospheric features became clearly apparent. Cloud observations had already proved of great value in synoptic analysis and forecasting in regions from which conventional data were sparse, such as the ocean areas. It had, in fact, been found possible to locate tropical storms and extra-tropical depressions in a manner that would otherwise have been impossible. Moreover, snow and ice-fields had been identified on many of the satellite photographs. The geographic extent of snow-covered land areas should provide information on water resources available for irrigation, river navigation and water power, while the determination of the horizontal extent of ice-fields and of open-water areas and passages would be of assistance to shipping in ice-locked harbours and waterways. The location and extent of snow and ice-fields would serve as natural indicators of seasonal variations of global weather patterns. Radiation measurements, particularly infra-red measurements, could also be taken from satellites. Developments in satellite techniques might make it possible to discover by radar the presence of precipitation areas and whether the precipitation was in the form of rain or snow. It might also be possible to observe lightning discharges on a global scale.

29. The terms of the General Assembly resolution were very broad, and in fact involved a complete reappraisal of the atmospheric sciences and their application in the light of satellite developments. As those were tasks that could not be fully accomplished in the few months that had passed since the adoption of that resolution, the WMO report should be regarded as a preliminary document; further studies and reports would be needed to

complete the proposals put forward in the report and to ensure that the aims of the resolution were fully attained. The WMO suggested that it should submit such reports at appropriate intervals.

30. A clear distinction was drawn in the report between the operational and the research aspects of the proposals put forward. So far as operational questions were concerned, the system known as the World Weather Watch was envisaged whereby the data from a system of meteorological satellites would be combined with the conventional data from surface stations to maintain a continuous watch on weather systems over the whole globe. Through a system of world centres and regional centres the information would be made available to all countries of the world. Washington and Moscow had already been designated as world centres; a third world centre in the southern hemisphere was planned.

31. The scheme would involve improved telecommunications facilities for the rapid dissemination of the information throughout the world; improvements in the network of service stations would be necessary in some areas to ensure that the maximum use was made of satellite data.

32. The report proposed to the next World Meteorological Congress that a committee of high-level scientists should be established to advise on all aspects of research in the atmospheric sciences. In order to enable the preliminary work to proceed, WMO had already established a provisional group of scientists and the first meeting would take place later in the year.

33. Reference was made in General Assembly resolution 1721 C (XVI) to the financial arrangements required to achieve its ends. As the report pointed out, precise figures could not be submitted without further study; nevertheless, some specific financial proposals were made. In the first place, all countries were urged to do everything possible within national programmes and budgets to implement the proposed plan of action. As, however, further external assistance would no doubt be necessary in some cases, the report suggested that requests for assistance under the Expanded Programme and the Special Fund to implement the plan should be given sympathetic consideration. Since that form of assistance might not suffice, it recommended that consideration be given by the United Nations to the adoption of some special financial arrangements for the implementation of the plan and it tentatively suggested the creation of a United Nations World Weather fund. His organization hoped that the Council and the General Assembly would give careful consideration to those proposals.

34. One of the most pleasing features of the discussions which had taken place concerning the implementation of General Assembly resolution 1721 (XVI) had been the friendly and willing co-operation shown by the other specialized agencies concerned. In addition, both the Soviet Union and the United States had placed the services of high-level scientists at the disposal of WMO.

35. The Council would no doubt realize from his account of WMO activities that due attention had been given at all times to the need for full co-ordination and collaboration with the United Nations, the specialized agencies, IAEA and also with non-governmental organizations.

36. Mrs. WRIGHT (Denmark) said that the purpose of the Council's co-ordinating machinery was to divide the different tasks among the existing organs, to avoid duplication and to find ways in which closer links between the various operations could further harmonize and enhance the effectiveness of policies within the United Nations family. The annual reports of ACC had become increasingly valuable and constructive, and there was an atmosphere of mutual trust and respect between that body and the Council which encouraged true teamwork and the exchange of ideas to meet the challenge of opportunities of the Development Decade.

37. Her delegation shared the ACC view that, for the time being, the creation of new inter-agency machinery for co-ordination and concerted action should not be envisaged but, rather, the more intensive use of already existing facilities. Her delegation was glad to note from the twenty-sixth report that ACC had given special consideration to education and training. All agencies dealing with development seemed to agree that the most serious obstacle to further progress was the insufficient supply of trained personnel not only in the developing countries but also in the industrialized countries. It was therefore natural that the Committee should invite further co-operation from governments in increasing the supply of experts and teachers. The Danish authorities and the Danish National Committee of Technical Co-operation would do their utmost in that respect. There was no doubt, however, that it would facilitate their efforts to release qualified personnel if the receiving governments and the recruiting agencies exercised the utmost responsibility in making requests. If a suitable person was released after great efforts, but was in the last instance not considered for final appointment, it was likely to be more difficult to comply with the following request to be received. In that connexion, ACC had expressed the hope that recipient governments would avoid asking for experts who were too highly qualified for a particular assignment.

38. Although in the final stage of development education should be a human right, priority should be given, in the initial period, to achieving the most harmonious balance in the training of adequate personnel to fill the different cadres required by the development plans of the recipient countries themselves. It was satisfactory to learn that the activities of UNESCO in general education policy and in technical education were being increasingly co-ordinated with those of the other agencies in the matter of vocational training.

39. In that connexion, her own country's experience showed that great benefits could be derived from combining practical work with theoretical training. Training programmes should not create a class of white-collar workers unable to participate in the actual work process. Moreover, in the early stages of development, excessively specialized training might actually hamper the rapid implementation of development plans.

40. The reports of both ACC and the *ad hoc* Working Group on Co-ordination (E/3647) stressed the urgent need for concerted action to improve living and working conditions in rural areas. At the invitation of the Government of Tanganyika, the four Scandinavian countries intended to

establish jointly a rural educational centre in Tanganyika comprising a farm institute, a secondary school and a health centre. In her delegation's opinion, such joint action tended to promote development, because it gave common inspiration to all concerned and was the quickest and most effective way of achieving tangible results.

41. One important consequence of the modernization of any society was the increased interdependence of the various sectors of the economic structure. The self-sufficiency well known in many of the less developed communities was non-existent in an industrialized society, where every family, community and country was heavily dependent on other groups. If the process of industrialization in the developing countries were to take place within a short span of time, as was generally hoped, it would not be possible for the population to be integrated into a new form of society in the course of a few years unless they could see for themselves the way in which the different elements of the modernizing process were interrelated and unless they were willing to play their part in that development.

42. The concerted action of various international bodies in their efforts to assist the developing countries could be termed "education in modern living" because it was a practical demonstration of the necessity of co-operation in an integrated society. Output from farms with modern machinery depended on skilled personnel to tend that machinery; educational facilities were useless if children were unable to take advantage of them through malnutrition; consequently, an ample supply of foodstuffs and medical services was complementary to schools; and, in their turn, farmers or doctors could not acquire their skills without specialized education. Accordingly, her delegation had noted with the greatest interest the high priority given by the African countries to education; in that respect the Addis Ababa Conference of African States on the Development of Education in Africa held in 1961 had proved its worth. Each African country had reviewed its national educational budget and, with the help of the specialized agencies, they were studying how best to implement the recommendations and suggestions offered by the Conference.

43. The need for advanced education in Africa was so great that, even if each of the African countries invested 4 per cent of its gross national product in education, they would still fall short by about \$175 million of their educational goal for 1962/63. Denmark had supported General Assembly resolution 1717 (XVI); but since it was perfectly clear that the sum in question could not be financed either by the regular programme of technical assistance or by EPTA or by the Special Fund, it seemed to her delegation that that was a matter in which governments willing to lend bilateral financial support should be able to do so under the auspices of the United Nations. Whenever the overall purpose was approved by all States Member of the United Nations and was given priority by the recipient countries themselves at a national as well as a regional level, it should be possible to combine the advantages derived from bilateral programmes with those derived from multilateral programmes under United Nations auspices. In view of those considerations, her delegation endorsed the view expressed by ACC

that the question of the co-ordination of United Nations programmes with the programmes of other multilateral or bilateral agencies or private foundations was of increasing importance. Her delegation would suggest that the Council should give additional attention to the problem of co-ordination with non-United Nations programmes, which accounted for the bulk of the assistance granted to the developing countries. Co-ordination at Headquarters would be facilitated if the donor countries advised the United Nations of the content and scope of their assistance programmes. In the recipient countries themselves, co-operation depended on those countries and on the extent to which they recognized the advisability of informing the United Nations of their own development programmes and priorities.

44. So far as future co-ordination was concerned, the Council might wish to consider whether the continued existence of the *ad hoc* Working Group and of the *ad hoc* Committee of Eight was justified and whether they should be combined. In suggesting a possible amalgamation of the two (E/3647, para. 63), the Working Group had wished to reduce as much as possible the requests for documentation and studies which added a heavy burden to the secretariats of the United Nations and the specialized agencies. Since then, the representative of Japan, speaking at the 1218th meeting of the Council, had proposed the establishment of a special committee to keep under constant review the activities of the United Nations and its related agencies in the economic and social fields during the Development Decade. Her delegation would not oppose the establishment of such a committee, provided that its members were chosen from among the members of the Council, TAC and the Governing Council of the Special Fund.

45. The success or failure of the Development Decade would in the final analysis be judged by the developing countries themselves. If the United Nations succeeded in assisting those countries in accordance with their priorities while safeguarding their cultural traditions, if it enabled them to establish development plans with full knowledge of the cost of alternative procedures and programmes, and if the United Nations systems of help increased national participation in world wide development, it might well be hoped that the general stimulus from the concerted efforts of the United Nations family would lead to higher standards of income and a better and richer life for all.

46. Mr. WALKER (Australia) said that the Council should first decide what was the aim of co-ordination, which, as the report of the *ad hoc* Working Group noted (E/3647, para. 57), was not an end in itself. The ultimate aim was no doubt to make the most effective use, for the purposes agreed upon, of the resources in money and personnel at the disposal of the United Nations family as a whole. In terms of money, those resources consisted almost entirely of funds provided by governments. So far as the staff were concerned, the Secretary-General had stated in his observations on the programmes of work (E/3657, para. 98) that, both at Headquarters and in the regional commissions, the expansion of operational activities corresponded to an administrative burden which became increasingly heavy in relation to the exist-

ing level of staff resources. Similar statements had been made on behalf of the specialized agencies. One of the difficulties in inducing governments to provide more money for such work was the need to convince them that the money would be well spent; it was not likely that funds would be forthcoming unless governments and peoples were able to endorse the purposes of the current and proposed expenditure and unless there was some assurance that administration would be reasonably efficient. Members of the Council had a duty to endeavour to ensure that the right things were done and done efficiently. The Development Decade had simplified the problem of co-ordination by providing a more compelling central purpose; on the other hand, it made it more forbidding because it laid an obligation on all to achieve practical results; failure in co-ordination, however, could lead to failure in subsequent achievement in the Decade.

47. Part of the problem arose from the fact that it had been decided in the early days of the Organization that there should be a series of specialized agencies, each with its own constitution and staff and in some cases with different membership; the idea had been that more would be achieved if each agency concentrated on a particular field. It was something of a compliment to the ILO record under the League of Nations that that method of a series of specialized agencies had been followed. But it had also been intended from the start that their activities should be co-ordinated by the Economic and Social Council, which would make recommendations to the specialized agencies and to governments. No centralized direction of the specialized agencies had thereby been implied.

48. Serious co-ordination difficulties existed; the solution of the problem had undoubtedly been facilitated by the machinery established by the United Nations and the specialized agencies — in particular, ACC — which had again produced an impressive report.

49. Co-ordination in the narrow administrative sense was a somewhat different problem from the problem of priorities. To some extent it took a negative form, like the avoidance of duplication of activities or staff, the elimination of unnecessary documentation and of unnecessary requests to governments for information; it was also concerned with inflationary competition between the agencies for the limited qualified staff available. On the positive side, there was co-operation; division of labour was effective only when there were effective measures of co-ordination. What might be called jurisdictional disputes arose occasionally; it was important to recognize

the work done by ACC in solving such problems in a constructive way without bringing them before the Council, although in the last resort that course was still open. It was to be noted that, when a specialized agency had a clear primary responsibility in a given field, that agency should be asked to assume the role of initiating co-operative action; a possible example was the role of FAO in co-ordinating rural development.

50. Perhaps the more difficult side of the problem of co-ordination was the problem of priorities. Much of what the United Nations did was done in response to requests from governments. Governments had to determine their own priorities, although on the other hand the United Nations system, with its not unlimited resources and its knowledge of what it could do, sometimes had to choose firmly between different requests coming from different governments. The *ad hoc* Working Group on Co-ordination had pointed out that, unless there were completely unlimited resources, some things of lower priority had to be scaled down or eliminated. Priorities could be subdivided into technical priorities and priorities of purpose. Some activities took precedence over others; the foundations of a house had to be laid before the walls could be built, which established technical priorities. Those included such basic matters as training, surveys of natural resources and the data essential for large-scale projects. The United Nations itself could help governments with technical advice in establishing such priorities. But, so far as priorities of purpose were concerned, it was for governments to determine the direction in which they wished to go and to establish a balance between the economic and social goals which they wished to attain. That was a matter of value judgements; various activities of the United Nations influenced the values followed in each country. It had to be borne in mind that the Council was concerned with priorities for international action. A distinction had to be drawn between problems to which governments themselves had to direct attention and action which the international system had to take.

51. His delegation had been interested in the Japanese representative's suggestion of a group to consider the question of priorities (1223rd meeting), and the subsequent suggestion that it be linked with the work that the *ad hoc* Working Group had been asked to undertake. His delegation found the latter suggestion helpful and constructive, and hoped that it would be further discussed by the Council.

The meeting rose at 1 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1225th meeting

Monday, 16 July 1962

at 3.20 p.m.

PALAIS DES NATIONS, GENEVA

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President: Mr. J. MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Austria, Belgium, Dominican Republic, Ghana, Hungary, Iraq, Mali, Mexico, Netherlands, Romania, Spain, Sweden.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Bank for Reconstruction and Development, International Monetary Fund, World Health Organization, World Meteorological Organization, Inter-Governmental Maritime Consultative Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 3

General review of the development, co-ordination and concentration of the economic, social and human rights programmes and activities of the United Nations and the specialized agencies as a whole (E/3611 and Add.1 and 2, E/3612 and Corr.1, E/3615, E/3620 and Add.1, E/3621 and Add.1, E/3623 and Add.1-3, E/3625 and Add.1, E/3627, E/3630, E/3632, E/3642, E/3647 and Corr.1, E/3651, E/3657, E/3660; E/L.961 and E/L.964)

GENERAL DEBATE (*concluded*)

1. Miss SALT (United Kingdom) said that the twenty-sixth report of ACC (E/3625 and Add.1) and the report of the *ad hoc* Working Group on Co-ordination (E/3647 and Corr.1) had been of great assistance to her delegation

when faced with the staggering mass of documents submitted to the Council in connexion with item 3 of its agenda. The virtual impossibility of even the largest delegations achieving familiarity with all the documents made her wonder whether the present method of dealing with the general review should not be reconsidered. If the work of the Council each year on the co-ordination item were to remain both manageable and useful, ways and means should be sought of reversing the trend of constantly mounting piles of paper, and so lightening the burden on the Secretariat and on the delegations.

2. Co-ordination could mean nothing or everything or all things to all men. To her delegation, the comprehensive principles which ACC, as its report indicated in paragraph 31, had agreed upon to cover the co-ordinating role of the resident representatives, seemed a live example of what co-ordination really meant: a free agreement, freely reached by responsible officials, each ready to subordinate, if need be, his own organization's narrow parochial interests in some measure to the greater interest of all. Another point she wished to stress was that co-ordination must be a continuous day-to-day process, not an occasional shot in the arm administered by some visiting physician.

3. The two reports to which she had referred constituted vital reports in the consideration of that item. It might therefore be wise to choose the committees which had produced those two reports, with such adjustments as might be needed, as a base on which to build the Council's work of co-ordination in the Development Decade ahead. If the United Nations was to achieve the objectives of the Decade, a sustained effort to promote the co-ordination of the social and economic activities of the United Nations family would be essential.

4. She recalled the warning given by the Acting Secretary-General, in his introductory statement at the 1222nd meeting, that the Secretariat was being rapidly brought to breaking point by constant requests for statements, reports, appraisals and reviews. He had also appealed to the Council to be less stringent with regard to deadlines. Her delegation was in unreserved sympathy with both those requests and hoped that all delegations would join in promising the Acting Secretary-General that they would henceforth scrutinize, with his words in mind, every draft resolution submitted to them. To do otherwise would be to risk losing the inspiration of the Development Decade in a torrent of paper and wasting the high quality of the Secretariat on work which would quickly become beyond its capacity to produce and beyond the capacity of the delegations to absorb. If the Acting Secretary-General's words were to be forgotten, there was a real danger that so much of the time and energy

of the staffs of the United Nations family would in the coming years be devoted to the production of reports on what they were doing, had done and intended to do, that the time and strength left available for actually doing it would diminish to vanishing point. To divert time and energy from creative and positive action into any other channel would obviously not foster the objectives of the Development Decade.

5. Another danger was that of over-distending the Council's system of committees, commissions, groups of experts and other bodies. Apart from the heavy burden which the proliferation of such bodies placed on secretariats, it had to be remembered that delegations, too, had their breaking point.

6. The Development Decade was an idea or an ideal to which the Members of the United Nations had unanimously pledged themselves; it was not a programme which would go into operation in 1962 and come neatly to an end in 1970. The Decade was an inspiration to greater effort which would permeate everything that would be done by the United Nations in the coming years but which was not and could not be susceptible of exact measurements year by year.

7. Lastly, she wished to express her appreciation to the heads of the specialized agencies for presenting their reports personally to the Council; her delegation would comment upon those reports in committee.

8. Mr. LOBANOV (Union of Soviet Socialist Republics) said that the United Kingdom representative's statement had thrown light on a number of important factors.

9. Much better results could be obtained if the work of the United Nations and the specialized agencies were better planned and co-ordinated; and lack of co-ordination would present an insuperable obstacle to progress. Such co-ordination, however, should not be carried out at the expense of the contributions that could be made by the specialized agencies and the regional economic commissions, and should not be regarded as an end in itself. It could best be achieved by avoiding duplication and wasted effort and eliminating unnecessary unproductive expenditure, particularly in connexion with the production of documentation. He agreed with what the Brazilian representative had said on the subject at the 1223rd meeting, and noted that the proliferation of documentation, both visible and behind the scenes, was stifling the constructive work of the United Nations. The existing state of affairs showed that the result of any increase in the staff of the United Nations would be merely to accelerate an already perceptible trend towards a bureaucratic approach and increase the volume of documentation even further. The problem of an overloaded secretariat could be solved not by increasing the staff, but by concentrating activities on projects of truly practical value, eliminating duplication and projects of little practical importance, and fully implementing Council resolution 793 (XXX) and General Assembly resolution 1272 (XIII). The importance of the tasks facing the United Nations and the specialized agencies called for a rationalization of their work and a review of their intricate structures in the interests of the United Nations system as a whole.

10. During the past year, international co-operation had been promoted by the work of the specialized agencies, whose membership had been increased by the admission of a number of new States which had emerged as a result of the disintegration of the colonial system. Those States had been assisted considerably in a number of fields by the specialized agencies. The UNESCO, WHO, WMO and ITU had all taken constructive decisions relating to such varied matters as the social and economic consequences of disarmament, the eradication of illiteracy and the elimination of the consequences of colonialism in the field of health. The WMO and ITU had taken commendable decisions relating to equitable geographical distribution in secretariat posts and in the selection of technical assistance experts.

11. However, the specialized agencies were not yet making an adequate contribution to the practical solution of a number of important problems, such as the liquidation of the colonial system in the fields of education, health and culture, and too much attention was sometimes paid to relatively unimportant matters. The work of UNESCO showed a definite element of favouritism in respect of one group of countries and discrimination against others, and not enough had been done to ensure the equitable geographical distribution of posts. For example, only one of the seventy UNESCO resident experts was a Soviet citizen, and the USSR was inadequately associated with the work being carried out to draw up a ten-year programme for the elimination of illiteracy in the world. The UNESCO was still opposed to co-operation with a number of non-governmental organizations, and its Executive Board, at the sixty-first session, had refused to extend consultative status to many of those organizations, such as the Women's International Democratic Federation and the International Union of Students. That policy of discrimination was having adverse effects on both the work and the authority of UNESCO. Another dangerous trend apparent in UNESCO's work was the agreement it had recently concluded with the OAS for the development of education in the ECLA countries within the framework of the Alliance for Progress. That agreement, which had been signed despite the protests of some member States, was illegal, since in practice it excluded Cuba from the ranks of the beneficiary countries, owing to the fact that Cuba had been expelled from OAS as a result of United States pressure. It was difficult to understand why UNESCO had not concluded the agreement with ECLA, which was, as a result, excluded from participation in United Nations work in that important field. Those shortcomings in UNESCO work, however, should not obscure its positive achievements.

12. In WHO, too, the situation with regard to the equitable geographical distribution of posts, particularly with respect to the socialist countries, was still unsatisfactory. Assurances had been given that the situation would be remedied, and he hoped that steps would shortly be taken in that direction. An alarming feature of WHO activities was the fact that its budget had increased three-fold during the period 1958-1962, and serious thought should be given to arresting that trend, since member countries would soon be unable to shoulder

the additional burden, Nor could the increase in WHO staff be justified by the fact that its membership had expanded, since field operations were allocated a minimum amount of funds; the greater part went to support the WHO administrative apparatus, despite the fact that the primary concern should be practical assistance to the developing countries. The position was all the more unsatisfactory as WHO staff were often engaged in dealing with unimportant and non-essential problems and in producing unnecessary documents and reports.

13. The time had come to reorganize the United Nations and the specialized agencies with a view to the elimination of such unproductive activities and archaic arrangements. Such rationalization would prevent the emergence of a bureaucratic system and release considerable funds that could be devoted to practical activities. Duplication of work should also be prevented; for example, separate studies in the field of nutrition were being carried out by WHO, UNICEF and the United Nations and shortly, it appeared, the work of processing foreign trade data carried out by FAO would be duplicated as a result of the establishment of a data processing centre at Headquarters, approved by the Council at the 1216th meeting.

14. The shortcomings in the work of the ILO would, if not remedied in time, seriously hamper its activities. Despite the fact that progress had recently been made in the direction of co-operation, justice and co-existence, the atmosphere in the ILO left much to be desired. For example, discrimination was practised against the socialist countries in the matter of geographical distribution since their nationals held only sixteen minor posts of the 500 on the ILO manning table. Moreover, groupings within the ILO were tending to create an atmosphere of discrimination, enmity and intolerance; that trend had been particularly evident at its recent forty-sixth Conference. A number of delegations representing western countries, using their privileged position in the ILO, had done everything in their power to prevent a study of several important problems, such as the economic and social consequences of disarmament. It was difficult, in those circumstances, for the ILO to contribute to the solution of such problems within the United Nations system. Nor was the improvement in ILO activities commensurate with the rapid increase in its budget, the rate of which doubled every year. Its activities were taking an increasingly dangerous turn, and the situation was one to which the Council should give serious thought.

15. It was a source of satisfaction to note that the ITU and WMO reports on the role they would play in the exploration and use of outer space for peaceful purposes were a valuable contribution to international co-operation.

16. In conclusion, he would draw attention to the fact that discrimination was still being practised in all the specialized agencies against the German Democratic Republic, although that country's co-operation could be useful to them in a large number of fields. Such discrimination was contrary to the spirit of the Charter and had adverse effects on international and economic relations.

17. Mr. REVOL (France) said that the general picture painted in the reports of the specialized agencies and in the statements by their representatives was satisfactory. It was perhaps regrettable that only three of the agen-

cies — UNESCO, FAO, WMO — had replied to the specific question addressed to them by the Council (resolution 829 (XXXII)) on main trends of inquiry in the field of natural sciences, and that WHO had merely announced that it would present its comments later. The subject was a most important one, and the Co-ordination Committee, which was to discuss it, would have been assisted in its tasks if it had had a complete list of the priorities which the specialized agencies recommended.

18. The French delegation had already drawn attention to the gratifying diversity of the specialized agencies. The more strictly technical ones, such as UPU, ITU, WMO, ICAO and IMCO, provided real international services, and two of them — WMO and ITU — were fairly closely associated with the work to which agenda item 14(d) on international co-operation in the peaceful uses of outer space related, and were thus intimately concerned with one of the most important questions of the time. The other agencies, which might be called the principal agencies, were faced with certain difficulties by reason of the very extensiveness of their terms of reference, which did not always permit them to concentrate their activities to the same extent as the technical ones could. The report of the *ad hoc* Working Group drew attention to the tendency displayed by some of the principal agencies to intensify their activities in priority fields without at the same time reducing their marginal activities, a tendency for which the governments were as much to blame as the secretariats.

19. The UNESCO was probably the agency which had the greatest difficulties in that connexion owing to the amplitude and relative vagueness of its terms of reference. It was his delegation's view that it would be in the interests of UNESCO to concentrate as much as possible on its primary task, which, apart from the functions in respect of education proper and culture, related essentially to the basic sciences and research. That difficulty had certainly not escaped the attention of the UNESCO authorities, who would like to be released from the demands imposed by specific scientific problems, many of which — like the problems of seismology — fell at the same time within the competence of a number of different organizations. Those problems of seismology were the subject of a remarkable document (E/3617 and Add.1), in the drafting of which UNESCO had played an essential part, but which seemed rather, so far as the scientific aspects were concerned, to fall within the competence of WMO, and, so far as concerned the material aspects such as the adaptation of housing to the dangers resulting from seismic shocks, to be a matter for the United Nations itself.

20. A similar danger threatened FAO, which had so far been preserved from it, partly by the urgency of the material needs which it had to meet. The FAO would be well advised to concentrate on the problems falling essentially within its sphere of competence — that is, agricultural problems. In that connexion, an innovation to be noted with satisfaction was the first joint session of the FAO Committee on Commodity Problems and the United Nations Commission on International Commodity Trade.

21. In the case of WHO, the risk of dispersion was less great, since health was a specific problem in itself. The scheme to provide the Congo (Leopoldville) with the medical corps it lacked, an operation in which the French Government was lending its assistance, could perhaps be cited as a model technical undertaking by an international organization.

22. The ILO, which might also be tempted to spread its activities over too wide a field, fortunately had a tripartite structure which gave its organs and the International Labour Conference the status of veritable States General for world labour questions. The ILO took a justifiable interest in industrialization and housing problems, and rightly considered that it should work as closely as possible with the Centre of Industrial Development which was being organized in the United Nations Secretariat.

23. It was the Charter itself which made the Council responsible for co-ordinating the work of the specialized agencies. Currently the Council was assisted in that task by two bodies, ACC and the *ad hoc* Working Group on Co-ordination. The *ad hoc* Working Group, which had been established (Council resolutions 798 (XXX) and 842 (XXXII)) because the Council had been experiencing some difficulty in defining main lines of policy and action, had been preparing the Council's work for two years. It had provided an effective means of overcoming the difficulty, and he paid a tribute to it the more willingly since his delegation had expressed some misgivings at the time of its establishment.

24. As for ACC, the quality of its reports was constantly improving. In his delegation's view, it was that Committee which should be the body normally consulted by the Council in its task of co-ordination, and credit was due to the *ad hoc* Working Group for having assisted ACC in defining its true function.

25. The *ad hoc* Working Group suggested, however, that in view of the establishment of the Committee of Eight, its work might be over. But the Committee of Eight, established under Council resolution 851 (XXXII), had been set up to deal with a limited problem and could not possibly duplicate the *ad hoc* Group, whose task was broader, covering all the activities of the United Nations and the specialized agencies. With reference to the suggestions made on that subject at earlier meetings by the delegations of Japan, the United States, Australia and Denmark, the French delegation wondered whether it was necessary to set up a new body, which would put another screen between the Council and the matters for which it was responsible. If the establishment of an *ad hoc* body proved necessary, perhaps the *ad hoc* Working Group could be given new terms of reference and requested to deal more particularly with the problems of the Development Decade. The Council should not pass on to another body a task with which it had been entrusted by the Charter.

26. There were three matters to which special attention should be given at the current session. First of all came the Development Decade, which would draw upon the resources of the whole United Nations family and should trigger off a reaction against dispersion of effort. The history of the bodies established under United

Nations auspices showed a gradual shifting of their centre of interest towards what had become a major problem of the day—namely under-development. The novelty of that problem had made it necessary to gain experience, diversify the forms of assistance and consequently establish more and more bodies to provide them. The programmes of the United Nations and the specialized agencies had been affected by that somewhat empirical approach and it had not always been possible to avoid overlapping. The Development Decade provided an opportunity for reconsidering the use made of the means available to the United Nations for contributing to the development of the less favoured countries.

27. Next came the problems of science and technology, which had assumed increasing importance since 1957, when the Australian delegation had launched the idea of a survey of the main trends in scientific research. By its inventions, mankind was acquiring a prodigious material power which gave to activities which in themselves were traditional an unbounded influence on daily life and mental outlook. It was of interest to consider the importance attached to the actual use of the instruments with which mankind was thus provided. The utilization of atomic energy for peaceful purposes was still a negative concept, which should be replaced by a positive idea around which the work of the United Nations, so far as principles and human rights were concerned, and the work of UNESCO and the technical agencies, could be effectively co-ordinated.

28. Lastly, all countries needed a vertical system of intercommunication which would enable the impulses given from above to be effective down to the base. In that context, public administration was of primary importance. The reports of the two consultants (E/3630) showed to what extent the idea of public administration pervaded the programmes of the United Nations and the specialized agencies. Public administration provided an ideal terrain for co-ordinated action by the various United Nations organs and the specialized agencies, for the spirit instilled into it would enable all the problems of the developing countries to fall into orderly relationship to a specific reality. The OPEX programme called for special co-ordination in order to ensure that full weight was given to the increasingly important part which should be played in that field by the specialized agencies.

29. The pitfalls which the United Nations family must try to avoid were, first, the ever-present danger of proliferation which constantly threatened to stifle international action beneath the weight of a tangled mass of committees. The temptation to set up a committee or working party whenever a difficulty cropped up must be resisted except in case of real need, and only essential questions must be addressed to the secretariats. In return, the secretariats could be asked the more insistently to restrict the volume of documentation, so that documents could be issued in good time and usefully considered.

30. It was also necessary to be on the alert against internal disintegration: as in the human body, the organs must be closely connected to the brain by links identical with those of the nervous system. The value of links between United Nations agencies and bodies—that is, on the

horizontal plane — had already been stressed, and vertical linkage was even more essential. An international organization must not be a mosaic of more or less independent sub-organizations: it must constitute a homogeneous body, the functions of whose parts centred harmoniously around a statute and a precise objective.

31. The United Nations and the specialized agencies — with the possible exception of the ILO — must be on their guard against another danger due to their more or less conscious tendency to isolate themselves from the real forces constantly at work on the national, regional, continental and world levels. The remedy there was provided by the non-governmental organizations. It might be both possible and useful to strengthen the contacts between the various agencies and the non-governmental organizations, and in some cases, the non-governmental organizations could be even more actively associated in the surveys or studies which the secretariats were requested to make. That would provide a means of avoiding the kind of isolation with which United Nations organizations were threatened, and perhaps also the proliferation of new bodies.

32. Mr. HIGGINS (Intergovernmental Maritime Consultative Organization) introduced his organization's report (E/3632), which recorded the progress made by IMCO up to May 1962. His organization had suffered a severe loss in the death of its Secretary-General, Mr. Ove Nielsen, in November 1961. The IMCO Council, which would meet in October 1962, would consider candidates put forward by governments for the post; in accordance with the provisions of the IMCO Convention, any appointment by the organization's Council required subsequent ratification by the IMCO Assembly.

33. Since the report had been completed, the membership of IMCO had increased to fifty-one, plus one joint associate member (Sarawak and North Borneo). The IMCO had continued to maintain close contacts with the United Nations and all specialized agencies whose work programmes were linked with its own. Technical co-ordination with ICAO, ITU and WMO had been particularly close in connexion with the problem of co-ordination of safety at sea and in the air. The first working group of the four agencies had met on 30 April 1962.

34. It had been possible to organize a working group on facilitation of travel and simplification of ships' papers coming within the scope of the forthcoming United Nations conference on international travel and tourism. The first meeting of the working group would take place in November 1962 and it was hoped that simplified procedures for customs, immigration and health requirements would in due course be devised and recommended to governments.

35. The 1960 Conference on the Safety of Life at Sea had made a number of recommendations regarding the organization's work; it now had a fully organized work programme in the field of maritime safety, and various groups of experts had begun to examine the outstanding problems.

36. Co-operation with other specialized agencies had continued; for example, FAO was co-operating with the working group dealing with the impact stability of ships.

37. An international Conference on the Prevention of Pollution of the Sea by Oil had been held in London in March and April 1962; it had reviewed the articles of the 1954 Convention for the Prevention of Pollution of the Sea by Oil, from which the duties and responsibilities of IMCO on the subject were derived. The 1962 conference had extended the Convention to cover more classes of ships than before: all tankers down to small ones of 150 tons had been brought completely within the Convention. Secondly, governments had agreed to apply the provisions of the Convention, as far as was reasonable and practicable, to all their ships of whatever size, as also to their naval vessels. Thirdly, the principle that ships must in no circumstances discharge oil into the sea had been accepted. Fourthly, the requirement that reception facilities should be made available for waste oil from dry cargo ships had been extended to cover facilities at ship repair ports and for tankers at oil loading terminals.

38. The most important achievement of the conference, however, had been the great expansion of the zones in which oil must not be discharged into the sea. The prohibited zones around certain countries which had existed under the 1954 Convention had been extended and certain new sea areas had been added.

39. The conference had also adopted fifteen resolutions, the most important of which reaffirmed that the ultimate goal must be the complete avoidance, as soon as practicable, of the discharge of persistent oils into the sea.

40. The amendments to the 1954 Convention agreed upon by the conference were being recommended for adoption by the governments concerned at the earliest possible date.

41. Lastly, he wished to draw attention to the expanded publications programme of IMCO and express the conviction of the IMCO Council that IMCO would play an increasingly useful part in the general scheme of international co-operation, particularly in so far as it affected the progress and development of all matters coming within the maritime technical field.

42 Mr. KOPCOK (Yugoslavia) said that co-ordination, which was already necessary in view of the increasing decentralization, would become still more so with the Development Decade.

43. With the opening of the Decade, planning was essential and it called for a comprehensive view of the extent and structure of future development in order to determine what services, particularly in the developing countries, were necessary to ensure healthy economic expansion and a balanced development in the social sphere. The number of documents published on co-ordination gave the impression that the organs of the United Nations and the specialized agencies had already tackled the problems and had recently obtained some results.

44. To ensure the success of the Decade, it was essential to begin by studying all aspects of economic and social development and to reach agreement on the respective competence of the various organs. The study made some years earlier on prospects for 1960-1964¹ was

¹ *Five-year perspective, 1960-1964*, United Nations publication, Sales No. 60.IV.14 (E/3347/Rev.1).

useful because it made it possible to consider the problems on a long-term basis. The strengthening of regional co-operation at the level of the economic commissions would also help considerably to guide the work of the United Nations organs and the specialized agencies in the desired direction. Agreement must also be reached on those spheres where needs were most urgent and possibilities of co-operation greatest; they were: international trade, on which a conference should be held, and international financing of economic development. It should also be recalled that, in his report on the Decade (E/3613 and Corr.2), the Secretary-General stated that the realization of its aims depended on the intensification of international co-operation designed to speed up industrial development in the less developed countries. That view was shared by the Yugoslav delegation and by the developing countries which were trying to diversify their economy.

45. In view of the extent and complexity of the problems raised by co-ordination, the Yugoslav delegation approved of the practice of setting up committees to deal with it before the Council's session, such as the *ad hoc* Working Group and the Committee of Eight. Owing, however, to the new elements which had entered into international co-operation and as a result of certain proposals, it was ready to define, before the Co-ordination Committee, its attitude towards any procedural changes which might prove to be necessary.

46. The harmonizing of the policies of the specialized agencies was a necessary condition for the success of the United Nations, but it would be desirable to go further and to envisage greater flexibility in those policies and modifications in the statutes of the agencies. With regard to co-ordination of United Nations programmes with bilateral programmes outside the organization, there was no point in looking for general solutions applicable to all the recipient countries: it would be better to allow the countries concerned complete latitude to solve the question in whatever manner seemed best to them.

47. Mr. PASCUCCHIRIGHI (Italy) said that the Italian Government was satisfied with the increasing care and attention which the Council was giving to co-ordination. It was admittedly a complex task in view of the variety of the elements making up the United Nations family, each with its own programme and philosophy. That variety was a guarantee of the desired flexibility but it demanded vigorous efforts both to eliminate duplication of work and to harmonize the policies of the various organs. The Italian Government, realizing how necessary it was that those efforts should be successful, had appreciated at its true value the report of ACC and the annual reports of the specialized agencies and other organs, just as it had given serious consideration to the decisions of the Council and the General Assembly, particularly the resolution on the Development Decade (1710 (XVI)). It was in fact convinced that the Decade was a new element which would have a profound influence on the economic and social aspects of United Nations work, particularly in connexion with a better concerted co-operation and the prevention of duplication of work and dissipation of activities.

48. Mr. PASTORI (Uruguay), while commending the

reports before the Council, wished to draw attention to an omission in the reports submitted by ACC and the *ad hoc* Working Group. The relevant parts of those reports showed that both ACC and the Working Group, and indeed the Council itself, considered that co-ordination was essential in respect of four matters: rural development, industrialization, education and training, and public administration. There appeared to be a serious gap in that list: co-ordination was necessary in respect of international trade, a matter of the greatest importance and one in which several different United Nations bodies were engaged.

49. The problem of international trade was particularly important because of its universal character and it was clear that, as indicated by the Colombian delegation at the 1215th meeting when item 4 had been discussed, it had not received all the attention it deserved.

50. The Council's Commission on International Commodity Trade, the regional economic commissions and various groups of experts were engaged in work on international trade. The reports on co-ordination, however, had not dealt with the important question of the co-ordination of that work. In view of the seriousness of the problem, the Council should give special attention to the question and call for co-ordination of all United Nations activities on international trade.

51. Another problem was that of the determination of priorities. It was obvious that difficulties would arise if no agreement were reached on the manner of establishing priorities. He agreed with the views the Australian representative had expressed at the 1224th meeting on the question of technical priorities but did not concur with him fully on the priorities for aims or objectives; where those priorities were of international concern, whether regional or worldwide, it was for the Council to lay down rules for their determination.

52. The importance of international trade for the Development Decade had been recognized in the Secretary-General's report (E/3613 and Corr.2) but the subject had not been covered in that report; he would recall that ECLA had been unable to study the question owing to lack of funds.

53. Following a recent meeting of two European Heads of State, one of them had emphasized the importance to the world economy of the 102 million inhabitants represented by the two countries. He would recall that the Latin American countries had a total population of 180 million, all of them directly affected by the problem of international trade as were also the developing countries of Africa and Asia. The Council should give that worldwide problem serious consideration.

54. In conclusion, he would urge the Council to recommend that, to the list of four substantive subjects for consideration by ACC, should be added a fifth — that of international trade.

55. Mr. HILL (Deputy Under-Secretary for Economic and Social Affairs), replying to a question asked by the Polish representative at the 1224th meeting, said that detailed information on the nationality of the resident representatives was given in a document submitted to the *ad hoc* Committee (E/AC.49/R.2/Add.6). The fifty

resident representatives on the rolls or in the process of appointment on 15 November 1961 were nationals of twenty-six countries: seven were from the United States, five from France, four each from Canada and the United Kingdom, three each from Chile and Pakistan. Nineteen were nationals of European countries, eleven from North America, nine each from the Far East and Latin America and two from Africa. Thirty of the fifty were from countries which had been classified as economically developed; twenty were from economically under-developed countries. He had been informed by

the Executive Chairman of TAB that that information was still correct. A fifty-first resident representative had, however, been appointed, and he was a national of the Soviet Union.

56. The PRESIDENT declared the general debate on item 3 closed, and proposed that the item be referred to the Co-ordination Committee for detailed discussion.

It was so agreed.

The meeting rose at 5.55 p.m.



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President : Mr. J. MICHALOWSKI (Poland).

Present :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Austria, Belgium, Bulgaria, Canada, Central African Republic, Cuba, Czechoslovakia, Dominican Republic, Ecuador, Ghana, Hungary, Iraq, Ireland, Mali, Netherlands, New Zealand, Sweden, Tunisia.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, International Bank for Reconstruction and Development, International Monetary Fund, World Health Organization, Interim Commission for the International Trade Organization.

AGENDA ITEM 2

World economic trends (E/3624 and Add.1-6, E/3628, E/3629, E/3631 and Add.1-3, E/3635, E/3652, E/3659 and Add.1 and 2, E/3661, E/3668; E/ECE/452)

GENERAL DEBATE

1. Mr. de SEYNES, Under-Secretary for Economic and Social Affairs, said ¹ that although world production indices were still reflecting record levels, the reports submitted to the Council showed that the upward movement had lost its dynamism.

2. In the European countries with centrally planned economies, the rate of growth had fallen for the second year in succession, agriculture having been once again the least satisfactory sector. In mainland China, the whole economy had been affected by the latest of a succession of bad harvests; industrial expansion seemed

¹ The complete text of the statement made by Mr. de Seynes was circulated as document E/L.966.

to have been brought to a halt and international trade had declined.

3. In the private-enterprise industrial countries some aspects of the situation were causing concern, although the general outlook remained bright. In the United States, the resumption of activity which had begun in 1961 was a positive factor, but the short-term trend was less reassuring. In relation to the superabundance of labour and capital goods, the rates of growth were not high, and more than 5 per cent of the population were still affected by unemployment. The increase in over-all demand which had been expected from the level of expenditure on fixed investment had been disappointing and could still be threatened by the psychological effect of the fall in stock exchange quotations.

4. In western Europe and Japan, the slackening of expansion was due partly to shortages of manpower and inadequate productive capacity; but a decrease in the growth of over-all demand was also apparent in some countries.

5. Thus the economic trends in the two hemispheres, as so often since the war, had not been compensatory. At a time when a long period of rapid expansion was coming to an end in western Europe, there was no stimulus from external demand linked, either directly or indirectly, with activity in the United States.

6. The main cause of concern at that time lay in a certain atmosphere compounded of perplexity, hesitation and doubt. Governments almost everywhere were hesitant about the road to be followed, and it was plain that the technique of pursuing an anticyclic policy had not been mastered as completely as had been assumed a few years earlier.

7. In the United States, expansionist government action was inhibited by the traditional dislike of deficit budgeting and the still unsatisfactory balance of payments — a factor which in the United Kingdom, too, had long been keeping growth within very narrow limits. The new element in the situation, however, was undoubtedly the emergence of a problem of stability in countries which had not had to worry about it before. Western Germany, for example, had to watch carefully the relationship between prices and production costs. Considerable readjustments had had to be made in the relative position of the industrial countries on the export markets. While salutary in themselves, those readjustments might become dangerous if they were made at the cost of a general slackening of economic activity and if they prevented countries from allowing their economies to function at full capacity.

8. In that context, the policy of growth, as expressed in the objectives recently adopted by OECD, was highly

significant. Concerted action could do much to ensure that the individual policies pursued by the industrial countries contributed effectively to a policy of general growth. The beneficial effect of concerted action had for some time past been strikingly shown by the improvement in the conditions of international liquidity due to new measures adopted under the auspices of IMF and the provision of mutual credits by the central banks. The international monetary system did not, however, provide the desired security and there was still a danger that if capital were allowed to seek the most profitable investments on the international market, the balance of payments might become more vulnerable to the disastrous effects of speculation.

9. For a long time to come, the chances and prospects of the under-developed countries would remain closely linked with the economic health and prosperity of the major raw-material-purchasing countries, but the conditions prevailing in those countries had not of late been particularly favourable in that respect. The rate of recovery in North America in 1961 had not been sufficient to compensate for the weakening demand for raw materials caused by a lower rate of growth in western Europe and Japan. Exports to the planned-economy countries had shown a new and considerable upswing, but their total value was still too small to have had any appreciable effect. At the same time, raw material prices had continued to weaken, which had partly offset the expansion in the volume of exports and there had been no justification in 1961 for relaxing the measures of import restriction that several under-developed countries had been compelled to adopt in order to limit their external payments deficits.

10. The prompt use which had been made of the new facilities for drawing on IMF, and the concurrent decline in long-term lending by IBRD, clearly showed the difficulties of international liquidity with which most of the under-developed countries were faced. Fluctuations in export earnings could seriously jeopardize the normal execution of development plans and programmes, even when they included a reasonable margin of adaptability. Furthermore, such fluctuations discouraged private capital investment, either because of the restrictions that were placed on the import of capital goods or through the adoption of deflationary policies aimed at protecting the balance of payments. Such obstacles to regular growth were particularly unfortunate at a time when many less-developed countries were beginning to display a more realistic attitude towards programming and planning techniques.

11. The time was perhaps approaching when it would be realized that such annual fluctuations in export earnings were not inevitable. Progress in that direction had been made through the consideration, especially by the Council, of projects for the stabilization of external receipts through a compensatory financing system. That was an idea which had been discussed by the Commission on International Commodity Trade in conjunction with a draft agreement prepared by OAS (see E/3644, chap. II). A more detailed analysis could now be made of the conditions, mechanism and cost, and he would like to reiterate his conviction that there was nothing in

such a system which exceeded the hopes that might legitimately be entertained on the threshold of the Development Decade.

12. The project relating to the establishment of a development insurance fund — considered by the Commission on International Commodity Trade — had, however, only a limited objective. Its provisions were carefully devised so as not to run counter to the long-term trend or to attempt to divert it at the risk of introducing dangerous distortions into the world economy. It was not surprising, therefore, that the Commission had at the same time taken steps to study the problem of long-term growth. Such a study strengthened the conviction, which had been gaining ground since the middle of the preceding decade, that on most of the international commodity markets there was a downward trend which was likely to continue. In that connexion, he would like to recall the French representative's suggestion at the 1217th meeting that a study should be made of measures to secure not only price stabilization of primary products but also price appreciation.

13. The question was whether the so-called affluent societies were prepared to allow the countries from which they obtained their supplies a return which would give the development policies of those countries substantial support. During the preceding ten years, the volume of raw material exports had increased on the average by 3.7 per cent per annum, while exports of manufactured goods had risen about twice as quickly. Allowing for the continuous deterioration in the terms of trade, the rate of growth of the purchasing power derived from exports had been no more than 2 per cent. That trend did not provide any grounds for optimism about the future of development programmes based on the assumption of a rapid increase in availabilities of capital goods leading to the achievement towards the end of the Decade of a 5 per cent annual rate of growth, the target fixed by the General Assembly in resolution 1710 (XVI).

14. It was not enough for the industrialized countries to maintain or establish the highest possible rates of economic growth; thought must also be given to the more direct, and often more immediate, contribution which could be made by foreign trade policies, or by taxation or price policies, affording more favourable prospects for the exports of the under-developed countries. Substantial changes were taking place in that connexion such as that stemming from the establishment of the European Common Market. Plans for a series of agreements grouping together associates whose number would increase as certain results were consolidated had obvious practical advantages; moreover, it was clear that it did not necessarily ignore the wider interests of the international community as a whole. It was already obvious that the conclusion of world agreements was becoming an essential condition for the growth of the regional concept. In a period of such fundamental change, the discussion could not fail to be taken up and organized in the United Nations as well — and more systematically than previously, for it was by no means impossible that during the process that was taking place important interests for which the Organization was responsible would be relegated to second place.

15. The time had come for the United Nations to consider more carefully how it could play a useful part in the transformation of the system of international trade. Unless, in the coming years, the United Nations expressed its views on that system less haphazardly than before, any effort it might make in connexion with the Development Decade would be distorted and to some extent invalidated.

16. The role of industrialization in economic development was no longer regarded exclusively in terms of making services available for the implementation of national projects within the context of particular programmes: it was now considered to be a worldwide responsibility and a goal in itself, the necessary conditions for the pursuit of which must be established in the world economy. So far the advance of industrialization had scarcely altered either the less developed countries' exporting capacity or the structure of their exports, but the promotion of exports of manufactured goods had become a major problem for a small number of the more advanced of those countries, particularly those whose foreign trade was based on the export of primary commodities the demand for which did not hold out particularly brilliant prospects. The number of such countries might increase substantially in the course of the Decade, but the difficulties they would encounter through the competition of the highly industrialized countries and the strict specifications imposed by their markets should not be aggravated by restrictive customs or taxation policies. The latent fears which were still aroused by the prospect of the invasion of markets by goods from cheap-labour countries seemed to be very largely devoid of foundation. It was inconceivable that, even in the most favourable circumstances, exports of manufactured goods from under-developed countries could, in the near future, constitute more than a trifling proportion of the volume of trade of the industrialized countries.

17. In any case, the adjustments required on that account were in no way comparable with those necessitated by technological progress in the industrialized countries themselves, or by a policy of regional integration such as was being pursued in western Europe. Experiments such as that carried out by the Federal Republic of Germany when, in 1956 and 1957, it had reduced its tariffs on industrial goods by half, had fully demonstrated the ability of the rapidly growing economies to absorb the shock to be anticipated from a liberalization of customs policies.

18. The Development Decade was, by definition, to be a decade of rapid change and important adjustment. If that law of change were accepted, the clouds revealed by an analysis of the economic situation would be dispelled and the difficult road to be followed in order to make the world economy a coherent reality would open up, full of promise.

19. Mr. TRIVEDI (India) said the Under-Secretary had rightly stressed the need for concerted effort and for increasing the trade of developing countries. The *World Economic Survey, 1961* (E/3624 and Add.1-6) presented a mixed picture. There had been some recovery from the recession in North America, but in western Europe and Japan the upswing in economic activity

which had started in 1958 had slowed down during 1961. Although production had increased in 1961, the rate of growth in output in the industrially advanced countries, apart from some centrally planned economies, had been moderate. As a consequence, exports of primary-producing countries had risen only slightly and prices of primary commodities in international trade had dropped still further. The prospect for 1962 was not much brighter, although production as a whole was likely to be higher than in the previous year. The slowing down of the rate of growth in industrialized countries affected the whole world. Although in any complex economy such a phenomenon for a short period was not abnormal, since there must be periods of adjustment and consolidation, in the interests of the world community rapid growth in industrialized countries as well as in developing ones was essential, because it helped to stabilize prices by increasing supplies at a fast enough rate to enable the various sectors of the economy to compete for larger shares in the national output without imposing a strain on prices or on the balance of payments. When output grew fast enough, all sectors of society could be given bigger shares in absolute terms, but if national income was stagnant or grew slowly a larger share for some could be achieved only by giving others a smaller share. Furthermore, the task of finding additional resources for development, and in the case of advanced countries of lending to the less advanced, was made easier in an expanding economy because the requisite savings could be secured by diverting only a part of additional income. Similarly, only in the context of rapid growth was there any hope of an expansion of world trade, and the providing of new export opportunities was vital to under-developed economies.

20. The *Survey* emphasized the capital role of industrialization which pre-supposed the establishment of an adequate infrastructure in the form of roads, railways, power and communications as well as a transformation of primitive methods of agriculture. Rapid industrialization also required substantial investment in education, health and sanitation. The ultimate long-term goal was to create industrial economies as diversified as those of the advanced countries. While there was general agreement on the need for industrialization, there were differences of opinion about the pattern it should take in an under-developed country. There was force in the argument that because of the capital scarcity and labour surplus the developing countries would do well to concentrate on labour-intensive consumer goods industries, but it was not such a simple matter as that. The ratio between capital and labour was only one of the differences between the advanced and developing countries influencing the comparative costs of production in different industries, and there were other determining factors such as the relative abundance of technical skill and the possibility of economies through mass production. Those factors depended on the degree of industrial development, and if consumer goods industries of the labour-intensive type appeared to be more suitable for developing countries, that was due as much to their being at an early stage of industrial growth as to their shortage of capital.

21. It was important for any developing country to evolve an industrial structure which helped it to reduce imports

and increase exports. However, there were limits to import substitution, and industrial growth was always accompanied by an increase in the total demand for imported manufactured goods, which must therefore be regarded as an essential supplement to the output of domestic capital goods industries. In their efforts to increase exports of manufactured goods, developing countries were liable to meet obstacles in the form of tariff quotas and other restrictions; if the developed countries were willing to accept without restriction such goods as textiles or metal manufactures, the case for greater concentration on labour-intensive consumer goods would be stronger.

22. Emphasis had to be placed on the production of capital goods and machinery in countries like India as an essential element in progress towards self-sustained growth. Economic development demanded a growing rate of investment, which in turn required a continuous increase in the supply of investment goods both absolutely and as a proportion of total industrial production. At that time, most developing countries had to buy capital goods from abroad against scarce foreign exchange, and if domestic production did not increase steadily their pace of development would be circumscribed by their capacity to import them, which in turn depended on the rate of growth in their exports of traditional primary commodities. The level of those exports, however, had remained practically stationary for many years and the total export trade of developing countries as a whole during the 1950s had increased at an annual rate of only 3.6 per cent, about one-half of the rate of increase of exports of industrial countries. If account were taken of the deterioration in the terms of trade of the developing countries over the same period, the annual rate of increase in purchasing power of their exports had slightly exceeded 2 per cent, much too small an increase to achieve a minimum rate of annual growth of 5 per cent, the figure set as one of the objectives of the Development Decade.

23. The nature and magnitude of the crucial problem of increasing exports as a determining factor in the pace of development was well recognized. According to the *Economic Survey of Europe in 1960*,² the aggregate import requirements of developing countries over the coming twenty years were expected to treble and even with a substantial volume of capital assistance the developing countries would have to increase their exports by about two and a half times to satisfy growing import requirements. That would be impossible without a radical change in the trade of many industrialized countries, a fact which had been emphasized by many economists. Tariff barriers, agricultural protectionism and other obstacles to the exports of developing countries had formed the subject of a number of recommendations endorsed by the contracting parties to GATT. At a ministerial meeting of GATT in November 1961, the Declaration on the promotion of the trade of the less developed countries, calling on industrialized countries to make every effort to remove barriers to trade with developing countries, had been approved. Progress had been very slow, and the emergence of regional groupings had further aggravated the position of many developing countries.

Those matters were of concern to the world community, and his delegation therefore felt that they should be discussed at an international conference. Accordingly, in conjunction with four other countries, it had sponsored a draft resolution (E/L.958 and Add.1) proposing that such a conference be convened by the United Nations. In doing so, his delegation had not been unmindful of the useful work done by existing United Nations bodies and other institutions and would welcome their assistance in a comprehensive examination of the problems and the framing of constructive measures to solve them.

24. During the past decade, India had made a promising beginning in several directions as a result of its first steps in planned development. National income measured in constant prices had increased by 42 per cent, agricultural output by 40 per cent and industrial production by 81 per cent. More important, the industrial structure had been diversified. There had been rapid growth in the engineering industries and increasing quantities of steel, machine tools and machinery were being produced. Indigenous manufacturing capacity existed for most of the equipment needed by the railways, and a large range of electrical equipment and scientific instruments was being produced. Considerable advances had also been made in the chemical industries. But while that progress was satisfactory, there were difficult problems ahead. Investments had to be completed economically and brought into productive use as early as possible. From the larger volume of resources becoming available year by year an increasing proportion had to be diverted into savings. The mobilization of domestic resources was closely linked with production trends, especially in agriculture. Millions of small farmers had to be persuaded to undertake more investment and to adopt new techniques. Supplies had to be provided by public authorities or by co-operatives, which called for a great deal of organization and joint effort.

25. In order to achieve integrated development the emphasis would continue to be on increasing savings and strengthening the balance-of-payments position over the coming ten or twelve years, so that by the end of that period India could maintain an adequate tempo of development without any extraordinary external assistance. The degree of success would depend largely on India's own efforts and partly on the availability of external assistance during the interim period.

26. The five-year plans had provided for a co-ordinated all-round development, and in education progress had been such that during the previous ten years the number of schoolchildren had increased from 23.5 to 43.5 million: at that time, 60 per cent of the children in the 6-11 age group were attending school as compared to a little over 40 per cent in 1950/51. Technical education facilities had also increased. Considerable advances had been made in the sphere of health and sanitation. The malaria eradication programme had covered the whole population, and medical facilities had been expanded as a result of which the average expectation of life at birth had been increased by about ten years.

27. A start had indeed been made, but the pace of progress would have to be accelerated to keep up with a growing population. Economic growth was not merely

² United Nations publication, Sales No. 61.II.E.I (E/ECE/419).

a matter of increased investment or incomes, but had to be accompanied by changes in social and economic institutions to attain wider and deeper social values. The immediate problem was to combat poverty, but that could be solved only by social and economic progress towards a technologically mature society and a democratic social order offering equal opportunities to all.

28. Mr. CERULLI-IRELLI (Italy) said that, while the Italian economy was closely linked with the economies of the western countries, it had shown a somewhat more favourable trend. In 1961, Italy's national income had risen by 7.9 per cent in terms of real value. Among the industrial countries (with the exception of Japan), Italy ranked second, after the Federal Republic of Germany, in terms of growth of the gross domestic product during the period 1950-1960 (see E/3624/Add.2, table 2-4). Furthermore, the rate of growth of output had continued to rise in the first part of 1962. The industrial production index, which had risen by 9.1 per cent in 1960, had risen by about 15 per cent in the period between December 1960 and December 1961. Investment in industry had increased by some \$450 million (an increase of about 21 per cent over 1960); total gross investment had been equivalent to more than 25 per cent of the gross national income in 1961. Unemployment, one of Italy's most serious problems, had continued to diminish, although the general level of employment had not been as high in 1961 as in the preceding year. In that connexion, there were considerable employment opportunities for Italian workers abroad as a result of favourable economic conditions in other countries. Imports of goods and services had increased in value by more than 10 per cent, and exports by about 15 per cent in 1961. (In quantitative terms, the increases had been 14 and 19 per cent, respectively.) Owing to increased foreign trade, Italy had a favourable balance of payments and had therefore been able further to increase its gold and dollar reserves, which had risen to almost \$3,500 million at the end of 1961.

29. However, numerous problems still had to be solved to ensure harmonious development, and the Italian Government was more convinced than ever of the need for the co-ordination of the domestic economic programmes. In agriculture, it would seek the solutions which were economically and technically the most effective. It would intensify action to promote the industrialization of the under-developed areas of Italy, particularly the south. In addition, in keeping with a general programme relating to public consumption, it would establish schools and scientific research institutions, public health services, social security and insurance and the like. In that connexion, the more rapid expansion of public than of private consumption was one of the prerequisites for general prosperity. To ensure that the enormous outlay for the execution of those programmes would not jeopardize the stability of the currency, the Italian Government would adopt measures with a view to restraining, to the fullest extent possible, any use of savings which did not tend to increase productive capacity; and it hoped, through the prudent application of such measures, to facilitate the solution of the problems with which it was concerned and which it was its duty to tackle without shrinking.

30. It was in large part to its participation in the work

of international economic organization, and particularly to its membership of EEC, that Italy owed the favourable development of its economy since the war. In that connexion, his delegation believed that an objective analysis of the decisions adopted by the Community and their repercussions might be useful, for such an analysis would provide the answer to some of the statements made regarding EEC policy. The Community was only one of the many manifestations of the phenomenon of regional economic integration, which seemed to be one of the characteristics of modern economic trends. While the forms of integration varied, integration as such could certainly be regarded as justified if its object was to promote not only the economic growth of the member States, but also the harmonious development of world trade and the gradual elimination of barriers to world trade.

31. The Community had undertaken to put that policy, which was formulated in article 110 of the Treaty of Rome, into practice. Accordingly, at the general tariff negotiations which had just taken place under the auspices of GATT, it had offered to make a linear reduction of 20 per cent in the common external tariff, which was already lower on the whole than the national tariffs previously in effect, without requiring strict reciprocity on the part of developing countries. Although non-member countries had not felt able to avail themselves of that offer, they had nevertheless been able to offer alternative arrangements which EEC had deemed sufficient to enable it to conclude tariff agreements with them, so that the decisions taken at the GATT conference were a milestone on the road to the liberalization of international trade.

32. The role of catalyst which the Community had assumed in that liberalization should be viewed in relation to the accelerated rate of the economic growth — between 6 and 7 per cent of the gross national product annually — which had occurred in the member States in consequence of the progressive application of the provisions of the Treaty of Rome. That acceleration of economic growth was bound to have favourable effects not only internally, but also on trade between EEC and other countries. Between 1958 and 1961, the aggregate value of the imports of the Community had increased from \$22,946 million to \$32,162 million. Coffee imports from non-member States had risen from 355,000 to 460,000 tons and imports of tropical timber from 750,000 to 1,192,000 tons. Other examples could be cited, such as cocoa, bananas and copra. Patently, other countries had not been affected adversely by the formation of EEC. Foremost among the current trade problems was the organization of primary-commodity markets. It was the Community's intention to give that question its full attention, as could be seen by the participation of its members in various international agreements and study groups concerned with commodities. At the last session of the International Study Group on Lead and Zinc, the States members of the Community had agreed to a voluntary cut of output representing a considerable percentage of the total voluntary output restrictions announced by the members of the Group. Not only was the Community firmly bent on promoting the liberalization and development of world trade, as he had just shown, but it had on numerous occasions indicated its willingness

to discuss, by procedure acceptable to both sides, any adverse effects on trade brought to its notice by other countries.

33. Nor was EEC a mere customs union; rather, it was above all an economic union. That being the case, its members had adopted, in pursuance of the Treaty of Rome, policies (including social policies) designed to hasten the rise in the standard of living and to promote full employment within the Community: free movement of workers, social security for migrant workers, free movement of services and the like.

34. While that social aspect of the common policies was only too often ignored in the various international forums, the gradual development of a common agricultural policy had, on the contrary, been the subject of numerous statements by other countries. Those statements could in any case only be based on apprehensions since, owing to the time element, that policy had not as yet produced any concrete effects. It should be noted, however, that the policy represented a necessary step towards integration, and at the same time was a revolutionary attempt to overcome the particularism which was especially deep-rooted in the case of agriculture. Viewed in that way, the attempt should be judged with good will by reason of its very audacity, particularly as it was preparing for and might to some extent facilitate broader efforts towards the world-wide organization of markets. Furthermore, it had been generally noted that, so far as access to markets was concerned, a system of that kind offered clear advantages over earlier systems, which had involved complicated measures varying according to the country and the period. Before concluding his remarks on that point, he would stress that as the Community's general objective was to increase domestic prosperity, the demand for raw materials would inevitably increase in many sectors, including agriculture.

35. The activity of EEC had also spread to another field — assistance to developing countries. A technical assistance group had been formed in the Community with the express function of seeking ways of improving the co-ordination of activities by member States in that field together with a group to co-ordinate policies for credit insurance, guarantees and financial credits for the purchase of capital goods by developing countries. The assistance furnished by EEC for development purposes over the past four years had recently been estimated at \$10,000 million. As was known, its members were also members of IMF, IBRD, IDA, IFC, EPTA and the Special Fund. In technical assistance alone, multilateral and bilateral assistance by States members of the Community and by the Community itself would amount to a total of \$260 million for 1962, excluding outlay for technical assistance through the European Development Fund for associated overseas States.

36. Apart from that contribution to a general policy of assistance for development, the Community had adopted specific measures to assist a number of developing countries which, after attaining independence, had, as fully sovereign States, confirmed their desire to maintain their association with the Community. Those measures included financial assistance, provided exclusively in the form of gifts, which had totalled \$303 million by

30 April 1962. Those credits were intended for various purposes, in particular industrialization: pre-investment surveys, the creation of an industrial infrastructure, the financing of industrial projects in the strict sense of the word, vocational training programmes and the like.

37. In conclusion, he expressed the hope that, with the data he had given, the objectives and work of EEC would be better understood.

38. Miss SALT (United Kingdom) said that the *World Economic Survey* presented the Council with a conspectus of developments during the preceding year which should be an invaluable guide to policy-makers and planners. Year by year, it provided both a description of events in various parts of the world and a thorough analysis of one of the major problems facing both the developed and less developed countries. In the current *Survey* (E/3624 and Add.1-6), the theme was industrialization; in past years, savings and investment, commodity trade, inflation and the balance of payments had been dealt with. Since those were all topics of enduring importance, she wondered whether it would not be possible for the studies dealing with them to be published separately and thus become more widely known, instead of appearing as part of an annual volume largely concerned with economic reporting. It might ease the burden of work on the Secretariat if the more analytical aspects of the *Survey* were dissociated from the review of current events, which had to meet a rigid timetable.

39. Her delegation welcomed the fact that industrialization had been chosen as the theme for the *World Economic Survey, 1961*. Both the *World Survey* and the *Surveys* of the regional economic commissions made it abundantly clear that the pursuit of industrialization was not a doctrinaire matter; on the contrary, it was one that had to be carefully calculated in terms of costs and benefits related to the needs of particular countries. Nor was the issue one of a simple option between industry and primary production; it was also necessary to recognize the importance of the commercial and distributive sectors and the availability of markets. In relation to the recent experience of the United Kingdom, her delegation did not accept the suggestion in the *World Economic Survey* that it was lack of demand that had been responsible for the slow growth of the economies of the developed countries. In the case of the under-developed countries, it took the view that demand factors had often been given too little prominence and that careful studies of the markets of those countries, their economic accessibility and the rate at which they were likely to grow could usefully be undertaken.

40. In any discussion of industrialization, it was important to be quite clear about the time period involved. Present sacrifices had to be made to ensure future development; but the extent of those sacrifices and their duration had to be measured against the urgent needs of the present. She particularly welcomed the concluding paragraphs of chapter I on the dimensions and determinants of economic growth in the *Economic Survey of Asia and the Far East, 1961*,³ which endorsed many of the views expressed by her delegation. If her delegation

³ United Nations publication, Sales No. 62.II.F.1.

had sometimes laid stress on the needs of agricultural and other branches of primary production, it was because it considered those resources to be the ones most immediately at hand. From them could come the higher incomes needed for the enlargement of domestic markets and the generation of the additional resources for investment on which diversification and industrial development depended. At the same time, increases in production, whether agricultural or industrial, could not be made effective without a corresponding growth of commercial channels and institutions, which represented a further claim on resources.

41. Her delegation welcomed the detailed studies being made by the regional economic commissions on trade and customs matters: such practical studies by experts with local knowledge were the best way of identifying the economic and institutional factors on which growth and the development of trade depended. The United Kingdom was anxious to help wherever the establishment of industry presented opportunities for national advancement; accumulated experience, especially in the developing countries, should be analysed and made available for the general benefit, while so far as advice and training were concerned, industry in the United Kingdom could help by providing consultants and receiving trainees; the new Council for Technical Education and Training of the United Kingdom National Department of Technical Co-operation would also have a large part to play.

42. The *World Survey's* special theme for 1962 was to be planning in under-developed countries, to which the Secretariat's report on Projections of World Economic Trends (E/3661) would make a useful contribution; it was satisfactory to note that the meeting of experts at Headquarters on a work programme in the field of projections of the world economy had made a good start. Forecasts and projections, however, were always hazardous; the wider the horizon, the greater the hazards. That was particularly true at a time when all were determined that economic changes in the world should be rapid and revolutionary. The very thoroughness of the highly technical studies on the projections of supply and demand for certain primary commodities (E/3628, E/3629) emphasized the caution necessary in interpreting them. Such studies could only be indicators; they could not take account of factors such as political conditions and the progress of tariff agreements. Over the shorter periods, however, such indications of trends of production and consumption could be very helpful, particularly in relation to foodstuffs. The whole question raised complicated statistical and methodological problems; her delegation therefore approved of the further action and study by governments and the United Nations Statistical Commission suggested by the joint session of the Commission

on International Commodity Trade and the Committee on Commodity Problems.

43. Her government's position on the question of holding an international conference on trade problems was well known. It was convinced that the expansion of world trade, and in particular the arrangements governing trade between the developed and the less developed countries, were among the most pressing needs facing the world; indeed, much of the *World Economic Survey's* discussion of industrialization was closely bound up with questions of the trading relations between the less developed and the more industrialized States. For many of the questions, however, no simple solution was possible, since they arose from long-term trends in the world economy that could not be reversed, such as the changing structure of trade between industrial countries, technological developments affecting the demand for raw materials and the shifts that took place in sources of supply from one group of countries to another. Those questions had different impacts on different types of commodities and required a flexible approach. Moreover, visible trade was only one aspect of the economic relationship existing between countries, so that the continuing work of such bodies as IBRD and IMF was of great importance.

44. It hardly needed a conference to convince governments that it was necessary to promote world trade; to encourage its stability; to maintain equilibrium in world payments; and to secure the progressive reduction of tariff barriers. Furthermore, the nature of the problems impeding such developments was already known: most of them were the subject of inquiry both by organizations and individual governments. Any gaps in that work could be identified, not at a far-ranging international conference but by continued work at the expert level; once the gaps had been defined, machinery to fill them could be devised. A new organization on the lines suggested in the debates the previous week could only retard action already being undertaken.

45. From whatever point of view economic trends were examined, the main task was to bring to bear on the various problems the most direct, immediate and effective instruments of policy available. Problems should be identified as they arose, and a decision reached whether existing means could cope with them. Useful though it was to see those specific problems in relation to the world as a whole, they had to be solved in individual countries as part of the ordinary business of government and in relation to particular industries and commodities. It followed that inquiries were most valuable when specific and local, and that they should be related to the limits of time within which governments and other agencies had to operate.

The meeting rose at 1.15 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1227th meeting

Wednesday, 18 July 1962
at 3.15 p.m.

PALAIS DES NATIONS, GENEVA

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President: Mr. J. MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Yugoslavia.

Observers for the following Member States: Argentina, Austria, Belgium, Bulgaria, Canada, Central African Republic, Cuba, Czechoslovakia, Dominican Republic, Greece, Hungary, Indonesia, Iraq, Ireland, Israel, Mali, Netherlands, New Zealand, Romania, Sweden.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Republic of Korea, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Monetary Fund, Interim Commission for the International Trade Organization.

AGENDA ITEM 2

World economic trends (E/3624 and Add.1-6, E/3628, E/3629, E/3631 and Add.1-3, E/3635, E/3652, E/3659 and Add.1 and 2, E/3661, E/3668; E/ECE/452)

GENERAL DEBATE (*continued*)

1. Mr. KLUTZNICK (United States of America) said that an increasing rate of industrial growth had a vital role to play in the process of accelerating economic development.

2. The *World Economic Survey, 1961* (E/3624 and Add.1-6), presented, in Part I, a large body of statistical material and drew important practical conclusions, based on experience, which should be helpful to countries in planning their industrial development. Moreover, it recognized that the economic development process was complex and not capable of explanation by a simple theory of economic history.

3. The goal of economic development was the welfare and dignity of all mankind, and to that end, steps should

be taken to foster economic and social institutions which gave human beings as much freedom of choice as possible and, while promoting their material welfare, would also provide adequate educational opportunities and sufficient leisure time for recreational and cultural activities. Moreover the attainment of higher rates of economic growth should not be sought through the establishment of political, economic and social systems which militated against their achievement. Nor should present generations of human beings be required, for the questionable benefit to be derived by generations yet unborn, to reduce too much their present low consumption levels for the purpose of creating the margin of investment which might be necessary if economic growth were forced to proceed at too rapid a rate.

4. The fact that economic development implied a balance between industry and agriculture did not mean that there was any single economic pattern which all developing countries should copy. Wise country planning for industrial growth must in general be based on the existing but not unalterable resource pattern of the country concerned and economic, political and social institutions. Crucial in that respect, particularly in the early stages of industrial development, should be the consideration of a country's natural resources and its pool of skilled manpower. Both skills and physical resources could be imported. However, since the process of economic growth would inevitably increase the strain on the foreign exchange resources of the developing countries, such resources should be husbanded as much as possible.

5. It was sometimes forgotten that the industrial revolution in the west had occurred in extremely favourable circumstances; the stock of capital resulting from commercial operations had been one very important factor, and the spirit of entrepreneurship born of commercial experience another. The development of science and inventions was also important. Moreover, political and economic liberalism encouraged risk taking. The industrial revolution had, in short, been an evolutionary process based on favourable political, economic and social institutions and facilities. In many of the emerging economies those favourable circumstances were absent. Many of the developing countries were obliged to create institutions and attitudes favourable to growth by an act of national will and commitment. The Latin American countries were showing the way by their common agreement to institute the economic and social reforms necessary to promote economic growth and to spread its benefits to all elements of their populations.

6. His country had always recognized that capital alone was not enough in the developing countries, and had therefore stressed technical assistance in its bilateral pro-

grammes and consistently supported multilateral efforts of the same general nature. But only recently had it come to recognize that the advantages of aid could be dissipated if the recipient country had a social system which was inadequate for a modern industrialized society and which channelled the benefits of economic growth to the few rather than the many.

7. The United States had found that agricultural and land reform was a necessary precondition to the improvement of agriculture in the developing countries. Yet in that field too, such improvement could not be achieved by means of capital alone. Most economic planners recognized that it was a mistake, in the early years of economic development planning, to let agriculture take care of itself, and to concentrate on planning for investment in industry, and especially heavy industry. The majority of countries took a more balanced view of development, and now recognized that there were many roads to economic growth. It was very often desirable to devote attention first to light industry, producing consumer goods for the home market in substitution for products which would otherwise be imported. The statistical evidence presented in the *Survey* seemed to support the view that countries in the earlier stages of development had learnt that lesson. The mature thinking of the Asian countries at the eighteenth session of ECAFE held at Tokyo in March 1962 had been reflected by their willingness to emphasize the real possibilities for growth in agriculture, light industry and in small-scale industry. The *Survey* reflected a similar balanced focus.

8. Although many industries were necessarily large-scale, it was a fallacy to argue that all industry must be on a large scale; in Denmark, for example, 62 per cent of all industrial employment was accounted for by establishments employing less than 50 persons. Moreover, it was often the small plant which was of key importance in the development of an industrial complex within which industries tended to prosper. There was also evidence that in all the industrialized countries, with the possible exception of the special case of Japan, small plants might be just as efficient as large ones. In short, all available evidence seemed to support the conclusion of the Secretariat that industrial growth consisted as much in the multiplication of small factories as in the formation of large ones.

9. The greatest possibilities for mutually profitable trade were found in countries with fairly diversified economies. Moreover, it was in those countries that international specialization promoted the greatest economic progress as was demonstrated by the effects of progressively liberalized trade among the diversified private enterprise nations. However, specialization was important to the economic growth, and especially the industrialization, of the developing countries. Export earnings were, in a sense, the key to the whole problem of economic growth, and without them, there was little hope of starting the kind of chain reaction which could result in sustained growth.

10. Economic planning, properly conceived, could be of great help in ensuring a better allocation of resources for industrialization. That process, however, was not automatic, since all that sound planning could do was to

throw light on the choice open to entrepreneurs and others, and to ensure that decisions were based upon information. The limitations of central planning had become clear even in the countries practising that system, in which numerous references were made to decentralization of planning, and reports on the effectiveness of decentralization under the central planning concept were eagerly awaited.

11. The experience of his country suggested that the role of private enterprise was of key importance in allocating resources, and transferring and developing entrepreneurial skills. It was untrue that reliance on private enterprise and the appropriate use of planning were mutually exclusive, since as much planning took place in the United States as in any country. But it was not only the government, but business and industry too that planned freely and to the full extent. Moreover, other countries, including some whose leaders had expressed a socialist view of life, were finding that the private sectors of their economies developed more rapidly and were more effective in satisfying human wants than their public sectors. There was therefore an increasing tendency in those countries, in their more recent planning documents, to give due recognition to the place which private enterprise could and must play.

12. The record of the past ten years was one from which a moderate degree of satisfaction and encouragement could be derived. However, most of the developing countries were still much too heavily dependent upon agricultural and mineral production; their industrial sectors had to grow even more rapidly if they were to sight their goal of a modern diversified economy.

13. Monetary and financial conditions had improved considerably in many countries; that meant that trade, savings and investments could proceed in a much more orderly way than had been possible a decade or so previously. It also meant a reduction in the personal inequities which inevitably accompanied monetary confusion. A further source of satisfaction was the increasing degree to which countries were willing to work together to their mutual economic advantage. Such co-operation was conspicuous in the case of GATT, IMF and IBRD. Moreover, the various organizations and programmes, formal and informal, for transferring the "know-how" of economic advancement between countries, were operating at a higher rate than ever before.

14. With regard to developments during the preceding year, it was not surprising that the pace of economic expansion had slackened somewhat in western Europe and Japan, in view of the very rapid advances made during the previous few years. Experience had shown that rapidly advancing economies required a pause from time to time to consolidate their gains and prepare for new upward movements. The underlying possibilities for further expansion continued to exist in Japan and particularly in western Europe. In all economies, whether free enterprise or centrally planned, lack of balance or an uneven curve upward might be as much a stimulant to future growth as an apparent balance or constant upward curve. The key problem was to make sure of the goal and to keep pace with the needs of the hour. No amount of advance planning would make it possible to foresee the

variables which inevitably arose in any given period. But that did not detract from the importance of the attempts being made in all industrial countries to smooth out the ups and downs in business activity.

15. One of the most important goals of economic planning in the United States, as in all other industrialized countries, was to avoid the kinds of depressions which had occurred with distressing frequency prior to the Second World War. The economic recovery in the United States which had started in February 1961 had continued, and a steady expansion of output and employment, accompanied by general price stability, had been achieved. Underlying that dominant trend was the continuing long-term increase in labour productivity and in the coverage of social welfare programmes. The principal challenge to the United States economy on the domestic front was continued expansion to full production levels and the achievement of a stable balance at those levels.

16. Since February 1961 important gains had been recorded by all important economic indicators. The unemployment rate had dropped from 6.9 per cent in the first quarter of 1961 to 5.5 per cent in June 1962. The strongest element in the recovery had been and continued to be consumer expenditures. Consumer liquidity had been greatly increased and would allow consumer purchases to be maintained for a time even if the current rate of expansion were reduced or arrested. Business investment had expanded less rapidly than had been initially expected, and excess capacity was still fairly widespread. Residential construction had expanded as a result of growing incomes and easy mortgage credit. Federal Government expenditures had also expanded during the recovery period, owing partially to efforts to strengthen the economy but largely to the expansion of existing or new permanent programmes. Monetary and credit conditions continued to be strongly favourable to expansion, and wholesale prices had remained steady since 1958.

17. The long-term outlook for the United States economy was most encouraging. With few exceptions, supplies of natural resources and raw materials were relatively abundant; its productive potential ensured that resource deficits could be met through foreign trade and its increasing population provided an ever-growing market for the products of the world and an ever-expanding reservoir of productive skills and abilities. Through the expansion of educational, health and welfare programmes a steady reduction was being achieved in the proportion of the population that failed to contribute to the expansion of the United States economy and to share in the fruits of that expansion.

18. The New York Stock Exchange had been a focus of national and international economic attention in recent weeks; the high levels of equity prices reached in the winter of 1961-62 had undoubtedly been based upon expectations of continued inflation, as well as exaggerated views of the earning possibilities, over the near term, of some companies in the so-called growth industries. At the peak of the market, dividend yields had been considerably below interest rates on bonds, and earnings on stocks had been only slightly above bond yields. However, the general realization that inflation

had been brought under control and that the earnings of the growth industries were not growing at the expected rate had inevitably produced an adjustment of equity prices. Nevertheless, no systematic relation between consumer buying and stock prices could be found in the post-war period, nor could any reliable connexion be made between stock prices and the general level of economic activity. It therefore seemed wisest to interpret the stock market decline as the adjustment of inflationary expectations to non-inflationary reality.

19. Many problems still faced the United States economy. The Government and the people were not satisfied with the rate of economic growth, and the economy had not been expanding rapidly enough to achieve the goal of full employment, although each month seemed to record new peaks in the numbers employed. Such unemployment was wasteful and involved economic and social costs which affected the individuals concerned, their families, and society as a whole. The President had proposed changes in the tax structure which, it was believed, would increase the rate of business investment. The administration had also taken steps to modernize depreciation allowances with the same purpose in view. Moreover, a lively economic debate was taking place on the desirability of a reduction in taxes; the position of the Government continued to be one of watchful waiting.

20. Open public discussion between labour, management and the Government concerning the best road to continued economic strength and progress epitomized the true democratic process. The real problem was to make sure enough wealth was generated, not just for the United States but also to help meet the needs of growing populations abroad. With 6 per cent of the world's population, the United States produced nearly 40 per cent of the world's output. The economic strength of the United States was important to the prosperity of the world in general, and its recent economic recovery had been accompanied by a substantial increase in imports, which were running at an annual rate of some \$16,000 million.

21. The strength of the United States also enabled it to continue its contributions to the economic development of the less developed countries through private investment and through bilateral aid programmes, as well as by contributions to multilateral programmes of financial aid and technical assistance. The trade policy projected in the President's request for a trade expansion act in 1962 revealed a determination to use the economic strength of the United States for the benefit of all in a massive attempt to establish in the major producing and consuming areas of western Europe and North America, a low tariff regime as free as possible of barriers to trade. The President's proposal had been approved by the House of Representatives without substantial change and was now being considered in the Senate.

22. Mr. WALKER (Australia) recalled that the annual United Nations *World Economic Survey* was the successor to a series of similar surveys produced by the Secretariat of the League of Nations, the first of which bore the different but significant title "The Course and Phases of the World Economic Depression". The dominant problem of economic policy in the 1930s had been to

promote recovery from the depression, which had shaken the economic systems of many countries to their foundations, and to prevent the repetition of a similar economic catastrophe.

23. The *Surveys* published by the United Nations undoubtedly reflected an important change in the world economic scene in that they were no longer concerned to the same extent to take the pulse of the current economic situation. The world was no longer haunted by the fear of recurring major depressions. There was still the problem of recurring recessions but that change in terminology was not purely a matter of words. The process by which an economic recession could perpetuate itself and degenerate into a serious depression was now well understood and governments had both knowledge and experience of measures to prevent the cumulative growth of unemployment. Moreover, there was a firm tradition of mutual international assistance supported by such institutions as IMF.

24. The centre of interest had shifted from the problem of short-period fluctuations to that of continuous economic growth. For the less developed countries, the immediate problem was to bring about the necessary structural changes that would set in train the process of self-sustaining economic growth, such as that which the industrialized countries had known over a very extended period. In the major industrialized countries, however, the maintenance of steady economic growth had also emerged as a prime object of government policy and as the objective of private enterprise.

25. The basic reason for that interest in the problem of growth was that only through economic growth could countries support increasing populations and provide increases in real incomes which were in turn the sources of higher levels of living. Moreover, continuous growth made less difficult the solution of other problems. In that connexion he would draw attention to the statement in the introduction to the *Survey* (E/3624) that "recent economic events in western Europe offer striking testimony to the fact that problems of adjustment to changing circumstances can be overcome with relative ease so long as they are encountered in conditions of sustained economic growth".

26. With regard to the conditions affecting growth in the developed private enterprise economies, the introduction to the *Survey* contained a particularly striking passage which stressed that "the policies of greatest significance for the industrial growth in the developed private enterprise economies have not been measures designed to alter the structure of industrial production or to accelerate growth in specific industries" but that it had been rather "those monetary and fiscal policies of a general nature which have affected the rate of growth in aggregate demand". He would draw particular attention to the statements contained in the remainder of that paragraph and the following paragraph.

27. In the less developed countries, the problem of maintaining growth was much more complicated because it required, in addition to the maintenance of a strong effective demand, far-reaching structural economic changes and, very often, important social changes as well. As the representative of India had pointed out at

the 1226th meeting the economic growth of an under-developed country was not merely a matter of obtaining better results but had to be accompanied by changes in social and economic institutions to obtain wider and deeper social values.

28. In most countries, foreign trade played an important role in growth. In the developing countries, domestic capital formation needed to be supplemented by the importation of foreign capital goods and the export trade of those countries was vitally important as a source of foreign exchange with which to pay for the imports of capital goods. But in developing and highly developed countries alike, export trade played a further role in generating incomes and purchasing power within the country. Consequently, a healthy export trade helped to maintain domestic conditions necessary for continued growth.

29. The reliance upon international trade to supply some of the essential requirements for economic growth brought with it special balance-of-payments problems. Adverse movements in a country's balance of payments could reduce the level of effective demand within the country and upset expectations of economic growth. At the same time, such an adverse movement often made it necessary to cut down imports of goods needed for development.

30. Those considerations showed the great importance for the maintenance of economic growth both of measures to prevent undue fluctuations in commodity prices, which were often at the root of balance-of-payments problems, and of international arrangements to tide countries over temporary difficulties.

31. More recently, attention had been given to another factor that could contribute to the avoidance of balance-of-payments difficulties. Any deficit in the balance of payments in one country had as its counterpart a surplus in the balance of payments of other countries. The danger that the maintenance by one country of domestic conditions favourable to rapid economic growth would lead that country into balance-of-payments difficulties would be diminished if its trading partners were also following a policy of rapid growth. Hence the importance of concerted growth policies, such as those declared by the OECD countries in 1961 and referred to at the 1226th meeting by the Under-Secretary for Economic and Social Affairs.

32. There were four important structural changes in the world economy. The first was the increase since the Second World War in the number of centrally-planned economies, which had removed a substantial sector of the economic life of the world from the system of inter-related markets.

33. The world economy had for long been mainly a private enterprise economy, but that term no longer perfectly described the nature of the national economies that made up the world economy outside the planned economies. In most countries, the system was a mixed one, with an important nationalized sector and a considerable degree of government control over the private enterprise sector. There remained, however, a clear division between those mixed economies and the fully planned economies; in fact, they constituted two eco-

economic worlds which often confronted similar fundamental economic problems but which operated on different principles.

34. There was of course a certain amount of trade between the two economic worlds but there were great difficulties in the development of a closer association between them not only because they represented rival political and economic systems but because they conducted trade on different principles. The trading system of the mixed private enterprise economies was a multilateral trading system. The GATT, the Contracting Parties to which accounted for 78 per cent of world trade — 83 per cent if associated countries were taken into account — envisaged a system which would offer its members free access to one another's markets, subject only to the customs tariff through the most-favoured-nation rule. There were exceptions to that general rule such as protection against dumping and against subsidized exports, but they were carefully hedged around with safeguards. The GATT system could be summarized as comprising three principles: first, that trade should be conducted on the basis of non-discrimination; second, that domestic industries should be protected exclusively through the customs tariff and, third, that there should be consultation between contracting parties aimed at avoiding damage to the trading interests of all contracting parties. He was, of course, describing the GATT rules and not the manner in which they were, or were not, fully observed, particularly regarding access of primary products to the markets of certain highly industrialized countries.

35. That multilateral system was clearly very different from the trading system of the centrally planned economies. Import policy in those economies was part of a general plan, which allocated to the import sector only that part of consumption which could not be met by planned domestic production. There was therefore no possibility of foreign exporters competing on equal terms with domestic producers in the centrally planned economies on the basis of quality and price. Moreover, through the Council for Mutual Economic Aid (CMEA), there was a certain co-ordination between the centrally planned economies which involved agreements for trade exchanges. The sector of trade which could be left open to foreign exporters, therefore, tended to be residual to domestic production and imports under the aegis of CMEA. Even in that residual sector, however, it seemed that the volume of trade was not subject to the play of market forces so much as to administrative and governmental decisions, many of which might appear arbitrary to outside suppliers. He was not criticizing the system, but merely describing the existing position.

36. The prices of exports from centrally planned economies could also present a problem for other countries. The normal elements of price formation in a planned economy were difficult for foreigners to establish and it was therefore difficult to apply to exports from centrally planned economies the normal anti-dumping provisions of legislation in the free-enterprise countries, which required the establishment of a recognizable cost of production.

37. Trade between the two economic worlds was cur-

rently largely carried out through bilateral agreements. No very great difficulties had resulted because the trade involved had been somewhat marginal in volume. That position could change if a greatly increased share of world trade came to be enjoyed by the centrally planned economies; if and when that problem came to be faced, solutions should not be sought in a departure from the existing system of the greater part of world trade with its emphasis upon multilateral non-discrimination.

38. The second important development had been regional integration, which was well advanced in western Europe and in eastern Europe and was getting under way in Latin America. Regional integration in western Europe had already brought about appreciable economic benefits and economic co-operation of that type was likely to be beneficial elsewhere.

39. Regional integration normally began with the granting of what was, in effect, a mutually preferential system among the members and if that integration were carried on in an inward-looking spirit it could result in great economic damage to outside countries and in the ultimate breakdown of progress within the integrated group itself. Australia, a country which did not readily fall into any possible regional grouping, attached great importance to the assurances by spokesmen of existing groupings that they would follow outward-looking policies and that there would be opportunities for increased trade with the outside world.

40. The third development had been the effects of the national agricultural policies — particularly in the highly industrialized countries — on international trade and the resulting difficulties for many primary producing countries. Agriculture in many countries had become insulated from the world economy and powerful social and political forces had become involved in the situation and were determined to defend it.

41. The trend to agricultural protectionism had a profound effect on the volume of international trade in primary products. The problem could not be evaded indefinitely. Among other considerations, the world could ill afford to discourage efficient low-cost producers at a time of explosive population growth.

42. The growth of regional trading groups and agricultural protection by industrialized countries had had the important consequence of reducing the size of the so-called world market on which the agricultural exporters attempted to sell their produce. That market accounted, in most of the bulk commodities, for only a very small part of world production: 5 per cent for feed grains, 10 per cent for beef or butter, 12 per cent for sugar and 15 per cent for wheat. The so-called world price of many agricultural products was accordingly depressed and had increasingly less relationship either to the cost of production in efficient primary producing countries or to the prices actually paid to the agricultural producers in the industrialized countries through various protectionist devices.

43. The fourth important change in the world economy had been the drive for industrialization in the developing countries, a process to which the Survey devoted a thorough study. One of the most remarkable features of the

Survey was the presentation as inevitable of the trend for the economies of different countries to move towards a similar structure.

44. The ultimate aim of the under-developed countries should be to constitute diversified economies similar to those existing in the developed countries. The acceptance of that idea, as expressed in the *Survey*, presented a remarkable contrast with the economic thinking prior to the Second World War when it had been thought that some countries should concentrate on agricultural production and others on industrial production and that regional specialization could lift levels of income effectively through foreign trade. Another consideration not emphasized in the *Survey* was that, without industrialization and diversification of the economy, the developing countries would lack the educational experience of working in industry and the stimulus to enterprise of a wide range of economic opportunities.

45. That drive towards industrialization would be bound to have far-reaching consequences for international trade. In that connexion, however, it was interesting to observe that industrial progress did not lead to the withering away of trade; in fact, a thriving international trade existed between the major industrialized countries as a result of a process of refined specialization.

46. Lastly, he would reserve his delegation's right to revert to such questions as proposals for a world trade conference, to which he had not referred in his remarks.

47. Mr. GUZINA (Yugoslavia), commending the authors of the *World Economic Survey* and of the regional surveys, said it, was a very good practice for the *Survey* to analyse one topical subject on a long-term basis each year; and the *Survey* for 1961 ably analysed industrial development during the 1950s.

48. There were three very significant fields in which decisive progress had been made in economic thinking during the past decade; that progress was not only reflected in United Nations documents: those documents had to a considerable extent contributed to it.

49. The first of those salient features of economic thinking was its predominant concern with economic growth. Economic dynamics in the form of analyses of longer-term trends were superseding the study of factors of static equilibrium and short-term cycles which had been the central interest of western economists almost up to 1939. In that long-term analysis, the tempo of development had become the basic criterion of economic efficiency.

50. That advance in economic thinking was of vital importance for the less developed countries. Economic growth, which paved the way for the modernization of other sectors of social life, was for those countries a prerequisite for the full assertion of their political independence. In the contemporary theory of economic growth, the development of the under-developed countries had become a particularly promising field of study, to which chapter I of the *Survey* (E/3624/Add.1) devoted to the results of industrial development in those countries constituted a valuable contribution.

51. It was interesting to note that economists were increasingly realizing not only the necessity of a high rate of growth for the developing countries, but also the possibility of attaining it, provided the necessary steps were taken within those countries and organized international assistance was available. The discussions in the Council (1214th-1219th meetings) on the Development Decade constituted the latest indication that those views were prevailing: it had been pointed out that the Decade's objective of a 5 per cent rate of growth in the national income of the developing countries represented a minimum.

52. The second field in which progress had been made in economic thinking was that of planning economic and social development. The need for such planning had come to be generally recognized. The ideas of those who in the past had denied that a planned economy could function efficiently had been left far behind. Planning had strongly asserted itself in practice. At the same time, the concept of a planned economy had been better defined, with certain relaxations in the rigidity of centralism in planning and with recognition of the principle of free choice by the consumer. The great argument about the efficiency of a planned economy carried on by western economists during the 1920s and 1930s had been definitely settled in favour of planning.

53. Planning should at present be applied, and to some extent adapted, to different institutional frameworks and to different stages of economic and social development. In all cases, however, planning should comprise, in addition to a precise methodology, measures of implementation. To an ever-increasing extent planning required appropriate institutional adaptations in the economy, without which it would remain purely theoretical.

54. The third field in which economic thinking had advanced and in which there was a greater measure of agreement was the pattern of economic development and the role of industrialization in economic and social development, a role which was appropriately stressed in the introduction to the *Survey*. It was now generally recognized that development must be co-ordinated, stable and balanced.

55. However, obsolete views on economic and social development had not yet been completely overcome and to some extent they manifested themselves in the documents on the Development Decade. The so-called balanced development of the under-developed countries sometimes served as a justification for an economic policy of slow growth which reflected the interests of only a part of the population.

56. No one denied, for example, the importance of education and the training of personnel, or of the development of communications. But development, if it were to be balanced and at the same time as rapid as possible, must put industry in the forefront.

57. It was clear that in an under-developed country priority must be given to the establishment of industry as a precondition for smooth and self-sustained growth. If the developing countries were to attain a diversified economy, it was essential for them to correct the present imbalance in their economy resulting from their low level

of industrial development. In that connexion, the figures given in tables 1-5 in chapter I of the *Survey* showed that in the past decade the rate of industrial growth in the majority of the less developed countries had been higher than the rate of growth of the gross national product.

58. The generally accepted model of economic growth based on the intensity of investment and its effectiveness led to the conclusion that the development of industry was vitally important for accelerated growth. Industry, as the most productive branch of the economy, increased a country's accumulation and investment capacity. It could be broadly said that the capital-formation ratio was in close correlation with the level of industrial development.

59. Industrialization increased a country's capacity for capital formation and at the same time ensured the most effective use of capital, which was the scarcest factor in the development of the under-developed countries.

60. The experience of Yugoslavia was particularly significant in regard to the importance of speedy industrial development. During the decade analysed in the *Survey* his country had increased its real national income two-fold. The basis for that rapid development had been provided by a rapid expansion of industry: in 1960 industrial production had been four and one-half times larger than before 1939. That expansion of industry had not taken place at the expense of other sectors but had, on the contrary, contributed to their growth. Agricultural production, for example, showed in 1960 a 46 per cent increase over the pre-war average. Social services, such as education and health services, had also enormously expanded.

61. The analyses in the *Survey* showed that one-sided specialization, which would rely on some kind of strict international division of labour, was impossible, and that diversified development, above all diversified development of industry, was necessary. The development of the capital- and intermediate producer-goods industries was particularly important; it was precisely through those industries that the real capacity for capital formation was increased. The analysis of trends in the industrially developed countries over the preceding decade contained in chapter II of the *Survey* (E/3624/Add.2) clearly showed that those industries developed at a faster rate than industry as a whole. In Yugoslavia, for example, in the decade 1951-60, the consumer goods industry had increased 2.5 times, while the capital goods industry had increased 3.5 times. A somewhat similar process was apparent in such countries as India, Mexico and Brazil. The development of the capital- and intermediate producer-goods industries could also remedy the unfavourable balance-of-payments position of the developing countries by reducing the need for imports.

62. However, as the *Survey* rightly pointed out, for the less developed countries which had no industrial nucleus it might often be necessary to begin their industrialization with those industries where the specific balance-of-payments problem could be solved with a minimum of funds. In the beginning, those industries need not always necessarily be the capital- and intermediate producer-goods industries. In that connexion, the importance of export industries should also not be underestimated, especially

in those countries that had already reached a certain level of industrialization.

63. In the light of the progress in economic thinking there was an obvious need for a strengthening, within the framework of the Development Decade, of international effort to provide international support for the endeavours of the less developed countries towards a speedy economic transformation.

64. The suggested United Nations international trade conference would constitute one of the first contributions to the elimination of the difficulties in international economic relations which hampered the speedy economic transformation of the less developed countries.

65. Mr. BROWN (International Confederation of Free Trade Unions), speaking at the invitation of the President, said that ICFTU had for several years been suggesting that an international conference on international trade problems should be convened. Although important work had been done in that field by various international bodies and even more important work was under way, it was disappointing to learn (E/3631 and Add.1-3) that many governments considered that, at that stage, an international conference might possibly endanger the pragmatic and expert approach which had prevailed so far. International trade developments in recent years showed clearly that the situation was growing worse; the terms of trade had become even more unfavourable for the under-developed countries, and competition between industrial countries for markets had in some cases assumed a more threatening form. Moreover, the trend in the Soviet bloc towards autarky had been complemented by trade offensives directed mainly against some of the most vulnerable areas of the world market.

66. It was therefore highly advisable to launch a new, all-out attack on world trade problems and to tackle those which could not be dealt with by existing international machinery. The danger that an international conference might have adverse effects on the work already done or under way could be considerably reduced by careful preparatory work, which should resolve the technical problems involved and inform world opinion about the tasks which the conference had to face. The preparatory work should further consist in the establishment of minimum rules of conduct in international trade, acceptance of which could reasonably be required of all States wishing to participate in the conference. Many disruptive practices should be identified, condemned and fought, especially if they affected the trade and development of underprivileged countries. Those practices included such methods as the breaking of multilateral agreements concluded in order to keep up the prices and to further the export of primary commodities.

67. The main object of the conference would be a radical readjustment of world markets and trade policies to the newly emerging patterns of economic activity throughout the world. Special stress should be placed on the urgent need to utilize existing surpluses for basic needs, especially in the underprivileged countries. There were no real surpluses in a world where the majority lived in poverty and need. The problem was to channel the flow of goods which were in excess to those places where they were needed: an ever-greater proportion of exports should be

diverted from the old to the potentially new markets in developing countries. The task involved was tremendous, but could be carried out by making use of existing instruments of economic and trade policy, especially if the effort were associated with aid to the developing countries and with private foreign investment. The result would be an expansion of international trade, to the advantage of the industrialized as well as the developing countries, which frequently encountered tremendous difficulties in their attempts to obtain access to traditional markets in the industrialized countries for their new products.

68. Special attention should be paid to the co-ordination and consolidation of existing activities pertaining to primary commodities, and a clear distinction should be made between long-term and short-term price trends. As for the long-term tendency of primary commodity prices to decline, it was very important to distinguish between economic factors and the unfavourable bargaining position of the producers. The latter could be strengthened by suitable international trade policies. Comparable policies to strengthen the bargaining position of agricultural producers in relation to big business had resulted in many industrial countries in the creation of what had been called the countervailing power. What ICFTU was proposing was the creation of a countervailing power at the international level. Yet at the international level as at the national level, it was a matter of political, not of purely economic, decisions, because the objective was not increased profits but a more balanced world economy. The first prerequisite for the creation of such a countervailing power was a minimum harmonization of multilateral and bilateral trade agreements. The obvious lesson to be drawn from the operation of

the International Sugar and Tin Agreements was that effective countervailing power could not be built up without an extension of multilateral agreements to enable them to prevail over any single bilateral contract. The achievement of that goal also depended on political and not purely economic decisions. But whereas the establishment of countervailing power against an economically unjustified decline in primary commodity prices called for a political decision on the part of wealthy industrial nations, the decisions pertaining to the extension of multilateral agreements and to the checking of possible adverse effects of the bilateral ones had to be taken by the exporting countries too.

69. The same considerations applied to attempts at eliminating short-term fluctuations in primary commodity prices. Some progress towards a compensation scheme had recently been made, but progress was slow. The only way of accelerating the process was through the adoption of a series of predominantly political decisions by the importing and exporting countries.

70. Since mainly political decisions were needed and since success depended largely on the simultaneous adoption of a wide range of very different but carefully concerted decisions by a great number of governments and international bodies, a well-prepared international conference appeared to be the most appropriate forum for that vitally important undertaking. The adoption of such decisions would be in the interest of the developed and less developed countries alike, would promote a healthy expansion of world trade and would reduce the ever-growing gap between the rich and the poor nations.

The meeting rose at 5.55 p.m.



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President : Mr. J. MICHALOWSKI (Poland).

Present :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Belgium, Bulgaria, Canada, Central African Republic, Cuba, Czechoslovakia, Hungary, Iraq, Mali, Netherlands, New Zealand, Norway, Romania, Tunisia, Venezuela.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Republic of Korea, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, World Meteorological Organization.

AGENDA ITEM 2

World economic trends (E/3624 and Add.1-6, E/3628, E/3629, E/3631 and Add.1-3, E/3635, E/3652, E/3659 and Add.1 and 2, E/3661, E/3668; E/ECE/452)

GENERAL DEBATE (*continued*)

1. Mr. HUSSEINI (Jordan) said that the aim of economic development was the attainment of higher standards of living for all. The governments of all the developing countries attached prime importance to the expansion of industrial development. But economic development implied a balance between industry and agriculture, and industrial development in the developing countries must be influenced by factors such as the extent of their natural resources and the role of foreign trade in their economies. Many of the developing countries would continue to depend for several years on primary commodities as their major export items. In most of the Middle Eastern countries, large allocations had been made for irrigation and land reclamation projects, while legislative measures had been taken to redistribute the land, set up agricultural co-operatives, improve marketing

conditions and stabilize agricultural prices. Industrialization undoubtedly had a big part in the economic development of the developing countries, but diversification of the industrial structure was also necessary. Moreover, since labour was relatively plentiful and capital relatively scarce, the development of labour-intensive consumer-goods industries was likely to prove most advantageous.

2. The spread of import-substituting industries could release foreign exchange for imports of capital goods. The replacement of imports of consumer or intermediate goods in countries on the threshold of industrial development would have a direct impact on industrial growth and the supply of capital equipment. Countries in the early stages of development should therefore concentrate on the light industries, where their human and natural resources could best be applied and which afforded immediate market possibilities. Government action through direct participation in the establishment of new industries had stimulated industrial growth in many of the developing countries, but the main emphasis had been on private industrial investment.

3. Industrialization in those countries needed external assistance in the interim period, including the temporary services of foreign experts, who should train their local counterparts and enable them to assume full responsibility as soon as they had achieved the necessary degree of technical skill; programmes of advanced training in the industrial countries should take account of the need to ensure an adequate supply of local experts. The industrial countries would have to bear in mind the needs of the developing countries when determining their trade policies, and when making any internal adjustments to cope with the disruptive impact on certain sections of their own economies of increased imports from developing countries; such adjustments should take the place of trade barriers. In November 1958, GATT had undertaken a co-ordinated programme for the expansion of international trade, with three features: tariff reductions, trade in agricultural products and the trade problems of the less developed countries. In country economic planning for industrial growth, the resources pattern of the country and its economic, social and political institutions must be taken into consideration. Before economic planning could be undertaken, it was necessary to accumulate data about the state of the economy. In the current five-year development programme in Jordan, the highest priority had been given to the expansion of gross domestic output, with a view to reducing unemployment and dependence upon foreign aid. Income originating from mining and manufacturing enterprises had increased by 80 per cent between 1954 and 1960; income originating from construction had trebled and that from transport had doubled; income originating

from wholesale and retail trade had increased by 74 per cent.

4. Although substantial progress in development had been made during the past ten years, a number of problems still remained. It had become increasingly apparent that the attainment of an optimum rate of economic growth must be based upon a comprehensive development plan. He hoped that the five-year programme would result in an increase of 60 per cent in gross national product, a 21 per cent increase in employment and a 5 per cent increase in productivity. Since 1957, industrial development in the Middle East as a whole had continued to expand. The rate of growth had varied with the degree of public participation, the availability of raw materials and the ability to finance investment needs; it had been influenced by the desire for diversification in an endeavour to stabilize fluctuations in national income resulting from excessive reliance upon agriculture.

5. Mr. VALLADÃO (Brazil) said that, whereas in the early days of the United Nations, when the membership had been fifty-one States, the major problems had been those of post-war reconstruction and economic recovery, the organization had since become virtually universal, and for two-thirds of its members the principal problem was that of economic development.

6. The gap separating the less developed countries from the rest was wider than ever. The technological revolution had accelerated the economic growth of the highly developed countries to such an extent that there was no assurance that they could be overtaken. When industrialization had first pointed the way to the attainment of self-sustaining economic growth and the possibility of rising above the general level of poverty, there had been greater opportunity for growth without mutually restrictive competition or interference than was the case in modern times. The field had been large, and vested interests had not yet created a complex system for the maintenance of a traditional set pattern for the distribution of the riches of the earth.

7. The attainment of self-sustaining cumulative growth and higher limits of per caput income seemed to have become increasingly distant for the developing countries. On the one hand, in consequence of internal factors such as the almost uncontrollable rise in population, a national income growing at only a modest rate had to be shared among greatly increased numbers of citizens. Through new media of information, the population became aware of the rewards of development and learned habits of consumption which, though quite natural for highly developed countries, were luxuries that the less developed countries could not afford. In democratically organized States, such people could easily make effective their wish for consumption rather than accumulation, for sharing in any increase in the national income, in preference to suffering a restriction to bare necessities for the sake of a high investment rate. On the other hand, there were the external obstacles faced by countries which had chosen the uphill road to development in preference to stagnation in the secondary position assigned to them in a relatively crystallized world economic structure.

8. In his own country, where the classical theory that the free and natural interaction of economic forces would

infallibly result in natural and balanced growth and economic justice had formerly been universally accepted, it had been discovered in the course of the twentieth century that Brazil was being left behind among the under-developed countries. The free play of economic forces had resulted in the failure of his country's first attempts at industrialization. Brazil had become little more than a supplier of primary commodities which could not be produced by the industrialized countries or their dependent territories. In 130 years, the per caput product in Brazil had merely doubled; average annual cumulative growth had been only 0.57 per cent, while the average rate of increase in the domestic product had been 2.59 per cent, of which 2 per cent was accounted for by the increase in population. True, there had been phases of intensive growth, but they had been followed by periods of stagnation. During the previous twenty years, the average rate of increase in the domestic product had been 4.65 per cent — less than the target set for the Development Decade; meanwhile, the annual rate of growth of the population had recently reached a record level of 3.5 per cent.

9. From the evidence it was clear that by reason of its role in the world economy, a situation that was definitely unfavourable to Brazil was bound to be perpetuated; it was also clear that the already affluent countries were advancing faster and that the relative position of the non-associated primary suppliers was worsening. Brazil had therefore concluded that economic development meant obtaining access to an exclusive club that made the rules with a view to the preservation of the comparative advantages its members already enjoyed. It was for that reason that his delegation welcomed the statement recently made by the United States representative about the need for action to change such patterns with a view to bettering the position of the developing countries.

10. In the course of an excellent review of industrial development in the under-developed countries, it was stated towards the end of the first section of chapter I — The Dimensions of Recent Industrial Expansion — of the *World Economic Survey, 1951* (E/3624/Add.1), that industrial expansion had been one of the principal factors contributing to the over-all economic growth in most under-developed countries in recent years. In his delegation's opinion, that fact could not be over-emphasized. At the same time, however, the *Survey* pointed out that the volume of exports from the under-developed countries had expanded at less than three-fifths of the rate at which exports from the industrial countries had increased; and that, since the under-developed countries had also experienced a deterioration in their terms of trade, the purchasing power of their exports had advanced between 1950/51 and 1959/60 at only 2.2 per cent per annum.

11. There had of course been considerable industrial expansion among nations exporting primary products; his own country was one of those where progress in that respect had been most remarkable. Its experience had shown, however, that import substitution was difficult to achieve when economic growth had attained an accelerated pace: the faster the economic growth, the more it depended on imported equipment and inputs. In Brazil, imports of consumer goods had been almost entirely replaced

by domestic production, but as a consequence his country's development programme was exposed to fluctuations in the value of its exports, the earnings from which directly affected imports of necessary capital goods.

12. Since the reduction of imports — a difficult process — might retard economic development, there was no other way to quick growth than the expansion of exports; the alternative was stagnation and the impossibility of providing full employment and a rising standard of living for the growing population. Brazil's target for minimum growth called for a rate of increase in the domestic product that would attain 7.5 per cent per annum in 1965 and would be sustained at that level until 1980, by which time the level of per caput product would reach about \$468.

13. Even that modest objective meant that exports would have to reach 98 per cent of their 1961 level by 1965 and 340 per cent of that level in 1970. The achievement of those aims depended very much on international co-operation and comprehension of the problems involved.

14. As yet, the many obstacles such as tariff walls, internal revenue taxes artificially limiting the demand for the products exported by less developed countries, quantitative restrictions and state trading were hampering the expansion of the trade of the developing countries. It was surely strange that the industrialized countries, through protectionist agricultural policies and artificial arrangements, should be competing at home and abroad with less developed countries in the production of commodities which the latter could produce more efficiently. An instance of that was sugar, which the less developed countries were finding it increasingly difficult to market in Europe. The results of such policies were bound to be a continuing accumulation of agricultural commodity surpluses on the one hand and a continuing food deficit on the other. Moreover, the industrial countries derived a considerable part of their budgetary income from excise duties on imported tropical products, thereby limiting the import capacity of their own citizens. And lastly, certain tariffs discriminated disproportionately between processed products and raw materials and constituted a typical example of the unfair measures intended to keep developing countries for ever in the position of mere suppliers of primary products.

15. The adverse result of those policies on other countries was recognized in the *Economic Survey of Europe in 1961* (E/ECE/452). In that connexion, his delegation would suggest that ECE should include in its future *Surveys* a section analysing financial assistance to under-developed countries during the period covered and the progress of trade liberalization measures with regard to those countries.

16. From the point of view of international trade, the most significant modern trend was that towards the formation of regional groupings, to one of which, the Latin American Free Trade Area, his own country belonged.

17. The goal of world trade liberalization should be equal opportunity for development. That objective was being frustrated by some of the measures leading towards the creation of new exclusive trade channels and regional groupings that were bound to have a harmful effect on the trade of many developing countries through the exten-

sion of discriminating preferential arrangements, the alteration of trade patterns and a threat of exclusion from traditional markets vitally necessary to those countries.

18. Countries such as Brazil could only protest against such measures after they had materialized, and then it was too late. Accordingly, his government wished once again to stress that the time had come to hold an international conference for the open discussion of all problems of world trade, with particular emphasis on the relationship of trade to economic development. The response to the suggestion that such a conference should be held clearly showed the overwhelming support that it enjoyed, particularly among those countries dependent on international trade for development.

19. He had just learned that, at the Cairo Conference on the Problems of Economic Development, the thirty-six participating nations had fully endorsed the idea of holding an international trade conference in 1963, with an agenda covering all problems of interest to international trade.

20. He also referred to the hopes his country placed in the United Nations Coffee Conference, being held in New York, for coffee was a commodity which was receiving very bad treatment in some markets. Internal taxation in some countries placed a heavy burden on coffee sales, and he hoped that the New York conference would deal with that aspect of the problem.

21. Remarkable work had been done by GATT, and progress had been achieved in many sectors; nevertheless, within the existing rules elasticity of operation had its limits, and could not be carried too far. A new approach was needed to solve problems of economic development through international trade and co-operation. However efficiently such problems were dealt with by GATT and various other bodies or study groups, it was necessary to review the situation as a whole. Some important aspects of international trade were dealt with by several different bodies, with the result that there was wasteful duplication and dispersal of effort. Moreover, an open discussion of other no less important aspects, such as the impact on trade of freight policies, had so far not been permitted. The rules of international trade should be overhauled and adapted to the principles recognized in General Assembly resolution 1710 (XVI) concerning the Development Decade. It was not sufficient to pay lip service to such principles; they should become a reality. His delegation was convinced that an international trade conference could formulate appropriate solutions, both for the short and for the long term.

22. Mr. MELLER-CONRAD (Poland), after briefly reviewing the historical circumstances accounting for the gap between the economic level of industrialized capitalist countries and that of developing countries, said it was difficult to escape the conclusion that the constant widening of the gap was the cause of the social and political tensions in the modern world. In that respect he shared the apprehensions of the Indian representative; there was no objective reason why that state of affairs should continue. However, it should be noted that over the past ten years, even though the national income of the industrialized capitalist countries had not increased at a faster

rate than that of the developing countries, the increase in per caput income in the two groups of countries had been 2.7 and 2.1 per cent respectively. Extrapolation of those rates for the period between 1970 and 1975 indicated that the difference between their economic levels would continue to increase both in absolute and in relative terms.

23. Another phenomenon reflected in the *World Economic Survey, 1961*, was the change produced in world economic trends by the advent of the socialist countries, which had themselves come into being as a result of the growing divergence between economic levels. In contrast with the capitalist countries and the under-developed countries, the socialist countries had achieved a rate of growth of between 5 and 9 per cent over the past ten years, and their development plans called for the continuance of the same rate of expansion up to 1980. Yet, when they had begun their development, they had been in a situation very similar to that of most of the developing countries at the moment, so that the latter might well benefit from the experience of the socialist countries.

24. In that connexion, he was gratified to note that the value of planning, which had so largely contributed to the development of the socialist countries, had gained general recognition. His delegation, which would support any proposal designed to expand United Nations activities in that field, nevertheless wished to utter a word of caution against the tendency to overestimate the importance of planning techniques: no technique could produce positive results in the absence of a general development strategy designed to create conditions for effective planning. In the socialist countries, that development strategy was based primarily on the full utilization of all domestic resources, and particularly production capacity and manpower, to speed up economic development.

25. Another problem which should be considered was that of full employment. As the report on activities in relation to full employment objectives (E/3659 and Add.1 and 2) indicated, the socialist countries, which, like the developing countries at the moment, had not had sufficient capital at the outset to provide work for the available labour force, had nevertheless succeeded in expanding employment considerably throughout the period of their economic development. In Poland, employment in industry had risen from 850,000 before the war to more than 3,000,000 in 1960. In that connexion, all the figures concerning employment in Polish agriculture cited by the Secretariat were too high; in reality, the proportion of the total population engaged in agriculture had dropped from 60 per cent before the war to 38 per cent in 1960. Poland had based its efforts to solve the problem of employment on two premises: man's right to work and the utilization of all available manpower resources to speed up economic development. The ideological principle and the economic objective were equally important, and Poland's experience had proved their interdependence. It could be concluded from that experience that methods and measures to promote employment played an essential part in the process of economic development. It was regrettable that the report in question did not pay sufficient attention to that aspect of the

question, particularly since there was a rather paradoxical situation in many developing countries which was usually typical of countries with adequate capital equipment; it was characterized by the under-utilization of the productive capacity of industry and widespread unemployment.

26. The *World Economic Survey* rightly stressed the importance of industrial development for the general economic progress of the developing countries. Poland was glad to note that the policy of industrialization, which it had chosen on drawing up its first development plan and which had been criticized at that time, was now being recommended. It was not enough, however, to realize that industrial development was necessary; that development had to be directed. That was what Poland had done, as it had realized that the primary function of industrial development should be to create conditions which would make the national economy self-sufficient. One of the problems it had had to face in that field was the training of specialists. To solve that problem, it had not hesitated, while pressing forward with its programme of higher education, to apply a policy of over-employment in the industrial sector; industrial establishments had become virtual training centres with a view to the further development of industry.

27. He was convinced that the practical experience acquired by the socialist countries could be of considerable assistance to the countries in the course of development, and that it was only ideological and political considerations which had prevented more frequent reference to that experience. The United Nations had an obvious role to play in that field, in which there had recently been definite — through still insufficient — progress.

28. In the past, international economic relations had been so organized that some countries were favoured over others. That trend should be halted, and for that purpose collective action was necessary. That action should be based on knowledge both of past events and of future prospects. His delegation would therefore support the proposal for the establishment of a United Nations programming centre, and on the whole it approved the report prepared on that subject by a group of experts (E/3668). It wished to point out, however, that the centre should not merely study conditions affecting the current development of the under-developed countries, but should forecast their possible development up to 1970 or 1975.

29. Those projections would be one of the main elements of the documentary material laid before the proposed international trade conference. His delegation gave its unqualified support to the proposal for convening such a conference and would be happy to co-sponsor the draft resolution to that effect (E/L.958) submitted under agenda item 4. To be successful, however, the conference should be prepared with care. For example, it should be preceded by a study of the development of the under-developed countries and their relations with other regions. Similarly, the appointment of a group of experts to consider the work done in the past and possibly to propose other work in the field of commodity trade — a proposal which Poland had supported at the 316th meeting of the Economic Committee — would be meaningless unless the studies of the experts formed part of the

preparatory work for the conference. Despite the volume of preparatory work to be done, however, it should in no case be used as a pretext for postponing the date of the conference.

30. Mr. KAKITSUBO (Japan) said that, according to the *World Economic Survey, 1961*, world production in that year had increased, but not greatly. Towards the end of March, North America had begun to recover from its recession, but the rate of recovery had slowed down later. In western Europe, the rate of increase in economic activity had been considerably lower than in the previous year and, though production was expected to be substantially greater in 1962, earlier and more optimistic estimates had been revised downwards. Exports of primary producing countries had risen only moderately, and the average prices of primary commodities had declined further by 3 per cent. Their export earnings in 1962 were not expected to rise very much. Total output had continued to increase in the centrally planned economies of Europe, but at a slower pace.

31. The statement made in the *Survey* that Japan's rate of increase in economic activity in 1961 had been considerably lower than in 1960 was incorrect; in fact, the country's remarkable expansion had continued with a rate of growth of 15 per cent in real terms, as compared with 13 per cent in 1960. Indeed, the average annual rate of growth for 1959-1961 had been considerably in excess of 10 per cent, and output of mining and manufacturing industries had increased annually by over 20 per cent in the same period. That high rate of growth had been maintained thanks to technological progress, higher investment, increased exports, an abundant skilled labour force, a high level of savings and a low level of defence expenditure.

32. A feature of the high rate of economic growth in 1961 had been a high level of private investment in plant and equipment to cope with the pending liberalization of Japan's import trade. Private enterprises were modernizing their plant so as to be able to compete with imports. In addition, manufacturers were expecting a continued rise in both domestic and foreign demand.

33. The marked increase in investment had resulted in a 32 per cent rise in Japan's imports during 1961 compared to 1960. On the other hand, exports had only risen by 3 per cent, largely because of the deterioration in overseas markets. The level of employment and wages had risen and had been accompanied by a rise in the rates charged for public utility and other services. Retail prices had risen by 4-5 per cent, which had been a threat to economic stability.

34. In order to redress the international payments position and to curb excessive price rises, the Government and the Bank of Japan had initiated in the middle of 1961 a series of restrictive monetary measures, including higher bank rates and a rise in the ratio of bank reserves. In September 1961, steps had been taken to improve the balance-of-payments position. Despite those efforts to slow down the rate of growth and to check the deterioration in the balance of payments, the economic expansion had continued. Nevertheless, the restrictive measures had begun to yield results in 1962. For example, the rate of growth in the mining and manufacturing industries had

dropped from the 1961 level of 20 per cent to 15 or 16 per cent, and there had been a slight improvement in the balance of payments with a drop in imports and a rise in exports; but a downward adjustment in investment and retail prices still had to be accomplished.

35. With regard to the problem of industrialization and economic development, which the *Survey* rightly singled out as of special topical significance, economic growth and stability were not mutually irreconcilable. In his own country, the two were reconciled by means of appropriate fiscal and monetary measures aimed at maintaining high rates of growth during the plan for doubling the national income within a decade. Great importance was attached to such measures for curbing excessive growth in the interests of stability, and in Japan they could be more effective than in other advanced countries because Japanese private enterprises were more dependent on bank loans than their counterparts in Europe and North America.

36. His delegation shared the view expressed in the *Survey* that in future more emphasis should be placed on the promotion of capital-goods industries in some developing countries, though not at the expense of other sectors of the economy.

37. Each developing country should draw up its own plan in the light of local conditions with industrialization as an integral part of it. The adjustment of such plans to those of neighbouring countries with a similar economic structure would foster the economic growth of the whole region concerned.

38. He had noted with interest the statement in the introduction to the *Survey* (E/3624) that EEC illustrated the adaptability of industry in developed countries to change. Indeed, relatively few disturbances had occurred in the economies of member States of EEC after the reciprocal reductions in trade barriers. Evidently, adjustments in depressed industries such as coal and textiles, which were suffering from domestic or foreign competition, could be made without serious disruptions as long as a high rate of economic growth was maintained.

39. The problem of exports of manufactures or semi-processed goods from developing countries to developed countries might not be as intractable as was thought if the latter kept up their high rates of growth and intended to accommodate low-cost foreign producers. He hoped those countries would also cease to apply discriminatory import restrictions against more efficient foreign manufacturers.

40. Fears had been voiced about the future trade and customs policies of EEC, in the future development of which his country was also greatly interested. He had no doubt that the Community would continue to expand its trade with outsiders and hoped it would adopt a liberal policy designed to further a free non-discriminatory and multilateral expansion of trade.

41. In June 1960, Japan had established an outline programme of trade liberalization, and in June 1961 had decided that it should be rapidly put into effect. By October 1962 it intended to liberalize 90 per cent of its import trade in spite of the various difficulties expected and would pursue the programme in the belief that an expansion of free trade would be advantageous both to its

own economy and to the whole world. Japan hoped that other countries, especially the advanced ones, would reciprocate and remove restrictions and discrimination against Japanese exports.

42. Mr. PASTORI (Uruguay) said that, despite the great interest of the documents on world economic trends, his remarks would deal not with the documents themselves, but with an aspect of the situation which was a constant source of concern to his country.

43. As a major meat exporter, Uruguay was justifiably concerned with the consequences of the formation of EEC on the market for Uruguay's meat products. In the special supplement to its *Commodity Review 1962 — Agricultural Commodities — Projections for 1970* — (E/3628) FAO predicted that the bulk of the increased demand for meat imports of the two main European importing countries, the Federal Republic of Germany and Italy, would probably be satisfied by their partners in EEC, France and the Netherlands, adding that "the world meat trade is likely to undergo certain changes when the countries of EEC become fully integrated", and, with regard to Argentina and Uruguay, that "... the prospect for export outlets in Europe is none too bright" (p. II-30). The gravity of the problem facing Latin American meat-producing countries could be appreciated from the draft regulations drawn up by the Executive Commission of EEC for the European common meat market. The purpose of those regulations was to develop production within the Community, but by the very fact that it permitted a certain flexibility in respect of price policy it introduced an element of choice and was therefore discriminatory. That being the case, he wondered whether EEC was really interested in maintaining and developing trade with the Latin American countries. As yet, they had been given no assurance that they would continue to have access to the Common Market, and that their exports would not only remain undiminished in volume, but would rise with the increase in consumption or trade.

44. That situation was further aggravated by the policy followed by EEC in respect of customs tariffs. The EEC not only hesitated to reconsolidate duties on animal products, but planned to apply to frozen and canned meat the import licence system provided for in the draft regulations, a step which would partly offset the benefits of any consolidations negotiated for those products. Manifestly, EEC wished to remain free to develop a common agricultural policy. Such information as was available only added to the uncertainty about the future. So far as animal products were concerned, however, it seemed to be clear that the Community was moving towards self-sufficiency, and it might well attain that goal in a few years. It could be seen that the concern of the producing countries was not based on mere apprehensions, as the Italian representative seemed to believe (1226th meeting). The provisions of the draft regulations, particularly with regard to the application of prices, the escape clause which it contained, the Community preference for which it provided, were all elements which made the outlook for free trade a dark one.

45. It was true that the regulations were still in draft form and had not yet been finally adopted, but even

if amendments were made they would doubtless affect only minor points. The trend appeared to be irreversible. At the last session of GATT, Uruguay had obtained fewer concessions than before. All the expressions by EEC of good will had come to nought. Not only had some of the concessions which Uruguay enjoyed not been ratified, but it had been unable to secure fair compensatory arrangements. That situation was attributable to a policy designed to maintain internal prices at arbitrary levels, higher than world prices, by means of a system of variable duties which left the greatest latitude for the fixing of duties at rates adversely affecting international trade and the economic development of the under-developed countries. International technical and financial assistance would be unavailing unless an equitable solution was found for the problems to which he had just referred.

46. The delegation of Uruguay regretted that EEC had not yet made any statement on some aspects of its trade policy. At the beginning of the Development Decade, it was surely more than ever necessary that the Community should give evidence of its resolve to preserve and enlarge its traditional trade relations. Yet, it seemed that Europe — and that term included countries members and non-members of the Community — was tending more and more to fall back on its own resources and to isolate the countries of Latin America. For example, the Executive Commission of the Community, relying on a provision which permitted exceptions to the general rules of the Common Market, had recently proposed to the Council of Ministers that in the case of some commodities already regulated, such as cereals, pork, poultry, eggs, fruit and vegetables, member States should be authorized to respect the quotas fixed in their bilateral commercial agreements with the countries of eastern Europe without prejudice to any other provisions of the regulations regarding levies, escape clauses, etc. As to the possible increase in those quotas, the Council of Ministers had ruled that before member States negotiated bilateral agreements with third countries or amended existing bilateral agreements they should first consult with the bodies of EEC. In November 1961, at the nineteenth session of the contracting parties to GATT, Uruguay had asked whether the conclusion of bilateral agreements was compatible with the General Agreement; no precise reply had been given, except that such agreements were compatible to the extent to which they did not infringe the interests of one or more of the contracting parties. Probably, the same principle was applicable to the agricultural regulations of the Community. In any event, it seemed evident that the countries of the Community would make up for their sales to the countries of eastern Europe by purchases in the agricultural sectors mentioned, and that they would give them preferential, in other words discriminatory, treatment.

47. It had been said that the Community had not yet considered its relations with the countries of Latin America. However, the policy of silence which it seemed to be following was misplaced and might actually harm its own interests, for already it was being exploited for political ends.

48. In concluding, he agreed with the proposal of the Commission on International Commodity Trade for the

appointment of a technical working group to study compensatory financing measures to offset short-term fluctuations and long-term declines in the export receipts of primary exporting countries. He hoped that, as the Commission proposed, the working group would submit

the results of its work before 12 January 1963 and that its report would be available to governments by 23 February 1963.

The meeting rose at 1 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1229th meeting

Thursday, 19 July 1962
at 3.20 p.m.

PALAIS DES NATIONS, GENEVA

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President: Mr. J. MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Belgium, Bulgaria, Canada, Central African Republic, Cuba, Czechoslovakia, Ghana, Greece, Hungary, Iraq, Ireland, Mali, Netherlands, New Zealand, Romania, Sweden, Tunisia, Venezuela.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, International Bank for Reconstruction and Development, Interim Commission for the International Trade Organization.

AGENDA ITEM 2

World economic trends (E/3624 and Add.1-6, E/3628, E/3629, E/3631 and Add.1-3, E/3635, E/3652, E/3659 and Add.1 and 2, E/3661, E/3668; E/ECE/452)

GENERAL DEBATE (*concluded*)

1. Mr. DUGUET (World Federation of Trade Unions), speaking at the invitation of the President, said that the World Federation of Trade Unions (WFTU) judged the world economic situation by its effect on the situation of the working masses. To judge by the *World Economic Survey, 1961* (E/3624 and Add.1-6), the steps taken in the capitalist countries to promote industrial expansion had not been designed to modify the structure of industrial production; they had been mainly monetary and fiscal measures affecting the rate of growth of total demand; industrial growth had more often been subjected to restrictive measures which had not necessarily ensured the stability of internal prices and costs, and a slower growth of nominal incomes had sometimes acted as a brake on productivity. In fact, the application of a

policy of restrictions accentuated the difficulties of the workers, as was evident from the experience of the Common Market, which after all was not merely an economic association but a political association of NATO. It was particularly in the declining industries and regions that the workers were affected by unemployment and were obliged to change their occupations and accept less-well-paid jobs.

2. In the less developed countries, the absence of industrialization made the economic situation very difficult. The colonialist countries continued to assert that the industrialization of the under-developed countries should be limited to the consumer goods and elementary processing industries. The only way to ensure the economic independence of the under-developed countries was to develop their capital-goods industries, so that they could produce goods for domestic needs and for export and exchange. That kind of industrialization, of course, clashed with the policy of the developed capitalist countries and the monopolies which used neo-colonialist methods. They followed a policy of investment in the mining sectors, in raw materials for their own industries, and in foodstuffs; of customs barriers against imports of manufactured goods from the less developed countries; and of hostility to development of the nationalized sector in the developing countries. The Fifth World Congress of Trade Unions held at Moscow in December 1961 had expressed itself in favour of the eviction of foreign monopolies, industrialization and the development of a nationalized sector in each country's economy.

3. The under-developed countries certainly needed assistance for their industrialization, and in that direction the assistance they received from the socialist countries was of very great value. On the other hand, the aid from capitalist countries, which was mainly given for military purposes, was directed towards promoting the penetration of foreign capital and influence. Loans from IBRD were generally used not for industrialization but for the infrastructure. Those from IMF were often even deleterious to healthy industrialization in view of the austerity policies and other terms imposed as a condition of the granting of a loan, designed to create a favourable climate for private foreign investment.

4. Unlike some governments which were trying to check any improvement in the conditions of life of the working masses on the pretext of the need for industrialization and capital formation, WFTU thought that a healthy development of the economy and of industrialization depended on continuous expansion of the domestic market and on social development such as could be noted in the socialist countries. In the capitalist countries the public authori-

ties, under the domination of monopolies, were adopting a policy of promotion of industrial investment, but it was the workers who were paying for the investment through pressure on their living standards and accelerated rates of work. That was why the trade unions were striving for the nationalization of the main industries, the reduction of military budgets and the use of resources thereby released for the general betterment of living and working conditions.

5. In all countries, particularly in the under-developed countries, the expansion of international trade on reciprocally advantageous terms could promote industrialization. His organization suggested that the Council should take the initiative of organizing an international conference for the development of trade, at which all countries would be represented without distinction; that it should make a thorough study of the role of international assistance in industrialization, particularly the role of IBRD and IMF; that in future more space be given in the *World Economic Survey* to the social aspects of economic development.

6. Mr. ARKADEV (Union of Soviet Socialist Republics) said that the current item should be considered in the context of the growth problems faced by three basic groups of countries — namely, the developed capitalist countries, the developing countries and the socialist countries. It should, moreover, be regarded as offering an opportunity for a discussion of those problems with a view to the preparation of recommendations for the expansion of international economic co-operation in the interests of all countries.

7. Rates of growth had declined in the capitalist countries during the past year owing to deep-seated organic causes. Prices of raw materials had continued to fall and over-production had occurred in some sectors. The irrational utilization of certain resources had increased, owing to rising military expenditure, particularly in the United States. A variety of other unfavourable economic phenomena had appeared in the capitalist countries during the preceding six months, indicating the possibility of serious economic dislocations in their economies.

8. The structural defects evident in the economy of the United States, as the largest capitalist country, were indicative of the shortcomings in the capitalist world as a whole. There was a direct relationship between events in the United States and in the western countries; for example, its balance-of-payments difficulties were related to the economic and trade policies of the Common Market; the decline in its gold reserves should be seen in the light of its increased military activities abroad, while the measures taken by the Common Market were linked with the increase in United States investments in western Germany, Italy and France. Similarly, United States capital occupied an important and sometimes predominant position in the United Kingdom and the Commonwealth countries. Consequently, it was not surprising that economic disruptions in the United States should have adverse effects on the economies of the western countries.

9. The growth rate of the United States economy had declined considerably; in many branches of industry plants were operating well below capacity, and a high rate of

unemployment had become a chronic problem. United States monopolies were seeking a way out of their difficulties by further intensifying the arms race and the exploitation of the developing countries.

10. Intra-European rivalry, as characterized by the Common Market and EFTA, had assumed an acute form. Yet the authors of the *World Economic Survey* had referred to the Common Market as a bold experiment, and took the optimistic view that the adaptation of the participating countries to the Common Market would be a painless economic and social process. However, there was no escaping the fact that in 1961/62 the rate of industrial growth in the western European countries had been considerably below that of 1960. Nor was it certain that all internal inconsistencies had been eliminated within the Common Market. Moreover, all was not well, it seemed, with the tariff policy of the Market since some of the participating countries were encountering difficulties with third countries as a result of the common external tariff that had been established. Tariff reductions had raised a number of complex problems, and certain industries which had previously been protected would undoubtedly suffer. Similar adverse effects would be felt by the agricultural sector of some participating countries. The creation of the Common Market was also ruining a large number of small- and medium-sized industries and strengthening monopolies.

11. The authors of the *World Economic Survey* also believed that the developing countries could easily adapt themselves to the demands of the Common Market; that view, however, was in sharp contrast to the remarks of the representatives of those countries and to the statement made by the Executive Secretary of ECLA at the 1210th meeting in connexion with item 10. He therefore wondered how the authors of the *Survey* had arrived at their optimistic conclusions, and why they had presented the Common Market in such a rosy light. The Secretariat should exercise greater caution and undertake an objective analysis of the situation.

12. Owing to a contraction in world capitalist markets, rivalry between monopolies was assuming an intensified form; one aspect of that rivalry in the search for new markets was the creation of closed economic groupings by the developed capitalist countries. Such groupings, however, far from bringing countries together, undermined world economic relations. The development of state monopoly capitalism was reflected in the greater economic role played by the State, especially in the direction of increased military expenditure. It was also reflected in the much greater influence exercised by the large monopolies on government policies so as to ensure that their international interests were protected.

13. The collapse of the colonial system had led to efforts in some western countries to continue a colonial-type exploitation of the developing countries. Such efforts were being made on a collective basis by binding a number of African countries to the Common Market juggernaut.

14. Economic relations between the capitalist countries were also changing. He would ask whether the establishment of the Common Market did not represent a challenge to the United States and the United Kingdom.

Realizing that it was an obstacle to the sale of their products, United States monopolies were endeavouring to make use of the Common Market system by exporting capital to the western European countries. The pace of the arms race was also increasing in certain Common Market countries, and the central role which western Germany was assuming in NATO was a threat to peace.

15. There was every reason to believe that the creation of economic and political groupings by the western countries would not solve basic economic and trade problems. If the Common Market, for example, adopted measures likely to hamper trade with other countries and specifically with the socialist countries, the Common Market countries would come up against difficulties of their own making, such as a contraction of world markets. It was for the Common Market countries to decide whether to undermine trade relations with the outside world or to expand trade in the interest of all countries.

16. An analysis of the Common Market trade policy in the light of the economic and trade interests of the socialist countries indicated that the Common Market would increase its discrimination against those countries. The Common Market countries, by refusing to extend most-favoured-nation treatment to the socialist countries, were in fact doing themselves a disservice, because the markets of the USSR and the other socialist countries were steadily expanding and offered vast opportunities for other countries, provided that they did not isolate themselves in closed groupings. The Common Market countries had always depended economically on world markets and on a large volume of trade, and the initial successes they had achieved in the period immediately following the creation of their bloc should not blind them to the dangers it might hold for their economies.

17. With regard to the economic situation of the developing countries, no explanation was to be found in the *World Economic Survey* for the great discrepancy between the national incomes of the developed and developing countries. The truth was that the difficult economic situation of the developing countries was one of the consequences of colonialism. It was generally recognized, particularly in the developing countries, that one of the basic methods of strengthening the economic and political independence of those countries was to promote industrialization. In that connexion the United States representative had, in his statement at the 1227th meeting, under-estimated the role of planning in the economic development of the developing countries. The approach to industrialization should be decided upon in the light of the needs and natural resources of those countries and the possibilities of co-operation with other friendly countries. The technical assistance and advisory services that could be provided by the developed countries were important in that respect, and the USSR was always ready to extend such assistance, either through the United Nations or on a bilateral basis.

18. Despite the progress being made, the rate of development in the developing countries was inadequate to meet the needs of their populations. The industrialization of those countries depended on whether they could mobilize domestic and foreign resources needed

for investment and to what extent, on what conditions and from what sources they could acquire capital equipment. That last consideration was particularly important, since during the period 1955-1960 the share of the developing countries in world imports of capital equipment had declined, whereas that of the developed countries had increased. That trend was explained by the fact that the export proceeds and other types of funds available to the developing countries were insufficient to enable them to purchase capital equipment; another reason was that they could not purchase such equipment on favourable terms from the capitalist countries. Their terms of trade were deteriorating steadily, and the gap between the prices of their exports and imports was widening. A study within the framework of the United Nations should be made of that situation and the annual losses sustained by the developing countries and the profits accruing to monopolies as a result of unfair pricing practices should be calculated.

19. The importance of disarmament as a means of releasing funds that could be used to assist the developing countries had already been stressed. The Chairman of the Council of Ministers of the USSR, speaking recently at the World Congress for General Disarmament and Peace, had referred to the vast amount of assistance that could be provided to the developing countries as a result of disarmament, and had pointed out that within twenty-five years those countries could practically attain the industrial level of France and the United Kingdom.

20. The USSR and the other socialist countries were extending assistance to the developing countries with a view to strengthening the economic independence and sovereignty of those countries. The USSR was also increasing its purchases of various types of goods and commodities from the developing countries. Those countries had recognized the threat of economic colonialism levelled at them by the monopolies of the Common Market countries, but the association of certain African countries with the Common Market made them economically dependent on that grouping. Infant industries in the African countries could not rely on help from the Common Market countries, for which those industries represented an element of competition in their search for markets. The African countries associated with the Common Market enjoyed certain advantages, it was true, but what of the other developing countries of Africa, and those of Latin America and Asia? The economic problems facing Africa as a whole could not be solved by granting privileges to a few African countries; the result of that situation was an economic schism separating African countries at a time when they had just embarked on economic co-operation. Nor was that situation conducive to international economic co-operation or the expansion of trade.

21. The USSR attached great importance to the type of economic and trade policies followed by the Common Market with respect to the developing countries, which knew that they could count on the support of many States Members of the United Nations and particularly of the USSR and the other socialist countries. The colonial era was over, and the developing countries were rightly requesting the United Nations to help them

overcome the economic consequences of colonialism and to prevent the economically strong from taking advantage of the weak.

22. The Under-Secretary for Economic and Social Affairs had recognized that relations between the Common Market countries and third countries were somewhat complex. The authors of the *World Economic Survey*, on the other hand, had failed to note a whole series of problems that had been raised for the developing countries by the creation of the Common Market. A practical approach was necessary to such problems, which should be solved and not simply studied. He therefore hoped that the Under-Secretary would support the view expressed by a number of countries that an international conference on trade problems should be convened.

23. As to economic developments in the socialist countries, their average annual rate of industrial growth had been 13 per cent during the period 1958-1961, and their share in world trade had risen from 27 per cent in 1955 to 37 per cent at the current time. Considerable economic progress had been made by the USSR in the preceding year, during which industrial production had increased by 9.2 per cent and foreign trade by 6.8 per cent. A grandiose twenty-year economic development plan had been adopted at the end of 1961, and the trade and economic possibilities it would open up for other countries were obvious. Under that plan, industrial production was to increase 6.5 times, labour productivity more than four times, and national income five times.

24. Various forms of economic co-operation and mutual assistance had been developed between the socialist countries; national economic development plans were co-ordinated with a view to the rational utilization of resources by each country, reciprocal credits and technical and scientific assistance were extended, and joint projects were launched. In 1962 alone, trade among the socialist countries had increased by more than 10 per cent. Moreover, the division of labour among the socialist countries was based on the international division of labour, so as to promote peaceful co-existence among all countries of the world, regardless of their economic and social systems.

25. In 1961 the foreign trade of the USSR had been more than ten times the pre-war level, and in terms of value now amounted to 10,000 million new roubles. Moreover, during the preceding ten years, trade between the socialist and the capitalist countries had increased more than threefold. The high level and planned development of the economy of the USSR augured well for a further broad expansion of trade with other countries. Unlike many of the capitalist countries which exported mainly manufactured goods and imported mainly raw materials and foodstuffs, the USSR both exported and imported manufactured goods and raw materials alike. Furthermore, its demand would increase and become more diversified. The opportunities open to various countries for expanding trade relations with the USSR were therefore manifest. Capitalist countries, by increasing their trade with the USSR and the other socialist countries, would find it easier to solve the economic difficulties they encountered from time to time as a result of the peculiarities inherent in their economic systems.

That advantage of trade with the USSR had been recognized in the conclusion of long-term trade agreements which assured countries of stable markets and reliable sources of supply. In that connexion, during the preceding year trade between countries of western and eastern Europe had expanded at a faster rate than world trade as a whole. Nothing should be done to arrest the development of that trade.

26. Because of the vital importance of trade, it was understandable that a large number of countries had emphasized the need to convene an international conference to study trade problems. The USSR had drawn attention to the desirability of international action to promote international trade and economic co-operation as early as 1956; it had since reaffirmed that view on many occasions. In 1960, it had stated its willingness to take part in the preparations for the establishment of OECD but had been told that its proposal was unacceptable. Nor had its desire, expressed subsequently, to associate itself with OECD been supported by certain western countries. The result was that there was still no permanent universal international trade organization in the United Nations system. Most recently, therefore, in reply to the Secretary-General's inquiry, the USSR had again drawn attention (see E/3631) to the need for an international conference to study trade problems, and had suggested items that should be included in its agenda. The recent conference on the problems of economic development held at Cairo too had unanimously adopted a declaration¹ calling for a conference to be held under United Nations auspices in 1963 to study international trade problems. Such a conference should therefore be convened in 1963; the preparatory work could be undertaken by a group of government experts, appointed by the Secretary-General from the three groups of countries.

27. With regard to the statement made by the United States representative at the 1227th meeting, the decentralization measures recently adopted in the USSR had nothing whatever to do with the so-called advantages of the system of private enterprise, which were an illusion. Decentralization of the administrative apparatus in the USSR had been necessary mainly because the national economy had expanded to such a great extent and because huge regional industrial complexes had been created. The measures adopted in no way reflected changes in the socialist structure of the USSR economy.

28. Mr. CARRILLO (El Salvador) said that economic history showed that peoples invariably advanced from the pastoral to the agricultural stage and thence to the industrial stage. Industrialization represented the ultimate goal of economic progress.

29. His delegation, conscious of the importance of industrialization, had been one of the sponsors of the General Assembly resolution (1431 (XIV)) recommending that the Council should give consideration to the establishment of a commission for industrial development, such commission to constitute an organic body of the Council.

30. El Salvador was itself engaged in a determined effort to progress beyond an agricultural economy and towards

¹ Reproduced in document E/3682, issued subsequently.

the industrial stage, for it was convinced that industrialization was not only the basic element of economic development, but was essential to social development and to human well-being generally.

31. Mr. DUPRAZ (France) observed that the documents submitted by the Secretariat and the specialized agencies, some of which had unfortunately not been distributed early enough in French, showed a considerable development of the effort to analyse problems, methods and results at the international level. His delegation was glad of that, for time was short; in its study entitled *Agricultural commodities—Projections for 1970*, transmitted under document E/3628, FAO observed that the gap between the high-income and low-income countries was going to grow still greater. Though the prospects were disturbing, the increasingly useful work of the international organizations gave grounds for some hope.

32. In 1961 the expansion of the French economy had continued. The gross national product had not achieved the expected rate of expansion, but that was due to fluctuations in agricultural output caused by the weather. Agricultural production in 1960 had been exceptionally high but it had remained at the same level in 1961. Industrial production had increased at the same rate as in 1960. In that connexion, he would point out that the *Survey* made it difficult to ascertain the French rate of growth in that it failed to make a clear distinction between trends; in other words, between the production curve and the levels reached—that is, the total volume of production. In 1960, total industrial production in France had exceeded the 1959 figure by 11 per cent, and in 1961 it had exceeded the 1960 figure by 6 per cent, and yet the curves for 1960 and 1961 had been the same. It was two different, but not conflicting, criteria that were involved.

33. In 1962, growth would be at more or less the same rate as in 1961. Although crops were backward, agricultural production promised to be definitely more plentiful than in 1961. It seemed that the targets of the 1962 plan would be more or less reached.

34. Growth in 1961 had been stimulated by private investment. There had been a big increase in exports to foreign countries and only the drop in exports to Algeria had kept the rate of increase down to 6 per cent—not 5 per cent—of total exports to the franc zone and other areas. Private consumption had reached the expected level of increase of 5.5 per cent.

35. In 1962 the rate of private investment in industry was slowing down. It was not a reduction in the investment expenditure of private enterprises that was expected, but a lesser rate of increase—7 or 8 per cent instead of 15 per cent. Public investment, on the other hand, was increasing. Private consumption would show a further rise and exports, except to Algeria, would develop. Operating in turn or in conjunction, therefore, the components of demand continued to sustain a situation of steady economic expansion.

36. There had been a remarkable adaptation of the apparatus of production to the development of demand. The price increases which had occurred in the second half of 1961 and, to a lesser extent, in the first half of 1962, had mainly affected agricultural produce and

foodstuffs, chiefly owing to the weather conditions and the Government's policy of raising the income of the farmers. In the industrial sector, price increases had been controlled and retail prices had risen by scarcely 2 per cent. The increases had been due, not to excessive pressure of demand, but to the inflation of production costs resulting from wage increases which had definitely exceeded the increase in productivity. The average wage of the worker in private industry had increased by 8.5 per cent in 1961 as compared with 1960 and purchasing power had consequently risen by more than 5 per cent. Those facts were the counterpart to full employment. Nevertheless, difficulties of recruitment had not increased, thanks to the conversion of some agricultural labour to industry and thanks to supplies of foreign labour.

37. Both the external and the internal financial situations had remained remarkably healthy. In some cases, the increases in industrial prices had been accompanied by similar increases abroad. In other cases, undertakings had been prevented by international competition from raising their prices and it was their profit margins which had tended to decline. The rapid wage increases in the private sector had entailed wage increases in the public and semi-public sectors which had had budgetary implications. Nevertheless, there had again been a budget surplus. The increase in liquidity had not been accompanied by any exaggerated rise in demand. Foreign currency receipts had continued to come in, although France had paid back all its medium-term debts and part of its long-term debt, and despite the increasingly numerous drawings on the IMF reserves of francs.

38. Those results were the outcome of French planning experience. In the introduction to the *Survey* (E/3624) which dealt with the significance of industrialization policies for economic growth and development, it was stated that the developed private-enterprise economies had not generally pursued development programmes similar to those in the socialist countries or the developing countries. That statement, however, ignored the French plan, which represented an original effort towards more coherent economic growth, which would allow of the adjustment of public decisions and private projects, and make state intervention more understandable. The human and social objective of the plan was inseparable from its economic objective. The purpose was to establish more harmonious relations between the administration and the representatives of business enterprise, on the one hand, and the workers in industry, trade and agriculture, on the other. The plan did not resolve all conflicts immediately, for co-operation at the national level, as at the international level, was a long-term undertaking. By comparing their plans and obtaining a better idea of the repercussions on the economic life of the country, those who in varying degrees were responsible for the proper conduct of the economy, learned to think of the common interest whilst at the same time defending their own interests.

39. The plan had originally consisted mainly of medium-term and long-term programming, but thenceforward it would be adjusted as it went along. The Supreme Council of the plan would have to institute an income policy designed to reduce or eliminate the dangers to

a country's financial and monetary situation inherent in the desire of any wage-earner, whether in the private or in the public sector, to defend his legitimate interests and enjoy a greater share in the benefits of economic growth.

40. His country's accelerated economic growth was outward-looking. Abandoning protectionism, France had accepted the risk of opening its economy broadly and rapidly to the outside world, first within the European Economic Community. Some countries had seen in the Treaty of Rome a threat to their growth, and others regarded it as an instrument of division. As the representative of Italy had pointed out at the 1226th meeting answering the USSR representative in advance, that interpretation was belied by the facts. The USSR maintained that the countries participating in regional economic groupings like the Common Market should extend to the USSR all the advantages which they agreed to grant each other. The USSR was asking for more than was requested by third-party countries like the United States, which nevertheless played an important part in the trade of the six members of the Common Market; the USSR wished to be treated as a member of the Common Market and enjoy the advantages which that status entailed. Current international law, however, provided for automatic exceptions to the most-favoured-nation clause in the case of members of a customs union. For example, article XXIV of GATT provided for legitimate exceptions in such a case. Furthermore, there was a precise instrument to which the Government of the USSR had appended its signature — the protocol extending the commercial agreement between France and the USSR, which exempted the partners in a customs union from the effect of the most-favoured-nation clause. That was the legal reality. France for its part was always prepared, as a member of the Common Market, to join with the USSR in trying to find means of overcoming the specific commercial difficulties which the application of the Treaty of Rome might have entailed.

41. Since the establishment of the Common Market, the sales of third-party countries to EEC had increased more than trade between the third-party countries themselves. The intention of the members of EEC was to help one another's development and enable others to benefit from it. While it would be too much to say that the Common Market had not given rise to any difficulties of adaptation and would not do so, it had, by facilitating growth, facilitated adaptation also.

42. There was the question of how long the growth would last. From its experience of EEC, France was becoming increasingly convinced that the policy of throwing open its economy must not lead to an attitude of mere *laissez-faire*. The establishment of the Common Market had done much to accelerate world trade, but excessive competition could cause wastage and human suffering. It was important, therefore, that both short- and long-term commercial policy should be concerted.

43. The world economic situation caused him considerable concern. The world distribution of monetary resources, which had already been somewhat disturbing the previous year, had remained so. In January 1962, France had signed an agreement granting IMF the right

to dispose of \$6,000 million to improve the distribution of liquid assets, and, prompted by the same spirit of solidarity, had paid off its debts; in particular, it had repaid to the United States the full amount of the loans granted to it by that country from 1948 to 1952 under the Marshall Plan. The generous assistance the United States had given towards the reconstruction of the French economy had been so fruitful that currently, fifteen years later, the assisted country was able to take an active share in the effort to keep the international monetary situation sound.

44. In 1961, world economic expansion had given no cause for anxiety, but that was no longer the case. Except in a few countries, including his own, there was a tendency towards a slackening of the tempo of industrial production. The instability of the stock-exchange situation had a somewhat depressing effect on the psychological climate; the movements, while largely speculative, were limited in volume and it would be a mistake to attach the same importance to them as had been done in the past. Moreover, the level-headedness displayed by those on whom the major responsibility for economic affairs rested boded well; however, there must be a determination to adopt any measures that might prove necessary, including, in particular, public programmes.

45. The introduction to the study concerning the links between industrialization and development might give the impression that there was nothing abnormal in a situation where the rate of growth of industrial production in the developed countries continued to abate while the consumption of services increased. It was true that the consumption of services was increasing, but that meant simply that their production must increase faster than industrial production, and not that industrial production should not increase. Even in the developed countries, there was still much to be done to meet the needs of the less affluent sectors of society.

46. The inadequate progress of the under-developed countries was still a source of concern. France approved of the prospects opened up by the Development Decade; it was a firm believer in the need for bilateral or multilateral technical and financial assistance, for vocational training, for education and culture, and for hygiene; all were conditions in the absence of which there could be no development.

47. The success of the Decade would, however, depend on what was done to increase the export earnings of the under-developed countries. In that connexion his delegation understood the motives of those who wished to convene a world conference on trade development, but — like the United Kingdom delegation — it considered that a conference attended by over 100 participants for a discussion on trade in general might easily degenerate into a political discussion and yield nothing positive. It would be more realistic to take up specific and clearly defined questions first. What was certain was that the prices of raw materials and agricultural produce must be revised upwards; that was in the obvious long-term interest of all countries, including the industrialized countries. The panic that seized some people whenever prices rose had a paralysing effect. Caution was undoubtedly necessary, but in a long-term context it should

sometimes counsel the adoption of bold measures. There was no real wealth other than natural resources, and the problem of growth was the problem of physical production capacity. If the quantities produced and traded increased, the level of living would rise, even if the interplay of supply and demand set a higher price. Obviously, when it became necessary to raise prices the rise must be controlled, and those who would temporarily be the losers, for the sake of the level of living of the community as a whole, should be assisted by those who gained. That approach might demand a far-reaching change in habits of thought, but if that was the price to be paid for the growth of the developing countries it must not be shirked. In the long run, the mere export of raw materials would not provide the under-developed countries with the foreign currency necessary for their imports of capital goods. The prices of raw materials must therefore be up-graded but at the same time the under-developed countries must be industrialized so that they could first meet their domestic demand but also export to the developing and the traditionally industrialized countries. Malthusianism must be avoided if a sound basis was to be found for solving the problem. The process of growth need not cause any anxiety provided it was planned. In that connexion the Secretariat was to be congratulated on its work on long-term projections of world economic trends (E/3661), which should be pushed even further.

48. He would emphasize how valuable the existence of regional groups was to the community of nations. Efforts to achieve regional co-ordination would be beneficial as preparations for co-ordination at the world level. By offering the example of abundant aid, of a doctrine for the up-grading of price and trade, and of active participation in country groupings, France would contribute to the advancement of wider communities including, in particular, the developing countries.

49. Mr. WODAJO (Ethiopia) said that it was generally assumed that international trade was profitable to both the seller and the buyer. That assumption had acquired a special significance in the current world conditions, in which by far the larger part of the world was producing raw materials and exchanging them for finished industrial consumer and capital goods.

50. The persistent downward trend of exports of raw materials from the developing countries was continuing; at the same time, industrial trade by industrial countries showed increased gains. In 1961 the quantum of exports from the primary-producing countries had increased by 5 per cent above the 1960 level, but the rise in value of export receipts had amounted to less than 2.5 per cent.

51. The weakness of the primary commodity markets continued to be a major source of concern to Africa, which suffered from the slow rise in the demand for primary commodities and from the continued fall in prices. That long-term downward trend had been accompanied by short-term fluctuations in the prices of raw materials. Moreover, owing to the effects of substitution, the demand for certain commodities had recently decreased appreciably; that was particularly the case with hides and skins, which constituted traditional Ethiopian exports.

52. Because of its extreme dependance on primary exports, Africa was more adversely affected than any other region of the world by the deterioration in the terms of trade. That deterioration had been most marked in Africa; the average unit value of exports from Africa had declined by about 4 per cent in 1961 as compared with 1960. Moreover, future prospects did not appear good for Africa. Projections for 1970, carried out by FAO, indicated that neither the demand for nor the terms of trade in primary commodities in relation to manufactured goods could be expected to improve substantially in the 1960s.

53. The creation of EEC had aroused legitimate fears in Africa, partly because of the prospect of one of the most highly industrialized regions of the world becoming even stronger in its bargaining position vis-à-vis the under-developed countries of the world. The EEC had succeeded in establishing common external tariffs on primary and manufactured commodities and it had successfully negotiated a common protectionist agricultural policy.

54. The EEC included in its system certain African countries which had been historically associated with some of its members. In the Economic Commission for Africa concern had been expressed, especially by the non-associated African countries, that EEC policies might disrupt their traditional pattern of exports and markets and discourage industrialization in the associated countries by artificially encouraging their output of primary commodities. Legitimate fears had also been expressed that the continued alignment of African economies with economies outside the continent would hamper the organic development within Africa of common economic institutions.

55. A European economic grouping such as EEC was not, of course, in itself inimical to the interests of the under-developed countries. Designed as it was, however, to achieve certain political and economic ends in the light of the economic situation of its members, such a grouping could not automatically take into consideration the interests of the under-developed countries. He realized the need for increasing co-operation between Africa and Europe but was not at all convinced of the usefulness for that purpose of a system which was not based on African realities and which was not primarily designed to meet the peculiar and special problems of Africa. His delegation had no objection to EEC or any other regional grouping but was alarmed at the discriminatory features of EEC which were detrimental to the economy of the African region. He would therefore urge the United Nations Secretariat to undertake a study of the possible impact of EEC and similar regional groupings on the economies of the under-developed countries and explore ways and means by which co-operation could be promoted and hardships mitigated.

56. Recent trends in primary commodity prices and world market prospects had convinced Africans that the solution of their difficulties lay in industrialization, which would eliminate excessive dependence of their economies on external factors beyond their control. Before Africa could embark on the process of industrialization, however, it was necessary to create markets large enough to

absorb industrial production. Owing to the regrettable legacy of colonialism, Africa found itself split into a large number of small units; there were now in the continent twenty-one independent countries with a population of less than 5 million each. Africa should move in the direction of larger economic units, capable of providing a basis for regional specialization.

57. Although rapid industrialization was the only long-term remedy for the declining terms of trade of the under-developed countries, temporary measures, such as the compensatory financing scheme, were absolutely necessary. The under-developed countries needed to sell their exports at reasonable prices in order to accumulate the necessary capital to finance their industrialization. In that connexion, he welcomed the increasing activities of IMF in meeting balance-of-payments difficulties arising out of short-term fluctuations in the prices of raw materials.

58. In the belief that both the under-developed primary-producing countries and the developed industrial countries could contribute towards mitigating the problem of falling prices of raw materials, his delegation had joined those of Yugoslavia, India and Brazil in sponsoring a draft resolution (E/L.958) in connexion with item 4, calling for a United Nations conference on international trade problems. He felt that such a conference should be able to evolve a general policy to guide the efforts of the various international agencies involved in the study of international trade and commodity problems. No objection of principle had been made to the holding of such a conference; the delegation of the United Kingdom at the 1226th meeting, and of France earlier in the current meeting, had expressed doubts regarding the machinery but had not opposed the principle of the conference. His delegation would therefore be glad to consider any proposals regarding the best means of undertaking the background work needed for the convening of a conference on international trade and economic development.

59. Mr. ARKADEV (Union of Soviet Socialist Republics) expressed surprise at the French representative's statement that EEC constituted a customs union and that it was therefore outside the scope of the operation of the most-favoured-nation clause, in accordance with the rules of international law. He did not believe that any such rule of international law existed. Moreover, it was not clear how the alleged rule would apply, for the members of EEC did not seem to be in agreement on the nature of that body. The representative of France had stated that EEC was a customs union; the representative of Italy had, on the contrary, emphasized that it constituted an association for economic co-operation and not a customs union.

60. He would recall in passing that France and other countries which were members of EEC had invoked the most-favoured-nation clause in their trade relations with the Soviet Union in regard to facilities extended in the relations between the Soviet Union and other socialist countries. It would seem that, according to a certain interpretation of international law, the most-favoured-nation clause could be invoked by members of EEC but could not be invoked against them.

61. In fact, an examination of the terms of articles 1 and 2 of the Treaty of Rome, which had set up EEC, showed that it was not described as a customs union at all; the purpose of the Treaty was stated to be the establishment of closer ties between the member States and the formulation of common economic policies, but no reference was made to the setting up of a customs union.

62. Another interesting point was the contrast between the statement by the French representative that the EEC was nothing but a customs union and the recent statements by members of EEC that the stage had been reached for considering a political union between them.

63. He had also been surprised to hear the French representative say that the establishment of EEC would have a beneficial effect on countries which did not form part of that organization. The under-developed countries had repeatedly stated that EEC was contrary to their interests; they had expressed their alarm and concern at the establishment of EEC at many international meetings, the most recent of which was the conference on the problems of economic development held at Cairo.

64. The French representative had suggested that the proposed world conference on international trade was not advisable because its membership would be too large for the discussion of serious problems. If such an argument were to be carried to its logical conclusion, it would be maintained that the United Nations was incapable of discussing serious problems because its membership exceeded one hundred States. The fact was, however, that the United Nations, with its large membership, had been able to take many sound decisions, such as the adoption of resolutions on general disarmament and on the granting of independence to colonial peoples.

65. His delegation was confident that the idea of holding an international conference on trade would prevail. Many worthwhile suggestions which had not at first been well received had been accepted in the end; he would cite as examples the moves — originally made by the Soviet Union — for the industrialization of the less developed countries and for the independence of colonial peoples, which had ultimately gained acceptance.

66. Mr. KLUTZNICK (United States of America) said that he was not at all offended by the criticisms of the United States economy put forward by the Soviet Union representative; he would convey the remarks of that representative to United States economists to see whether they could profit by them. It had become an all too common custom to predict the demise of the United States economy; he would point out, however, that a discussion in terms of percentages had little or no meaning when applied to an economy in which quantities were measured in thousands of millions.

67. He had tried to give a balanced view of the United States economy, indicating its problems as well as its successes. The Council's debates would have more meaning if the Soviet representative would follow a like course. He was somewhat suspicious of claims to perfection in any economy.

68. He had been interested to hear the Soviet Union plans for 1980 and hoped, for the sake of the people of the Soviet Union, that those plans would be achieved.

He noted, however, that in the United Nations Committee on Contributions which was currently meeting at Geneva the Soviet Union representative had complained that the assessments against his country were too high because the Committee had overestimated the success of the USSR.

69. Mr. ARKADEV (Union of Soviet Socialist Republics) said that, in a discussion of world economic trends, it was essential to take into account economic events in the United States and he had therefore referred to them, without any intention of offending the United States representative. The *World Economic Survey* prepared by the Secretariat made references to the United States economy and the facts of the situation could not be omitted in the discussion of the current item.

70. Mr. JANTON (France) said the French delegation would reply later to the Soviet Union representative's request for enlightenment on EEC.

71. Mr. AYARI (Observer for Tunisia), speaking at the invitation of the President, considered that the *World Economic Survey* might perhaps have been more precise and definite in bringing out the economic trends.

72. He said that, to his delegation, one alarming element in the situation was international trade. The Cairo conference and the Council for Mutual Economic Aid (CMEA) conferences had shown that others shared that concern. Both the United Nations and IMF statistics showed a cumulative deficit in balances of payments, particularly in the African countries. That was due to excess of imports, required for industrialization, over exports, and the remedies which had been applied continued to be ineffective.

73. It might be asked what system should be adopted as a basis for commercial relations. The first possibility was bilateralism, between the former colonial Power and its former colonies or between independent countries, which might be expanded into a tariff or monetary union. That method had some advantages, for it ensured that exports were sold at remunerative prices. It entailed laborious negotiations, however, agreements to be renewed each year, adjustments, difficulties of payment and, when a joint tariff system was involved, a lack of balance which hampered development.

74. Another possible formula was that of regionalism, of which EEC offered an example. Some African countries were participating in EEC, which provided a wider market for their exports and supplemented bilateralism. In the absence of long-term contracts, however, regionalism offered no guarantee of secure outlets.

75. To rely on demand on the international free market was out of the question, since competition was such that few countries could sell there at competitive prices.

76. There was therefore no method which offered a lasting solution to the commodity problem. An international solution was essential. The GATT, the United Nations and IMF had already made efforts towards that goal, but those efforts had been fruitless. It was for that reason that the Tunisian delegation to the General Assembly had proposed at the sixteenth session a conference on trade as a way out of the deadlock.² Various

arguments had been adduced against the idea of such a conference: it had been said that it would be doomed to failure like its predecessors — though the fact that one conference had failed did not mean that another must fail; it had been said that it would degenerate into a political discussion between the Common Market countries and the CMEA countries. That danger could not be ruled out, for international trade at the current time had a strong political flavour, but if a definite agenda were drawn up the discussions could be guided in the right direction.

77. The Tunisian delegation had no desire to hasten matters; it simply wanted to ensure that the conference would be prepared under the best conditions and so had not suggested a specific date. The results of the work which was proceeding would enable the conference to determine the direction its own work should take. There was no intention to predjudge the kind of institutions which might be set up as a result of the conference: whether they should take the form of trade organizations or of guarantee or insurance funds. In that connexion he would simply draw attention to the reply made to the Secretary-General's inquiry by Cameroun (see E/3631). The Development Decade was a framework for a constant succession of positive programmes: the development of healthy and fruitful international trade would make the Decade not a declaration limited in value but a veritable international charter for development.

78. Mr. DOUCOURE (Observer for Mali), speaking at the invitation of the President, referred to the division of labour which had existed up to the time of the First World War between the under-developed countries, exporters of agricultural products, and the industrialized countries, exporters of manufactured goods. Currently each country wanted to process its own raw materials. The traditionally industrialized countries were anxious, but without reason. If they tried to keep their former customers in the position in which they found themselves at the current time, they were likely to find outlets closed to them. It would be to their advantage to promote the evolution and industrialization of their clients, thus increasing their purchasing power. Moreover, even if the under-developed countries were industrialized they would continue to depend on the technique, specialization, research laboratories, science and culture of the developed countries for a long time to come.

79. Mali was beginning to industrialize. Its development plans might appear modest, but they took account of the means and resources of the country. It had inherited from the colonial system a small industry in foodstuffs and semi-craftsmanship. In the private and public sector there were some mills for ginning kapok and cotton, oil mills using ground-nuts, cotton seed and karite kernel, rice mills, soap works and aerated-beverage factories. The five-year plan provided for the installation of a spinning mill, a flour mill, a sugar refinery, a ginning mill, a factory for canning fruit and vegetables and cold-storage plants. A dam was to be constructed on the Niger to supplement the Bamako power station. A cement plant as well as china and porcelain factories were to be built.

² See *Official Records of the General Assembly, Sixteenth Session, Second Committee, 744th-750th meetings.*

80. His delegation hoped that the unanimous determination of all nations would culminate in the solution desired by all, thereby providing the means to accelerate the industrial development of the less developed countries during the Decade.

81. The PRESIDENT declared the general debate closed and proposed that item 2 be referred to the Economic Committee for detailed discussion.

It was so decided.

The meeting rose at 7.25 p.m.



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President : Mr. J. MICHALOWSKI (Poland).*Present* :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Belgium, Cuba, Dominican Republic, Greece, Hungary, Iraq, Ireland, Mali, Netherlands, New Zealand, Romania, Sweden, Tunisia.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, World Health Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 9

Natural resources

(a) Report of the Secretary-General on the United Nations Conference on New Sources of Energy (E/3577)

(b) Study by the Secretary-General on capital requirements and methods of financing of petroleum exploration (E/3580)

REPORT OF THE ECONOMIC COMMITTEE (E/3673)

1. The PRESIDENT drew attention to the report of the Economic Committee (E/3673) and invited the Council

to consider draft resolution A, concerning new sources of energy, contained in paragraph 7 of that report.

Draft resolution A was adopted unanimously.

2. The PRESIDENT invited consideration of draft resolution B, concerning natural resources, contained in paragraph 7 of the Economic Committee's report (E/3673); it had been proposed that the title of the draft resolution should be altered to "Petroleum Resources" and if there were no objection, he would consider that the Council accepted that change of title.

Draft resolution B, as amended, was adopted unanimously.

AGENDA ITEM 17

Land reform and rural development

REPORT OF THE ECONOMIC COMMITTEE (E/3679)

3. The PRESIDENT drew attention to the report of the Economic Committee (E/3679) and invited the Council to consider the draft resolution, concerning progress in land reform, contained in paragraph 7 of that report.

The draft resolution was adopted by 16 votes to none, with 1 abstention.

AGENDA ITEM 7

Expansion of United Nations activities in the field of industrial development (E/3656 and Add.1; E/L.967/Rev.1)

4. Mr. MAYOBRE, Commissioner for Industrial Development, introducing the memoranda by the Secretary-General and himself (E/3656 and Add.1) on the strengthening of United Nations advisory services in the field of industrial development, said that the discussions in the Council on the Development Decade and on world economic trends had confirmed the acceptance by United Nations circles that the policy of industrialization constituted the basis of economic development.

5. During those discussions it had been repeatedly stressed that industrialization could not take place in isolation. Industrialization would involve structural changes and indeed changes in outlook. It could not be achieved without a transformation in social conditions and in education. Moreover, it created social problems which called for a solution.

6. In the agricultural field, there was no room for antiquated systems of land tenure and land utilization if industrialization was to be achieved. Agriculture was called upon to play an important part in the whole process of economic growth, in particular by providing increased supplies of food.

7. Education, too, had an essential role to play in the process of industrialization. In its turn, industrialization could provide the resources for the improvement of the educational system.

8. Another important point which had been stressed by the delegations of Yugoslavia (1227th meeting) and Poland (1228th meeting) was that undue emphasis was perhaps being placed on the techniques of planning; for planning to be effective, it was necessary that the essential general conditions for it should exist.

9. The third point which had been stressed by several delegations, notably those of India (1226th meeting) and Brazil (1228th meeting), was that the adoption of a policy of industrialization was not sufficient to achieve economic development, or indeed to achieve industrialization itself: there must also be favourable economic conditions. Many instances could be cited of very great efforts being devoted to industrialization, with limited success because of difficulties arising from foreign trade. The cases of Colombia and Brazil illustrated how the sustained efforts of those countries over a number of years in the direction of economic development had been hampered by the fall in prices of the commodities which they exported. In that respect, the figures cited by the Brazilian representative were particularly eloquent; in order to achieve a rate of growth of approximately 7.5 per cent in the gross national product during 1965 to 1980, Brazil would have to increase the value of its exports by 98 per cent in 1965 and 340 per cent in 1970 by comparison with 1961.

10. The expansion of United Nations activities in the field of industrial development should therefore be closely linked with the efforts to be made to deal with the problems of international trade, especially in connexion with the Development Decade.

11. It was an essential feature of the programme which he was submitting that the major responsibility was left to the countries themselves. It was realized that no international effort could be effective unless the will to industrialize existed in the countries concerned.

12. Another important feature of the programme was that it did not prejudice any recommendations which might be made by the Advisory Committee of ten experts to be appointed under resolution 873 (XXXIII) of the Council. The programme was intended to respond to the need for urgent action by the United Nations without awaiting the recommendations of that committee.

13. With regard to the contents of the programme, it was essentially intended to mobilize and co-ordinate the efforts of the United Nations family in the industrial field. That process would be accomplished at various levels. At the secretariat level, an expansion was called for both at Headquarters and in the regional commissions. His experience in ECLA had confirmed to him the great importance of the role played by the regional commissions, which were functioning in the areas chiefly concerned in the process of industrialization. The Secretariat at Headquarters, for its part, would be called upon to support the action of the secretariats of the regional commissions.

14. Co-operation with the specialized agencies should also be maintained. There were fields of activity which were the special responsibility of those agencies; for example, the ILO had primary responsibility for industrial training, while matters of financial assistance were the province of the competent specialized agencies. The activities of the United Nations and the specialized agencies should be conducted in such a manner as to support each other and to respect the competence of the various organizations. All efforts must, however, converge towards the single common objective of providing assistance to countries in the process of industrialization.

15. The matter of co-ordination with the specialized agencies had not been elaborated upon in his memorandum (E/3656/Add.1) because at the time of its drafting the meetings with the agencies had not yet been completed. It should be added that the meetings had led to satisfactory working arrangements.

16. The programme he had introduced presented an experiment, and its elements were subject to correction in the light of experience. One important result had already been achieved, however, in that industrialization was being given priority in economic development plans.

17. The developing countries were greatly in need of the knowledge and experience acquired by the countries of Europe; that was true both of eastern and of western Europe. The ECE, in which all European countries were represented, had accordingly a vital role to play by co-operating with the developing countries in the field of industrialization.

18. Mr. UNWIN (United Kingdom), welcoming the appointment of Mr. Mayobre as Commissioner for Industrial Development, said that it constituted a valuable step forward in the expansion of United Nations activities in the field of industrialization. His delegation welcomed the Commissioner's determination, expressed in his memorandum (E/3656/Add.1) and in his introductory statement, to undertake his new tasks with vigour.

19. The United Kingdom realized the fundamental importance of industrialization to the developing countries and was determined to assist them. The diversification of the economies of those countries was essential if they were to break away from precarious dependence on the export of a few primary commodities. Such diversification, in its turn, needed a sound industrial basis.

20. The industrialized countries could be of assistance to the developing countries in many ways. Their commercial policy, for example, could assist the developing countries in expanding their exports. Of course, the will to industrialize on the part of the developing countries themselves was the decisive factor, but their efforts needed to be supported.

21. The United Kingdom was already providing countries in process of industrialization with technical advice and training on a bilateral basis; other industrialized countries were doing the same. However, more needed to be done on a multilateral basis and, in that respect, the United Nations had a vital role to play. That view had been generally accepted, but there had been considerable debate as to the manner of attaining the objective.

22. The Committee for Industrial Development had wisely decided not to await the findings of the Advisory Committee of ten experts for a strengthening of the United Nations advisory services in the field of industrial development. The Committee had also realized that the problems of the countries in process of industrialization were practical rather than theoretical and that expert advice on the spot was needed.

23. His delegation supported the general idea of the strengthening of the United Nations advisory services in the field of industrial development and found the Secretary-General's proposals in that respect both practical and effective.

24. He recalled the Secretary-General's remark that high-level experts were costly and difficult to find, so that the most effective manner of using them was to form a pool at Headquarters, which could respond to requests from the various regions. Thus, the Secretary-General's proposal for a permanent pool of six full-time experts, supplemented by specialists employed on a part-time basis (see E/3656, paras. 6-10), appeared acceptable. His delegation suggested, however, that the system should be extended to include the employment of specialists, even if they were unable to serve for more than one term.

25. The proposals embodied in the memoranda would inevitably prove costly. In that connexion, he drew attention to paragraph 11 of the Secretary-General's memorandum (E/3656), stressing that the scheme should, in its operational aspects, be integrated into existing programmes. For its part, his delegation supported the Secretary-General's proposals subject to the overriding authority of the Fifth Committee of the General Assembly regarding their financial aspects.

26. His delegation was studying the joint draft resolution sponsored by the delegations of Brazil, Ethiopia, India and Yugoslavia (E/L.967/Rev.1), and reserved the right to comment upon it at a subsequent meeting; at that stage, however, he wished to express doubts regarding operative paragraph 6.

27. Mr. PATIÑO (Colombia) said that the establishment of the Committee for Industrial Development, the scheme to establish an Industrial Development Centre and the appointment of a Commissioner for Industrial Development were decisions of far-reaching importance. His delegation was gratified by the Secretary-General's prompt action in appointing the Commissioner and by the choice he had made. It considered that the proposals contained in the memoranda by the Secretary-General and by the Commissioner provided a suitable basis for extending United Nations activity in that field. It would therefore support the joint draft resolution, operative paragraph 6 of which it regarded as particularly important. It was convinced that the United Kingdom delegation, as one of those which had initiated the idea of appointing a Commissioner for Industrial Development, would not fail to give its support in the Fifth Committee to the appropriation of the funds required for the planned expansion of activities. Despite its interest in that expansion, which should be carried out strictly within the regular budget of the United Nations, the Colombian delegation was mindful of the warning given by the Secretary-General, who had said, in paragraph 12 of his

memorandum, that the proposals had been kept as modest as possible in order not to prejudice the recommendations which would be formulated by the Advisory Committee. Those proposals were certainly a further step towards the accomplishment of an inevitable process, but still more ambitious measures had to be adopted, as the *World Economic Survey, 1961* (E/3624 and Add.1-6) showed, if the Development Decade was to be also the decade of industrialization.

28. Mr. PORTELLA de AGUIAR (Brazil), introducing the joint draft resolution (E/L.967/Rev.1), reiterated his delegation's belief that priority should be given to the development of the industrial sector as the shortest way to the attainment of rapid economic growth.

29. He recognized the desirability, as a goal, of balanced development in the economic and social fields, and also in industry and agriculture. However, the scarcity of resources made it necessary to concentrate efforts in order to obtain results measurable in the short term. Brazil, for its part, had resolutely placed its hopes in industrial development, which alone could rapidly ensure a substantial expansion of productive employment.

30. Accordingly, his delegation noted with satisfaction the added emphasis which was being placed in the United Nations on the consideration of problems of industrial development. In particular, it welcomed the appointment of Mr. Mayobre as Commissioner for Industrial Development.

31. The Brazilian delegation also welcomed the draft programme of work for the Industrial Development Centre (E/3656/Add.1). However, the Centre itself was only a unit for the integration of activities and for the direction and implementation of work relating to industrial development. The ideal, but by no means Utopian, goal of a specialized agency for industrial development was still a long way off.

32. It was paradoxical that the distribution of resources for the solution of problems dealt with by the United Nations family should be still overwhelmingly tilted against industrial development. There were specialized agencies for a great number of human activities, but the problems of industry, which was actually the characteristic feature of the twentieth century, received only a fraction of the attention or the means devoted to other pursuits.

33. That state of affairs was due to the circumstances in which the United Nations and the specialized agencies had been set up at the end of the Second World War. At that time, the highly industrialized countries had been concerned primarily with the reconstruction of their shattered economies and with the restoration of the food supplies which they had been used to having before the war. The under-developed countries, still in the agricultural stage, had not then fully realized what the future held in store for them; they had thought that all their problems could be solved by means of the considerable reserves of foreign exchange amassed through the highly profitable war-time export of commodities. It was thus understandable that in the organizational structure of the United Nations family the emphasis should have been placed on the solution of the problems of agriculture

and food production; that approach had led to the setting up of FAO, which had done such efficient work.

34. Considerable progress, however, had been made since then. Many developing countries had emerged as substantial producers and exporters of industrial goods; others had achieved extraordinary rates of growth and had set a pattern for the new nations aspiring to development. There was now a general realization of the need to share the technical knowledge of the highly industrialized countries and the practical solutions found by the under-developed countries for their common problems.

35. That co-operation could and should be organized through the United Nations by means of the establishment of a specialized agency for industrial development with resources commensurate with the magnitude of the task. His delegation therefore hoped that the Advisory Committee would arrive at recommendations resulting in the establishment of such an agency in the near future.

36. His delegation wholeheartedly supported the recommendations relating to the expansion of United Nations advisory services in the field of industrial development which had been made in the report of the Committee for Industrial Development on its Second Session (E/3600 and Corr.1). It also supported the Secretary-General's suggestions for the reorganization of the technical advisory services. It noted, however, that the petroleum industry was not included among the six major industrial fields to be covered by senior advisers and would suggest the addition of that industry to the other six, particularly since ECAFE intended to establish a group of high-level experts in that field at Bangkok.

37. As to the placement of the advisers, he recalled the recommendation by the Committee for Industrial Development that they should be based on the regional economic commissions whenever such placement would give the most effective results (E/3600, para. 102). At its current session, the Council had adopted resolution 879 (XXXIV) confirming its confidence in the policy of decentralization of the economic and social activities of the United Nations and strengthening of the regional commissions in the light of General Assembly resolution 1709 (XVI), which itself called for the increasing delegation of responsibilities to the secretariats of the regional commissions and for the provision of the requisite resources, including personnel.

38. In the light of those considerations, the Brazilian delegation considered that the aim of setting up industrial advisory services primarily based on the regional economic commissions, where they would be most effective, was a point already fully approved by the United Nations. The joint draft resolution was intended to translate that aim into reality.

39. Mr. PAJESTKA (Poland), welcoming the appointment of Mr. Mayobre as Commissioner for Industrial Development, said that appointment constituted one of the first steps towards implementing the recommendations formulated by the Committee for Industrial Development at its second session. He recalled that at the Council's thirty-third session, his delegation had urged that those recommendations, which provided a basis for

further stimulating United Nations activities in industrial development, should be put into effect as soon as possible.

40. There was no difference of opinion in the Council regarding the need to strengthen United Nations advisory services in the field of industrial development. The developing countries were already benefiting from advisory services mainly through the specialized agencies, in practically every field of economic and social activity. Those countries should therefore be given an opportunity to receive similar services in the field of industrial development on a broader scale than before. The matter was of particular importance because they were preparing their long-term development plans, of which industrial planning must be the backbone.

41. His delegation agreed with the Secretary-General's proposals relating to the recruitment of advisers and specialists to be appointed as consultants for industrial development, and to the selection of the industrial sectors where advisory services were particularly desirable. In that connexion, in the recruitment of additional personnel, due attention should be paid to those countries which had collected a wealth of experience in attaining rapid industrial development under conditions similar to those prevailing in the less developed countries.

42. His delegation was prepared in principle to support the joint draft resolution, which rightly stressed that additional experts should, whenever possible, be stationed in the regional economic commissions, which had a long record of work in industrial development and were well acquainted with the technical problems of countries in their respective geographical areas.

43. Lastly, he welcomed the Commissioner's memorandum as a step towards the co-ordination and development of United Nations activities in the field of industrial development and looked forward to the forthcoming meeting of the Advisory Committee, whose recommendations would doubtless be of great value to the future activities of the United Nations family in the matter.

44. Mr. ARKADEV (Union of Soviet Socialist Republics) said that the Brazilian representative had rightly referred to delay in undertaking the industrial development of the developing countries within the United Nations system. Certain countries had long refused to recognize the right of such countries to industrialization, but now, it appeared, their opposition to the idea was crumbling, perhaps because of the large number of developing countries which had recently been admitted to the United Nations. That progress was being made towards recognition of the importance of industrialization was symbolized by the establishment of the Committee for Industrial Development, albeit after a fierce struggle, and by the appointment of the Commissioner for Industrial Development; both those events would make it easier to tackle the problem of industrialization from the practical point of view.

45. Although vast funds and large numbers of experts were available under the Special Fund and technical assistance programmes, efforts had not been concentrated on the industrial development; of the less developed countries. Too much time had been spent on studies and

the production of documents; practical action was necessary, and consistent efforts must be made to help the developing countries industrialize and not to pave the way for private capital and industry in its search for ever-increasing profits. The USSR, which was providing the developing countries with considerable assistance on a bilateral basis, wished to ensure that United Nations funds were not frittered away on idle exercises, but used to promote the industrial development of those countries.

46. The joint draft resolution was in line with General Assembly resolution 1709 (XVI) on decentralization, since it proposed that experts should be attached to the regional commissions. That was a sound approach, since the effect of attaching experts to Headquarters, where many such groups already existed, would be to divorce them from the needs of the developing countries. The procedure suggested in the draft resolution would ensure that experts kept in close touch with the needs of the area they were to serve.

47. He noted that the cost of the services proposed would be \$250,000; that was by no means a small sum and it was suggested, in document E/3656, paragraph 10, that it should be found by increasing the regular budget of the United Nations. That method was used far too often. It appeared to indicate a lack of proper budgetary control and a feeling that countries automatically made available any additional funds requested of them. The funds required could be made available, however; in fact, they were already available in the form of the resources of the Special Fund, the specialized agencies, the regional commissions and the technical assistance programmes. By eliminating marginal projects and channelling the funds thus released into the implementation of the measures suggested in the draft resolution, it would be possible to provide not seventy experts but many times that number. That was a matter which called for serious consideration.

48. Mr. MERAUD (France) said that both problems of administrative structure as discussed in the Secretary-General's memorandum and questions of programme as dealt with in the memorandum by the Commissioner for Industrial Development had to be resolved before deciding on the form to be given to the advisory services in the field of industrial development. The French delegation fully approved of the essentials of the proposals contained in the memoranda. It took the view that for the administrative structure the solution lay primarily in the provision of new machinery for action in the industrial field, which had hitherto been improvised by United Nations organs, and in its incorporation in the existing organizations—namely, in the specialized agencies and the regional economic commissions.

49. With regard to new machinery, in resolution 873 (XXXIII) the Council had recommended the appointment of a Commissioner because it realized that an authority supervising the various services and programmes assisting industrialization was essential for the co-ordination of their work. He was gratified by the speed with which the post of Commissioner had been filled and the choice which the Secretary-General had made.

50. The Secretary-General proposed the setting up of two groups of super-experts called "senior advisers" and

"high-level specialists" to collaborate closely with the Commissioner. As experts of that kind were rare and costly, their services should be used as effectively as possible and Headquarters or the regional economic commissions should not part with them for too long at a time. They should constitute a reserve scientific team, to supervise and advise the executive personnel scattered throughout the world and engaged in laying the foundations for new industries. France, in its relation with the countries with which it was organizing programmes of technical co-operation, had given that idea a successful trial; the effectiveness of a highly qualified specialist was increased, while the expert on the spot was not left to his own resources.

51. In regard to the specialities of the two new types of expert, recruitment should not be confined to engineers, even highly qualified engineers, for all too often the technician was only concerned with technical success. France had had experience of that after the war when mechanization, based on excellent machinery, had been carried through without regard for the economic, financial and sociological conditions of French agriculture, thus giving rise to serious economic and political difficulties. Together with the experts specializing in the installation of industrial plant and the technical management of factories, there should therefore be experts in global economic analysis, and specialists in the economic and financial management of business undertakings. All-purpose teams which would be capable of making industries show a profit and find their place on the national or international market should be set up. Furthermore, the technical proposals of the experts, in so far as they involved the economic future of the country concerned, should be examined in the regional economic commissions and at Headquarters by advisers, acting not individually but in groups.

52. The establishment of new machinery should be linked with maximum utilization of already existing bodies, particularly the specialized agencies and the regional economic commissions. Within the next few months the ILO, UNESCO, TAB, IBRD and the Special Fund should give the lead in extending their work in the sphere of industrialization.

53. In his memorandum, the Commissioner had stressed the part that could be played by the regional economic commissions and had defined the role of the Secretariat as consisting in meeting the problems arising at the periphery. The French delegation shared that view and recommended great flexibility in that connexion. It drew attention to the attractive method adopted by ECAFE for the industrial inquiries carried out in Singapore in 1960/61, during which representatives of the Commission's secretariat had co-operated with teams of experts from Headquarters. It was particularly in programming that the regional economic commissions could show their real effectiveness.

54. The French delegation approved of the programmes proposed by the Commissioner, which showed good sense, particularly in the distribution of tasks between Headquarters and the regions. In that connexion, there were three problems; the order of priorities, planning and the social aspect of industrial development.

55. From the point of view of priorities, a balance would have to be found between the desires of the country concerned and the accomplishments on a regional, and even worldwide scale which would result from the activity of the Office of the Commissioner, in order to avoid duplication. In each country the optimum relationship between certain economic factors should be determined: the optimum proportion as between the factors of capital and manpower and the relationship between agricultural and industrial investment, between heavy and light industry, and between industry in large and in small units. As there was no universal pattern of industrialization, it would be for the regional economic commissions to determine those relationships.

56. Nor was there any universal pattern for planning in respect of industrial organization. Industries had to be built up on a rational basis, due account being taken of all the relevant factors. As the head of the French delegation had pointed out at the 1229th meeting, France had developed a flexible planning system in which the various decisions of each were co-ordinated with the plans of others and were adapted as fully as possible to future internal and external demand. None of the countries with a so-called free-enterprise economy had denied, in the Committee for Industrial Development, the beneficial effect of state action in respect of nascent industrial structures. It was merely a question of avoiding dogmatic choices. In that connexion, the regional economic commissions could play a useful role by ensuring the exchange of experience between countries in the same region. On a broader scale, it would no doubt be useful for all to study and to pass on experience in the field of planning to those who were trying to find the formula best adapted to their needs and aspirations.

57. With regard to the role which social considerations should play in the process of industrialization, he said that the industrialized countries knew what mistakes had been made by neglecting human factors in the establishment of industrial complexes and what dangers lay in the uncontrolled urbanization of an area. The authors of the fourth French plan had given even more importance than before to the sociological studies which should accompany either the establishment of industries at sites which had previously been rural or the development of industrial complexes in areas which were already urbanized. The experts should be chosen with due regard for their interests and qualifications in that field. It would probably be necessary to engage sociologists in addition to economic and industrial technicians.

58. His delegation was grateful to the delegations of the countries in the course of industrialization for having drawn attention to the urgency of the problem. The reservations which it had expressed on several occasions had primarily concerned the methods and the concepts of administrative structures. Basically, France not only accepted but desired the advancement of the under-developed countries. As the head of the French delegation had said, the apprehensions of some industrialized countries or of some of the industrial sectors regarding the prospect of the industrialization of the new countries would be dispelled if they bore in mind the benefits of general growth. They should realize that in the long run the countries which were at present industrialized would

export more "know-how" in the form of engineers or complex industrial equipment and would import industrial products for current consumption, the manufacture of which required a great deal of relatively unskilled labour. The fourth French plan for 1962-1965 had adopted that point of view and the forecasts which were being prepared in France for 1970 and even 1980 banked even more heavily on the industrialization of the under-developed countries.

59. One of the Commissioner's basic tasks, after ensuring the co-ordination of the industrialization plans of the various under-developed countries, would be the co-ordination of the plans of countries in the course of development with those of highly industrialized countries. The interesting document recently issued by ECLA on Brazilian projects for mechanical industries, particularly industries producing capital goods during the coming decade (E/CN.12/619), was a model working instrument for use by technical experts and financiers. It was to be hoped that the relative anarchy would give way to a measure of discipline and that Malthusian isolationism would be replaced by the dynamic conception of the world.

60. Mr. POPOVIC (Yugoslavia) said that his delegation shared the views expressed by the Commissioner for Industrial Development. It was to be noted that United Nations activities in the field of industrial development were only in their initial stages; the report to be prepared by the Advisory Committee of ten experts would undoubtedly further define the role that was to be played by the United Nations in that connexion and draw attention to the need for a specialized agency in the field of industrialization. Meanwhile, a valuable contribution could be made through advisory services in the field of industrial development and by the Committee for Industrial Development. United Nations activities should, moreover, be organized through the regional commissions.

61. In view of the above considerations, his delegation had co-sponsored the draft resolution before the Council.

62. Mr. WALKER (Australia), commending the Commissioner for Industrial Development on his excellent statement, said that it was important to distinguish between the general strategy of industrialization and the technical management and marketing problems encountered in respect of specific industries. The strategy of industrialization consisted in ensuring progress on a broad front towards the goal of a well-diversified economy; lack of such strategy could well lead to the establishment of "white elephant" industries, which could not be integrated into the economy of the country or which failed to stimulate the cumulative growth of other industries. Strategic problems related mainly to the field of planning, and their solution called for a clear idea of the general lines along which industrial development was to take place. A wise choice of the industries which were to be developed was an important factor, and in that connexion great attention should be paid to the natural resources available locally.

63. New industries were often established with a view to import substitution; in the early stages, the production costs of the goods they manufactured were often higher

than the prices of the imports that were to be replaced. One of the problems that had been encountered in Australia in that respect was that the higher prices at which new industries had to sell their output frequently affected the cost patterns of other national industries, and for that reason it had been found necessary to keep under continuing review the protection afforded to various industries. Whether or not a new industry became an integral part of a country's economy depended not only on the country's economic circumstances, but also on the regional demand and supply pattern; for that reason, the importance attached in the documents before the Council to the activities of the regional commissions was to be commended. In brief, the goal of economic strategy was to build up an integrated system of industries which, by their joint action, stimulated the development of the resources of the country concerned. All those general problems would loom large in the United Nations industrialization activities, in which advisory services and the assistance given to the developing countries would play an important part.

64. The Secretary-General had presented his proposal as a pilot project in staffing, an approach which his delegation supported, subject to a reservation in respect of its financial implications, which should be considered by the Fifth Committee of the General Assembly. It would be desirable, however, to have more accurate information on what proportion of the regional advisers would work largely in the field of industrial development. It was not clear, for example, whether some of those advisers were to prepare the ground for the senior advisers; that system would result in a reduced call on the services of the senior advisers.

65. He also wondered whether an inventory could be prepared of outside specialists who would be prepared to serve the United Nations as *ad hoc* specialists. In the light of information gleaned from such a survey, the need for permanent appointments of senior officers could conceivably be reduced. Perhaps the information resulting from such a review, together with information about the number of requests for expert assistance which the United Nations had been unable to meet from its present pool of experts in various fields of industrialization, could be furnished before the financial implications of the pilot project came up for consideration in the Fifth Committee. He would welcome the Secretariat's comments on the feasibility of those suggestions.

66. His delegation recognized the need for strengthening the United Nations advisory services in the field of industrial development, but was concerned about the financial implications of the joint draft resolution. Operative paragraph 6 was hardly acceptable, for its wording was too strong. In particular, the word "conviction" did not seem appropriate, and the words "as required" ran the risk of ambiguity — the sky might be the limit. Expressions such as "conviction" and "as required" placed delegations in a serious and delicate position. They might be thought to be giving their approval to financial commitments with no upper limits. For those reasons, he hoped that the sponsors would find it possible to consider a formulation less categorical than that as drafted in paragraph 6.

The meeting rose at 1.5 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1231st meeting

Tuesday, 24 July 1962

at 3.25 p.m.

PALAIS DES NATIONS, GENEVA

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President: Mr. J. MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Austria, Belgium, Bulgaria, Canada, Cuba, Dominican Republic, Greece, Hungary, Iraq, Ireland, Mali, Netherlands, New Zealand, Romania, Spain, Tunisia, Venezuela.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, United Nations Educational, Scientific and Cultural Organization, World Health Organization.

AGENDA ITEM 7

Expansion of United Nations activities in the field of industrial development (E/3656 and Add.1; E/L.967/Rev.1) (*continued*)

1. Mr. WODAJO (Ethiopia) said that for many years the traditional theory of comparative cost advantage had stood in the way of the recognition of the importance of

industrialization. That theory was in fact a defence of the *status quo* since it maintained that there could only be prosperity if countries specialized in those lines of production for which they were uniquely suited. Fortunately, new ideas were emerging, and industrialization was being regarded as an essential part of the process of economic development.

2. It had also come to be realized that the performance of industry in the under-developed countries could not be evaluated in traditional terms of domestic and international competitiveness and profitability but had to be assessed according to the general impact of the particular industry on the economy and especially its ability to provide employment and a training ground for management and technical experts for other industries. Industrialization was a self-generating process and could not be assessed statistically on a short-term basis. Current efforts to organize the work on industrialization more efficiently testified to that entirely new approach. He wished to commend the United Nations and the specialized agencies on the vigorous initiative they had taken during the preceding few years and to welcome the memoranda by the Secretary-General (E/3656) and by the Commissioner for Industrial Development (E/3656/Add.1) which outlined the direction which further and more intensive action should take. The latter in particular rightly emphasized the decisive role to be played by the regional economic commissions and indicated the functions to be discharged by the Headquarters Offices of the Centre of Industrial Development (E/3656/Add.1). He agreed with the Commissioner that the recommended teams of advisers on industrial development should serve in the regional economic commissions where they could be in close touch with field operations. However, though such teams could assist governments in drawing up comprehensive plans of industrialization, they might not include persons with the right qualifications to help in drawing up detailed plans for specific industries. For that reason the industrial activities of the specialized agencies and those under EPTA as well as the Special Fund should be extended so as to provide upon request specialized assistance of that nature.

3. With those considerations in mind, his delegation had joined in sponsoring draft resolution E/L.967/Rev.1.

4. Mr. JOHNSON (United States of America), paying tribute to the prompt and constructive action taken by the Secretary-General following the second session of the Committee for Industrial Development, expressed appreciation for the Secretary-General's memorandum and welcomed the appointment of so highly qualified a person as Mr. Mayobre to the post of Commissioner for Industrial Development.

5. In view of the difficulty the Committee had had in arriving at a satisfactory evaluation of the work of the United Nations family in the field of industrial development and of the actual volume of resources devoted to the purpose, as described in its report (E/3600, para. 91), he particularly welcomed the Commissioner's memorandum and the statement he had made at the 1230th meeting concerning future plans for intensifying United Nations activities. It was to be hoped that the programme to be carried out in co-operation with the regional economic commissions would help to accelerate the rate of industrialization through more vigorous and concerted action, the need for which had been stressed by the Committee. Ultimately, industrial development depended on action taken by the countries themselves with the help of others.

6. The programme as outlined by the Commissioner was indicative of a sound approach, foresight and realism. The Commissioner's memorandum also gave a balanced picture of what should be the respective roles of Headquarters and the regional economic commissions. It recognized that advisory services by themselves could not do the job but were prerequisites for effective action. No country could afford to misuse resources and every factor should be analysed before plans were set in motion.

7. His government would co-operate fully in the common task which should lay the foundations for industrial development for decades to come. He would support the four-Power draft resolution.

8. Mr. PORTELLA de AGUIAR (Brazil) said that in order to meet some of the objections raised at the 1230th meeting the sponsors of the draft resolution had decided to amend it.¹ First, in operative paragraph 4 the words "whenever such placement would give the most effective results as" should be substituted for the words "the need for whom was"; secondly, operative paragraph 6 should read: "Expresses the hope that adequate financial resources will be appropriated... Industrial Advisory Service, to meet the needs of the developing countries in all regions."

9. Mr. ARKADEV (Union of Soviet Socialist Republics) said that as the Council was discussing practical ways of furthering the process of industrialization, he would draw attention to the view expressed by the Committee for Industrial Development in its report with regard to the valuable assistance which experts from the centrally planned economies with their wide experience in planning could give to developing countries. Such experts had been warmly welcomed under bilateral agreements and had done excellent work, but within the United Nations Secretariat, the specialized agencies, EPTA and the Special Fund the position was entirely different and artificial obstacles were created to prevent such experts from being used. That most abnormal situation must be remedied and he had every hope that the Commissioner and the executive secretaries of the regional economic commissions would approach the matter with wisdom and good sense, bearing in mind the interests of developing countries.

¹ The revised text was subsequently circulated as document E/L.967/Rev.2

10. He would add that assistance could be given only in response to government requests and express the hope that bodies which so loudly proclaimed their desire to provide assistance would not hedge it about with conditions that failed to respect the sovereign rights of the recipients.

11. Mr. CARRILLO (El Salvador) wished the Commissioner for Industrial Development every success in his new post.

12. His delegation unreservedly supported the draft resolution. Industrial development was of the utmost concern to the developing countries, including his own, and any move to expand United Nations activities in that field was to be welcomed. Moreover, the draft resolution tended to strengthen the work of the regional economic commissions; his own country thought very highly of the activities of ECLA, especially in Central America, where it had been the principal instrument of the economic integration, the beneficial effects of which were already being felt.

13. The PRESIDENT, inviting debate more particularly on the draft resolution, said that financial implications of its proposals would be set out in the general statement on the financial implications of action by the Council which would be submitted towards the end of the session.

14. Mr. UNWIN (United Kingdom) said that it was evident from the comments made at the 1230th meeting, notably by the representative of Colombia, that his delegation's doubts about the wording of paragraph 6 had not been fully understood. Some of those doubts had been dispelled by the sponsors' first amendment, but his delegation was still uncertain whether it was appropriate in that context to speak of expanding United Nations activities in general in the industrial field. It would have been preferable to refer only to the industrial advisory service.

15. Mr. ARKADEV (Union of Soviet Socialist Republics) said that as the draft resolution covered some new points which had not yet been discussed and had financial implications, it called for further and more detailed study, preferably in the Economic Committee.

16. The PRESIDENT said that the Council, in adopting its arrangement of business at the 1209th meeting, had decided to deal with the current item in plenary without reference to the Economic Committee; the Council was, however, free to reverse its decision.

17. Mr. WODAJO (Ethiopia), referring to the remarks of the United Kingdom representative concerning operative paragraph 6, said that as a sponsor of the draft resolution, his delegation would deprecate an amendment whereby reference would only be made to the industrial advisory service, since other United Nations activities had to be expanded in view of the capital importance of industrialization to economic development. As he had said earlier in the meeting, the industrial advisory service might not be able to provide all forms of assistance needed by governments.

18. Mr. PORTELLA de AGUIAR (Brazil) said that his delegation attached great importance to the wording

of paragraph 6 and considered that the industrial advisory service was only part of a wider network of activities.

19. No useful purpose would be served by referring the draft resolution to the Economic Committee.

20. Mr. UNWIN (United Kingdom) said that he would not like any member of the Council to infer that the United Kingdom was opposed to an expansion of United Nations activities in the field of industrialization. Nevertheless, without prejudice to the merits of the case, he would propose, under rule 34, paragraph 2, of the rules of procedure, that the Council should postpone its decision until it had been informed of the financial implications of operative paragraph 6.

21. The PRESIDENT drew the attention of the United Kingdom representative to the information contained in annex III of the report by the Secretary-General on the financial implications of actions of the Council (E/3663), under the heading "Industrial Development Advisory Services".

22. Mr. MELLER-CONRAD (Poland) suggested, as a compromise, that the vote might be deferred until the following meeting.

23. Mr. KAKITSUBO (Japan) supported that suggestion since he had not had time to consult his government nor to study the financial implications of the expansion of United Nations activities other than the industrial advisory service, which was apparently going to cost \$250,000.

24. The PRESIDENT proposed that, in deference to the wishes of certain delegations, further consideration of the revised draft resolution be deferred to the meeting on the afternoon of 26 July.

It was so agreed.

AGENDA ITEM 5

Economic and social consequences of disarmament (E/3593 and Corr.1 and Add.1-4; E/L.969) (resumed from the 1221st meeting)

25. Mr. TRIVEDI (India), introducing the draft resolution (E/L.969) sponsored by Ethiopia, India, Poland, Union of Soviet Socialist Republics, United States of America and Yugoslavia, said it was the outcome of a combined effort to work out a generally acceptable text.

26. The draft resolution expressed appreciation of the study by the Consultative Group of Experts transmitted in the Secretary-General's report (E/3593 and Corr.1 and Add.1-4) and urged that the work be continued. It endorsed the experts' view that general and complete disarmament would be an unqualified blessing. The sponsors would have liked to lay particular stress on the needs of developing countries because the Development Decade was one of the main themes of the Council's current session but had refrained from doing so for fear that such emphasis might not meet with general approval. The final operative paragraph requested the Secretary-General to place the item on the agenda of the seventeenth session of the General Assembly.

27. As one of the sponsors he would propose the substitution of the word "related" for the word "specialized" in operative paragraph 7 (a) as that change would render the review more comprehensive.

28. Mr. MELLER-CONRAD (Poland) said that the negotiations culminating in the draft resolution had been conducted in a spirit of co-operation. The draft accurately reflected the ideas expressed during the general debate at the 1220th and 1221st meetings on the economic and social consequences of disarmament. Its sponsors included the Union of Soviet Socialist Republics and the United States of America, the two great Powers on which the outcome of the negotiations on general and complete disarmament essentially depended. By its adoption, the conclusions of the report by the group of experts would acquire the authority of principles acknowledged by the United Nations, and in that way the United Nations would be able to encourage and hasten the conclusion of an agreement on general and complete disarmament.

29. Mr. PONTI (Italy) said that he would support the draft resolution provided that the "report" referred to in the text meant document E/3593 and Corr.2 together with its four addenda.

30. Mr. ARKADEV (Union of Soviet Socialist Republics) said that the draft resolution spoke for itself. It was the result of a combined and determined effort to work out an agreed text that would demonstrate to public opinion the Council's contribution towards a solution to the problem of disarmament.

31. Mr. KLUTZNIK (United States of America) expressed gratification at the unanimity achieved among the sponsors of the draft resolution, the adoption of which would mark a significant advance in the consideration of a vital topic. The spirit of the group of experts' study should be kept alive and the problems involved should be kept under continuous review pending agreement on general and complete disarmament under effective international control.

32. With reference to the Italian representative's remark, he hoped that his co-sponsors would agree that the "report" referred to was the Secretary-General's report transmitting the experts' study together with the addenda thereto.

33. He accepted the change to paragraph 7 (a) suggested by the Indian representative.

34. Mr. TRIVEDI (India) endorsed the United States representative's reply to the Italian representative.

35. Mr. REVOL (France) said that, as his delegation had already commented at the 1217th meeting on the current item when agenda item 4 had been discussed, he would merely add that the experts' conclusions treated as they deserved to be treated allegations to the effect that certain countries regarded disarmament as harmful to their economy. The sponsors of the draft resolution (E/L.969) included the two countries with the largest military budgets. The French delegation would vote in favour of the draft resolution, subject to two reservations: first, France, which was not taking part in the Conference of the Eighteen-nation Committee on Disarmament,

could not associate itself with operative paragraph 5 (b); and secondly, with regard to paragraph 7, it should be understood that the Secretary-General was alone competent to decide what studies should be undertaken and that it would be his duty to call in any assistance he might deem necessary.

36. The PRESIDENT said that the Council would have to inquire whether the wide distribution of the report, called for in operative paragraph 5 (c), could be effected by the Office of Public Information without additional cost.

37. Miss SALT (United Kingdom), agreeing with the President, said that her delegation supported the draft resolution and hoped that it would be unanimously adopted.

38. Mr. JEFTIC (Yugoslavia) said that the dominant theme in the general debate had been the great danger to civilization arising out of the armaments race and the waste of human and material resources, which could be put to better use in raising standards of living throughout the world. It was of the greatest importance that an agreement should be reached as early as possible on general and complete disarmament under effective international control. It followed that the Council should continue to review the economic and social consequences of disarmament.

39. It was heartening to see that the draft resolution was sponsored by delegations belonging to different social systems, and he hoped that it would be approved unanimously. His delegation would, however, have preferred the proposal to have incorporated operative paragraph 2 of draft resolution E/L.962, since withdrawn, under which Member States, especially the great Powers, would have been asked to consider the possibility of allocating a percentage of their savings from disarmament to the economic development of the less developed countries. In the absence of support for his delegation's views, it had not seen fit to press them.

40. Mr. TOKUHISA (Japan) welcomed the fact that the sponsors of the draft resolution included both the United States and the Soviet Union. The draft resolution referred to the measures to be taken after general and complete disarmament had been achieved; unfortunately there was no sign as yet of an agreement on the subject. In the absence of such an agreement, the provisions of the draft resolution would be merely of academic interest.

41. Since the draft resolution had only just been submitted, his delegation would request that rule 56 of the rules of procedure be applied and the vote taken at the Council's meeting on 26 July.

42. Mr. PONTI (Italy) supported the Japanese representative's request, all the more so as the postponement might make it possible to obtain a reply from Headquarters about the expenditure involved.

43. Mr. ARKADEV (Union of Soviet Socialist Republics) said that the expenditure entailed would in fact be insignificant. Similar documents were published dozens by the United Nations and the cost was charged to the ordinary budget. It was surely unfortunate that

such a trifling matter should create obstacles to the adoption of a draft resolution of such vital importance.

44. Mr. KLUTZNICK (United States of America) entirely agreed with the USSR representative; the cost of the action proposed would be purely nominal. Moreover, financial implications were usually reported in due course.

45. The PRESIDENT said that, since there was no contrary decision by the Council, the Japanese representative's request to defer the vote to 26 July would be complied with.

It was so decided.

AGENDA ITEM 18

Report of the Commission on Human Rights (E/3616/Rev.1)

REPORT OF THE SOCIAL COMMITTEE (E/3676 and Corr.1)

46. The PRESIDENT invited the Council to consider the report of the Social Committee and the draft resolutions incorporated therein (E/3676 and Corr.1).

47. Mr. MOLIAKOV (Union of Soviet Socialist Republics) said that his delegation would vote in favour of the draft resolutions in question, except draft resolutions I, II and VI.

48. Draft resolutions I and VI called for the preparation of voluminous reports and documents; it was doubtful whether the practical importance of those documents would justify the expense. With regard to draft resolution II on the study of discrimination in the matter of political rights, the best way of fighting discrimination was by legislation. His delegation had proposed an amendment to that effect in the Social Committee which had not been adopted, and it would therefore have to abstain in the vote.

49. The PRESIDENT invited the Council to vote on draft resolutions I to VII contained in the report of the Social Committee (E/3676 and Corr.1).

I. PERIODIC REPORTS ON HUMAN RIGHTS

Draft resolution I was adopted by 15 votes to none, with 2 abstentions.

II. STUDY OF DISCRIMINATION IN THE MATTER OF POLITICAL RIGHTS

Draft resolution II was adopted by 15 votes to none, with 2 abstentions.

III. STUDY OF DISCRIMINATION AGAINST PERSONS BORN OUT OF WEDLOCK

Draft resolution III was adopted by 16 votes to none, with 1 abstention.

IV. INTERNATIONAL CO-OPERATION TO ASSIST IN THE DEVELOPMENT OF INFORMATION MEDIA IN LESS DEVELOPED COUNTRIES

Draft resolution IV was adopted unanimously.

V. NATIONAL ADVISORY COMMITTEES ON HUMAN RIGHTS

Draft resolution V was adopted unanimously.

VI. GUIDE TO NATIONAL LEGAL INSTITUTIONS AND PROCEDURES FOR THE PROTECTION OR PROMOTION OF HUMAN RIGHTS

Draft resolution VI was adopted by 15 votes to none, with 2 abstentions.

VII. REPORT OF THE COMMISSION ON HUMAN RIGHTS

Draft resolution VII was adopted unanimously.

50. Mr. FORSYTHE (Australia), explaining his vote on draft resolution IV, said that his delegation fully supported the intentions of that draft resolution, which indeed incorporated some amendments drawing attention to new techniques of communication for educational purposes, which his delegation had submitted in the Social Committee. Nevertheless, its affirmative vote was subject to the understanding that it was for the General Conference of UNESCO to pronounce upon any budgetary implications involved in the light of other calls on that organization's resources.

AGENDA ITEM 20

Advisory services in the field of human rights (E/3634 and Add.1)

REPORT OF THE SOCIAL COMMITTEE (E/3677)

51. The PRESIDENT invited the Council to vote on the draft resolution in the field of human rights set out in paragraph 4 of the report of the Social Committee on advisory services (E/3677).

The draft resolution was adopted unanimously.

AGENDA ITEM 21

Implementation of the Supplementary Convention of 1956 on the Abolition of Slavery, the Slave Trade and Institutions and Practices resembling Slavery (E/3626 and Add.1-3)

REPORT OF THE SOCIAL COMMITTEE (E/3678)

52. The PRESIDENT invited the Council to vote on the draft resolution in paragraph 4 of document E/3678.

The draft resolution was adopted unanimously.

AGENDA ITEM 15

Measures designed to promote among youth the ideals of peace, mutual respect and understanding between peoples (E/3638 and Add.1; E/L.970)

53. The PRESIDENT invited debate on the report of UNESCO (E/3638 and Add.1) and also drew attention to the draft resolution submitted by the USSR (E/L.970).

54. MR. FRANÇOIS (United Nations Educational, Scientific and Cultural Organization), introducing the report, said that General Assembly resolution 1572 (XV) had a close parallel in resolution 1. 1531 adopted by the General Conference of UNESCO as its eleventh session (E/3638, annexes I and II). The report before the Council, which had been considered by the Executive Board of UNESCO, had involved a good deal of work on the part of his organization's secretariat, as stated in the intro-

duction to the report. All the 73 replies received by the secretariat in response to its inquiries had been analysed; the results were summarized in part II of the report, whilst part I set forth the conclusions which the Director-General had drawn from that analysis.

55. The measures which could be taken to guide the young in the desired direction could be classified under four heads (para. 10): first, promotion of exchanges and personal contacts; secondly, education at all stages from the primary school to the university; thirdly, teaching about the United Nations; fourthly, action outside the school. From the experience of the specialized agencies, particularly UNESCO, and above all from the replies received from governments and international non-governmental organizations, it was clear that that constituted a complete catalogue of activities and that it was unnecessary to add fresh measures. The classification was not arranged in order of priority: all the measures were important and all of them were complementary. There was no lack of support or enthusiasm among the young. The one complaint was of insufficiency of means: inadequate financial support, shortage of experienced educators and leaders of youth movements, too little time given in school programmes to international comprehension and, finally, lack of effective teaching aids.

56. Some thought had been given to the possibility of preparing an international declaration of basic principles (part II, E). The arguments put forward for and against such a declaration were summarized in the report (paras. 39 to 48). Faced with an almost equal division of negative and affirmative opinions, all supported by cogent reasons, the Director-General of UNESCO had felt unable to make a recommendation. Similarly, the Executive Board of UNESCO had not been able to arrive at a decision on the question. The Director-General's report would be submitted to the General Conference at its following session in November 1962, which would certainly not fail to take into very full account the deliberations of the Economic and Social Council.

57. The measures designed to promote among youth the ideals of peace, mutual respect and understanding between peoples had at all times been one of the main concerns of UNESCO. The curricula planned by UNESCO for school and out-of-school education, parts of which had been used as models by governments and non-governmental organizations, invariably made provision for courses fostering international comprehension. The UNESCO was, however, no less conscious of the need not merely to continue in that direction but to intensify the efforts undertaken and above all to mobilize larger resources for that cause.

58. Mr. MOLIAKOV (Union of Soviet Socialist Republics), introducing his delegation's draft resolution (E/L.970), said that the reasons which had led the General Assembly to adopt its resolution 1572 (XV) — which had been due to a happy initiative of the Romanian delegation — were that, despite the struggle of the peoples of the world for peace, the threat of war was still present; in some countries, the spirit of militarism and revenge was still alive, racial persecution and colonial oppression still prevailed and fundamental human rights were ignored.

59. The ideals and principles which were taught to the young were of concern to everybody; after all, youth bore the brunt of war, and ultimately the question of peace or war would largely depend on the upbringing and mentality of the younger generation. The topic under discussion therefore deserved the closest attention of the United Nations. In operative paragraph 3 of General Assembly resolution 1572 (XV), there was a reference to the possibility of formulating an international declaration of basic principles. The suggestions originally submitted by the Romanian delegation at the fifteenth session of the General Assembly, and subsequently as a working paper at the sixteenth session (E/3638, annex IV), provided an excellent basis for such a declaration.

60. The UNESCO, too, had an important part to play; its conference had adopted a resolution, supported by the USSR delegation, concerning exchanges between youth in various countries—but resolutions were not enough; a declaration of the kind referred to in General Assembly resolution 1572 (XV) was required. Its adoption would not conflict with the resolutions of the General Assembly and UNESCO, nor with the Charter and the Universal Declaration of Human Rights; on the contrary, such a document would be a logical supplement to the Charter. Moreover, it would draw the attention of governments and of public opinion to problems of education, and would be a guide to international youth organizations and a major contribution to the cause of peace. Unfortunately, such a declaration had not yet been embodied in a specific document. By General Assembly resolution 1572 (XV) the Council was called upon to make recommendations; he hoped that it would be possible to adopt recommendations that would be generally acceptable. In his delegation's view, the UNESCO report should be transmitted to the General Assembly together with the records of the discussions at the current session of the Council so that the General Assembly could take a final decision. The intention of his delegation's draft resolution was to stress once again the need to continue efforts to educate youth in the spirit of peace and also to enable the General Assembly to resume its consideration of the matter and reach a decision.

61. Modern youth was a conscious and active force; it increasingly understood its responsibilities towards society and was trying to contribute to peace, to the emancipation of all colonial and dependent peoples, and to the promotion of justice, democracy and progress. Youth should be helped to understand that friendly and peaceful international relations were the basis for the development of modern society and that it was necessary to fight against war propaganda and to strive for general and complete disarmament.

62. In the Soviet Union, very great importance was attached to educating youth in the spirit of peace and international understanding. That followed from the foreign policy of his country, which was based on the principles of peaceful coexistence. In no school or university, in no cinema, in the Soviet Union would it be possible to find any glorification of war or incitement to hatred of other nations; nothing remotely resembling racial discrimination existed in his country. At the twenty-second Congress of the Communist Party of the Soviet

Union, Mr. Khrushchev had stressed the desire of the Soviet Union to live in peace with all countries, irrespective of their social systems. At the same congress, the objectives of Soviet foreign policy had been outlined: it was based on an undeviating adherence to the principle of peaceful coexistence, on the encouragement of all those who fought for peace, and on the development of economic co-operation with all countries wishing to maintain such relations with the Soviet Union.

63. Peaceful coexistence also implied cultural contacts. Cultural exchanges were taking place between the Soviet Union and over one hundred other countries. The educational system in the Soviet Union encouraged Soviet youth to co-operate with young people in other countries and to develop links with foreign youth organizations. In 1961, 231 delegations representing youth and student organizations, together with 300 groups of young tourists from 114 countries, had visited the Soviet Union. Young people from the USSR had taken part in thirty-two international conferences and seminars; in 1961 the World Forum of Youth, attended by over 800 representatives of various organizations, had been held at Moscow, and Soviet youth organizations were at the moment actively preparing for the Eighth World Youth Festival to be held at Helsinki, at which 12,000 young people would be present. Seminars and camps in the USSR were attended by young people from many foreign countries. It was therefore natural that his delegation should support any proposal to educate youth in the ideals of peace and international understanding; it would support every effort made by the United Nations and UNESCO to relieve international tension and to strengthen peace in the world.

64. Mr. MELLER-CONRAD (Poland) said that so complex a subject as that under discussion could hardly be dealt with thoroughly by the Council in the short time at its disposal. But the Council could attempt to examine its purely international aspect and so launch a venture of the highest significance for the co-existence of peoples.

65. In essence, the task was to create the right conditions for international collaboration by influencing youth throughout the world and giving the competent organs of the United Nations guidance for that purpose.

66. Naturally, the main responsibility rested with governments and national educational institutions, for it was their duty in the first place to inculcate the spirit of peace and friendship in the young. The Polish Government was working ceaselessly towards that goal, although its task was rendered more difficult by the painful memories of a very recent epoch. Poland was deeply attached to the principles of international understanding and peace which were solemnly proclaimed in its constitution; Polish school and university programmes gave prominence to the teaching of those principles. Educational institutions, youth organizations, international seminars, study courses in foreign universities as well as cultural and sporting events helped to translate the principles into practice.

67. It was understandable that the Polish people could not be indifferent to the attitude adopted by their neigh-

hours and particularly by the countries with which Poland's relations in the past had not always been based on peace and mutual respect. Poland was very happy to note that in the German Democratic Republic the government and the cultural institutions were making great efforts to extirpate all traces of chauvinism, racial hatred, militarism and the sentiment of superiority formerly inculcated by the Nazi state. Whatever might be one's views concerning the German Democratic Republic, one had to admit that in that country the education of youth had been radically overhauled, as was confirmed by the statement of the German Democratic Republic transmitted to the Council by the Polish delegation in connexion with agenda item 3 (E/L.961). One could only wish as much could be said of the Federal Republic of Germany. Although some of the young people were learning from the lessons of the past and wished to live in peace with the youth of other nations, the professional exponents of hate and revenge were not idle and it was no mere chance that history textbooks gave a false version of events.

68. Although governments could not be constrained to co-operate in the noble work of promoting the ideals of peace and mutual respect among youth, every constructive measure taken by the United Nations in that

direction could contribute to the peaceful coexistence of young people from different countries. The report submitted by the Director-General of UNESCO and the discussions in the Third Committee at the fifteenth session of the General Assembly showed that remarkable results had already been obtained in that field. However, a great deal still remained to be done, and the ideals of peace, mutual respect and understanding among peoples would not be translated into reality until an international declaration of basic principles had been drawn up and accepted, in keeping with the Romanian suggestions originally made at the fifteenth session of the Assembly. Such a declaration would have a great impact on education and in addition would specify the duties of the State in that respect.

69. The Polish delegation shared the sentiments expressed in the Romanian draft declaration which was based on the United Nations Charter and on the Universal Declaration of Human Rights and which represented a logical sequel to the Declaration of the Rights of the Child (General Assembly resolution 1386 (XIV)) and to General Assembly resolution 1510 (XV) on manifestations of racial and national hatred.

The meeting rose at 5.55 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1232nd meeting

Thursday, 26 July 1962

at 3.20 p.m.

PALAIS DES NATIONS, GENEVA

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President : Mr. J. MICHALOWSKI (Poland).

Present :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Austria, Belgium, Canada, Central African Republic, Greece, Hungary, Indonesia, Ireland, Netherlands, New Zealand, Romania, Spain, Sweden, Tunisia.

Observers for the following non-member States: Federal Republic of Germany, Republic of Korea, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, World Health Organization.

The representative of the International Atomic Energy Agency.

Proposal for the inclusion of an additional item in the agenda of the thirty-fourth session (E/L.968)

1. The PRESIDENT invited the Council to consider the memorandum (E/L.968) by the delegation of Jordan proposing the inclusion of an additional item on the agenda entitled "The Dag Hammarskjöld Foundation" and suggested that, in the absence of any objection, that proposal be adopted in accordance with rule 17 of the rules of procedure. The question would be included as item 31.

It was so decided.

AGENDA ITEM 31

The Dag Hammarskjöld Foundation

2. Mr. EL-FARRA (Jordan) said that it would seem appropriate for the Council to recommend to the General Assembly a draft resolution of the kind appended to the memorandum, so as to take note of the initiative taken in Sweden and other countries to create a memorial to the late Secretary-General in the form of the Dag Hammarskjöld Foundation, established at Stockholm on 21 May 1962 with the principal object of promoting the social, political, economic and cultural progress of the developing countries by training their citizens to hold responsible posts. The projects of the Foundation were to be carried out in conformity with the aims and ideals of the United Nations.

3. He regretted that certain procedural considerations had made it impossible to submit the proposal earlier in the session, but believed that the draft resolution should not delay the Council long and would receive unanimous support as a tribute to a man who had given his life in the cause of peace and whose spirit would live on to inspire wider international understanding.

4. Mr. CERULLI-IRELLI (Italy) said that his delegation supported unreservedly the proposal of the Jordanian delegation, which was a tribute to the noble personality of Dag Hammarskjöld.

The draft resolution appended to the memorandum of the delegation of Jordan was adopted unanimously.

AGENDA ITEM 5

Economic and social consequences of disarmament (E/L.969 and Add.1 and Add.1/Corr.1) (concluded)

5. The PRESIDENT drew attention to the statement of financial implications (E/L.969/Add.1 and Corr.1) and invited consideration of the joint draft resolution (E/L. 969).

The draft resolution was adopted unanimously.

6. Mr. VALLADÃO (Brazil) said that he would have liked to propose the insertion of the words "particularly for economic assistance to the developing countries" after the words "in military use" in operative paragraph 2 so as to reflect the view expressed in the second paragraph of the preamble to the draft resolution.

7. Mr. LEGGESE (Ethiopia) said that he would have supported such an amendment.

8. The PRESIDENT regretted that the amendment could not be entertained because the joint draft resolution had been adopted by the Council.

AGENDA ITEM 7

Expansion of United Nations activities in the field of industrial development (E/L.967/Rev.2 and Add.1)
(concluded)

9. The PRESIDENT drew the Council's attention to the revised draft resolution submitted jointly by Brazil, Ethiopia, India and Yugoslavia (E/L.967/Rev.2) and to the statement of its financial implications (E/L.967/Rev.2/Add.1).

10. Mr. ARKADEV (Union of Soviet Socialist Republics) urged that full use be made of the experts and help offered by socialist countries in the expansion of United Nations activities in the field of industrial development. He hoped that the senior members of the Secretariat would heed his appeal that such assistance should not be disregarded in a discriminatory manner to the detriment of the interests of countries needing it.

11. An expansion of such activities was praiseworthy, but it should be financed by the reallocation of existing resources and by their more efficient use. He knew from personal experience that funds from EPTA and the Special Fund were not always used in the most sensible manner and that certain unnecessary items of expenditure could be eliminated.

12. He asked that operative paragraph 6 of the draft resolution be put to the vote separately.

13. Mr. ZADOTTI (Italy) said that his delegation wished to reserve its position concerning the financial implications of the draft resolution, not having had enough time to study them. It would express its views on that point in the Fifth Committee of the General Assembly.

14. Mr. REVOL (France) said that his delegation had not yet had time to study the financial implications of the draft resolution, and accordingly reserved the right to comment thereon in the Fifth Committee of the General Assembly.

15. Mr. UNWIN (United Kingdom) said that his delegation also reserved its position concerning the financial implications of the draft resolution; if necessary, it would comment on the matter in the Fifth Committee.

16. The PRESIDENT put to the vote operative paragraph 6 of the draft resolution.

Operative paragraph 6 was adopted by 13 votes to none, with 3 abstentions.

The draft resolution as a whole was adopted unanimously.

AGENDA ITEM 12

Report of the Governing Council of the Special Fund (E/3576, E/3646 and Corr.1, E/3650)

17. The PRESIDENT, opening the discussion on item 12 of the agenda, said that in pursuance of General Assembly resolution 1240 (XIII), paragraphs 9 and 12, the Governing Council of the Special Fund had submitted reports on its seventh and eighth sessions (E/3576, E/3646 and Corr.1). The Managing Director's annual report for 1961 (E/3650) had also been submitted to the Council.

18. Mr. HEURTEMATTE, Associate Managing Director of the Special Fund, said that the Managing

Director deeply regretted his inability to participate in person in the discussions of the Council. Introducing the three reports, he said they gave evidence of the Special Fund's positive achievements: 246 projects had been approved to date, of which 150 were being implemented and implementation of the rest was in course of preparation. Altogether, the projects represented an investment of \$500 million. Though in comparison with the United Nations programme for the Development Decade that figure was perhaps not impressive, it exceeded the total operational expenditure of all the United Nations institutions over the past ten years and in that context was highly significant. Such a high total was proof that the Special Fund had gone beyond the experimental stage, and it reflected the value which countries attached to pre-investment operations, which in that case were at least partially conditioned by the multilateral nature of the Fund's programme.

19. The Special Fund's activities had expanded rapidly, and hence increased resources would be needed to meet the minimum needs for which countries were turning to the United Nations. The General Assembly had fixed at \$100 million the total of the contributions envisaged for the next financial year, but it was not certain whether that target would be reached, and the consequences of a possible reduction in the Fund's programme at the outset of the United Nations Development Decade were disquieting.

20. Out of the sum of \$500 million which he had mentioned, \$210 million represented the contribution of the Fund itself and \$290 million the contributions of the recipient countries. The fact that the countries in question were themselves made responsible for the larger share of the financial liability was a new phenomenon showing the importance which they attached to aid from the Fund. It was also evidence of the high priority accorded under national development plans to each of the projects which had been implemented with the Fund's assistance, for governments agreed to participate in financing a project only if they were really interested in it, and the rule laid down by the Managing Director of insisting on local counterpart contributions had the effect of eliminating improvised proposals or proposals with a theoretical rather than a practical value. In keeping with his policy, the Managing Director had decided recently to entrust to the resident representatives of TAB the duties of directing the Special Fund programmes. In future, they would be directly responsible for liaison between governments and the Special Fund and would thereby be empowered to assist in determining programmes strictly in the light of the national interests of the country concerned.

21. The geographical distribution of the Special Fund's activities was the following: 71 projects in Asia and the Far East, 70 in Latin America, 65 in Africa, 30 in the Middle East and 9 in Europe. Apart from the slight discrepancy between Latin America and Africa, which would very soon disappear, that geographical distribution of its resources seemed to be very fair, a fact which was all the more remarkable since the programmes were established empirically, each project being assessed on its own merits and accepted only if it fulfilled all the necessary conditions.

22. In future, the regional economic commissions would play an increasing part both in the planning and in the implementation of projects, in conformity with the progressive decentralization of United Nations activities. Already the main responsibility for carrying out certain Special Fund projects was entrusted to regional bodies: for example, the Latin American Institute for Economic and Social Planning would operate under the auspices of ECLA (E/3581/Rev.1, para. 80).

23. As to the distribution of the projects according to their fields of activity, in response to demand, the Governing Council had expanded the range of the Special Fund's activities. After UNESCO studies had disclosed the unsatisfactory state of secondary education in some African countries, the Special Fund had assisted in establishing twelve national teachers' training colleges, of which nine were already in operation. Furthermore, the Governing Council had given priority to economic and social programming and planning as indispensable elements for development. Three regional institutes had been planned to speed up the training of specialist staff, including that in Latin America referred to earlier. Among the new priorities were urbanization and industrial development, as well as the establishment of regional development plans for virgin and remote areas. The list of priority fields would naturally be modified as fresh obstacles to progress appeared.

24. It would be premature to try to assess the work of the Special Fund, for as yet very few projects had been completed. However, some examples spoke for themselves. When the Argentine Government had felt some doubts about the feasibility of a hydroelectric power plant, the Special Fund had had a technical survey carried out under the auspices of IBRD at a cost of \$300,000, of which \$50,000 had been contributed by Argentina. The survey had shown that it was possible to guarantee an economic return from investments of up to \$750 million. The Argentine Government had then adopted a ten-year plan, of which part was implemented, thanks to a capital of \$320 million obtained from various sources: IBRD, the Inter-American Development Bank and the Import-Export Bank, but mainly from Argentina itself, which had contributed some \$200 million. In addition, IBRD had just completed a detailed survey of the Argentine transport system, which contained some quite spectacular recommendations — abandonment of 14,000 kilometres of railways, construction of 6,000 kilometres of highway, complete renovation of rolling stock, reorganization of river traffic. The investments, which were expected to yield an economic return, would amount to \$1,500 million over a period of ten years. Those were not typical examples but they gave some idea of the scope of the Special Fund's activities.

25. In conclusion, if he were asked to sum up all the activities of the Special Fund in a single term, he would choose that of training. For, ultimately, the object of all its efforts was to train national personnel. Even the "operational" programmes — surveys of resources or scientific research, for example — were so conceived that their execution could be entrusted later on to officials of the recipient countries, for progress could not be imported: it was the result of an internal metabolism.

26. Mr. ROSENSTAND HANSEN (Denmark) paid a tribute to the Managing Director's clear and constructive report (E/3650). His delegation attached great importance to the work of the Special Fund and regarded education and training in the widest sense as the most important aspect of technical assistance, for the lack of secondary education in many countries was the most serious obstacle to their development and prevented the use of their natural resources to the best advantage. If education and training were to produce results quickly, a more rapid capital formation was needed. Hence surveys and fundamental research work were required so that natural resources could be put to the best use for accelerating the process of industrialization and diversifying the economy. Modern experience had revealed the importance of economic planning with a view to the integration of individual and collective interests as a means of averting economic crises formerly believed to be inevitable. He welcomed the establishment of regional institutes for economic development and planning, because education, fundamental research and economic programming services together would provide the foundation for growth.

27. The Special Fund had made a good start, and he hoped it would prosper. The question of its being merged with EPTA should be considered at a later stage in the light of the findings of the *ad hoc* Committee of Eight, to which under draft resolution E/TAC/L.276/Rev.1 two additional members would be appointed, and of further experience.

28. He endorsed the principle of help to self-help which governed the financial administration of the Fund and was a valuable incentive to co-operation. The application of the principle should be extended as economic development was achieved, with the ultimate aim of co-operation on an equal footing.

29. His delegation would favour the enlargement of the Fund's terms of reference, with the object of opening up new ways of providing economic aid to developing countries. It would be desirable to associate its activities with assistance from other sources, in a manner combining the advantages of bilateral with those of multilateral aid, and his delegation had noted with pleasure from debates in TAC that that opinion was gaining ground in the developing countries.

30. He noted with satisfaction a better regional balance in the Fund's activities during 1961, but in maintaining that balance due regard should be given to economic and social in addition to demographic factors.

31. In the matter of co-operation with the authorities of recipient countries, he said that the role of resident representatives should be strengthened; the local authorities were often short of staff and faced with formidable problems which the resident representatives could help to solve.

32. He agreed with the Managing Director that all efforts should be concentrated on the fight against poverty, ignorance and disease. However, human problems could not be solved by reason alone and demanded also a spiritual choice and some sacrifices from individuals. He hoped the present generation would firmly resolve not to go to war, but to work for human solidarity and a harmonious world.

33. Mr. ARKADEV (Union of Soviet Socialist Republics) asked the Associate Managing Director of the Special Fund whether any steps had been taken to implement a project approved in May 1961 for the establishment of an agricultural experimental station in Cuba (E/3650, annex I) at a cost to the Fund of over \$1 million and if not, what were the prospects of practical action in the near future.

34. Mr. HEURTEMATTE, Associate Managing Director of the Special Fund, replied that the project in question, which had been approved by the Governing Council of the Special Fund in May 1961 at the request of Cuba, had suffered some delay; the plan of operations was in the final stages, however, and was to be signed in the near future. The case was not a special one; of the projects approved at the same session (May 1961), and even earlier, fourteen or fifteen were in the same position. An international body, like any other bureaucracy, could not avoid certain delays in the implementation of programmes. The question had received the attention of the Special Fund's Governing Council and secretariat, who were doing what they could to speed operations with regard to the above-mentioned project and the fourteen or fifteen others in the same case.

35. Mr. CARRILLO (El Salvador) said that, ever since the establishment of the Special Fund, his government had observed with the keenest interest the operations of that body, which contributed greatly to widening the range and enhancing the effectiveness of technical assistance operations. In Central America, two institutions of very special importance had been established with the Fund's assistance: the Central American Research Institute for Industry, which would play an important role under the economic integration programme for the region, and the Latin American Institute for Economic and Social Planning (set up at Santiago under ECLA auspices), whose governing body would include a representative of the Inter-American Development Bank — a fact which would strengthen the Institute's financial position.

36. Mr. ARKADEV (Union of Soviet Socialist Republics) said that he would not wish to minimize the real achievements of the Special Fund, particularly in assisting the development of developing countries, or the services rendered by its Managing Director, whose analyses of the economic position of developing countries had been interesting, original and fair. He was gratified to note the projects approved by the Governing Council at its seventh session and its appeal to governments to reach agreement on disarmament so as to release additional resources for assistance (E/3576, para. 44). The increase in the funds to be allocated to African countries also marked a welcome advance.

37. The Special Fund was rightly devoting a substantial part of its resources, about 40 per cent, to training, but he was less certain whether the remaining funds were being used to the best effect. It was natural that representatives of countries which were being constantly asked to increase their contributions should be concerned at the way in which they were being used, and he had already frankly criticized the Fund for devoting too much effort

to surveys and research: it should direct itself to achieving more practical results. He deplored that the Fund had not yet sponsored the construction of a single model industrial establishment, which could be of such real and immediate utility to developing countries. Indeed, more funds should be earmarked for direct assistance to industry, a need which had been stressed by the Indian delegation during the early discussions before the creation of the Fund.

38. Though surveys of natural resources in individual countries were useful, they should be carried out by national experts, for whose training the Fund might give help.

39. He was bound to point out with great concern how few of the 205 projects approved by the Governing Council had been completed, a state of affairs which revealed a most unsatisfactory delay between approval and execution.

40. The Associate Managing Director of the Fund had given a straightforward reply to his query about the Cuban project; it was to be hoped that it meant that more practical steps would soon be taken. Nevertheless, it was somewhat curious that projects to an aggregate value of \$4.6 million concerning the Chiang Kai-shek regime and South Korea, though approved after the Cuban project, had already been started. That was surely not a normal situation; there should be a more objective approach by the Special Fund.

41. There was a lack of effective control over the execution of projects. Under the complicated system in force, the Governing Council approved a project, which was then referred to the specialized agencies, and the latter in turn sub-contracted it to private firms. The result was that the role of the national technical assistance committees in many countries was not given sufficient prominence. Moreover, the regional economic commissions, which were so familiar with the needs of a given region, were ignored under that procedure. If they were more closely associated with carrying out projects, there would be improved control.

42. To illustrate his argument, he would refer to the survey of electric power resources in Argentina (E/3650, annex II). The project had been entrusted by the Special Fund to IBRD, which in any case he did not consider to be the appropriate body, and the IBRD had sub-contracted the survey to private firms from the United States and the United Kingdom. In their report, those firms recommended that only thermal power plants should be built. Yet it was common knowledge that Argentina had large potential resources of cheap hydroelectric power which should be developed in the interests of that country; but the firms in question had made no reference to the hydroelectric resources, obviously because they were hoping to have a share in supplying the fuel for the thermal stations. Such a method of sub-contracting did not always answer the needs of the developing countries; he felt quite sure that, if ECLA had been consulted, the conclusion would have been very different.

43. Furthermore, there was sometimes duplication as between the Special Fund and other United Nations agencies so far as the use of experts was concerned.

44. The whole trouble was that the Special Fund had so few results to show; funds were allocated, but were not spent in the proper way. It was not surprising that his government, which had contributed \$4,700,000 to the Fund, was feeling misgivings about it; that money was never spent rationally in the interests of the less developed countries, nor were the services of Soviet technicians utilized. On one occasion, the USSR had asked that no less than 25 projects should be entrusted to it, to be carried out with the assistance of Soviet experts. In the end, after prolonged negotiations, only one project had been entrusted to his country. Bureaucratic methods in the administration of the Special Fund had caused a delay of six months in connexion with a Soviet proposal to build an institute for training oil experts in India.

45. It was not his purpose to try to discredit the Special Fund, but its methods should be more efficient and produce more results; he had no doubt that many officials of the Special Fund shared his views.

46. Mr. VIAUD (France) said that the very fact that the Council considered the annual report of the Special Fund's Governing Council in plenary session showed the great importance it attached to that body's activities.

47. Those activities, judged in retrospect, had begun rather slowly. Apart from the difficulties inherent in starting up new machinery both at Headquarters and locally, it had been necessary to adjust relationships with the specialized agencies. That had been a natural process of "running in", rather than a revolution in technical assistance structures. On the whole, the results of the Fund's activities were not negligible, even though they could not yet be evaluated fully because most of the projects were still awaiting approval or implementation. The tempo of operations had increased, the number of projects approved having risen from 71 at the end of 1960 to a cumulative total of over 240 in 1962 (E/3646, table 2). That acceleration manifestly corresponded to the demand, but it was somewhat disquieting to think that the Special Fund might find itself short of resources if the tempo of its operations were maintained.

48. With regard to the geographical distribution of the projects, it was satisfactory that the number of projects for Africa had increased without detriment to the attention paid to the needs of the other regions of the world (*ibid.*, table 3).

49. The Special Fund was still at an experimental stage. Criticisms of its past activities and possible improvements in its operation or changes in the established priorities should not lead the Council to conclude that more radical changes were needed. Decisions concerning any changes in the Fund's mode of operation should be carefully weighed, in the light of the evidence relating to its activities as a whole. Nevertheless, a number of problems had already arisen with regard to its future activities, both in the Governing Council of the Special Fund itself and in TAC and the *ad hoc* Committee of Eight. One of those problems related to the co-ordination of multilateral and bilateral assistance. France was not opposed to that type of co-ordination; on the contrary, the value of such co-ordination was illustrated by the survey of the Mekong River basin and the establishment of the Teheran Polytechnical Institute; yet surely the

necessary co-ordination could be achieved without elaborate regulations which tended to complicate, instead of simplifying, relations between the several sources of assistance.

50. Another problem was that raised by what might be called the multinational character of teams. Most of the Special Fund's projects were very complex and involved the participation of experts coming from different countries and having different training backgrounds. Those experts were compelled to work together without previous preparation, and sometimes the right team-spirit was lacking. It was for that reason that France had suggested at the eighth session of the Governing Council of the Special Fund that firms of consultants should be employed which could offer the services of multinational teams trained to work together.

51. A third problem was that of the policy to be applied to pre-investment activities. The Special Fund, with the approval of its Governing Council, had given increasing prominence to training, and the Fund's representative had stressed training in the statement he had just made. However, in addition to training, a number of other sectors demanded the Special Fund's attention. The first was public health, to which it had not yet given attention; the Governing Council should consider the possibility of financing projects designed to accelerate the training of doctors and medical staff in the developing countries. Another sector was industrialization. His delegation had already had occasion, in the debate on agenda item 7, to emphasize the outstanding part which the Special Fund might play with regard to pre-investment and training, and had suggested that the Governing Council of the Fund should consider more thoroughly the idea of carrying out comprehensive surveys to determine the possibility of establishing industrial development zones in some developing countries. In that way, the Special Fund might play its rightful part among the bodies responsible for the implementation of United Nations technical assistance programmes. His delegation would not go so far as that of Denmark, which had suggested an enlargement of the Fund's terms of reference; but perhaps the existing terms of reference should be interpreted more liberally.

52. Mr. UNWIN (United Kingdom) said that the representative of the Special Fund had given an encouraging account of its activities during the past year. So far from deploring how little the Fund had achieved, the United Kingdom delegation appreciated what it had succeeded in doing in a relatively short time. It had established an enviable reputation for meeting promptly and effectively the pre-investment needs of the developing countries and had adopted as a basic principle the participation of the recipient governments at every stage of its work. The Special Fund would be one of the most effective tools at the disposal of the Secretary-General during the Development Decade. The very first stages — the formulation of requests and the selection and preparation of projects — showed the extent of the co-operation between the requesting governments, the Special Fund and, in particular, the country directors of Special Fund programmes, whose co-ordinating work was of basic importance and should be extended.

53. His delegation attached particular importance to projects in the field of training and secondary education. He would single out for mention the mounting number of projects of industrial training and the recent establishment of the Latin American Institute for Economic and Social Planning.

54. The geographical distribution of projects was also satisfactory; no region had been neglected, and it was heartening to see that the special needs of Africa had been recognized. His delegation was ready to support the broadening of the criteria by which the Managing Director judged requests, although it believed that the current tripartite activities of the Fund, particularly training and surveys, were of such importance that the scope of the Fund should not be greatly widened before additional resources became available.

55. With regard to financial questions and policies, the system by which each government contributed its share towards the projects from which it benefited was a particularly valuable and productive one; his delegation was particularly glad that many governments were becoming able to undertake a greater share of the total cost of projects. His government contributed as generously to the Fund as its existing commitments, both multilateral and bilateral, allowed, and it was proud to be still providing practically 10 per cent of the Fund's resources. His delegation welcomed the Managing Director's interim proposals with regard to new and more liberal financial procedures and looked forward to receiving his proposals for more permanent arrangements at the next session of the Governing Council.

56. There were still some difficulties to be overcome in connexion with the measures required to put a project into full operation. The delay between the approval of a project and the signature of the plan of operations could be as long as twelve months. The report gave ample evidence of the strenuous efforts by the Managing Director to shorten those delays; his delegation welcomed the great increase in the number of projects for which plans of operation had been prepared or which were being implemented. Another cause of delay was recruitment; difficulties in that connexion might often be overcome by recruiting project managers in advance and by the wider use of sub-contractors. Meanwhile, his delegation endorsed the Managing Director's suggestion that projects for which no plan of operations had been signed after twelve months should be carefully reappraised (E/3646, para. 13).

57. The USSR representative had criticized sub-contracting and referred to an instance in Argentina. That was a country of which he (the speaker) had personal knowledge; it had a large coal-field and oil-fields, and it had not therefore been unreasonable that thermal power stations should have been recommended, particularly as hydraulic resources were scarce and unreliable.

58. The recent proposals for a financial advisory service required some comment in connexion with the investigation of links between pre-investment and investment. The discussions in the Governing Council in May had not provided answers to two essential questions: first, whether there was a uniform demand among developing countries for such a service, and second, how far the

work of such a service was already covered by existing organizations. His delegation hoped that more replies would be forthcoming from governments on the first point and that the information placed before the Governing Council at its next session would enable it to take a decision on the question as a whole.

59. His delegation looked forward with confidence to an increase in the number of projects to be approved and implemented. He was confident that the Special Fund would make an increasing contribution to the growth of the developing countries and to closer international co-operation during and beyond the Development Decade.

60. M. TRIVEDI (India) said that the Council should give the Special Fund constructive guidance on its future activities. The work of the Fund had been rightly praised; but the fact remained that its target of \$100 million had not yet been reached. His country needed every rupee, both from internal and external sources, that it could obtain; nevertheless, its contribution to the Special Fund had risen in 1961 to \$2 million, a fact which demonstrated its support for the Fund and set an example to others.

61. His delegation agreed that the delay between the approval of a project and the beginning of operations was a matter for concern; it agreed too that projects should be carefully reappraised after twelve months if not put into operation by then. Nevertheless, the primary object of such a review should not be to discontinue the project in question, but to inquire into the reason for the delay. In that connexion, procedures at the headquarters of the Special Fund should be examined and any shortcomings there rectified.

62. His delegation regretted that it had not been possible for the Special Fund to make use of suitable government agencies for the execution of projects. Such a course would result in a marked reduction in costs, and greater speed. The matter was one which needed to be given further attention by the Council.

63. While his delegation did not suggest that the activities of the Special Fund should be very greatly expanded, it considered that, within its approved scope, the Fund should adopt a sympathetic attitude in its examination of government requests; there was an impression that requests were sometimes rejected on purely technical grounds. The fullest possible information should be given to the Governing Council and the views of the government concerned should be laid before it before any request was rejected. Moreover, the matter should be discussed by that government with officials at the headquarters of the Special Fund; it was not sufficient that it should be talked over with the Fund's resident director.

64. Mr. FRANZI (Italy) observed that, at the eighth session of the Governing Council of the Special Fund, his delegation had commented at length on the delays at the various stages of projects, both before signature and between signature and execution, and had asked for precise information about the reasons for those delays; no definite information on the subject had been forthcoming, either in the reports or from the Managing Director. It was obvious that there could be various causes; sometimes it was the recipient government that

was responsible, sometimes the specialized agencies. Or again, the delay could be caused by external factors, such as the difficulty of recruiting experts. In the last-mentioned case, delegations were not told in what particular branch of specialized knowledge experts were hard to find. Another problem was that of the geographical distribution of experts. At the sixth session of the Governing Council, the Managing Director of the Special Fund had said that he shared the concern of delegations with regard to that matter; yet there was no reference to that subject in the report on the eighth session.

65. On one occasion, the Managing Director, when asked whether it was possible to exercise some control over the specialized agencies, notably in connexion with the recruitment of experts, had replied that, if the agencies were given responsibility, they had to be given autonomy as well. That being so, it would surely be better to reduce both the autonomy and the responsibility. It had been proposed at the seventh and eighth sessions of the Governing Council that certain projects should be carried out directly by the Special Fund; it would be interesting to know whether in such a case the directives of the Governing Council would be more closely followed.

66. At the next session, the Managing Director would be informing the Governing Council which projects that

had not become operational he recommended for cancellation. In his delegation's view, it would also be interesting to know whether there were any projects that had not become operational within twelve months and which were nevertheless to be continued; if the Managing Director supplied that information, it would be possible for delegations to form a better idea of the Fund's difficulties. It was not his intention to cast any doubt on the judgement of the Managing Director, in which his delegation had every confidence.

67. Lastly, there was the question of the approval by the Governing Council of the projects submitted to it. They were discussed very briefly; few delegations spoke on any one project — indeed, the projects which were the subject of comment were in a minority. He wondered whether that was really the way in which the Governing Council should go about its work in a matter of such importance. In his delegation's opinion, the Economic and Social Council should draw the attention of governments to the responsibilities they assumed on election to the Governing Council and urge them to give careful consideration to the various projects submitted to them.

The meeting rose at 6 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1233rd meeting

Friday, 27 July 1962

at 10.55 a.m.

PALAIS DES NATIONS, GENEVA

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President : Mr. J. MICHALOWSKI (Poland).

Present :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Austria, Belgium, Bulgaria, Central African Republic, Cuba, Ecuador, Greece, Israel, Mali, Netherlands, Romania, Sudan, Tunisia.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, United Nations Educational, Scientific and Cultural Organization.

AGENDA ITEM 12

**Report of the Governing Council of the Special Fund
(E/3576, E/3646 and Corr.1, E/3650) (concluded)**

1. Mr. KLUTZNICK (United States of America) said that his government, which was keenly interested in the work of the Special Fund, was rather surprised at the apparent lack of understanding concerning its possibilities and limits. It was, for example, unfair to evaluate its achievements as if it had been established to engage in capital investment work. The Special Fund had a clearly defined purpose, and it was endeavouring to determine through its activities the precise scope of its functions.

2. The Special Fund depended upon voluntary contributions so that a question which was continually being debated was whether it could gamble on the future and undertake more projects than the number for which available funds had been earmarked. That question

was, in fact, being examined by the Governing Council, which had established an informal working group to undertake a thorough review of the financial policy of the Special Fund.

3. The dangers of too liberal a financial policy were illustrated by the fact that, of the total contributions of about \$55 million pledged for 1962 as at 31 December 1961, about \$50 million had been pledged by fourteen countries (E/3650, annex V). The Special Fund had perhaps been too conservative, but unless it liberalized its financial policy it was doubtful whether sufficient funds would be available to cover projects in the course of preparation.

4. There was a tendency to assume that projects relating to pre-investment activities could be carried out in short order; yet the Governing Council was disturbed by the fact that it normally required eight to nine months to launch a project. When a commitment was made, the Special Fund only initiated work that had to be continued by the country in question, and it was therefore unfair to blame the Special Fund for delays which were invariably due to a number of factors, both national and international.

5. The implementation of pre-investment and agricultural diversification projects, by their very nature, required several years; for example, projects involving the establishment of institutes required Special Fund financial support over a period of five years, and before the Special Fund committed itself to such projects the necessary funds had to be available. In other words, Special Fund projects could be effective only if adequate time were allowed for their preparation and if adequate resources were available for their implementation over a period of four to five years. The annual report of the Managing Director (E/3650) should be approached with those considerations in mind.

6. The United States Government had always taken the view that both the Special Fund and EPTA required more funds, and he hoped that the 1962 target of \$150 million would be achieved in the very near future. If contributions fell short of that amount, the Special Fund might have to adopt too liberal a financial policy and anticipate funds, or reject certain prime projects.

7. There had been a most welcome intensification of Special Fund activities in the field of industrial development, and at the Governing Council's eighth session, special attention had been paid to the pre-investment work called for in connexion with industrial estates. The importance of such work had apparently been underestimated previously by some speakers.

8. It was to be hoped that a housing committee would shortly be established under the Special Fund, since

many housing problems could be solved through research work to determine what resources were available locally in various developing countries; in that way the imports of certain building materials could be reduced, foreign exchange saved, and new avenues opened up for industrial development. Generally speaking, the most valuable service that the Special Fund could render the developing countries was to undertake suitable pre-investment studies of their resources, since, however much foreign assistance they received, many developing countries would face almost insuperable economic obstacles unless their natural resources were developed. Moreover, unless private resources were tapped, it would be impossible to obtain sufficient funds for the achievement of the goals of the Development Decade.

9. In conclusion, he wished to commend the Managing Director and the staff of the Special Fund on their achievements. His government was willing, as always, to co-operate in the solution of any problems that might arise in connexion with Special Fund activities.

10. Mr. RISTIC (Yugoslavia) noted with satisfaction the progress achieved by the Special Fund, the number of projects approved and under consideration, the number of experts and the number of applications. It was difficult, however, to assess the progress made at its true value without mentioning the assistance rendered by the developing countries themselves in the form either of contributions to the budget of the Special Fund or of the payment of local costs.

11. The Special Fund was becoming more and more an instrument of collaboration between the developed and developing countries, collaboration which would have to be strengthened during the Development Decade. The Secretary-General in his report on the United Nations Development Decade (E/3613 and Corr.2, chap. VI) had suggested an annual increase of at least \$25,000,000 in the resources of the Special Fund and EPTA, so that, by the end of the Development Decade, about \$300,000,000 would be placed at the disposal of the United Nations. The reports before the Council should therefore be considered in relation to all the longer-term problems raised by the Development Decade — problems connected both with the volume of financial resources available and with their utilization in accordance with the future requirements of the developing countries.

12. The composition of the Special Fund projects approved, completed or in course of implementation could be seen from paragraph 7 of the Governing Council's report on its eighth session (E/3646). For the moment at least, surveys and training had priority. While not contesting that priority, he thought that, in view of the importance which had recently begun to be attached to industrialization in the work of the various United Nations organs, a suitable place should in future be given in the programme of the Special Fund to pilot projects and demonstration centres in the various branches of economic activity, and especially in industry. The current session of the Council had shown clearly enough the developing countries' interest in industrialization, which they regarded as the first prerequisite for the attainment of the objectives of the Development Decade. At its 274th meeting, TAC had adopted, for submission to the Council, a draft

resolution, the purpose of which was to give industrial development a more important role in technical assistance programmes (E/3680, annex II). Even if there had been no resolution to that effect, the Special Fund should place increasing emphasis on industrialization. His delegation had always believed that the Special Fund would eventually become a financing fund.

13. It was a source of satisfaction to note the constant efforts being made to reduce the interval between approval of a project by the Governing Council of the Special Fund and the time when implementation began. Since delay meant not only loss of time but also waste of financial resources, which were and would long remain inadequate, those efforts should be intensified.

14. The reports also touched upon the question of a possible amalgamation of EPTA and the Special Fund. His delegation still had some misgivings on that subject and considered that for the moment the question was not so urgent as to require particular attention.

15. The draft resolution on the United Nations Development Decade (E/AC.6/L.281/Rev.1) submitted to the Economic Committee, and of which his delegation was one of the sponsors, should be a guide for the future work of all the United Nations agencies, including the Special Fund, especially since economic diversification and industrial development headed the priorities to be observed during the Development Decade.

16. Mr. WODAJO (Ethiopia) thanked all those responsible for the management of the Special Fund, which had provided assistance to a large number of countries in connexion with a wide variety of projects. The diversity of the Special Fund operations probably explained the slow pace at which projects appeared to be implemented, since for each project special experts had to be recruited. Nevertheless, the present approach was most satisfactory.

17. It was commendable that the Special Fund had interpreted its terms of reference and functions liberally during the previous few years. When the Special Fund had been established, several developing countries had expressed concern at the limitation of its activities to pre-investment projects. Their fears had been unfounded, however, since assistance was being provided in a large number of fields, such as teacher training. The increased amount of Special Fund assistance being received by Africa was a source of satisfaction, and the readiness of the Special Fund to help finance regional projects was to be commended. It was to be hoped that, in future, the Special Fund would co-operate even more closely with the regional commissions in regional projects, since in that way it could satisfy some of the regional and country requirements which could not be met from the limited resources available to the regional commissions.

18. Mr. HEURTEMATTE (Associate Managing Director of the Special Fund) thanked all the representatives for their expressions of appreciation for the work of the secretariat of the Special Fund and in particular for their tributes to the Managing Director.

19. Owing to the exigencies of time, he would be unable to deal in detail with all the very interesting comments by delegations and would confine his remarks to a few of the more important points raised.

20. In his opening statement at the 1232nd meeting, he had deliberately refrained from commenting on administrative matters; he had wished to concentrate on the broad outlook of the Special Fund, without dealing with the administrative machinery. In the course of the discussion, however, there had been considerable comment regarding the delays in the execution of projects. In that connexion, he would like to thank the United States representative for his understanding, expressed earlier in the meeting, of the reasons for certain inevitable delays, and for his lucid analysis.

21. He wished to take up the matter of delays because repeated references to them might give the erroneous impression that they were attributable in some measure to mere negligence on the part of the secretariat officials concerned. In fact, they were due to structural causes.

22. A project had to be examined by the secretariat and by the Consultative Board before it was actually approved by the Governing Council. Once a project had been approved, its execution involved tripartite negotiations between the government concerned, the secretariat of the Special Fund and the executing agency. Those negotiations usually took some eight or nine months. The executing agency then had to find a manager for the project and all the experts needed to carry it out, a process which also took time.

23. Another source of delay was the need for the recipient government to supply the counterpart contribution; in certain cases, the government needed to take other steps as well — such as legislative action — in order to facilitate the execution of the project by supplying counterpart funds or creating local authorities and institutions.

24. In recent days, in agreement with the specialized agencies, a number of measures had been adopted which should have the effect of reducing the delays by many weeks, or even months.

25. In the first place, it had been agreed that the preparation of the plan of operation would commence as soon as the Consultative Board approved the project. In that way, the plan of operation would be ready at the time when the Governing Council approved the project.

26. A second change in procedure had already been introduced, and it was interesting to note that the suggestion had been made, at the 1232nd meeting, by the French and United Kingdom representatives. In future it would be possible to recruit a project manager and the necessary key experts for a project before the plan of operation was finally approved and the executing agency would begin to locate them even before Governing Council approval. Those procedures had been arranged in consultation with the specialized agency officials during that session of the Council.

27. As to the question of the non-utilization, or slow disbursement or non-disbursement of funds, all the contributions thus far made to the Special Fund were already fully committed for projects approved by the Governing Council. The reason why large amounts remained unused was that the projects were planned for an average duration of four years; in fact, some of them for five years. They were expressly planned for that duration.

28. It was the Special Fund procedure to earmark on its approval all the funds necessary for the completion of a project throughout its duration. Some dissatisfaction had been expressed at that extremely conservative system of financial administration, which necessarily led to the accumulation of large amounts of undisbursed funds; the Governing Council had appointed an *ad hoc* group to examine the problem and investigate the possibility of finding a more acceptable financial policy.

29. It had been pointed out that only a few projects had so far been completed. Since the execution of projects involved four or five years of effort on an average, and since the Fund had been in effective operation for less than three years, it was not at all surprising that only a few projects should so far have been completed.

30. Thus the alleged non-utilization of funds and non-completion of projects were not in themselves indices of failure or neglect, but the inevitable result of conservative financing and long-range planning, both calculated to improve the effectiveness of planning, and both criteria approved by the Governing Council.

31. In his opening statement he had mentioned the project in Argentina as an example of the efficient completion of a task by the Special Fund; he had since been struck by the fact that the same project had been cited by the Soviet Union representative as an illustration of his criticisms, voiced at the 1232nd meeting, of the operation of the Fund. There appeared to be some divergence of view as to the basic philosophy of the Special Fund and its aims and purposes.

32. It had been suggested during the discussion that it might be better for the Special Fund to engage in actual construction projects rather than in pre-investment schemes. In fact, the Special Fund, by a decision of its Governing Council, was limited to pre-investment schemes and until that decision was altered, its secretariat would have to abide by it. The Managing Director shared the conviction that the Special Fund should emphasize the very important pre-investment work to be done, and had often pointed out that, given the current extent of its resources, it was obviously preferable to devote them to a large number of pre-investment schemes, in themselves so vital and important to the future of the world.

33. The PRESIDENT proposed that the Council adopt the following resolution:

"The Economic and Social Council

"Takes note with appreciation of the reports of the Governing Council of the Special Fund on its seventh and eighth sessions." The resolution was adopted unanimously.

AGENDA ITEM 15

Measures designed to promote among youth the ideals of peace, mutual respect and understanding between peoples (E/3638 and Add.1; E/L.970) (resumed from the 1231st meeting and concluded)

34. Mr. WALKER (Australia) noted that the attitudes of governments were influenced by the attitudes of people and the development of ideas and ideals during youth.

The problem of developing educational systems with a view to promoting commendable ideas among youth had been given considerable attention by the League of Nations and the International Institute of Intellectual Co-operation, and the fact that the Second World War had broken out did not mean that such efforts had not been worth while.

35. He wished to commend the excellent UNESCO report (E/3638 and Add.1), but noted that, of the 73 replies received in response to the suggestion that an international declaration enunciating the basic principles for the promotion among youth of the ideals of peace, mutual respect and understanding among peoples should be drafted, only 18 had been favourable. The Australian National Commission for UNESCO, for example, had felt that such a declaration was unnecessary for the reasons set forth in paragraph 335 of the UNESCO report. The Australian delegation shared that view, and considered that, rather than embark upon the formidable and perhaps unprofitable task of drafting a declaration of that nature, steps should be taken to concentrate on practical measures, and particularly on the promotion of exchanges and personal contacts, the more so as many national, bilateral and international programmes were already being carried out along those lines.

36. Australia's remote situation had encouraged Australian students to study abroad, but a flow had developed in the other direction and Australia had welcomed thousands of foreign students, particularly from Asia. In that way, Asians became acquainted with everyday life in Australia and Australians acquired a broader international outlook. Such informal personal contacts were more important than mass meetings and international conferences as a means of developing mutual respect and understanding.

37. A few years previously a small but significant movement had developed among Australian graduate students to take jobs in Indonesia on the same basis and on the same terms as Indonesian graduates. An important by-product of such employment in another country was increased mutual understanding. Generally speaking, greater attention should be paid to teacher-training as offering opportunities for promoting international understanding, in view of the extensive influence exercised by teachers. Another aspect of the problem related to the objectivity required of history textbooks and teaching material.

38. The UNESCO report stressed the need for action outside the schools; that was a wise suggestion, since certain activities, such as UNICEF programmes and the Freedom from Hunger Campaign, also helped to promote international understanding.

39. His delegation was prepared to support the draft resolution (E/L.970).

40. Sir Samuel HOARE (United Kingdom) said that all subscribed to the ideals of peace and the desirability of promoting them among youth. It was, however, paradoxical that two of the speeches so far heard by the Council on the current item had contained abusive attacks on other countries; for example, the Polish delegation had devoted much of its statement at the 1231st meeting

to an attack on a country which was not represented on the Council. It was strange that the ideal of peace should be put forward as a basis for such speeches.

41. Attacks on other countries, whatever their shortcomings, could hardly come under the heading of mutual respect and understanding among peoples. The speeches to which he had referred were expressions of political views, political aims and political judgements. The Council must therefore bear in mind that such conceptions as that of the promotion of peace might well be open to misuse for the purpose of inculcating political views, aims and judgements.

42. In the promotion of the ideals of peace, mutual respect and understanding among peoples, the State must play a benign role and not a role of indoctrination; if it did not, there would be the danger of imposed political slants and judgements.

43. Another essential point was that young people must be free to exercise their own judgement in the light of their own experience. To that end, freedom within each country for the communication of ideas was essential. Young people should have the maximum opportunities for personal contacts and for reading books and periodicals, so as to be able to form their own judgements. Accordingly, no restriction should be placed on personal contacts and on access to books and newspapers; it was particularly important that governments, for their part, should not impose any such restrictions. However, it might not be possible for the United Nations to formulate those ideas in terms that would lead to their effective observance.

44. His delegation supported the idea that more should be done to promote effective measures which would spread among youth the ideals of peace, mutual respect and understanding between peoples; however, it was essential to guard against the abuse of those concepts for political ends. That was one reason why his delegation, like that of Australia, was not in favour of a declaration of principles. The other reasons were adequately summarized in paragraph 335 of the UNESCO report.

45. The UNESCO report, which contained some very sensible and practical recommendations, was to be commended. His delegation attached particular importance to the formulation of principles and ideas for practical action as set out in the report.

46. With regard to the Soviet Union draft resolution, it was more attractive than the Soviet Union representative's statement at the 1231st meeting had been. The draft resolution was brief and non-controversial and, as such, was generally acceptable. However, operative paragraph 1 should not be confined to merely taking note of the UNESCO report. The opening phrase should be replaced by a form of words such as "takes note with appreciation", as a tribute to the valuable work accomplished by UNESCO.

47. Mr. BOUQUIN (France) observed that UNESCO had drawn up a complete list of the possible measures, among which there was no question of establishing priorities since all were important activities which supplemented one another. He noted with satisfaction that in paragraph 17 of its report, UNESCO added to the

objectives of action that of encouraging respect for human rights and fundamental freedoms, a concept which was, indeed, linked with the ideal of peace. The authors of the report should be congratulated, and he would like to see the words "with satisfaction" added after the words "takes note" in operative paragraph 1 of the USSR draft resolution. He saw no reason for the reference in operative paragraph 2 to paragraph 4 of General Assembly resolution 1572 (XV), since paragraph 5 of that resolution equally warranted mention; it would suffice merely to refer to the resolution itself. Lastly, as it was not clear what proposals were referred to at the end of operative paragraph 2, the last phrase of that paragraph should be deleted.

48. Subject to those points, his delegation would vote for the draft resolution, though it would do so without much enthusiasm, and that for two reasons. First, the Council, in adopting the draft, would not be fully discharging the task entrusted to it by the General Assembly under resolution 1572 (XV) but would to some extent be simply referring the matter back. Secondly, the statement made by the sponsoring delegation at the 1231st meeting was not calculated to facilitate adoption of the draft; it was paradoxical that at a time when the Council was considering a subject concerned with mutual respect and understanding among peoples, a delegation should engage in rhetoric inspired by the cold war and in attacks upon countries which were not represented. His delegation, which had already been doubtful as to the value of the proposed draft declaration, having heard the statement by the sponsor of the draft resolution, considered that a debate on the draft declaration might give rise to fresh misunderstandings. It would be better to keep to concrete measures, as UNESCO had done in its report.

49. The UNESCO acted primarily in the field of education, and it was obvious that action to influence young people should begin at school. The dissemination of information on the work of the United Nations was also an important aspect in that respect. The scientific adviser to the French delegation had suggested that the latest techniques of public information and education, such as "mondiovision" should be brought into use for regularly broadcasting the texts contained in the preamble to the Charter and in the Universal Declaration of Human Rights, together with suitable commentaries.

50. Naturally, that activity should be continued outside school, through local communities and youth movements for the promotion of personal contacts, visits abroad by young students or workers and teachers, and international conferences and meetings.

51. International meetings should not be used to indoctrinate young persons and to bombard them with propaganda slogans. Young people should be allowed to meet spontaneously and to exchange ideas freely on those subjects which were of interest to them.

52. Furthermore, exchanges should not be limited to a few privileged persons carefully selected on one basis or another. The only possible way of achieving far-reaching results was to open frontiers wide in order to permit all young persons to travel abroad and to make contact with others of their age; that also involved the

right to leave one's country at will, another question which the Council was considering.

53. Non-governmental organizations had an important role to play in connexion with youth movements, both because they could render invaluable services in contacts between young persons, and because it was their civic mission to make young people aware of their national and international responsibilities; they should obviously not be the instrument of governments.

54. Lastly, information media were important in ensuring that young persons of all countries were kept informed of events and understood them; that was the first step towards mutual understanding among peoples. With that in view, there should be a wide variety of sources from which information emanated, and not merely a monolithic press which was the monopoly of vested interests, of the State or of a party; hence the need for freedom of information.

55. Mutual respect and understanding could not be imposed by force. Friendship could not be created by order; it was the voluntary linking of minds and hearts. Accordingly, the best way to promote respect and understanding was to train young people to become free men.

56. Mr. KEVAN (United States of America) pointed out that to stress the importance of promoting among youth the ideals of peace, mutual respect and understanding between peoples merely expressed a basic premise that already served as the foundation for many existing programmes, both national and international.

57. He wished to commend the UNESCO report, and particularly the objectivity with which it presented the divergent views held by the various governments and organizations on the subject.

58. There had already been extensive activity in the field, and many of the existing programmes were primarily non-governmental and offered the advantage of facilitating the participation of the young people themselves in the planning of the programmes.

59. Any recommendations and advice that might emerge in that connexion should be designed to encourage a diversity of undertakings without undue emphasis on any single approach and should in no way restrict the free communication and interchange of ideas and the awareness of differences in political and economic systems. Efforts to restrict or supervise exchange programmes too closely, both in terms of information and of personal contacts, could be self-defeating in the long run.

60. He agreed with the Australian representative's views expressed earlier in the meeting regarding the importance of those programmes which offered opportunities for personal communication over a reasonably long period of time. Big conferences or demonstrations in which large numbers of young people came together briefly for planned meetings could have a certain value, especially in relation to international non-governmental organizations. However, every possible effort should be made to advance genuine understanding and tolerance of other cultures and to avoid emotional or superficial programmes which interfered with objective evaluations.

61. It was disappointing that so few out-of-school programmes of youth exchanges provided for the study and discussion of the obligations of citizens of Member States with regard to the United Nations. The United States Government had confidence in the United Nations as a means of promoting ideals of peace and mutual respect and understanding among peoples and hoped that more youth activities would give greater attention to advancing knowledge of the organization and work of the United Nations. Although it was appropriate that the Council should centre its attention on developing the potential offered by youth programmes to advance that knowledge, the broader aspects of the report might well be left to consideration by UNESCO.

62. His delegation fully agreed with those who had opposed the formulation of a draft declaration on the subject; such a declaration was unnecessary and might possibly weaken the force of such fundamental instruments as the Charter of the United Nations, the Universal Declaration of Human Rights and the UNESCO Constitution, which already stated the basic principles in question. Moreover, the UNESCO report showed that there were divergent views as to points beyond the basic principles already stated so that it would be difficult, if not impossible, to arrive at agreements that would be more detailed and meaningful.

63. The youth of today was faced with a tremendous challenge, and it was hoped that UNESCO would vigorously continue its activities in the matter with the full support and co-operation of all member States, specialized agencies and other intergovernmental and non-governmental organizations.

64. With regard to the Soviet Union draft resolution, it had been disappointing to witness the manner in which its introduction had been used for political purposes, and he wished to associate himself with the comments made earlier in the meeting by the representatives of the United Kingdom and France concerning the Polish statement at the 1231st meeting. As to the draft resolution itself, his delegation was prepared to support it, but considered that the amendments suggested by those delegations would improve its text.

65. Mr. EL-FARRA (Jordan) expressed gratitude to UNESCO for its interesting report on an extremely important subject.

66. His delegation supported all measures designed to promote among youth the ideals of peace, mutual respect and understanding between peoples. That result, however, could not be accomplished by mere declarations; it called for effective measures.

67. Ideas were, of course, important and constituted the motives for action but the ideas were already there in the Charter of the United Nations, in the Universal Declaration of Human Rights, in numerous resolutions and in the draft covenants on human rights which were in course of formulation. A further declaration would have no effect without implementation; implementation, in its turn, could proceed only from a change of heart.

68. Peace and justice were indivisible. As an example he would cite the case of the displaced Palestine Arabs who saw other people occupying their homes. It was

difficult for such persons to accept mere declarations: for them peace could not come without redress for their legitimate grievances.

69. It was unlikely, therefore, that a declaration of principles could promote the ideals of peace. What was needed was a real awareness and understanding of problems.

70. Lastly, in expressing support for the Soviet Union draft resolution, he hoped that effective measures would be found to promote the ideals of peace and mutual respect among peoples.

71. Mr. SOC (Yugoslavia) recalled that his delegation had supported the Romanian proposal which had led to the adoption of General Assembly resolution 1572 (XV). It agreed that the existing forms of co-operation among young people had yielded positive results and that it was for governments and youth movements to create conditions conducive to the strengthening and extension of such co-operation. It supported the USSR draft resolution.

72. Mr. FRANZI (Italy) noted that, according to the terms of operative paragraphs 3 and 4 of General Assembly resolution 1572 (XV), the Council should have had at its disposal a number of reports from the specialized agencies concerned. In point of fact, UNESCO had briefly summarized the views of the other specialized agencies which had replied to its questionnaire.

73. His delegation further noted that the number of countries which had shown sufficient interest in the questionnaire to reply to UNESCO through their national commissions was very small: there had been 22 such countries, 4 of them being developing countries, 3 planned-economy countries and 15 western European countries. It was questionable whether, with such a limited number of replies, the Council could regard the material at its disposal as a sufficient basis on which to form a judgement.

74. So far as the draft declaration was concerned, the Executive Board of UNESCO had received only 39 replies and had therefore been unable to come to any conclusion, especially as opinion had been divided. In those circumstances, it was difficult to see what decision the Council could take in a matter of a few hours; the subject should therefore be referred back to UNESCO for further and more detailed study. Italy was one of the countries which had replied through their national commissions and which had accepted the conclusions set forth in paragraph 44 of the UNESCO report.

75. With regard to the draft resolution, his delegation likewise noted that it contained no expression of congratulation for UNESCO; the USSR delegation would no doubt agree to remedy the omission. He supported the French representative's suggestion made earlier in the meeting that the words "and the proposals made at the Council's thirty-fourth session" in paragraph 2 be deleted. As to paragraph 3, he wondered what decision the General Assembly could take on the basis of the scanty information at its disposal.

76. Mr. SINU (Observer for Romania), speaking at the invitation of the President, recalled that the General Assembly had adopted resolution 1572 (XV) following a proposal by the Romanian delegation. The report

prepared by UNESCO in pursuance of that resolution pointed to the conclusion that further efforts were required and that activities designed to promote exchanges and contacts amongst young persons should be intensified and expanded by such means as improved education and training both in and out of school.

77. In resolution 1572 (XV), the General Assembly had considered the possibility of an international instrument which would proclaim the relevant fundamental principles. To judge from its report, UNESCO had not made a clear and definite pronouncement on that point. In his delegation's opinion, however, the adoption of a declaration by the General Assembly, the highest international authority, was an urgently needed measure, which would contribute towards the attainment of the purposes of the Charter.

78. Romania was keenly interested in the problem and would pursue its efforts to contribute to its solution. At the sixteenth session of the General Assembly, it had put forward suggestions (E/3658, annex IV) concerning the content of the draft declaration. The fact that many delegations in the Third Committee had looked favourably upon its efforts and its ideas was encouraging. Whatever the difficulties encountered in the drafting of a declaration, every effort should be made to ensure that the problem of educating the rising generation was solved in the manner best reflecting the interests and the desire for peace of all the peoples.

79. Mr. ROMANOV (Union of Soviet Socialist Republics), replying to the unfounded assertion that his delegation had injected, at the 1231st meeting, a political element into the discussion, stressed that, in introducing its draft resolution, his delegation had been actuated by a sincere desire to mobilize all efforts which might contribute to the maintenance and strengthening of peace. As to the aims of his country's foreign policy, it was well known that the Soviet Union was constantly engaged in the quest for peace for all nations, regardless of differences in political and economic systems.

80. With regard to the text of the draft resolution, the United Kingdom and French amendments were quite acceptable. His delegation was not wedded to the wording, but to the basic idea of the resolution, which was that youth should be educated in a spirit of peace and that the matter should receive continued study.

81. As to the suggestion that the subject should be referred back to UNESCO, he would recall that UNESCO had already studied it three times; there was no point,

therefore, in entrusting that organization with yet a further study of the topic. That was why the draft resolution called for consideration of the matter by the General Assembly, as the highest international forum.

82. Mr. de SILVA (United Nations Educational, Scientific and Cultural Organization) thanked all delegations for their expressions of appreciation for the work of UNESCO in preparing its report.

83. He had been particularly gratified to see the Council, at a time when it was preoccupied with the important problems of economic development, devote its attention to those non-material aspects of human progress to which UNESCO was dedicated.

84. The forthcoming General Conference of UNESCO would consider the report and would find the opinions expressed in the course of the Council's debate most useful. In that way, the intercommunication between the United Nations and UNESCO would be maintained through the Council in accordance with the spirit of Article 63 of the Charter.

85. The PRESIDENT, declaring the debate on agenda item 15 closed, invited the Council to vote on the Soviet Union draft resolution (E/L.970), with the following amendments which had been accepted by its sponsor: first, to replace the opening words of operative paragraph 1 by "*Takes note with appreciation of*" and, second, to delete the words "paragraph 4" and "and the proposals made" in operative paragraph 2.

The draft resolution, as amended, was adopted unanimously.

AGENDA ITEM 6

Financing of economic development

(a) International flow of capital (E/3665/Rev.1)

(b) United Nations Capital Development Fund (E/3664)

86. The PRESIDENT recalled that in accordance with the arrangement of business approved by the Council at the 1209th meeting, item 6 of the agenda was to have been discussed first in plenary and then in the Economic Committee. However, in view of various suggestions to that effect made to him by a number of delegations, he would propose that the item be referred direct to the Economic Committee.

It was so decided.

The meeting rose at 1.5 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1234th meeting

Monday, 30 July 1962

at 11.10 a.m.

PALAIS DES NATIONS, GENEVA

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Report of the United Nations High Commissioner for
Refugees 197

President: Mr. J. MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Canada, Central African Republic, China, Czechoslovakia, Ecuador, Greece, Hungary, Indonesia, Iraq, Ireland, Israel, Mali, Netherlands, Spain, Sweden.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

The representative of the following specialized agency: International Labour Organisation.

AGENDA ITEM 23

**Report of the United Nations High Commissioner
for Refugees (E/3637 and Corr.1 and Add.1)**

*In the absence of the President, Mr. El-Farra (Jordan),
Second Vice-President, took the Chair.*

1. Mr. SCHNYDER, United Nations High Commissioner for Refugees, introducing his annual report (E/3637 and Corr.1 and Add.1), said that the operations for the repatriation of the Algerian refugees in Morocco and Tunisia had been brought to a satisfactory conclusion. That action was the best proof of the value and efficacy of persistent effort, directed exclusively towards humanitarian purposes. Between 10 May and 15 July 1962, 165,000 persons had returned to their homes. In Algeria itself, the League of Red Cross Societies was making plans for assistance to the repatriates and to the people in need living in the border regions where most of the refugees were being resettled. He hoped that the appeal he had addressed recently to governments urging them to finance that humanitarian action would find the right response.

2. In addition, the period covered by the report, May 1961-May 1962, had been marked both by the consolidation of the tasks with regard to "old" European refugees

and by sometimes dramatic developments with regard to new problems of refugees outside Europe.

3. As far as European refugees were concerned, the stage of liquidation had been reached and the problem could be described as residual. What remained to be done was to terminate the major aid projects undertaken several years earlier and to restore to his Office its essential mission — international protection supported, where necessary, by supplementary aid.

4. Outside Europe, his attention had been claimed by new problems arising from numerous upheavals. His Office had been successively called upon to intervene in the Congo (Leopoldville) on behalf of refugees from Angola, in Togo and again in the Congo, for refugees from Rwanda who had posed problems also in Tanganyika, Uganda and Burundi. More recently, public opinion had been aroused by the mass influx of Chinese refugees into Hong Kong.

5. In the Congo, the presence of some 150,000 refugees from Angola had virtually ceased to be a problem once their resettlement had been assured in accordance with General Assembly resolution 1671 (XVI) through the joint action of the Government, of the United Nations in the Congo (ONUC), the High Commissioner's Office and the League of Red Cross Societies, together with voluntary agencies which were co-operating with them. In Togo, he had used his good offices by marshalling concerted efforts in order to facilitate the settlement of several thousand refugees in that small country of limited resources. More than 700 refugees had already been resettled in agriculture and another 300 would shortly be resettled on the land; action was planned for the rapid integration of the remainder in the various sectors of the economy. The Government of Tanganyika had been the first to ask for the assistance of his Office in solving the problem of the 9,000 refugees from Rwanda, but it was in the Kivu Province of the Congo that those refugees, numbering about 60,000, had been causing the gravest concern. With the active co-operation of the Government, the local authorities, ONUC, UNICEF and the voluntary agencies operating in the area, a solution was in sight for all refugees, approximately 40,000 in number, who had been unable to resettle themselves. In Uganda, which had 35,000 refugees from Rwanda, a governmental programme should, as in Tanganyika, enable those refugees either to continue to engage in stock farming or to be integrated in another sector of agriculture. The situation was more critical in Burundi, for the country could not absorb the 35,000 to 40,000 refugees from Rwanda whom it was sheltering. As a result of a visit by a member of his Office, the Government had agreed to the settlement of 15,000 refugees and for

that purpose had asked for the co-operation of the League of Red Cross Societies. The negotiations with the Congo (Leopoldville) Government and the Government of Tanganyika for the admission of 20,000 to 25,000 more refugees were going well. The action taken in those various countries would in no way preclude the possible voluntary repatriation of the refugees. The representative of his Office had lost no opportunity of pointing out to them that the sole purpose of their immediate integration into the host country was to enable them to support themselves and thus to preserve their human dignity; it would in no way prejudice their decision concerning repatriation. As yet, however, no appreciable movement in that direction had been noted.

6. In Hong Kong, the recent influx of Chinese refugees had inevitably given rise to delicate problems in view of the small size of the territory. He was keeping in touch with the competent United Kingdom authorities, pursuant to the General Assembly resolutions on good offices, and more particularly to resolution 1167 (XII).

7. It would be erroneous to think that the recent developments involved solely a mere geographical transfer of the activities of his Office from one sector to another. Although the most serious and acute refugee problems inherited from the Second World War were on the way to being solved, the European countries continued to be the chosen field for international protection, which was his Office's primary function. At the same time, the extension of assistance activities to other parts of the world had been accompanied by a more far-reaching change in the very concepts which guided the work of his Office and which had formerly depended on strictly legal criteria. One of the most important innovations during the past year had been the use in a renewed and expanded form of the good offices procedure established as the normal basis of his work by General Assembly resolution 1673 (XVI). In future, when the object was merely to give urgent material help, he would be free to act without first determining the eligibility of the refugees concerned or inquiring into the reasons which had induced a particular refugee to leave his country. Dissociated from the definition given by the original mandate, the term "refugee" had acquired a more specifically social meaning. The true understanding of the fundamentally humanitarian and non-political nature of the work of his Office had thereby been undeniably facilitated, and in some cases it had been able to rely on almost universal support, including, directly or indirectly, the support of the refugees' countries of origin. In so far as one of the tasks which he had set himself was to improve, as far as possible and within the limits of his prerogatives, understanding between peoples, it appeared that significant progress had been accomplished.

8. With regard to the settlement of the refugees coming within his mandate, the remaining task was reduced to such dimensions that its completion would be contemplated without undue difficulty, provided that the financing of the final aid programme approved by the Executive Committee at its seventh session (see E/3637/Add.1, para. 139) was assured. It was scarcely conceivable that at the very last moment the international community should relax its effort and deliberately refrain from har-

vesting all the moral and material benefit from the considerable sacrifices it had made over the past years. A final spurt in a spirit of solidarity was therefore required to dispose of those residual problems. He hoped that an important landmark in the history of his Office would thus be reached in the near future.

9. As the major programmes of aid to the refugees within the mandate approached their end, international protection naturally again became prominent among the daily preoccupations of his Office. Without any financial support, however, such protection would lose a large part of its effectiveness: it would be virtually impossible, for example, to resolve all the cases of handicapped refugees unless governments were prepared to participate, however modestly, in the initial expense of resettlement on the spot or in another country. One of the purposes of the current programme for complementary assistance approved by the Executive Committee (E3637/Add.1, para. 141) was to answer that need; the programme was intended simply to supplement action by governments or private agencies, to help resolve the most difficult cases and, by swift and appropriate action, to forestall any further accumulation of individual woes which sooner or later gave rise to major problems.

10. To meet problems as they arose and as constructively as possible was the rule which experience had taught the High Commissioner's Office in regard to the new refugees. For example, in the Congo it had been seen that speed had ensured the success of the action undertaken. But where the High Commissioner had to intervene under the good offices procedure, his major contribution consisted in stimulating practical sympathy and in co-ordinating efforts. By warning all the competent authorities and appealing to men of good will, his Office had succeeded, at the cost of a very small financial contribution on its part, in assisting the governments concerned successfully to cope with situations which might have become catastrophic. The objective, whenever possible, was to put the refugees in a position to work and become self-supporting without delay. If his Office was to initiate the action it wished to stimulate or give it timely backing, it must have the necessary funds. Such was the second purpose of the current programme for complementary assistance. Intervention was not automatic: it had to be requested by the government concerned; proof had to be furnished that the action was feasible and useful and that it was justified by the need for a special concerted effort by the international community. In addition to the \$5.4 million allocated for the completion of the major aid projects covering refugees within the mandate, the Executive Committee had earmarked a sum of \$1.4 million for the programme for complementary assistance for 1963. That sum gave an idea of the magnitude of the effort which might be requested of the international community in future years. Modest though it was, such an effort appeared adequate on the face of it to prevent the recurrence of situations similar to those which had necessitated the implementation of major programmes. It would also help to keep alive the spirit of international solidarity, but it could not, of course, cover expenditure on new larger-scale problems which, as in the case of the Algerian refugees, would call for special appeals to the international community.

11. The report before the Council was of special importance because the General Assembly would be expected to reach a decision concerning the possible prolongation of his Office. While there could be no question of anticipating that decision, he proposed to provide the Assembly with certain essential data on which it would be able to base a considered decision, in the light not only of the services which the Office had rendered in the past, but also of those which it might render if the General Assembly thought fit to prolong its existence. If its mandate should be continued, there was every reason to believe that the question of the membership of the Executive Committee would be reconsidered with a view to broadening its basis in a manner befitting the wider scope of the work of his Office.

12. In conclusion, he reiterated his fervent hope for a final, vigorous effort on the part of the international community to relieve his Office of its major preoccupations and enable it to devote itself fully to the new tasks facing it.

Mr. Michalowski (Poland) took the Chair.

13. Mr. VANNI D'ARCHIRAFI (Italy) said that the report of the Executive Committee, of which Italy was a member, gave evidence of the splendid work done by the High Commissioner's Office. Although confronted with serious problems of internal migration, his government had endeavoured to contribute to the fulfilment of the High Commissioner's programme. However, as a country of first asylum, Italy assumed a heavy responsibility: in the first half of 1962 it had admitted 1,542 refugees, only slightly fewer than the 1,793 refugees admitted in the corresponding period of 1961. For some countries, the arrival of refugees was an economic asset, but for Italy the problem of their permanent resettlement was still serious. That was why his government hoped that the resettlement countries would adopt a more generous policy in the matter of selection. It would itself make every effort to assist in solving the problem of the handicapped refugees and had recently assumed responsibility for the full cost of administering the protected community established near Salerno, which amounted to about 90 million lire annually.

14. In the matter of international protection, much still remained to be done, and the Italian Government was also anxious to take the necessary steps. In February 1962, Italy had ratified the 1954 Convention relating to the Status of Stateless Persons; the instruments of ratification were being deposited with the Secretary-General of the United Nations and the travel documents provided for in article 28 of that convention would shortly be issued. Moreover, on 16 June 1962, Austrian and Italian experts had met in Rome and worked out a draft agreement for the selection of refugees. Confirmation of that agreement was expected shortly and it would come into force thirty days after the exchange of notes between the Italian Embassy at Vienna and the Austrian Ministry of Foreign Affairs. Similar agreements were being negotiated with Germany, Belgium and Switzerland. The Ministry of Labour and Social Welfare was considering the further liberalization of the measures of assistance and social security which the refugees enjoyed under article 24 of

the Geneva Convention relating to the Status of Refugees of 28 July 1951.

15. To cope with additional problems the High Commissioner's Office was reappraising its methods, and he hoped that it would persevere with its task until the European refugee problem had been solved. The devotion and persistence of the High Commissioner and his staff and the remarkable results they had already obtained would surely encourage all Member States to assist in the work. In that spirit, Italy had made a voluntary contribution of 20 million lire for the Algerian refugees in Tunisia and Morocco.

16. Mr. REVOL (France) said that France, traditionally a country of refuge, had a deep interest in refugee problems. The High Commissioner was to be congratulated on the competence and realism with which he discharged his functions. It was reassuring to note that the number of refugees in camps and of non-settled refugees had dropped by half within a year, that the programme of aid to handicapped refugees living outside camps was being implemented and that the conditions of admission were being liberalized in most regions: the governments of countries of final settlement, particularly those of Australia and Brazil, deserved congratulation for their policy in the matter of refugee resettlement.

17. Although within the traditional field of activity of the High Commissioner's Office there remained only residual problems, it would be wrong to assume that it could be left to disappear when its mandate expired. In fact, as with all human problems, those concerning the refugees were never completely solved. No one, unhappily, could assert that all tensions which might cause mass flights of population had vanished or would vanish in the near future. Even if one could believe that they would, the tasks of the High Commissioner would not thereby be at an end. Whatever happened, he had to go on watching over the protection of refugees, and in particular their legal protection under the 1951 Convention, the scope of which was expanding steadily since it had been ratified by thirty-three countries.

18. That protection should become increasingly the core of the High Commissioner's mandate, which the French delegation thought should be renewed on the expiry of the existing mandate on 31 December 1963. Naturally, the Office would scale down its services in keeping with the situation created by its own success; however, care should be taken to preserve as far as possible its structure and its balance and to avoid any change not necessitated by events in an institution which had proved its worth.

19. The French delegation had a special reason for desiring an extension of the High Commissioner's mandate: in the Commission on Human Rights France had proposed that a declaration on the right of asylum should be prepared, and the High Commissioner had expressed interest in such a declaration. The beneficiaries of the right of asylum were the potential refugees, and the existence of the High Commissioner alone could guarantee them that haven of security which the eventual benefit of refugee status implied for them.

20. There was one aspect of the work of the High Commissioner's Office which was no longer new, but was be

coming more and more timely: good offices. From the very beginning, the French delegation had made some reservations in principle about that form of action, which might involve the High Commissioner in delicate situations and so harm the refugee cause. While stressing the need for caution, the French delegation had also said at the thirty-second session of the Council (1173rd meeting) that the High Commissioner's past record was a guarantee of such prudence and the year's results showed that its confidence had not been misplaced. It was still true that prudence, which the High Commissioner himself had called for, was more than ever necessary. In that connexion, the end of the refugee operation in Algeria showed that such situations should never be considered to be permanent. He would thank the High Commissioner for his tactful handling of the return of those refugees.

21. Mr. FURLONGER (Australia) congratulated the High Commissioner and his staff on an impressive record of achievement in 1961. Since 1945 Australia had admitted 250,000 refugees — one-fifth of the total number resettled — and in 1961 it had admitted over 8,000, or one-third of the total number moved by the High Commissioner's Office and the Inter-governmental Committee for European Migration.

22. The close association with the High Commissioner's Office which had resulted from this effort had brought home to the Australian Government the signal efficiency, the humanitarianism combined with realism and the economy with which that office operated; the expenditure of \$6.8 million envisaged for 1963, for example, was modest in relation to the scale of the problem. The year 1961 had been one of outstanding progress, even compared with the good record of previous years; 12,000 persons had been resettled, the camp population had been reduced by half and the end of the Far Eastern operation was in sight. Considerable progress had been made in dealing with the problem of handicapped refugees. The information in the report substantiated the High Commissioner's claim that the time was approaching when it would be possible to speak of having reached the residual stage in the solution of the "classical" problem of refugees, though of course the need for international protection would continue.

23. However, new problems had arisen, particularly in Africa, necessitating action under the High Commissioner's good offices authority. Under that authority, he already had considerable achievements to his credit, 165,000 Algerian refugees having been repatriated in little more than two months. Substantial progress had also been made in dealing with problems which had arisen elsewhere in Africa. The Australian Government intended to give sympathetic consideration to the question of the extension of the mandate when it came to be considered in the General Assembly.

24. Mr. KOPCOK (Yugoslavia) said the report showed that, with the assistance of the international community, the High Commissioner had successfully accomplished many of the tasks entrusted to him during 1961-1962. In that connexion, he emphasized the unanimous opinion that the question of the settlement of the "old" refugees should be finally disposed of and that in future the High

Commissioner's main concern should be the legal protection of refugees.

25. One of the most important achievements of the period under consideration had been the repatriation of the Algerian refugees in Tunisia and Morocco. The Yugoslav Government had always followed with the keenest interest the implementation of General Assembly resolution 1672 (XVI), and had itself on three occasions granted those refugees aid to the total amount of 150 million dinars, excluding the collection made in Yugoslavia for Algerian children. Recently, in response to the High Commissioner's appeal, the Yugoslav Government had dispatched for the refugees 100 tents, each with accommodation for 12 persons, and 20,000 metres of cloth, in addition to 20 marquees for use as field hospitals. In addition, the Yugoslav Red Cross had sent out a team of doctors and nurses. But the repatriation of the refugees, which was being successfully carried out thanks to the efforts of all the organizations concerned and of the international community, did not mean that the High Commissioner's work in Algeria should come to an end. On the contrary, the Algerian Government should be helped to secure the full resettlement of the refugees, most of whom had lost their homes and were entirely destitute.

26. The appearance of new categories of refugee — for example, the 150,000 persons who had fled from terror and persecution in Angola — would require further efforts on the part of the international community and the High Commissioner's Office, which would have to provide shelter and direct aid for the refugees until they could return home. The Yugoslav Government for its part spared no effort to help the refugees in Yugoslavia. The question of such help had been discussed in the Executive Committee of the High Commissioner's Programme at its seventh session (see E/3637/Add.1, para. 32), and the suggestion had then been made that the High Commissioner's Office should consider, together with the competent Yugoslav authorities, the possibility of including Yugoslavia in the High Commissioner's programmes for some years to come. He hoped that that suggestion would be taken into account and that the international community would thus help to lighten Yugoslavia's burden. By agreeing to admit refugees, Belgium, France and the United States had expedited the closure of the Geroovo camp and helped to secure the resettlement of the Albanian refugees who had been in that camp. The Yugoslav Government wished to express its gratitude to the Governments of the countries he had mentioned and to the High Commissioner whose recent visit to Yugoslavia had certainly contributed to the solution of some of the problems which had arisen and had given him a better idea of those which still persisted.

27. Aware of the need for a prompt solution of the refugee problem in general, and in keeping with its humanitarian policy, the Yugoslav Government had adopted a series of measures to enable Yugoslav refugees abroad to regularize their position. Under the recent Amnesty Act, all who had emigrated during or after the Second World War were free to return to Yugoslavia if they so wished, where they would enjoy full citizenship rights. Those who had acquired a foreign nationality

could visit Yugoslavia without fear of being prosecuted for offences covered by the amnesty. Very many Yugoslavs residing abroad had already either expressed the desire to be repatriated or to visit their families. The Yugoslav Government trusted that the measures it had adopted would receive the full understanding and support of the High Commissioner and of the governments of the countries in which the persons in question were living.

28. Mr. KOTSCHNIG (United States of America) said that for nearly 200 years the United States had been a country of refuge and settlement. It owed much to refugees who had come to live there and was conscious of their contribution to the political, economic and cultural life of the country. He had been personally connected with refugee problems from as far back as 1925 and knew from direct experience how difficult and yet how rewarding was the work. It was heartening to see, at a time when so many international problems seemed intractable, the success of international action on behalf of refugees and the prospect it gave of a new life. The High Commissioner and his staff were to be commended for the exemplary manner in which they were carrying out their functions. The programme executed during the past two years had been notably successful, and he was glad to note that the problem of "old" refugees was now nearly solved. However, international protection would continue to be needed, especially in order to ensure that refugees were given the right to work and so to lead constructive lives in their new countries of residence.

29. He had been greatly impressed by what had been done in Africa under the High Commissioner's good offices authority.

30. At the seventeenth session of the General Assembly, his government would press for an extension of the mandate of the High Commissioner's Office for a sufficiently long period to allow for careful planning and further constructive action on long-term problems. It was fortified in that resolve by the knowledge that the Office was headed by an enlightened and dedicated High Commissioner, imbued with the humanitarian traditions of his country.

31. Miss NASSER (Jordan) paid a tribute to the excellent work being done by the High Commissioner and his staff and in particular to the efficient and rapid action taken in conjunction with the League of Red Cross Societies for repatriating Algerian refugees. Like the French representative, she too hoped that the problem of refugees would be solved once and for all, never again to reappear.

32. Sir Samuel HOARE (United Kingdom) thanked the High Commissioner for his interesting statement supplementing the report. It was gratifying to learn that one of the main elements in a task that had been only too extensive and protracted should be approaching a solution and that the liquidation of the problem of the "old" refugees in Europe was in sight. That was due both to the administrative skill of the High Commissioner's staff and to the funds obtained during the World Refugee Year, the idea for which had originally been suggested

in the United Kingdom, which had also made a substantial contribution to the funds for the Year.

33. He had been impressed by the range and success of the activities undertaken during 1961, and more particularly by the work done on behalf of the Algerian refugees to which his government and the British Red Cross Society had contributed.

34. The High Commissioner and his staff had given ample evidence of the perseverance, skill, tact and energy displayed by their predecessors.

35. Mrs. KASTALSKAYA (Union of Soviet Socialist Republics) said that it was apparent from the report that, during the past two years, the main body of refugees within the High Commissioner's mandate had come from African countries. They were refugees in the fullest sense, refugees from the persecution they had suffered for their participation in national liberation movements. That was particularly true of refugees from Angola and South Africa. It was high time that the declaration on the granting of independence to colonial countries and peoples (General Assembly resolution 1514 (XV)) was implemented. Meanwhile, the United Nations and the High Commissioner for Refugees should continue to assist such refugees, a work in which the Soviet Union participated.

36. Since there had been a reference in the High Commissioner's statement to the so-called Chinese refugees, her delegation felt bound to point out once again that the persons in question were not refugees, but were travelling in search of work, as a result of the temporary economic difficulties in China caused by two bad harvests. In fact, they were in the same category as, for instance, the Italian nationals who went abroad in search of work; as such, they were not within the High Commissioner's mandate, for they would undoubtedly return as soon as the food situation in China improved. So far as she was aware, China placed no restrictions on the movements of Chinese nationals travelling between their country and Hong Kong or Nepal, or vice versa.

37. Mr. MELLER-CONRAD (Poland) said that his delegation had on many occasions in the past set forth the Polish Government's views on the work of the Office of the High Commissioner for Refugees. He would therefore merely recall the reservations which had been expressed on those occasions, while emphasizing that they had no personnel implications in respect of the High Commissioner, whom the Polish delegation wished to congratulate and thank for what he had done on behalf of so large a number of refugees.

38. The PRESIDENT declared the debate on agenda item 23 closed. In the absence of a draft resolution, he proposed that, as in previous years, the Council should adopt a resolution taking note of the High Commissioner's report.

It was so agreed.

The meeting rose at 12.45 p.m.



ECONOMIC AND SOCIAL COUNCIL

Thirty-fourth session

OFFICIAL RECORDS

1235th meeting

Thursday, 2 August 1962

at 11 a.m.

PALAIS DES NATIONS, GENEVA

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President : Mr. J. MICHALOWSKI (Poland).

Present :

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Belgium, Central African Republic, Czechoslovakia, Indonesia, Iraq, Mali, Romania, Sudan, Sweden.

Observers for the following non-member States: Federal Republic of Germany, Holy See.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, World Health Organization, Universal Postal Union, World Meteorological Organization.

CREDENTIALS OF REPRESENTATIVES

1. The PRESIDENT drew the Council's attention to the report of the President and the Vice-President on the credentials of representatives to the thirty-fourth session (E/3685).

AGENDA ITEM 17

Land reform and rural development

REPORT OF THE ECONOMIC COMMITTEE (E/3679)
(*resumed from the 1230th meeting and concluded*)

2. Mr. ARKADEV (Union of Soviet Socialist Republics), said that he wished to record the fact that his delegation's abstention at the 1230th meeting on the draft resolution in paragraph 7 of the report of the Economic Committee (E/3679) referred only to paragraph 3 of that resolution. His delegation was in favour of the resolution as a whole.

AGENDA ITEM 13

Programmes of technical co-operation

- (a) United Nations programmes of technical assistance
- (b) Expanded Programme
- (c) Use of volunteer workers in the operational programmes of the United Nations and related agencies designed to assist in the economic and social development of the developing countries
- (d) Co-ordination of technical assistance activities
- (e) Participation of the Universal Postal Union in the Expanded Programme of Technical Assistance

REPORT OF THE TECHNICAL ASSISTANCE COMMITTEE
(E/3680)

3. The PRESIDENT said that he would put to the vote successively the draft resolutions appearing in annexes I, II and IV-VIII of the report of the Technical Assistance Committee (E/3680).

ANNEX I. ANNUAL REPORT OF THE TECHNICAL ASSISTANCE BOARD TO THE TECHNICAL ASSISTANCE COMMITTEE

4. Mr. ARKADEV (Union of Soviet Socialist Republics) said that the words "with appreciation" in the draft resolution could be accepted only with certain reservations. The way in which the services of Soviet experts were utilized by TAB was entirely unsatisfactory. As his delegation had often pointed out in the past, there seemed to be a prejudice against such experts and against experts from the other socialist countries. On a basis of qualifications, Soviet scientific and technical experts could compete with those from any country, but the agencies utilizing technical assistance funds based their choice on arbitrary criteria and were not interested in the merits of candidates; they adopted a bureaucratic approach to the whole matter, to which his delegation objected.

The draft resolution was adopted unanimously.

ANNEX II. TRENDS IN TECHNICAL CO-OPERATION PROGRAMMES

The draft resolution was adopted unanimously.

ANNEX IV. REPORT BY THE SECRETARY-GENERAL ON THE UNITED NATIONS PROGRAMMES OF TECHNICAL ASSISTANCE

The draft resolution was adopted unanimously.

ANNEXES V AND VI. REPORT OF THE *ad hoc* COMMITTEE OF EIGHT ESTABLISHED UNDER COUNCIL RESOLUTION 851 (XXXII)

The draft resolution in annex V was adopted unanimously.

The draft resolution in annex VI was adopted unanimously.

ANNEX VII. AMENDMENTS TO THE LEGISLATION FOR THE IMPLEMENTATION OF PROJECT PROGRAMMING IN 1963-1964

The draft resolution was adopted unanimously.

ANNEX VIII. PARTICIPATION OF THE UNIVERSAL POSTAL UNION IN THE EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE

The draft resolution was adopted unanimously.

5. Mr. DAS GUPTA (Universal Postal Union) thanked the Council on behalf of the UPU for giving favourable consideration to its request to participate in EPTA. The Union would make every effort to justify the Council's confidence in it.

AGENDA ITEM 16

Report of the Social Commission (E/3636/Rev.1)

REPORT OF THE SOCIAL COMMITTEE (E/3684)

6. The PRESIDENT said that he would put to the vote successively the draft resolutions I-V contained in the report of the Social Committee (E/3684).

I. REPORT OF THE SOCIAL COMMISSION

The draft resolution was adopted unanimously.

II. PLANNING FOR BALANCED ECONOMIC AND SOCIAL DEVELOPMENT

The draft resolution was adopted unanimously.

III. HOUSING AND URBAN DEVELOPMENT: CREATION OF A COMMITTEE ON HOUSING, BUILDING AND PLANNING OF THE ECONOMIC AND SOCIAL COUNCIL

The draft resolution was adopted by 14 votes to none, with 3 abstentions.

IV. SOCIAL SERVICES AND DEVELOPMENT PLANNING, WITH SPECIAL REFERENCE TO FAMILY, CHILD AND YOUTH WELFARE

The draft resolution was adopted unanimously.

V. STRENGTHENING OF THE WORK OF THE UNITED NATIONS IN THE SOCIAL FIELD

The draft resolution was adopted unanimously.

7. Dr. SACKS (World Health Organization) said that the Director-General of WHO had followed with close attention the discussions in the Social Committee on the resolution concerning the strengthening of the work of the United Nations in the social field. The WHO was taking an active part in a number of social programmes which must be extended in order to meet needs. The resolution under V would be submitted to the Executive Board for consideration in accordance with Article 62 of the United Nations Charter and the agreement between the United Nations and WHO.

AGENDA ITEM 3

General review of the development, co-ordination and concentration of the economic, social and human rights programmes and activities of the United Nations and the specialized agencies as a whole (resumed from the 1225th meeting and concluded)

REPORT OF THE CO-ORDINATION COMMITTEE (E/3686)

8. The PRESIDENT invited the Council to vote successively on draft resolutions A to F in the report of the Co-ordination Committee (E/3686).

A. AFRICAN EDUCATIONAL DEVELOPMENT

The draft resolution was adopted unanimously.

B. EDUCATION AND TRAINING

The draft resolution was adopted unanimously.

C. PUBLIC ADMINISTRATION AND OPEX

The draft resolution was adopted by 15 votes to none, with 2 abstentions.

D. REPORTS OF THE SPECIALIZED AGENCIES AND THE INTERNATIONAL ATOMIC ENERGY AGENCY

The draft resolution was adopted unanimously.

E. EVALUATION OF PROGRAMMES

The draft resolution was adopted unanimously.

F. CONCENTRATION OF ACTIVITIES, RATIONALIZATION OF CONFERENCE SCHEDULES, AND CO-ORDINATION OF SURVEY MISSIONS

The draft resolution was adopted unanimously.

9. Mr. KOTSCHNIG (United States of America) said that it was his understanding that the findings of the Co-ordination Committee set out in paragraph 7 of the report, which had been fully discussed and voted upon in that Committee, would be added to the resolutions as an annex and printed with the text of the Council's resolutions.

10. The PRESIDENT confirmed that that understanding was correct.

11. Mr. ARKADEV (Union of Soviet Socialist Republics) said that, during the preceding three years, the Co-ordination Committee had prepared innumerable draft resolutions, many of them empty of content, incomprehensible or positively harmful, and some on questions not even appearing on the Council's agenda. It had also considered matters outside its province. Not only were delegations unable to digest the massive volume of material emanating from the Committee, but the Committee was not able to do so itself and, in connexion with item 4 of the agenda, was now making the astonishing proposal that a special committee on co-ordination should be set up (see E/3687). No attention seemed to be paid to the way in which the Committee's unjustifiable activities were dissipating the Council's efforts and resources, to the detriment of practical assistance to those countries which stood in need of it.

12. The simplest, cheapest and most effective way in which co-ordination problems could be handled would be by an *ad hoc* committee established at each session to consider co-ordination in respect of decisions already taken by the Council. It should not be empowered to adopt draft resolutions of its own. The present Co-ordination Committee should, of course, be disbanded.

13. He hoped the President would communicate those observations to the Secretary-General. The Soviet Union delegation, for its part, would bring up the matter in the General Assembly.

AGENDA ITEM 14

Questions relating to science and technology

- (a) Main trends of inquiry in the field of natural sciences, the dissemination of scientific knowledge and the application of such knowledge for peaceful ends
- (b) Co-ordination of the results of scientific research (E/3618)
- (c) International co-operation in the field of seismological research (E/3617 and Add.1)
- (d) International co-operation in the peaceful uses of outer space (E/3645, E/3662)

REPORT OF THE CO-ORDINATION COMMITTEE (E/3689)

14. The PRESIDENT invited the Council to consider the report of the Co-ordination Committee on questions relating to science and technology (E/3689).

15. Mr. WALKER (Australia) said that although the members of the Council might be concerned about the

time spent on scientific and technical matters which they were not always qualified to discuss, and although some specialized agencies had direct scientific responsibilities, and in particular UNESCO with its general responsibility for scientific co-ordination, the impact of scientific advance on economic and social conditions was so great that it was incumbent on the Council to deal with certain co-ordination and general policy problems.

16. It was at the suggestion of the Australian Foreign Minister, Mr. Casey, who had a keen personal interest in science, that the General Assembly at its thirteenth session had asked, by resolution 1260 (XIII), for a survey on main trends of inquiry in the natural sciences and on the application of such knowledge for peaceful ends. The outcome had been the remarkable report prepared by Professor Auger,¹ which would undoubtedly continue to exercise some influence in regard to possible lines of emphasis in the future. It was gratifying to note that the report had already been given wide circulation and that editions in Russian and Japanese were soon to be published. His delegation had joined with the delegations of France and Italy in submitting the draft resolution which had been adopted by the Co-ordination Committee (E/3689, draft resolution A).

17. The Australian delegation had also been a co-sponsor of the draft resolution on international co-operation in the field of seismological research which had been unanimously adopted in the Co-ordination Committee (draft resolution C). He endorsed the remarks made in the Committee about the need for continuous study of the origin of earthquakes so as to improve protective measures. In that connexion he wished to express the deepest sympathy to the Colombian representative on the tragic earthquake that had recently occurred in his country.

18. The ITU and WMO were to be commended on the excellent reports (E/3645 and E/3662) they had submitted concerning international co-operation in the peaceful uses of outer space; further reports on that important subject would be welcome. His government would continue to give assistance in that field.

19. Some 100 scientific papers were being prepared in Australia for submission to the Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas to be held at Geneva in 1963, to which his government attached great importance.

20. Mr. DUPRAZ (France) said that his delegation warmly supported the draft resolutions appearing in the report of the Co-ordination Committee. Although scientific research had made fantastic progress in recent years, the dissemination of information on the work done had not kept pace with that progress so that the reports drawn up by the specialized agencies were of considerable value. In that connexion it was to be regretted that the UNESCO survey on the organization and functioning of abstracting services in the various branches of science and technology (E/3618) had been distributed

¹ *Current trends in scientific research*, published by the United Nations and UNESCO in 1961 and transmitted to the Council at its thirty-second session by document E/3362/Rev.1.

late and in only one working language; he hoped the experts would have an opportunity to study it and make the necessary recommendations. The report on international co-operation in the field of seismological research (E/3617 and Add.1) had been rightly praised. France deeply regretted the recent earthquake in Colombia, a disaster which had been yet another brutal confirmation of the need for such research. The ITU and WMO reports on international co-operation in the peaceful uses of outer space were undoubtedly of great value, and the French delegation regretted that its experts had not received them in time to be able to study them before the thirty-fourth session.

21. He wished to thank the delegations of Australia and Italy for joining with the French delegation in sponsoring the draft resolution on the main trends of inquiry in the field of the natural sciences, the dissemination of scientific knowledge and the application of such knowledge for peaceful ends, and hoped that its adoption would draw the attention of governments and international organizations to their responsibility for ensuring that scientific research was used in the service of peace, economic progress and social justice. As far back as 1946, France had initiated a discussion in the Economic and Social Council on the need to carry out certain essential research at the international level. Since then the problem of international research institutions had arisen and was beginning to be tackled. The UNESCO had of course played a decisive part in that field. The achievements to which it had contributed in common with other organizations — the setting up of the European Organization for Nuclear Research and the International Computation Centre, and research in such fields as astronomy, oceanography and cellular biology — showed that governments were taking an increasing interest in scientific research which was no longer isolated by national frontiers but was placed at the service of all mankind. There was therefore reason to hope that one day competition for prestige reasons, which gave rise to barren duplication and waste of intellectual and material resources, would be replaced by zealous co-operation for peace and human progress.

22. The French delegation hoped that soon more sustained efforts could be made in the field of social and human sciences. It would be useful if the specialized agencies could consider giving more generous assistance

to national research institutes, particularly those of the small countries with inadequate resources.

23. Mr. ARKADEV (Union of Soviet Socialist Republics) expressed his delegation's sympathy to the Colombian representative on the loss of life and damage inflicted by the recent earthquakes.

24. Although intending to vote in favour of the draft resolution on international co-operation in the peaceful uses of outer space, he would reserve his delegation's right to explain in greater detail at the seventeenth session of the General Assembly its attitude to the problems raised in that text.

25. Mr. LEGGESE (Ethiopia) also expressed sympathy to the Colombian representative. A recent earthquake in Ethiopia, for which the authorities had been quite unprepared, further demonstrated the need for international co-operation in seismological research.

26. His government would be taking part in the forthcoming Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas.

27. Mr. GONZALEZ (Colombia) thanked the members of the Council for their expressions of sympathy and regret in connexion with the recent disaster in Colombia.

28. The PRESIDENT announced that he would put to the vote *seriatim* the draft resolutions A to D in the Co-ordination Committee's report (E/3689).

A. MAIN TRENDS OF INQUIRY IN THE FIELD OF THE NATURAL SCIENCES, THE DISSEMINATION OF SCIENTIFIC KNOWLEDGE AND THE APPLICATION OF SUCH KNOWLEDGE FOR PEACEFUL ENDS

The draft resolution was adopted unanimously.

B. CO-ORDINATION OF THE RESULTS OF SCIENTIFIC RESEARCH

The draft resolution was adopted unanimously.

C. INTERNATIONAL CO-OPERATION IN THE FIELD OF SEISMOLOGICAL RESEARCH

The draft resolution was adopted unanimously.

D. INTERNATIONAL CO-OPERATION IN THE PEACEFUL USES OF OUTER SPACE

The draft resolution was adopted unanimously.

The meeting rose at 12.10 p.m.



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President: Mr. J. MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Belgium, Central African Republic, Chile, China, Indonesia, Iraq, Israel, Lebanon, Mali, New Zealand, Romania, Spain, Sudan, Sweden.

Observers for the following non-member States: Federal Republic of Germany, Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, United Nations Educational, Scientific and Cultural Organization, International Bank for Reconstruction and Development, World Health Organization.

AGENDA ITEM 22

International control of narcotic drugs
(E/3648; E/OB/17 and Add.)

(*resumed from the 1220th meeting and concluded*)

REPORT OF THE SOCIAL COMMITTEE (E/3692)

1. The PRESIDENT invited comments on the draft resolutions A to G contained in paragraph 6 of the report of the Social Committee (E/3692). Members would note that draft resolution F had a bearing on the elections to the Permanent Central Opium Board.

**A and B. REPORT OF THE COMMISSION
ON NARCOTIC DRUGS**

Draft resolution A was adopted unanimously.
Draft resolution B was adopted unanimously.

**C and D. THE SINGLE CONVENTION ON NARCOTIC
DRUGS, 1961**

C. RATIFICATION AND ACCESSION

Draft resolution C was adopted by 15 votes to 1, with 1 abstention.

D. PREPARATIONS FOR THE COMING INTO FORCE

Draft resolution D was adopted by 14 votes to none, with 3 abstentions.

**E. TECHNICAL CO-OPERATION IN NARCOTICS CONTROL:
REGIONAL CO-ORDINATION IN LATIN AMERICA**

Draft resolution E was adopted by 15 votes to none, with 2 abstentions.

**F. QUESTION OF INVITING THE AUTHORITIES ENTITLED
TO APPOINT MEMBERS OF THE DRUG SUPERVISORY
BODY TO APPOINT PERSONS WHO ARE ALSO MEMBERS OF
THE BOARD**

Draft resolution F was adopted unanimously.

G. REPORT OF THE PERMANENT CENTRAL OPIUM BOARD

Draft resolution G was adopted unanimously.

AGENDA ITEM 28

Elections

ELECTION OF EIGHT MEMBERS
OF THE PERMANENT CENTRAL OPIUM BOARD
(E/3583 and Add.1-5, E/3641, E/3692; E/L.959)

2. The PRESIDENT invited the Council to proceed to the election of eight members of the Permanent Central Opium Board. Nominations would be found in the addenda to document E/3583, and members would bear in mind the recommendations made by the committee to review candidates for election to the Permanent Central Opium Board in paragraph 5 of its report (E/3641).

3. In accordance with rule 67 of the rules of procedure, the vote would be by secret ballot. The Council might follow the procedure suggested in paragraph 4 of the Secretary-General's working paper (E/L.959) and first elect two members from among the three names submitted by WHO (E/3583/Add.5) and subsequently elect the six remaining members from among the other nominations made by Member States.

It was so agreed.

At the invitation of the President, Mr. ZAMAN (India) and Mr. ZADOTTI (Italy) acted as tellers.

A vote was taken by secret ballot.

<i>Number of ballot papers</i>	18
<i>Number of valid ballots</i>	18
<i>Required majority</i>	10
<i>Number of votes obtained</i>	
Mr. Parreiras (Brazil)	18
Mr. Joachimoglu (Greece)	10
Mr. Bidyabhed (Thailand)	7

Having obtained the required majority, Mr. Parreiras (Brazil) and Mr. Joachimoglu (Greece) were elected to the Board.

4. The PRESIDENT invited the Council to fill the six remaining vacancies.

A vote was taken by secret ballot.

The meeting was suspended at 10.25 a.m. and resumed at 11 a.m.

5. The PRESIDENT announced the result of the ballot.

<i>Number of ballot papers</i>	18
<i>Number of valid ballots</i>	18
<i>Required majority</i>	10
<i>Number of votes obtained</i>	
Mr. Krishnamoorthy (India)	18
Mr. Reuter (France)	15
Mr. Kusevic (Yugoslavia)	15
Mr. Steinig (United States of America)	14
Sir Harry Greenfield (United Kingdom of Great Britain and Northern Ireland)	14
Mr. Ismail Chehab (United Arab Republic)	9
Mr. di Mattei (Italy)	5
Mr. Osho (Nigeria)	4
U Kyin (Burma)	3
Mr. Carranza (Peru)	3
Mr. Krook (Sweden)	2

Mr. Sedat Tavlat (Turkey)	2
Mr. Wignajodisastro (Indonesia)	1
Mr. Eze-Chuku (Nigeria)	1
Mr. May (United States of America)	1

Having obtained the required majority, Sir Harry Greenfield (United Kingdom), Mr. Krishnamoorthy (India), Mr. Kusevic (Yugoslavia), Mr. Reuter (France) and Mr. Steinig (United States of America) were elected members of the Board.

6. The PRESIDENT said that a second ballot would be necessary for the election of the sixth member.

A vote was taken by secret ballot.

<i>Number of ballot papers</i>	18
<i>Number of valid ballots</i>	18
<i>Required majority</i>	10
<i>Number of votes obtained</i>	
Mr. Ismail Chehab (United Arab Republic)	12
Mr. di Mattei (Italy)	6

Having obtained the required majority, Mr. Ismail Chehab (United Arab Republic) was elected a member of the Board.

AGENDA ITEM 10

Reports of the regional economic commissions (E/3586; E/L.953 and Corr.1, E/L.971, E/L.972)

(resumed from the 1213th meeting and concluded)

7. The PRESIDENT, recalling the decision taken at the 1213th meeting to defer a decision on draft resolutions I, III and IV contained in the report of ECA (E/3586, part IV), said that in order to meet the views put to him by several delegations, he would suggest that consideration of item 10 should be postponed until the resumed thirty-fourth session of the Council.

It was so decided.

AGENDA ITEM 25

Calendar of conferences for 1963 (E/3693)

8. The PRESIDENT invited consideration of the report by the Secretary-General containing the draft calendar of conferences for 1963 recommended for adoption by the Interim Committee on Programme of Conferences (E/3693).

The draft calendar of conferences for 1963 was adopted.

AGENDA ITEM 8

International commodity problems

REPORT OF THE ECONOMIC COMMITTEE
(E/3681 and Corr.1 and 2)

9. The PRESIDENT invited consideration of the draft resolution contained in paragraph 6 of the report of the Economic Committee (E/3681 and Corr.1 and 2).

The draft resolution was adopted by 15 votes to none, with 2 abstentions.

AGENDA ITEM 4

United Nations Development Decade

*(resumed from the 1219th meeting and concluded)*REPORT OF THE ECONOMIC COMMITTEE
AND OF THE CO-ORDINATION COMMITTEE
(E/3688, E/3687)

10. The PRESIDENT invited consideration of draft resolutions A to D annexed to the report of the Economic Committee (E/3688).

11. Mr. PASTORI (Uruguay) noted from operative paragraph 2 of draft resolution B on the United Nations Conference on Trade and Development that the expert representatives were to be designated in November 1962 but would not meet until spring 1963. That being so, and in view of the fact that membership of the Council would be changed at the beginning of 1963, he took the view that the new countries which became members of the Council would be entitled to be represented on the preparatory committee.

12. Mr. KOPCOK (Yugoslavia) considered that the convening of the United Nations Conference on Trade and Development was of the greatest interest for all developing countries, which had been adversely affected in recent years by the unfavourable trends in international trade. The establishment of regional or subregional economic groupings complicated the situation of those countries still further by hampering the execution of their economic development programmes. At the Belgrade conference of heads of State or government of non-aligned countries, the sixteenth session of the General Assembly and the recent Cairo Economic Development Conference, the developing countries had recommended that a United Nations conference should be convened to consider the problem and to work out solutions likely to speed up economic development. Inasmuch as the draft resolution had been approved unanimously by the Economic Committee, it could be expected that the necessary preparations would be completed in time to ensure the success of the conference.

13. In a spirit of co-operation, the sponsors of the draft resolution had revised their text to make it acceptable to all members of the Council; in particular, the original text of operative paragraph 1 had not been reproduced in its entirety. Nevertheless, they were still convinced that the conference should be convened in 1963.

14. Mr. KLUTZNICK (United States of America) said that the last two statements had introduced an element of confusion. The date of the conference itself would be decided by time and circumstances; it might take somewhat longer to prepare than was thought. With regard to the Uruguayan representative's statement, his own impression had been that, confronted with the choice between a preparatory committee with a shifting membership and one with a fixed membership, the sponsors had decided in favour of the latter and of a membership of eighteen representatives. They had indicated in operative paragraph 2 of the draft resolution that the members of the preparatory committee should be designated not later than November 1962; the choice

of that date would give time for certain preparatory work to be done before the early spring. His delegation was unalterably opposed to any idea of a shifting membership and held that the preparatory committee, once established, should continue with the same membership until the conference took place.

15. Mr. ARKADEV (Union of Soviet Socialist Republics) said that it would be generally agreed by all members of the Council that it had reached a positive decision on an international problem of great significance and one that was of the utmost importance to the developing countries. His delegation therefore wished to take the opportunity of stating its conviction that, as the matter was so urgent, the proposed conference should be convened in 1963. He hoped that careful attention would be paid to the Yugoslav representative's statement.

16. The PRESIDENT invited the Council to vote on draft resolutions A to D.

A. UNITED NATIONS DEVELOPMENT DECADE

17. Mr. ARKADEV (Union of Soviet Socialist Republics) requested a separate vote on operative paragraphs 6, 7 and 9 of draft resolution A, taken together.

Operative paragraphs 6, 7 and 9 of draft resolution A were adopted by 15 votes to none, with 2 abstentions.

Draft resolution A as a whole was adopted unanimously.

B. UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Draft resolution B was adopted unanimously.

C. PROVISION FOR SAFEGUARDING AND PROMOTING INTERESTS OF CHILDREN AND YOUTH

Draft resolution C was adopted unanimously.

D. GROUP OF EXPERTS ON COMMODITY AND TRADE PROBLEMS OF DEVELOPING COUNTRIES

Draft resolution D was adopted by 16 votes to none, with one abstention.

18. Mr. DUPRAZ (France) said that his delegation had voted in favour of paragraphs 6, 7 and 9 of draft resolution A because it wanted to support the recommendations to Member States which were made in them. It thought, however, that the voluntary nature of the proposed contributions should be maintained.

19. The PRESIDENT invited the Council to comment on the report of the Co-ordinating Committee (E/3687).

20. Mr. ARKADEV (Union of Soviet Socialist Republics) said that there was no need for him to remind the Council of his delegation's views on the Co-ordination Committee, which he had expressed at some length at the 1235th meeting. That committee represented a waste of time, energy and money.

21. Mr. VALLADÃO (Brazil), referring to the Soviet Union representative's comments at the 1235th meeting on the multiplication of the Council's tasks, recalled that his delegation had always stressed that care should be taken to avoid decisions which duplicated previous measures. There should be careful study of the decisions already reached before new measures which would require time and resources were undertaken.

22. The PRESIDENT put to the vote the draft resolution concerning a special committee on co-ordination with particular emphasis on the United Nations Development Decade (E/3687, para. 7).

The draft resolution was adopted by 15 votes to 2.

AGENDA ITEM 6

Financing of economic development

(a) International flow of capital

(b) United Nations Capital Development Fund (resumed from the 1233rd meeting and concluded)

REPORT OF THE ECONOMIC COMMITTEE (E/3690)

23. The PRESIDENT invited the Council to vote on draft resolutions A, B and C annexed to the report of the Economic Committee (E/3690).

A. UNITED NATIONS CAPITAL DEVELOPMENT FUND

24. Mr. UNWIN (United Kingdom) requested a separate vote on operative paragraph 2.

Operative paragraph 2 of draft resolution A was adopted by 11 votes to 4, with 2 abstentions.

Draft resolution A as a whole adopted by 11 votes to none, with 6 abstentions.

B. PROMOTION OF THE FLOW OF PRIVATE CAPITAL

Draft resolution B was adopted by 15 votes to none, with 3 abstentions.

C. FINANCING OF ECONOMIC DEVELOPMENT

Draft resolution C was adopted unanimously.

AGENDA ITEM 2

World economic trends

(resumed from the 1229th meeting and concluded)

REPORT OF THE ECONOMIC COMMITTEE (E/3691)

25. The PRESIDENT put to the vote the draft resolution — Work programme on long-term projections — contained in paragraph 5 of the report of the Economic Committee (E/3691).

The draft resolution was adopted unanimously.

AGENDA ITEM 26

Financial implications of actions of the Council (E/3651, E/3663 and Add.1 and 2)

26. The PRESIDENT invited the Council to consider the report by the Secretary-General on the financial implications of actions of the Council (E/3663 and Add.1 and 2) and drew attention to two typographical errors in the text of document E/3663/Add.1. At the end of paragraph 5, the figure "3,500" should be shown under the column for 1962 rather than for 1963. The figure at the end of paragraph 7 in the column for 1964 should read "247,000" and not "267,200". Those mistakes, however, were not repeated in document E/3663/Add.2.

27. In connexion with document E/3663, he would draw the Council's attention particularly to paragraphs 3 and 12, which dealt with questions of priorities and a balanced growth of programmes.

28. The Council should also be aware of the desirability of some flexibility regarding deadlines for various reports, in view of the number of additional meetings which had to be serviced and which were scheduled for the early part of 1963 as a result of decisions taken by the Council and the General Assembly at its sixteenth session.

29. He would also recall the statement made by the Acting Secretary-General at the 1222nd meeting, especially with regard to the idea of controlled expansion in the context of the United Nations Development Decade.

30. Mr. VIAUD (France) pointed out that even if the total amount of the new expenditures rendered necessary by the Council's decisions did not at first sight seem to exceed the total additional expenditures resulting from the decisions adopted in previous years, his delegation was nevertheless disturbed by the continuous increase in the financial burden of the United Nations. The usefulness of a particular project should not be Council's only criterion; delegations should bear constantly in mind the budgetary requirements of their respective governments, so as not to exceed the limits of the capacity of each to contribute.

31. As far as the new expenditures mentioned in the report under consideration were concerned, the French delegation to the General Assembly would endeavour to ascertain to what extent they could be absorbed in the current budget of the United Nations, so that advantage could be taken of every possible economy.

32. To that customary reservation he would like to add another, more specific, relating to the foreign trade statistical centre which was to be established within the United Nations. Although there was no denying that the centre would be useful, it would not be of real value unless all the organs of the United Nations, including the specialized agencies, delegated to it the statistical work in which they were jointly concerned. If, on the contrary, the organizations subsidiary to the United Nations wished to retain complete independence in that sphere, the new resources requested by the Secretariat were likely to be used ineffectively or even to be quite wasted.

33. At that session, the Council had adopted resolutions involving the establishment of five committees or working parties whose operation would place a considerable burden both on the Secretariat and on the governments of Member States. Even if the additional resources requested by the Secretariat were granted, it was by no means sure that the Secretariat would have the necessary staff to ensure the smooth operation of the new bodies. In the circumstances, his delegation felt bound to warn the Council against the tendency to set up new bodies, when frequently it would be enough to address simple recommendations to governments with a view to prompting the individual action required.

34. Miss SALT (United Kingdom) said that the financial implications reached a very large total. As always, she must reserve the position of the United Kingdom re-

presentative in the Fifth Committee of the General Assembly with regard to the various detailed sums involved.

35. In addition, there were one or two points to which she wished to draw the Council's attention. The first concerned the revised estimates of the cost of the decision taken by the Council at its thirty-third session with regard to the African development bank. The Council had taken its decision in April on the basis of the original estimates; it was surely rather unusual, and bad practice, that those estimates should have since been increased by a sum of nearly \$100,000. Moreover, the total now proposed for the preparatory work in connexion with the African development bank seemed extraordinarily large. Both at the fourth session of ECA and in the Council, her delegation had left no one in doubt of its sympathy with the desire of African States to have an institution for investment and development of a truly African character; it recognized that the work on which representatives of regional members of ECA had embarked was complicated and could not be cheap. At the same time, she questioned whether the arrangements for drafting a charter or for the proposed tours of working groups need be either as elaborate or as expensive as was now proposed. It would be useful to have a more detailed account of the calculations behind those greatly increased estimates and to learn whether the Secretary-General and the ECA Committee of nine members envisaged any link between the visits proposed to capitals in Africa and those to be undertaken in capitals outside that region. The extent of consultations outside the region might well depend on the progress made in the discussions in Africa itself; furthermore, preliminary contacts by correspondence might indicate whether or not tours of non-African capitals on the wide scale now proposed were likely to be fruitful.

36. In paragraph 9 of the report (E/3663), it was suggested that appropriations for the regular programme of technical assistance for 1963 should be maintained at the 1962 level. Her delegation's position with regard to the United Nations technical assistance activities was that, as a general rule, those activities were best carried out under the different voluntary programmes; her delegation did not favour large increases in the regular budget appropriations for technical assistance activities. The Council would recall that the regular budget programmes for 1961 and 1962 had been set at an unusually high level to meet the urgent needs of newly independent countries in Africa. It had been her delegation's understanding that those increases were intended as a special, but temporary, measure to meet certain pressing transitional difficulties. In accordance with that understanding, her delegation had pointed out in the Technical Assistance Committee (278th meeting) that it would not be proper for that committee's report to suggest that any formal decision had been taken there to the effect that the 1963 appropriations should be maintained at 1962 levels. Any votes by the United Kingdom at that stage of the Council's discussions should not be taken as indicating a belief that such a decision had in fact been taken.

37. It was difficult to strike a balance between the Council's desire to find a rapid solution for urgent and funda-

mental problems and the need to keep increases in the budget within bounds. Nevertheless, such an effort had to be made, otherwise the work that the Council was trying to do might well founder. No increases should be recommended to the Fifth Committee without a clear decision by the Council on how the money would be spent; her delegation could not subscribe to any proposals for a blanket increase in the regular budget unsupported by detailed and clear decisions of the Council in each specific case.

38. Mrs. WRIGHT (Denmark) said that she would welcome an explanation of the figure appearing in the final summary (E/3663/Add.2) against agenda item 11 (i) in respect to 1964. It was twice as large as that for 1963 and she was at a loss to understand the reason for the increase.

39. Mr. ZADOTTI (Italy) said that his delegation had already stated its general reservations regarding Council resolutions which had financial implications. He wished to reiterate that its voting in the Council should in no way be regarded as binding upon the Italian representative in the Fifth Committee of the General Assembly.

40. Mr. ARKADEV (Union of Soviet Socialist Republics) observed that his delegation too took exception to the growing tendency to charge technical assistance activities against the regular budget of the United Nations. It would object in the Fifth Committee of the General Assembly against all unnecessary and excessive expenditure arising from Council decisions.

41. Mr. CARRILLO (El Salvador) observed that on various occasions delegations had expressed reservations concerning the financial implications of a particular decision by the Council and had referred to the Fifth Committee as though that committee were the supreme authority in budgetary matters. While it was admittedly the Fifth Committee's duty to consider all financial questions arising in the United Nations, its decisions — which, incidentally, it reached by a simple majority vote — were merely recommendations to the General Assembly; it was for the General Assembly to take a final decision, and a decision by the General Assembly — taken by a two-thirds majority — was binding on all Members States, even if they had entered reservations or had abstained.

42. Mr. WALKER (Australia) asked that the fact that his delegation had made reservations in committee meetings with regard to the financial implications of Council decisions should appear in the record. The discussion of financial estimates received at so late a stage in the Council's deliberations raised difficulties for small delegations which had not the facilities to go into them thoroughly. He hoped that the important statements made by the representatives of France and the United Kingdom would be given careful attention by the Council.

43. Mr. de SEYNES, Under-Secretary for Economic and Social Affairs,¹ replying to the Danish representative's question, pointed out that the difference between

¹ The complete text of the final part of Mr. de Seynes' statement was circulated as document E/L.974.

the figures arose from the fact that the expenditure for the current year had been shared between two headings, whereas the expenditure for 1964, if the statistical centre was then in full operation as expected, would be submitted under a single heading. That method was advantageous from the point of view of accounting, because it would make it possible to establish the exact cost of the statistics.

44. In reply to the United Kingdom representative, he pointed out that it was the Committee of nine members set up by ECA to deal with the preparatory work in connexion with the establishment of an African development bank which, at its meeting at Monrovia in June 1962, had drawn up a programme that was more costly than the one contemplated by the Secretariat when it had submitted its estimates to the thirty-third session of the Council. The Secretariat proposals had been brought to the attention of the Committee and the latter had taken its decisions in full knowledge of the facts. Recently, the Secretariat had discussed the matter with ECA officials who had been passing through Geneva and had suggested certain revisions of the programme which would make it possible, though only to a small extent, to lower the figures submitted at present if those revisions were accepted by the nine-member committee. At all events, he could assure the United Kingdom representative that the Secretariat would not neglect any possibility of effecting savings in that preparatory phase. As to the two series of negotiations contemplated, there was a real link between them because the second would be undertaken only after the results of the first had been examined and carefully evaluated. The necessary preliminary correspondence had already been initiated and the United Kingdom need have no misgivings on that subject.

45. On a more general plane, the financial implications of the Council's decisions had given rise to very serious reservations on the part of several delegations. He would recall the remarks of the Acting Secretary-General when, at the 1222nd meeting, he had opened the general debate on agenda item 3; those reservations demonstrated the inadequacy of the procedure followed in the formulation of the economic and social programmes of the United Nations. Decisions of principle were taken, reservations were then made regarding the financial implications and finally the General Assembly took a definitive decision, but at no time was there any actual confrontation of the programmes drawn up in the Council and in the Second and Third Committees of the General Assembly, on the one hand, and the budget decided upon in the Fifth Committee, on the other. That was an almost unique situation in the United Nations family, since most of the specialized agencies were able to proceed in a more logical and satisfactory manner. The United Nations system placed the Secretariat in a very embarrassing position; the Secretariat knew from experience that the General Assembly would reduce the financial estimates submitted to it and that the reductions would not affect the meetings of committees of experts, but would apply to the resources which the Secretary-General considered necessary for the performance of the tasks required of him. As in the past, the Secretariat would no doubt once again find itself in an infinitely more difficult position

for carrying out the tasks allotted to it than might be inferred from an examination of the statement of financial implications submitted to the Council.

46. Miss SALT (United Kingdom) thanked the representative of the Secretary-General for his statement. The Council should take careful note of what he had said and bear it in mind in the future. She wished to assure him that in the questions she had raised there had been no intention of criticizing the Secretariat procedure in any way.

The Council took note of the financial implications of its actions.

AGENDA ITEM 27

Arrangements regarding the report of the Council to the General Assembly (E/L.955)

47. The PRESIDENT proposed that the Council should approve the arrangements regarding its report to the General Assembly as set out in the Secretary-General's note (E/L.955).

It was so decided.

Adjournment of the session

48. The PRESIDENT said that there had been a noticeable evolution in the attitude of most members towards the role of the Council. A short time before, the prevailing view had seemed to be that the Council's main role was to react as soon and as effectively as possible to unfavourable developments in the world. That policy was gradually being replaced by a policy of far-sighted perception of world development, by a long-range approach to the deficiencies in that development and by the introduction of planning to remedy them.

49. At the same time, the Council's debates had been gradually turning from declarative statements to a matter-of-fact confrontation of views. It had learnt to draw conclusions both from the achievements and mistakes of the past and to appraise their value for future generations in the developing countries.

50. While opinions still differed as to the causes of various phenomena, it was becoming increasingly easy to reach an understanding with regard to their effects. Common action to deal with those effects was more and more frequently undertaken.

51. Those altered attitudes had been brought about by a growing awareness of the radical changes which had been occurring in the world. First and foremost, there was the crystallization of the three main groups of countries — socialist, capitalist and non-aligned — in respect to which the striking feature was the dynamism and growing strength of the socialist countries. The new pattern of relations brought about fundamental changes in all areas of international life and in every area it implied the necessity to adopt the only possible, rational and humane formula of coexistence and co-operation.

52. The disappearance of the colonial system was another outstanding development. The political problems caused by the sudden expansion of the group of newly emerged

and non-aligned countries had their economic counterpart in the fact that their development had become the crucial problem in the world economy. Although there were essential differences in the remedies prescribed, there was no doubt whatever about the necessity of a common effort on the part of the human community as a whole to raise their level of development. Co-operation was steadily on the increase. Slowly and painfully, but no less surely, the concept of a planned, balanced and concerted interplay of bilateral and multilateral actions was emerging.

53. Unfortunately, time was not on the side of the international community in that respect. The unprecedented speed of technological progress was leading to an ever-widening disparity between those already possessing capital, knowledge and technical expertise and those still striving to remove the basic impediments present in the initial stages of development. That disparity was all the more striking in view of the appalling waste of a huge proportion of the national incomes of the developed countries on instruments of potential annihilation. There was fortunately an awareness of the tragic absurdity of the situation and a recognition that without international co-operation no major problems could be solved. That recognition had come from a realization of the interrelation between social, economic and political development.

54. The current session of the Council had constituted an important step in the development of international economic co-operation. The discussion on the disparity in economic development had been more practical than ever before and had resulted in the unanimous adoption, at that meeting, of the resolution on the United Nations Development Decade. The necessity to stop the armaments race had been unanimously acknowledged by the adoption of the resolution on the economic and social consequences of disarmament and the unanimous decision to convene the world Conference on Trade and Development was an important step forward in the promotion of the concept of coexistence and co-operation.

55. The session had been marked by intensive work on a great variety of important topics and, although opinions had differed, the debates had taken place in an atmosphere of co-operation. Of the seventy-one resolutions adopted, fifty-four had been adopted unanimously, fifteen with no opposing votes but only abstentions, and two by majority vote. The Council had reached unanimity with regard to most of the resolutions of significant importance.

56. The Development Decade had been a distinctive new feature in the Council's session. It marked a further stage in the concentration of the economic and social activities of the United Nations on the promotion of the economic development of the under-developed countries as a priority problem for the entire world and for the United Nations itself. The beginnings of a programme to remove the present unacceptable imbalance in the world economy had emerged, and on that basis more detailed action could be prepared.

57. A remarkable feature of the debates which had followed the adoption of General Assembly resolution 1710 (XVI) had been the wide agreement of the kind of action which was necessary. There was no longer

disagreement on the need for planning, the role of public and private sectors, the need for financing on non-commercial terms, and the need to stabilize commodity prices and to arrest the long-term unfavourable trend of those prices.

58. Saving, training and planning had been the keynotes of the Council's deliberations and of the suggestions for a detailed programme for the Development Decade. The need for saving, training and planning applied as much to the industrialized as to the under-developed countries if the objectives of the Development Decade were to be achieved. The agreement on the need for planning and on the important role of the United Nations in concentrating on assistance in the field of planning, through the regional development institutes and regional commissions and in individual countries, was of special importance and promise for the future. If by the end of the Decade the under-developed countries were able to reap the benefits of true development planning based on the use of their natural and human resources, the United Nations would be well on the way to its goal.

59. The problem of economic development of the less developed countries was closely connected with another major issue on which the Council had focused attention during the current session; namely, the far-reaching and exceedingly important question of the economic and social consequences of disarmament. It was particularly significant that resolution 891 (XXXIV) on the subject had been adopted unanimously (1232nd meeting), since it had obvious political implications and the subject had for a long time been highly controversial.

60. There had been general commendation for the Secretary-General's report transmitting the study of his Consultative Group on the economic and social consequences of disarmament (E/3593 and Add.1-4). In particular, the Council had endorsed the group's conclusions that all problems of transition connected with disarmament could be met by appropriate national and international measures and that disarmament could be accomplished in all countries without impairing their economies. Owing to the unanimous adoption of the draft resolution, the scientific findings in the report had practically attained the level of principles approved by the main economic body of the United Nations.

61. The most important political issue of the present era was the need to overcome the disproportion between the growing concern for human existence, world development and progress and the capital invested in means of destruction. It was the primary duty of the Council to consider the economic aspects of that issue: the results attained, in the form of the report by the Consultative Group and of the Council's resolution 891 (XXXIV), should be brought to the attention of all governments and peoples and the studies should be continued.

62. Another success achieved by the Council at the present session had been the decision by resolution 917 (XXXIV) to convene a world Conference on Trade and Development. The world had reached a critical situation in international trade; there was in fact a danger of general economic disintegration at a time when, in various parts of the world, efforts were being made towards integration and closer collaboration between groups of countries.

63. The under-developed countries were greatly concerned over the chronic deterioration in their terms of trade during the past ten years and about the implications for their economies of regional integration in certain developed parts of the world. Some members of the Council might feel that those fears were not well-founded, but the fact that they existed could not be ignored; nor was it possible to ignore the fact that the under-developed countries were losing much more on their terms of trade than they were gaining from all the economic aid that they were receiving. Those two issues alone would justify the calling of a world conference to consider the situation.

64. Acquiescence, however, was not enough. There was no desire anywhere to act irresponsibly in the matter or to force decisions against the interests of those countries that accounted for a predominant share of world trade. In that connexion, he drew attention to the Cairo Declaration of Developing Countries (E/3682), which had been widely welcomed as a responsible and statesmanlike statement. The world trade conference should not be allowed to fail; such a failure would be an unqualified disaster from which no one would benefit. Some common ground should therefore be found on which the various parties could meet on a constructive basis and obtain concrete results. He would therefore appeal to all members of the United Nations to approach the matter with a fresh mind and a positive attitude, so as to strengthen the forces of world economic co-operation and bring to a halt the post-war trend towards disintegration.

65. The theme of the decentralization of United Nations economic and social activities and the strengthening of the regional economic commissions had run through the Council's discussion of a number of items on its agenda. The policy of decentralization was now one of the agreed guidelines of United Nations work in both the economic and the social fields. The United Nations had undergone substantial changes in recent years, bringing about a need for new methods and for different patterns of organization; the policy of decentralization responded in large measure to that need. Many of those who dealt with problems at the global level in the Council or in the General Assembly had come to realize that for the discussion of practical problems the regional commissions were the most appropriate, for they were in the best position to follow the economic and social problems of individual countries. It was not easy to make adjustments required by the policy of decentralization. Progress had been made, however, though further steps were indispensable.

66. Significant progress had been achieved during the past year in United Nations activities in the field of industrial development. The Committee for Industrial

Development had done valuable work, and a Commissioner for Industrial Development had been appointed. The Council had adopted resolution 893 (XXXIV) requesting the Secretariat to establish an advisory service of high level experts to enable the United Nations to provide direct aid in industrial matters to the developing countries. Lastly, the Council looked forward to the results of the work of the Advisory Committee of ten experts which would be appointed by the Secretary-General under Council resolution 873 (XXXIII) to advise on the arrangements for assisting the industrial development of the developing countries.

67. In view of the importance of the economic problems under consideration at the current session, the social items had been somewhat relegated to the background. Nevertheless, certain achievements could be noted, particularly the increasing recognition of the interrelationship of social and economic problems and of the need for balanced progress through comprehensive development planning. It had been observed in that connexion that the main task ahead should consist of further defining the ways of integrating economic and social planning. With those objectives in mind, the Council had decided on an intensive programme of work and had recommended appropriate organizational arrangements at both Headquarters and regional levels.

68. The Council had also taken significant decisions on housing, building and planning (resolution 903 C (XXXIV)). The urgency of the housing problem should give it an important place within the framework of the Development Decade. The new machinery which had been set up by the Council was primarily aimed at strengthening the contribution of the United Nations organs concerned to the development of national housing and planning programmes.

69. The United Nations Charter set forth as a goal the development of "friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples". That objective had lost none of its urgency. International co-operation could shorten the way to reach that goal and the thirty-fourth session of the Council could be regarded as an example of progress in such co-operation. The implementation of its decisions would bring closer the realization of the lofty purposes of the Charter.

70. After the customary exchange of courtesies, the PRESIDENT declared the thirty-fourth session of the Council adjourned.

The meeting rose at 1.25 p.m.

E/SR.1237-1241

Prefatory fascicle



ECONOMIC AND SOCIAL COUNCIL

OFFICIAL RECORDS

RESUMED THIRTY-FOURTH SESSION

18-20 December 1962

UNITED NATIONS

New York, 1963

INTRODUCTORY NOTE

The *Official Records of the Economic and Social Council* consist of records of meetings, annexes to those records, and supplements. The records of meetings include corrections requested by delegations and such editorial modifications as were considered necessary. A check list of all documents mentioned during the session is included in the prefatory fascicle.

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Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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DELEGATIONS

The following list of delegations incorporates the additional names and any other changes submitted by Member States whose representation at the resumed thirty-fourth session was not the same as at the thirty-fourth session.

Members of the Council

AUSTRALIA

Alternate Representatives

H.E. Mr. O. L. Davis, Ambassador Extraordinary and Plenipotentiary to Brazil

Mr. A. R. Parsons, First Secretary, Permanent Mission

Adviser

Mr. P. C. J. Curtis, Second Secretary, Permanent Mission

BRAZIL

Representative

Mr. Geraldo de Carvalho Silos, Minister Plenipotentiary, Deputy Permanent Representative to the United Nations

Advisers

Mr. Carlos dos Santos Veras, First Secretary of Embassy, Permanent Mission

Mr. Antonio Houaiss, Counsellor of Embassy, Permanent Mission

Mr. Mario Augusto Santos, Second Secretary of Embassy, Permanent Mission

FRANCE

Representative

H.E. Mr. Roger Seydoux, Ambassador Extraordinary and Plenipotentiary, Permanent Representative to the United Nations

Adviser

Mr. Jean-Claude Renaud, Commercial attaché, Embassy, Washington

INDIA

Representative

H.E. Mr. B. N. Chakravarty, Ambassador Extraordinary and Plenipotentiary, Permanent Representative to the United Nations

Alternate Representative

Mr. A. B. Bhadkamkar, Counsellor, Permanent Mission

Advisers

Mr. J. R. Hiremath, First Secretary, Permanent Mission

Mr. R. K. Kapur, Attaché, Permanent Mission

Mr. V. Parameswaran, Attaché, Permanent Mission

ITALY

Alternate Representative

Mr. Bartolomeo Attolico, First Secretary, Permanent Mission

Adviser

Mr. Antonio Ciaramella, Economic Adviser, Permanent Mission

JAPAN

Representative

H.E. Mr. Akira Matsui, Ambassador Extraordinary and Plenipotentiary, Deputy Permanent Representative to the United Nations

Advisers

Mr. Shuichi Nomiyama, Secretary, Ministry of Foreign Affairs

Mr. Ryoza Mogi, Third Secretary, Permanent Mission

POLAND

Alternate Representatives

H.E. Mr. Bohdan Lewandowski, Ambassador Extraordinary and Plenipotentiary, Permanent Representative to the United Nations

Mr. Włodzimierz Natorf, First Secretary, Permanent Mission

UNION OF SOVIET SOCIALIST REPUBLICS

Alternate Representative

Mr. E. N. Makeev, Counsellor, Permanent Mission

Adviser

Mr. E. V. Kudryavtsev, Third Secretary, Permanent Mission

URUGUAY

Representative

H.E. Dr. Carlos María Velázquez, Ambassador Extraordinary and Plenipotentiary, Permanent Representative to the United Nations

YUGOSLAVIA

Representative

H.E. Mr. Mišo Pavićević, Ambassador Extraordinary and Plenipotentiary, Permanent Representative to the United Nations

Alternate Representative

Mr. Mirceta Cvorović, Counsellor, Permanent Mission

Advisers

Mr. Milos Melovski, First Secretary, Permanent Mission

Mr. Branko Radivojević, Third Secretary, Permanent Mission

Members of the United Nations represented by observers

ALGERIA

Observers

H.E. Mr. Abdelkader Chanderli, Ambassador Extraordinary and Plenipotentiary, Permanent Representative to the United Nations

Mr. Layashi Yaker

Mr. Kemal Hacene, Secretary, Permanent Mission

INDONESIA

Observer

Mr. J. B. P. Maramis, Counsellor of Embassy, Permanent Mission

ISRAEL

Observer

Miss Hava Hareli, Counsellor, Permanent Mission

NEPAL

Observer

Mr. Ram C. Malhotra, First Secretary, Permanent Mission

PAKISTAN

Observer

Mr. S. A. M. S. Kibria, Second Secretary, Permanent Mission

PHILIPPINES

Observer

Mr. Hortencio J. Brillantes, Minister, Permanent Mission

SPAIN

Observers

Mr. Jaime de Piniés, Deputy Permanent Representative to the United Nations

Mr. José Luis Pérez Ruiz, First Secretary of Embassy, Permanent Mission

THAILAND

Observer

Mr. Nissai Vejajiva, Second Secretary, Permanent Mission

UNITED ARAB REPUBLIC

Observers

H.E. Dr. Abdel Monem El Banna, Under-Secretary of State, Ministry of Economy

Dr. Ashraf Ghorbal, Counsellor, Permanent Mission

Mr. Aly Nazif, Counsellor, Economic Affairs, Permanent Mission

Dr. Saad Abdel Fattah Khalil, First Secretary, Permanent Mission

AGENDA
of the resumed thirty-fourth session^{1/}

10. Reports of the regional economic commissions: report of the Economic Commission for Africa.^{2/}
25. Calendar of conferences for 1963: place of meeting of the summer session of the Technical Assistance Committee.^{2/}
28. Elections.
29. Confirmation of members of functional commissions of the Council.
30. Work of the Council in 1963.
32. Implementation of recommendations of the ad hoc Committee established under Council resolution 851 (XXXII): section IV of the report of the Administrative Committee on Co-ordination.^{3/}

^{1/} Items 1 to 9, 11 to 24, 26, 27 and 31 were considered at the first part of the session.

^{2/} Part of this item was considered at the first part of the session.

^{3/} At its 1237th meeting, on 18 December 1962, the Council decided to include this additional item in its agenda.

CHECK LIST OF DOCUMENTS

Note. Listed below are the documents referred to during the resumed thirty-fourth session. The relevant agenda item is given only in the case of documents of that session. An asterisk after the agenda item indicates that the document is published in the corresponding fascicle of the *Official Records of the Economic and Social Council, Resumed Thirty-fourth Session, Annexes*.

<i>Document No.</i>	<i>Title</i>	<i>Agenda item</i>	<i>Observations and references</i>
A/5316	Question of holding an international conference on trade problems: report of the Second Committee		<u>Official Records of the General Assembly, Seventeenth Session, Annexes, agenda items 12, 34, 35, 36, 37, 39 and 84</u>
A/5341	Report of the First Committee		<u>Ibid.</u> , agenda item 27
A/5344 and Add.1	Report of the Second Committee		<u>Ibid.</u> , agenda items 12, 34, 35, 36, 37, 39 and 84
A/5354	Report of the Second Committee		<u>Ibid.</u> , agenda item 38
A/5360	Report of the Second Committee		<u>Ibid.</u> , agenda items 12, 40, 41 and 78
A/5361	Report of the Second Committee		<u>Ibid.</u> , agenda items 33 and 94
A/5365	Report of the Third Committee		<u>Ibid.</u> , agenda items 45 and 47
A/C.2/L.719 and Add.1	Operational, executive and administrative personnel—Bolivia and Niger: draft resolution		<u>Ibid.</u> , agenda items 12, 40, 41 and 78, document A/5360, para. 27
A/C.5/956	Supplementary estimates for 1962 for sections 3, 5 and 10, revised estimates for 1963 for sections 2, 3, 5 and 10 and income section 3 resulting from decisions of the Economic and Social Council: report of the Secretary-General		<u>Ibid.</u> , agenda item 62
A/L.412/Rev.1	Afghanistan, Burma, Indonesia, Lebanon, Philippines, Sudan, Syria, Thailand, Tunisia, and Yugoslavia: revised amendments to draft resolution VI submitted by the Second Committee in document A/5344 and Add.1		<u>Ibid.</u> , agenda items 12, 34, 35, 36, 37, 39 and 84
E/3586	Annual report of the Economic Commission for Africa (19 February 1961–3 March 1962)		<u>Official Records of the Economic and Social Council, Thirty-fourth Session, Supplement No. 10</u>
E/3639	Report of the <u>ad hoc</u> Committee of Eight established under Council resolution 851 (XXXII)		<u>Ibid.</u> , <u>Thirty-fourth Session, Annexes, agenda item 13</u>
E/3695	Twenty-seventh report of the Administrative Committee on Co-ordination	32	Mimeographed. To be printed in the <u>Official Records of the Economic and Social Council for the thirty-sixth session</u>
E/3697	Note by the Secretary-General transmitting a communication from the Minister for Foreign Affairs of Denmark	25*	
E/3699 and Corr.1 and Add.1	Confirmation of members of functional commissions of the Council: note by the Secretary-General	29	Mimeographed. For the list of members confirmed, see <u>Official Records of the Economic and Social Council, Resumed Thirty-fourth Session, Supplement No. 1A, "Other decisions taken by the Council during its resumed thirty-fourth session"</u>

<i>Document No.</i>	<i>Title</i>	<i>Agenda item</i>	<i>Observations and references</i>
E/3702	Integrated programme and budget policy: report of the Secretary-General	30	Mimeographed. To be printed in the <u>Official Records of the Economic and Social Council for the thirty-fifth session</u>
E/3703	Election of members of the Committee on Housing, Building and Planning: note by the Secretary-General	28	Mimeographed
E/L.953 and Corr.1	Memorandum from the permanent representative of Spain		<u>Official Records of the Economic and Social Council, Thirty-fourth Session, Annexes, agenda item 10</u>
E/L.971	Colombia, El Salvador and Uruguay: draft resolution	10*	
E/L.972	Ethiopia and Senegal: draft resolution	10*	
E/L.975	Agenda for the resumed thirty-fourth session of the Council: note by the Secretary-General		Mimeographed. For the agenda of the resumed thirty-fourth session, see above, p. vi
E/L.976	Draft programme prepared by the Secretary-General	30	Mimeographed
E/L.977	Disposal of items arising out of the seventeenth session of the General Assembly: note by the Secretary-General	30	Ditto
E/RES/926 (XXXIV) and E/RES/927 (XXXIV)	Resolutions adopted by the Economic and Social Council during its resumed thirty-fourth session		See <u>Official Records of the Economic and Social Council, Resumed Thirty-fourth Session, Supplement No. 1A, resolutions 926 (XXXIV) and 927 (XXXIV)</u>



ECONOMIC AND SOCIAL COUNCIL

Resumed Thirty-fourth Session

OFFICIAL RECORDS

Tuesday, 18 December 1962,
at 3.25 p.m.

NEW YORK

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President: Mr. Jerzy MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Representatives of the following specialized agencies: International Labour Organisation; Food and Agriculture Organization of the United Nations; United Nations Educational, Scientific and Cultural Organization; World Health Organization.

Inclusion in the agenda of additional items (E/L.975)

1. The PRESIDENT drew the Council's attention to the note by the Secretary-General (E/L.975) concerning the agenda for the resumed thirty-fourth session. He suggested that the additional items mentioned in sections II and III of that note—only two of which were separate items, the other two being part of item 28 (Elections)—be included in the agenda.

2. Mr. KLUTZNICK (United States of America) thought it would be preferable to postpone the review of the composition of the United Nations/FAO Intergovernmental Committee on the World Food Programme until the thirty-fifth session.

3. Mr. UNWIN (United Kingdom) said that his delegation attached the highest importance to that item, which should receive more attention than the Council could devote to it at the resumed thirty-fourth session. While he hoped that the Council would give a favourable reception to the views expressed by the Council of FAO, he joined the United States representative in suggesting the postponement of the item until the thirty-fifth session.

4. The PRESIDENT suggested that the additional items mentioned in the note by the Secretary-General (E/L.975), with the exception of the item to which the United States and United Kingdom representatives had just referred, should be included in the agenda of the resumed thirty-fourth session.

It was so decided.

Order of consideration of agenda items

5. The PRESIDENT understood that some delegations would prefer that the Council should not take up immediately the item entitled "Reports of the regional economic commissions: report of the Economic Commission for Africa". Accordingly, he suggested that the Council should consider first the question of the place of meeting of the summer session of the Technical Assistance Committee, then the item entitled "Implementation of recommendations of the *ad hoc* Committee established under Council resolution 851 (XXXII): section IV of the report of the Administrative Committee on Co-ordination", and then the work of the Council in 1963. Thereafter, the Council could consider the report of the Economic Commission for Africa, and subsequently deal with the elections.

6. Mr. VERAS (Brazil) suggested that the Council deal with the elections before considering the report of the Economic Commission for Africa.

7. The PRESIDENT pointed out that the elections, apart from the fact that they traditionally came last, necessitated preliminary exchanges of view between delegations and that it would therefore be better to keep them at the end.

8. Mr. CARRILLO (El Salvador) and Mr. ARKADYEV (Union of Soviet Socialist Republics) supported the President's suggestions.

9. The PRESIDENT suggested that the Council should follow the course which he had just proposed.

It was so decided.

AGENDA ITEM 25

Calendar of conferences for 1963

PLACE OF MEETING OF THE SUMMER SESSION OF THE TECHNICAL ASSISTANCE COMMITTEE (E/3697)

10. The PRESIDENT recalled that the Council had decided to postpone a decision regarding the place of meeting of the summer session of TAC until after the November 1962 session of that body, as Denmark had indicated that it intended to invite TAC to meet at Copenhagen. He asked delegations to refer to the communication from Denmark (E/3697) and to the report of the Secretary-General to the Fifth Committee of the General Assembly on the financial implications of accepting the Danish Government's offer (A/C.5/956). He suggested that the Council should gratefully accept that invitation.

It was so decided.

11. Mr. PARSONS (Australia) was pleased to observe that the Council was unanimous in accepting the very generous invitation of Denmark, which, like the other Scandinavian countries, had always made a very notable contribution in the technical assistance field. He was gratified by the Council's decision and merely expressed the hope that the enthusiastic acceptance of the Danish invitation would not lead the members of the Council to regard as no longer in effect the tradition whereby TAC met either at Geneva or at Headquarters.

AGENDA ITEM 32

Implementation of recommendations of the ad hoc Committee established under Council resolution 851 (XXXII): section IV of the report of the Administrative Committee on Co-ordination (E/3695)

12. The PRESIDENT recalled that in its resolution 900 A (XXXIV), the Council had requested the Administrative Committee on Co-ordination to consider the report (E/3639) of the ad hoc Committee established under Council resolution 851 (XXXII) and report its views to the Council at its resumed thirty-fourth session. He drew representatives' attention to the pertinent observations of ACC recorded in paragraphs 16 to 59 of its twenty-seventh report (E/3695).

13. Mr. ARKADYEV (Union of Soviet Socialist Republics) wished to state his country's position concerning the recommendations of the ad hoc Committee, to which ACC had devoted section IV of its twenty-seventh report. Those recommendations included some very important ones designed to increase the effectiveness of the United Nations programmes of technical co-operation, with due consideration given to the needs of the less developed countries. It was essential that the competent United Nations organs, and ACC in particular, should have access to all the requisite information concerning the implementation of the recommendations of the ad hoc Committee and the results which were achieved.

14. In paragraph 19 (b) of the ACC report, it was indicated that the fixing of priorities for requests for assistance was the established right of Governments themselves in the context of their over-all development plans. That was a very interesting and a very important principle. His delegation supported that recommendation of ACC, more especially since that principle was not always observed in practice, particularly so far as the Expanded Programme of Technical Assistance was concerned. As his delegation had noted in November at the 281st meeting of TACU, the draft programme had one serious defect: as in the past, it was based, not on the principle of direct allocation to recipient Governments of the funds available under the Expanded Programme of Technical Assistance so that the Governments were able to use the funds in question as they wished in the light of their economic development plans, but on the principle of the allocation of the funds to the specialized agencies, which thus had an opportunity to influence the recipient Governments when priorities were fixed and the operating conditions of the projects were established. That influence was not always—far from it—exercised in the interests of the developing countries.

15. He also drew the Council's attention to paragraph 29 of the ACC report, in which it was said that TAB had reaffirmed the present practice whereby experts provided under EPTA might undertake, where appro-

priate, executive and operational responsibilities in addition to their advisory and training functions. His delegation felt that the special régime applicable to OPEX programme experts could not be extended to United Nations experts; it could not subscribe to a system whereby experts were led to intervene directly in the administrative machinery of the countries concerned. Subject to those reservations, it saw no objection to the Council's taking note of the ACC report, and it agreed that the report should be communicated to the ad hoc Committee.

16. Mr. VIAUD (France) felt that the Council could not take an immediate stand on the important ACC report and that it would be best to transmit the report to the ad hoc Committee with a request that the latter communicate its observations to TAC and to the Governing Council of the Special Fund, which, in turn, could transmit their views to the Council at its thirty-fifth session.

17. The PRESIDENT suggested that the ACC report (E/3695) should be communicated to the ad hoc Committee, so that the latter might examine it further and consider what action should be taken on it.

It was so decided.

AGENDA ITEM 30

Work of the Council in 1963 (E/3702, E/L.976, E/L.977)

18. The PRESIDENT drew the attention of the Council to the list of questions in the draft programme prepared by the Secretary-General (E/L.976), to which it was naturally necessary to add the question of the composition of the United Nations/FAO Inter-Governmental Committee on the World Food Programme, just postponed until the thirty-fifth session for consideration. He also drew the attention of the Council to the Secretary-General's note concerning disposal of items arising out of the seventeenth session of the General Assembly (E/L.977) and to the report of the Secretary-General concerning the work of the Council in 1963 (E/3702). It appeared that it would be necessary to consider paragraph 8 of document E/3702 at the same time as document E/L.976. The Council might consider it preferable not to take up the Secretary-General's report—except for certain paragraphs—at the current session.

19. Mr. KLUTZNICK (United States of America) said that the report of the Secretary-General (E/3702) merited detailed study, in view of its importance for the organization of the Council's work. As the report had been distributed only on 13 December, it seemed wise to postpone its consideration until the Council's thirty-fifth session; in that way, delegations would be able to give to it all the attention desirable.

20. The PRESIDENT suggested that consideration of the report of the Secretary-General (E/3702) should be postponed until the Council's next session, with the exception of paragraphs 8, 10 and 11, on which a decision should be reached without delay.

21. Mr. KLUTZNICK (United States of America) supported the President's suggestion.

22. Mr. VIAUD (France) also supported that suggestion. However, although he had not yet been able to study the report in detail, he would like to make a few preliminary remarks. A review of the programme of meetings and conferences seemed eminently desirable: there were quite a large number of committees and

technical groups whose activities absorbed a sizable proportion of the Secretariat's resources throughout the year. But although some of those bodies did not need to meet every year, there were others which should not be obliged to limit the number of their sessions. Certain adjustments might also be desirable in the case of the regional economic commissions, which, with the exception of ECLA, held annual sessions. An exception should, however, be made in the case of the Economic Commission for Africa, which was of recent creation and had to face problems more numerous and urgent than those of the other commissions. For the time being, therefore, ECA needed to hold meetings more often, on the understanding that when it had become more firmly established it would be able, without inconvenience, to reduce the frequency of its sessions.

23. He also recalled the position adopted by France at the last session (1236th meeting) with regard to the adequate and timely consideration by the Council of the financial implications of its actions. The French delegation regretted that discussion of such implications generally came at the end of the session and was often hurried, whereas consideration at an earlier stage might enable the Council to effect certain services. It attached very great importance to that question, which quite clearly required more thorough examination.

24. The PRESIDENT suggested that the Council should examine paragraphs 8, 10 and 11 of the report of the Secretary-General (E/3702) at the current session and postpone consideration of the rest of the report until its next session.

It was so decided.

25. The PRESIDENT invited the Council to consider paragraph 8 of the report of the Secretary-General (E/3702), sub-paragraph by sub-paragraph.

(i) Declaration on international economic co-operation

26. Mr. ARKADYEV (Union of Soviet Socialist Republics) said that he had no categorical objections to raise. The paragraph as a whole was worded flexibly and with a great deal of diplomacy. But it was essential to avoid anything making for delay. The Under-Secretary for Economic and Social Affairs could perhaps inform the Council whether the Secretariat was in a position to provide the necessary services for the meetings of the working group appointed to formulate a declaration on international economic co-operation and of the Preparatory Committee of the United Nations Conference on Trade and Development, even if such meetings were held at very close intervals. The Soviet Union delegation hoped that it would be possible to hold those meetings without their interfering with the Secretariat's work.

27. Mr. DE SEYNES (Under-Secretary for Economic and Social Affairs) stated that the Secretariat was in a position to provide the necessary services for the two meetings. The Preparatory Committee was to meet during the last two weeks of January in order to settle questions of organization; and a second meeting, at which the technical problems could be examined in greater depth, would be held in May 1963. It was intended to hold a third meeting at a later date, when the Council had fixed, at its July session, the date on which the United Nations Conference on Trade and Development would convene.

28. The Secretariat had considered that it might be preferable to start work on the formulation of the declaration on international economic co-operation once the ample documentation prepared for the Conference had become available. But that was of course for the Council to decide, and the Secretariat could provide the necessary services for the meetings at any date.

29. Mr. KLUTZNICK (United States of America) asked whether it would not be better to keep to the original time-table, in the hope that some of the difficulties could be solved between now and the thirty-fifth session and that the working group would by then be in a position to submit an adequate report.

30. Mr. ARKADYEV (Union of Soviet Socialist Republics) likewise thought that, in view of the information given by the Under-Secretary for Economic and Social Affairs, it would be preferable not to modify the planned time-table.

31. The PRESIDENT suggested that the working group should meet, as planned, from 4 to 15 February 1963 and should report to the Council at its thirty-fifth session.

It was so decided.

(ii) Surveys of the world economic situation

32. Mr. ARKADYEV (Union of Soviet Socialist Republics) said that it would be a pity to limit the World Economic Survey, 1962 to a concise survey of the current world economic situation. It was true that planning problems would be given attention in the Economic Survey of Europe in 1962 and that the Council would have before it, at its thirty-sixth session, an experts' report. However, given the growing importance of planning as an instrument of economic development and the importance attached to the question by the developing countries, it was essential to assemble, without delay, as much concrete information as possible in that field. It should further be remembered that many industrialized countries, including France and the United Kingdom, also appeared to be very interested in questions of planning. While emphasizing that surveys capable of serving as a basis for the economic development of Member States should be made available as quickly as possible, he wished to point out that previous surveys had not always been presented as rationally as might have been wished; subsequent surveys, therefore, should be better balanced. Finally, he was not entirely convinced that the Secretariat lacked resources. The latter might perhaps be used in a different way, so as to be made more productive.

33. Mr. DE SEYNES (Under-Secretary for Economic and Social Affairs) said that it was not without some qualms and hesitation that the Secretariat had proposed to limit the scope of the World Economic Survey, 1962. As the same staff had to prepare the first part of the Survey, relating to economic planning, and simultaneously prepare for the United Nations Conference on Trade and Development, it would be difficult for them to discharge both tasks successfully at the same time. The Secretariat fully recognized the importance of the surveys on planning and would neglect no aspect of them. The Council would have before it, at its thirty-sixth session, the report of the group of experts which had met for the first time in August 1962 and was to meet again in March 1963. The Council would also have at its disposal the Economic Survey of Europe in 1962, dealing with planning, which should prove to be a

most useful document, as it was in Europe that a great variety of patterns of planning, used by States with differing economic conceptions, was to be found. A further point was that, work on systems of planning should be considered as a continuous activity spread over several years. Obviously, major changes in the proposed work programme would inevitably have financial implications.

34. Mr. VIAUD (France) said that he too thought it would be unfortunate to have to limit the World Economic Survey, 1962 to a concise survey. If, however, the Secretariat thought that the preparation of the United Nations Conference on Trade and Development would absorb a large part of its resources, those resources would obviously have to be assigned to the project deserving the highest priority. Furthermore, it would be recalled that such studies were made available to delegations somewhat belatedly, so that Governments were not always able to examine them thoroughly before the discussion began. The additional time which the Secretariat would have at its disposal might make it possible to assemble more data; moreover, once the records of the United Nations Conference on the Application of Science and Technology for the Benefit of Less Developed Areas had been issued, it would be possible to take into account the section of those records dealing with organization, planning and programming for economic development, which would unquestionably increase the value of the Survey. It was in that spirit and in the light of the financial implications which any change in the Secretariat's work programme would entail, that his delegation accepted the latter's proposal, on the understanding that the complete study of research on planning and programming would not be neglected as a result.

35. Mr. BHADKAMKAR (India) said that the developing countries, which to a certain extent he represented in the Council, were keenly interested in the United Nations Conference on Trade and Development, as the discussions in the Second Committee during the seventeenth session of the General Assembly had shown. The Secretary-General's proposal was clearly based on the fact that available resources, both in funds and in staff, were limited, and the Council was therefore obliged to make a choice between the complete success of the Conference and a detailed survey of the world economic situation. He associated himself with the remark just made by the French representative concerning the financial implications of a possible change in the Secretariat's work programme. His delegation was accordingly obliged to support the Secretary-General's proposal.

36. Mr. NATORF (Poland) said that he did not wish to place the Secretariat in an impossible situation; nevertheless, he regretted that the Council should find itself forced to make a choice between the preparation of the Conference and the drafting of the first part of the World Economic Survey, 1962. He feared, moreover, that the work on the Conference would occupy the Secretariat for the whole of 1963 and would accordingly jeopardize the preparation of the first part of the Survey for 1963, relating to planning. Perhaps the Under-Secretary for Economic and Social Affairs could provide information on that point, as also on the stage which the preparation of part I of the Survey had now reached. In 1962, that first part, which had dealt with industrialization, had been submitted to the Committee for Industrial Development at the beginning of March. If part I of the Survey was equally far advanced

now, it might be possible, by expediting the work somewhat, to complete it, at least in its broad outline.

37. Mr. KLUTZNICK (United States of America) said that, although he shared the Soviet representative's interest in the World Economic Survey and in the problems of planning, he supported the proposal of the Secretary-General for the reasons which the latter had given. Making the World Economic Survey more concise would in no way impair its quality; furthermore, the study made by the Economic Commission for Europe and the report of the experts would provide sufficient documentation to enable the Council to give due consideration to the problems of planning.

38. With regard to the misgivings expressed by the Polish representative, who did not wish to see the same situation arise in connexion with the 1963 Survey, he thought that it was for the members of the General Assembly's Fifth Committee to take the requisite steps to ensure that the Secretary-General would have at his disposal sufficient staff to draw up the first part of that Survey.

39. Mr. DE SEYNES (Under-Secretary for Economic and Social Affairs), replying to the questions asked by the representative of Poland, stated formally that if the Council adopted the Secretary-General's proposal, the preparation of part I of the Survey, dealing with economic planning, would be undertaken in time for it to be submitted to the Council in the summer of 1964. In any case, the documentation intended for the Conference was bound to be completed by the end of 1963, since it would have to be ready for the last session of the Preparatory Committee.

40. So far as the Polish representative's second question was concerned, he pointed out that the part of the Survey which had been published in February 1962 for the benefit of the Committee for Industrial Development had represented only a third of the entire first part of the Survey. The bulk of the work was done, not during the two or three succeeding months, but later. Moreover, the minimum documentation envisaged for the Conference already constituted a very considerable list and there could scarcely be any doubt that the Preparatory Committee would lengthen it. The best way of guaranteeing the quality of the documentation intended for the Conference without reducing its volume would therefore be to spread the study of planning problems over two years, as the Secretary-General proposed.

41. The PRESIDENT suggested that, in the light of the explanations given by the Under-Secretary, the Council should adopt the Secretary-General's proposal contained in paragraph 8 (ii) of his report (E/3702).

It was so decided.

(iii) *General review of the development, co-ordination and concentration of the economic, social and human rights programmes and activities of the United Nations, the specialized agencies and the International Atomic Energy Agency as a whole*

42. The PRESIDENT observed that the question raised in paragraph 8 (iii) was largely a technical one, since it concerned the possibility of combining several documents.

43. Mr. KLUTZNICK (United States of America) wondered whether consideration of that question should not be deferred to the Council's thirty-fifth session since it was related to the point dealt with

under (a) in the report (E/3702), which the Council had decided to refer to that session.

44. Mr. ARKADYEV (Union of Soviet Socialist Republics) expressed surprise at the suggestion that consideration of sub-paragraph (iii) should be deferred to the thirty-fifth session when the same question, formulated in identical terms, was the subject of item 4 of the draft list of questions to be considered at the thirty-sixth session (E/L.976). The wording of that item, moreover, seemed to him to be extremely obscure and to imply an unlimited amount of work and activity, whereas the Secretary-General, as had just been shown, lacked sufficient staff to prepare other studies which were much more important. He felt that activities relating to co-ordination had expanded unduly in recent years and had in a sense come to be an end in themselves, thus giving rise to unnecessary work and expenditure. For example, the Special Committee on co-ordination established at the Council's thirty-fourth session (resolution 920 (XXXIV)) seemed to him quite pointless. He urged members of the Council and the Under-Secretary to reflect on the matter and contemplate a bold solution which would make it possible to control and limit co-ordination activities.

45. Mr. DE SEYNES (Under-Secretary for Economic and Social Affairs) emphasized that the proposal made by the Secretary-General in sub-paragraph (iii) was actually based on considerations akin to those stated by the USSR representative. The obscurity of the title of that sub-paragraph reflected, to some extent, the confusion resulting from successive decisions taken by different bodies with regard to co-ordination, and the Secretariat was trying to introduce a measure of order so as to eliminate any overlapping in the relevant documentation. Sub-paragraphs (d) and (e) of the annotations concerning item 4 of the draft list of questions to be considered at the thirty-sixth session (E/L.976) provided for the preparation of two different reports on subjects which were very closely related. That was what the Secretary-General was seeking to avoid.

46. The PRESIDENT noted that it was not the examination of the question itself which was to be referred to the thirty-fifth session, but the decision concerning the Secretary-General's proposal to combine two documents in one. He therefore suggested that the Council should defer to the thirty-fifth session its consideration of paragraph 8 (iii) together with that of the rest of the Secretary-General's report (E/3702).

It was so decided.

(iv) United Nations Development Decade

(v) International flow of capital and assistance

47. The PRESIDENT suggested that the Council should adopt the proposals made by the Secretary-General in those two sub-paragraphs.

It was so decided.

(vi) The role of patents in the transfer of technology to under-developed countries

48. Mr. SEYDOUX (France) said that the question was a very important one, requiring intensive technical study, and he wondered whether it would not be preferable, in view of the Secretariat's heavy work-load for 1964, to postpone submission of the report involved until a date subsequent to the United Nations Conference on Trade and Development. He suggested that the Secretary-General's proposal be amended to that effect.

49. Mr. VERAS (Brazil) supported the Secretary-General's proposal, which allowed sufficient time for the assembling of the necessary data and did not unduly delay consideration of a very urgent matter.

50. Mr. SEYDOUX (France) pointed out that his proposal had been designed not to delay the inquiry but merely to lighten the task of the Secretariat. Without pressing his proposal, he suggested that the Council should adopt a more flexible formula which would, for example, permit the Secretary-General to submit an interim report in 1964 if it had proved impossible to complete the final report.

51. Mr. KLUTZNICK (United States of America) appreciated the concern of the Brazilian delegation, which had been the first to raise the question of patents, and of the French delegation; however, if the Secretary-General had proposed the submission of the report in 1964, it was because he believed that the report could be ready by that time, and it seemed therefore that the Council could adopt that proposal.

52. The PRESIDENT suggested that the Council adopt the Secretary-General's proposal, on the understanding that, if a further extension of time was necessary, the matter could be re-examined in 1963.

It was so decided.

(vii) Reports of the regional economic commissions

53. Mr. NATORF (Poland) fully supported the Secretary-General's proposal to combine two reports in one. He was surprised, however, that that item still appeared on the provisional agenda of the thirty-sixth session, since the Council had just decided, in accordance with the Secretary-General's proposal in sub-paragraph (iv), to defer to the thirty-eighth session consideration of the report requested in paragraph 13 of resolution 916 (XXXIV).

54. Mr. DE SEYNES (Under-Secretary for Economic and Social Affairs) explained that two series of reports would be drawn up under the general heading of the United Nations Development Decade. First, reports would be prepared periodically, throughout the ten years in question, in order to keep the Council informed of the projects which would be set up under the Decade; secondly, reports would be drafted, no doubt also periodically, on the progress of the under-developed countries towards achievement of the Decade's objective, *viz*, a 5 per cent rate of annual growth. It seemed preferable to await the thirty-eighth session for the submission of a report in the second category, since at that time it would be easier to evaluate the rate of growth in the under-developed countries, and that was the purpose of the proposal in sub-paragraph (iv); on the other hand, the Secretary-General could certainly submit at the thirty-sixth session a study on the stage reached in the work, particularly with regard to the regional economic commissions.

55. The PRESIDENT suggested that the Council should adopt the Secretary-General's proposal contained in sub-paragraph (vii).

It was so decided.

56. The PRESIDENT asked the Council to take a decision on the Secretary-General's proposal, made in paragraph 10 of his report (E/3702), to cancel the meeting of the United Nations Consultative Group on the Prevention of Crime and the Treatment of Offenders, scheduled for December 1963 at Geneva.

The proposal was adopted.

57. The PRESIDENT drew the attention of members of the Council to paragraph 11 of the Secretary-General's report (E/3702).

58. Mr. HIREMATH (India) was gratified to note that the Secretary-General was not recommending the delaying of the Conference on International Travel and Tourism, which was a matter of great importance. The developing countries urgently needed to increase their foreign exchange earnings and to achieve equilibrium in their balance of payments; and the development of tourism, in addition to promoting understanding between peoples, was a very effective method of attaining those objectives. The Conference, planned for 1961, had already been deferred to 1963, and a further delay would have a harmful effect on the under-developed countries. Moreover, since Italy had generously offered to pay the supplementary costs of the Conference if it was held at Rome, the expenditure involved by the Conference should not be very high.

59. Mr. EL-FARRA (Jordan) fully supported the remarks of the Indian representative and expressed surprise that the Council should need to reaffirm the urgency of the Conference, which it had already affirmed in its resolution 870 (XXXIII). He wondered, moreover, whether the terms of reference of the Advisory Committee on Administrative and Budgetary Questions authorized that body to recommend appropriations subject to conditions, when the Council was one of the principal organs of the United Nations.

60. Mr. UNWIN (United Kingdom) expressed agreement with the view of the Indian representative and added that tourism was also an effective means of stimulating the transport industries of the developing countries. The United Kingdom was keenly interested in the Conference and had already begun preparatory work in connexion with it.

61. Mr. DELGADO (Senegal), Mr. WODAJO (Ethiopia), Mr. FINGER (United States of America), Mr. SEYDOUX (France), Mr. CARILLO (El Salvador) and Mrs. WRIGHT (Denmark) supported the opinions expressed by the previous speakers.

62. The PRESIDENT suggested that the Council should confirm its previous decision regarding the Conference.

It was so decided.

63. The PRESIDENT suggested that the Council should consider its programme of work for 1963 (E/L.976), as amended by the decisions which the Council had just taken when considering paragraph 8 of the Secretary-General's report (E/3702).

64. Mr. ARKADYEV (Union of Soviet Socialist Republics) wished to draw attention to one aspect of the question of the measures to be taken for the effective preparation of the United Nations Conference on Trade and Development. By its resolution 919 (XXXIV) the Council had, on the basis of a proposal by the United States delegation, set up a special group of experts to study the activities of the various international organizations which were concerned with trade. At its thirty-fourth session the Council had not known that the General Assembly, at its seventeenth session, would take decisions concerning the Conference and would recommend the creation of an expanded preparatory committee. In view of those decisions, however, it would perhaps be possible to centralize the activities of the two bodies in question, especially as the group of experts was to report to the Preparatory Committee.

65. Mr. FINGER (United States of America) agreed that there was a link between the work of the group of experts created by resolution 919 (XXXIV) and that of the United Nations Conference on Trade and Development, but said that the nature of the group of experts was different from that of the Preparatory Committee of the Conference. The decision embodied in resolution 919 (XXXIV), the text of which had been submitted by several delegations including that of the United States, had been taken irrespective of whether or not the Conference would actually be held: the sponsors of the text had thought that the technical study mentioned in the resolution should be made in any case. Moreover, the group would be composed of experts and not of Government representatives. Since, however, the General Assembly had decided to endorse the Council's decision concerning the holding of the Conference, it was normal and logical for the report of the group of experts to be submitted to the Preparatory Committee, which was to be composed of representatives of Governments. The report would also be submitted to other bodies, including GATT and the Commission on International Commodity Trade, but that did not necessarily mean that the group of experts should be merged with one or other of those bodies.

66. Mr. ARKADYEV (Union of Soviet Socialist Republics) thanked the United States representative for his explanations, but said it was his understanding that the Secretariat intended to convene the Preparatory Committee on 14 or 15 January 1963. It therefore hardly seemed possible for the group of experts to meet in time for its report to be submitted to the Preparatory Committee. Consequently, it might be possible to set up, within the Preparatory Committee, a small group which would fulfil the task originally assigned to the group of experts.

67. Mr. DE SEYNES (Under-Secretary for Economic and Social Affairs) said the Secretariat contemplated that the group of experts would meet from 18 February to 8 March. The January session of the Preparatory Committee would be devoted solely to the organization of work; the Committee would, however, hold a longer session—probably in May—at which it would be able to study problems relating to primary commodity trade, since the documentation on those problems would be ready then. The report of the group of experts could be included in that documentation.

68. Mr. FINGER (United States of America) thanked the representative of the Secretary-General for making it clear that there was no need to re-open the question of the decision taken by the Council in its resolution 919 (XXXIV).

69. Mr. ARKADYEV (Union of Soviet Socialist Republics) pointed out that, at its seventeenth session, the General Assembly had taken a decision on item 7 of the draft list of agenda items for the Council's thirty-sixth session (E/L.976); it would be logical for that decision to be reflected in the title of item 7.

70. The PRESIDENT recalled that, at its next meeting, the Council would consider the questions arising out of decisions taken by the General Assembly at its seventeenth session. He suggested that the draft programme prepared by the Secretary-General (E/L.976) should be adopted.

It was so decided.

The meeting rose at 6.10 p.m.



ECONOMIC AND SOCIAL COUNCIL

Wednesday, 19 December 1962,
at 11 a.m.Resumed Thirty-fourth Session
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Agenda item 30:

Work of the Council in 1963 (concluded) 7*President:* Mr. Jerzy MICHALOWSKI (Poland).*Present:*

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Czechoslovakia.

Representatives of the following specialized agencies: International Labour Organisation; Food and Agriculture Organization of the United Nations; United Nations Educational, Scientific and Cultural Organization; World Health Organization; International Bank for Reconstruction and Development; International Monetary Fund.

AGENDA ITEM 30

Work of the Council in 1963 (E/L.976, E/L.977) (concluded)

1. The PRESIDENT drew the attention of the Council to the Secretary-General's note concerning the disposal of items arising out of the seventeenth session of the General Assembly which affected the Economic and Social Council (E/L.977). He suggested that the Council should review each of the decisions of the General Assembly, in the order in which they were set forth in the note.

It was so decided.

(a) *Committee on Housing, Building and Planning (resolution 1772 (XVII))*

2. The PRESIDENT suggested that the membership of the Committee on Housing, Building and Planning should be enlarged by three and that election of the twenty-one members of the Committee should take place at the current session under agenda item 28.

It was so decided.

3. Mr. MAKEEV (Union of Soviet Socialist Republics) said he had no objection to the proposal to enlarge the Committee, but its membership should be based on an equal representation of the three groups of States into which the world was divided.

(b) *The further promotion and encouragement of respect for human rights and fundamental freedoms (resolution 1776 (XVII))*(c) *Preparation of a draft declaration and a draft convention on the elimination of all forms of racial discrimination (resolution 1780 (XVII))*(d) *Preparation of a draft declaration and a draft convention on the elimination of all forms of religious intolerance (resolution 1781 (XVII))*(e) *Draft International Covenants on Human Rights: proposals relating to an article on the rights of the child (A/5365, draft resolution A¹/)*

4. The PRESIDENT suggested that the resolutions in question should be transmitted to the Commission on Human Rights.

It was so decided.

5. Mr. FINGER (United States of America) expressed the hope that the session of the Commission on Human Rights to be held in Geneva would not be prolonged beyond four weeks.

6. The PRESIDENT replied that the Council had merely decided to refer the resolutions in question to the Commission on Human Rights but had not decided to prolong the Commission's next session beyond the scheduled four weeks. Moreover, the resolutions mentioned in items (c) and (d) would be referred first to the Sub-Commission on Prevention of Discrimination and Protection of Minorities.

(f) *United Nations assistance in the advancement of women in developing countries (resolution 1777 (XVII))*

7. The PRESIDENT suggested that the resolution in question should be transmitted to the Commission on the Status of Women and should be included under item 20 in the draft list of questions for the thirty-sixth session (E/L.976).

It was so decided.

(g) *International co-operation to assist in the development of information media in less developed countries (resolution 1778 (XVII))*

8. The PRESIDENT suggested that the resolution in question should be transmitted to the regional economic commissions.

It was so decided.

(h) *Draft recommendation on consent to marriage, minimum age for marriage and registration of marriages (resolution 1763 B (XVII))*

9. The PRESIDENT suggested that the resolution in question should be transmitted to the Commission on the Status of Women and included under item 20 in the draft list of questions for the thirty-sixth session.

It was so decided.

(i) *Measures to be adopted in connexion with the earthquake in Iran (resolution 1753 (XVII))*

10. The PRESIDENT suggested that the resolution in question should be transmitted to the Technical Assistance Committee.

It was so decided.

¹/ Subsequently General Assembly resolution 1843 A (XVII).

(j) *United Nations Conference on Trade and Development (resolution 1785 (XVII))*

11. The PRESIDENT suggested that the Council should enlarge the Preparatory Committee of the Conference, hold the necessary elections at its current session, transmit the resolution and explanatory statement (E/5316, annex) to the Preparatory Committee, and include in the provisional agenda for the Thirty-fifth session an item entitled "United Nations Conference on Trade and Development". He also suggested that the Council should act upon the resolution under item 5 in the draft list of questions for the thirty-sixth session.

It was so decided.

(k) *Activities of the United Nations in the field of industrial development (A/5344, draft resolution II^{2/})*

12. The PRESIDENT suggested that the resolution in question should be transmitted to the advisory committee established under Council resolution 873 (XXXIII) and to the Committee for Industrial Development. He also suggested that the resolution should be included under item 11 in the draft list of questions for the thirty-sixth session.

It was so decided.

(l) *International measures to assist in offsetting fluctuations in commodity prices (A/5344, draft resolution XI^{3/})*

13. The PRESIDENT suggested that the Council should transmit the resolution in question to the Commission on International Commodity Trade and should include it for appropriate action under item 9 in the draft list of questions for the thirty-sixth session.

It was so decided.

(m) *Decentralization of the economic and social activities of the United Nations and strengthening of the regional economic commissions (A/5344, draft resolution IV^{4/})*

14. The PRESIDENT suggested that the Council should transmit the resolution in question to the regional economic commissions and include it and the report referred to in paragraph 4 thereof under item 13 in the draft list of questions for the thirty-sixth session.

It was so decided.

(n) *The role of the United Nations in training national technical personnel for the accelerated industrialization of the less developed countries (A/5344, draft resolution V^{5/})*

15. The PRESIDENT suggested that the Council should transmit the resolution in question to the Committee for Industrial Development, the Technical Assistance Committee and the regional economic commissions. He also suggested that the resolution and report of the Secretary-General requested in paragraph 2 thereof should be considered at the thirty-eighth session in 1964.

It was so decided.

(o) *Land reform (A/5344, draft resolution X^{6/})*

16. The PRESIDENT suggested that the resolution in question should be transmitted to the regional eco-

nomics commissions and should be reconsidered at the fortieth session of the Council in 1965.

It was so decided.

(p) *Population growth and economic development (A/5354, draft resolution 7/)*

17. Mr. FRANZI (Italy), supported by Mr. PATIÑO (Colombia), pointed out that when the resolution in question had been considered by the General Assembly (1197th plenary meeting), the final clause of operative paragraph 6 beginning with the words "and that the United Nations give technical assistance..." had been deleted. He therefore suggested that the resolution should not be transmitted to the Technical Assistance Committee.

It was so decided.

18. The PRESIDENT suggested that the resolution in question should be transmitted to the Population Commission and the regional economic commissions. He also suggested that the resolution should be included under item 9 in the draft list of questions for the thirty-fifth session and reconsidered by the Council in 1964.

It was so decided.

(q) *African educational development (A/5360, draft resolution I^{8/})*

19. The PRESIDENT suggested that the resolution in question should be transmitted to the Economic Commission for Africa.

It was so decided.

(r) *Operational, executive and administrative personnel (A/C.2/L.719 and Add.1)*

20. The PRESIDENT pointed out that the text in question had been submitted as a draft resolution by Bolivia and Niger to the Second Committee of the General Assembly. He suggested that, in accordance with the Second Committee's decision, the Council should transmit the draft resolution to the Technical Assistance Committee.

It was so decided.

21. Mr. VIAUD (France) suggested that an explanatory memorandum summarizing the discussions held in the Second Committee should accompany the text of the draft resolution.

22. The PRESIDENT proposed to the Council that the summary record of the debate on the subject which had taken place in the Second Committee (876th meeting) should accompany the text of the draft resolution.

It was so decided.

23. Mr. FINGER (United States of America) suggested that the draft resolution should also be sent to the *ad hoc* Committee of Ten established under Council resolution 851 (XXXII).

It was so decided.

(s) *Integrated programme and budget policy (resolution 1797 (XVII))*

24. The PRESIDENT pointed out that at its preceding meeting the Council had already taken action on the resolution in question.

^{2/} Subsequently General Assembly resolution 1821 (XVII).

^{3/} Subsequently General Assembly resolution 1829 (XVII).

^{4/} Subsequently General Assembly resolution 1823 (XVII).

^{5/} Subsequently General Assembly resolution 1824 (XVII).

^{6/} Subsequently General Assembly resolution 1828 (XVII).

^{7/} Subsequently General Assembly resolution 1838 (XVII).

^{8/} Subsequently General Assembly resolution 1832 (XVII).

(t) *Declaration on the conversion to peaceful needs of the resources released by disarmament (A/5361, draft resolution^{2/})*

25. Mr. ARKADYEV (Union of Soviet Socialist Republics) considered that as the next practical step in the application of the Declaration on the conversion to peaceful needs of the resources released by disarmament, the Declaration should be transmitted to Governments, to the regional economic commissions, to the specialized agencies and to other competent United Nations bodies. Such a step was implicit in the text of the Declaration itself. The title of the item to be considered at the thirty-sixth session should also be extended to read "Economic and social consequences of disarmament and United Nations activities in implementation of the Declaration on the conversion to peaceful needs of the resources released by disarmament".

26. Mr. FINGER (United States of America) agreed with the proposal to transmit copies of the Declaration to various Governments and agencies since further action was called for. However, the United States delegation could not agree to any change in the wording of the item. The United States had been a sponsor, together with the Soviet Union, of the draft resolution on the economic aspects of disarmament which had been unanimously adopted by the Assembly. The resolution called for no action by the Council or the Secretary-General other than that indicated in Council resolution 891 (XXXIV), which had been entitled "Economic and social consequences of disarmament". The Assembly resolution had only three operative paragraphs calling for action by the Council or the Assembly. Paragraph 6 simply concurred in Council resolution 891 (XXXIV); paragraph 7 requested the Secretary-General to submit the report he was to prepare in accordance with resolution 891 (XXXIV) to the Assembly, and paragraph 8 called for intensified efforts to carry out General Assembly resolution 1708 (XVI). That fact was clear not only from the text of the paragraph itself but also from the statement made by the United States representative in the Second Committee (862nd meeting) when he introduced the draft resolution on behalf of the sponsors. No other interpretation had been given to the text of the draft before the vote either in the Second Committee or in the plenary meeting, and the resolution had been adopted unanimously on that understanding. It had therefore been surprising to hear Ambassador Arkadyev attempt after the vote to read something entirely different into the text. There was reason to fear that any rewording of the item might give rise to further attempts to distort the meaning of the General Assembly's action in the matter.

27. Mr. ARKADYEV (Union of Soviet Socialist Republics) said that there was no question of his placing a different interpretation on the draft; he was merely concerned to see practical steps taken to give effect to the Declaration. It would have been useless to adopt such a declaration if it was not intended to carry it out. The United States delegation seemed to wish to consider paragraphs 6 and 7 of the resolution as something separate from the Declaration, whereas the Soviet delegation wished to view the question in its entirety.

28. Mr. FINGER (United States of America) said that he would be in favour of submitting the Declaration as

a document to be considered in connexion with the item. Alternatively, it could form the subject of a sub-item.

29. The PRESIDENT suggested that, in accordance with the various proposals made, the Council should take account of the resolution in considering item 7 in the draft list of questions for its thirty-sixth session: "Economic and social consequences of disarmament". The item would have a sub-heading entitled "United Nations activities in implementation of the Declaration on the conversion to peaceful needs of the resources released by disarmament", and the draft resolution would be circulated to Governments, specialized agencies and regional economic commissions.

It was so decided.

(u) *Establishment of a United Nations capital development fund (A/5344, draft resolution VIII^{10/})*

30. The PRESIDENT suggested that the resolution and the report in question should be included in the draft list of items for the thirty-sixth session under item 8 (b): "Financing of economic development: United Nations capital development fund".

It was so decided.

(v) *United Nations training and research institute (A/5344, draft resolution IX^{11/})*

31. Mrs. WRIGHT (Denmark) considered that the resolution in question should be considered at the thirty-sixth session under item 6 (United Nations Development Decade), rather than under item 15 (Programmes of technical co-operation).

It was so decided.

(w) *International co-operation in the peaceful uses of outer space (A/5341, draft resolution^{12/})*

32. The PRESIDENT suggested that the Council should consider the reports requested from the World Meteorological Organization and the International Telecommunication Union under a sub-item which would be entitled "International co-operation in the peaceful uses of outer space" of item 16 in the draft list of questions for the thirty-sixth session: "Questions relating to science and technology".

It was so decided.

(x) *Continuation of the Office of the United Nations High Commissioner for Refugees (resolution 1783 (XVII))*

33. The PRESIDENT suggested that the Council should review the membership of the Executive Committee of the Programme of the United Nations High Commissioner for Refugees at the thirty-sixth session when it discussed, under item 24, the report of the United Nations High Commissioner for Refugees.

It was so decided.

(y) *Permanent sovereignty over natural resources (A/5344/Add.1, draft resolution as amended by document A/L.412/Rev.2^{13/})*

(z) *Inflation and economic development (A/5344, draft resolution XII^{14/})*

34. The PRESIDENT suggested that the Council should consider the report on the various aspects of

^{10/} Subsequently General Assembly resolution 1826 (XVII).

^{11/} Subsequently General Assembly resolution 1827 (XVII).

^{12/} Subsequently General Assembly resolution 1802 (XVII).

^{13/} Subsequently General Assembly resolution 1803 (XVII).

^{14/} Subsequently General Assembly resolution 1830 (XVII).

^{2/} Subsequently General Assembly resolution 1837 (XVII).

permanent sovereignty over natural resources, and the resolution regarding inflation and economic development, in 1964.

It was so decided.

35. The PRESIDENT suggested that, as no action was required concerning the other resolutions brought to its attention, the Council should simply take note of them.

It was so decided.

36. The PRESIDENT stated that with the decisions taken at its 1237th and 1238th meetings, the Council had completed the consideration of its basic programme for 1963 and had agreed upon the provisional agenda for its thirty-fifth session. He suggested that the Secretariat might be asked to prepare, in consultation with delegations and specialized agencies, a document indicating the order of priority and, if possible, the date for the discussion of questions to be considered at the Council's thirty-fifth session.

It was so decided.

The meeting rose at 12.10 p.m.



ECONOMIC AND SOCIAL COUNCIL

Wednesday, 19 December 1962,
at 3.5 p.m.Resumed Thirty-fourth Session
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President: Mr. Jerzy MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Portugal, South Africa, Spain.

Representatives of the following specialized agencies: International Labour Organisation; Food and Agriculture Organization of the United Nations; United Nations Educational, Scientific and Cultural Organization; World Health Organization.

AGENDA ITEM 10

Reports of the regional economic commissions

REPORT OF THE ECONOMIC COMMISSION FOR
AFRICA (E/3586, E/L.953 AND CORR.1, E/L.971,
E/L.972)

1. Mr. WODAJO (Ethiopia) wished first of all to state that the decisions of the Economic Commission for Africa, which were set forth in resolutions 42 (IV) and 44 (IV) contained in the third part of its report (E/3586), were not vindictive in nature and should by no means be considered a refusal on the part of the African States to co-operate with the former colonial Powers on a new basis and with due regard for national sovereignty. It was evident that the financial and technological resources of the former metropolitan countries and their familiarity with African problems could help considerably in the economic development of that continent, while their language and commercial ties, for example, could be utilized for the benefit of Africa and Europe, as well as to further the new concept of international co-operation under the United Nations system.

2. The Commission's recommendation that France and the United Kingdom should take part in its work as associate rather than full members had been motivated by a desire to take note of the new situation resulting, first, from the decolonization process and, secondly, from General Assembly resolution 1466 (XIV) and ECA resolution 24 (III) relating to the participation of Non-Self-Governing Territories in the work of ECA.

3. Spain had not furnished the information requested in those two resolutions with regard to its attitude

concerning the participation of its African territories in the work of the Commission. ECA had logically interpreted Spain's non-compliance as a refusal to co-operate with an organ which had been established to promote international co-operation. Portugal, for its part, had refused to comply with the resolutions of the Assembly and the Commission, claiming that its African colonies were an integral part of its territory, an argument which had already been rejected several times by the Assembly. The African Governments had therefore felt that the participation of those two countries could not make any useful contribution to the fight against poverty, illiteracy and disease in Africa.

4. South Africa's apartheid policy in practice deprived the great majority of its inhabitants of the advantages which its participation in ECA should have afforded it. The South African Government had refused to allow an inquiry into the economic and social implications of racial discrimination to be conducted in its territory and had in fact severed relations with the Commission by boycotting the previous session. The Commission had therefore merely taken note of that refusal to co-operate when it had recommended that the Council deprive South Africa of membership of ECA until it agreed to extend the benefits of ECA activities to the majority of its inhabitants.

5. In the view of the African Governments, the recommendations of ECA could give rise to no legal or constitutional difficulties. The Commission had been established by Council resolution 671 (XXV), in accordance with General Assembly resolution 1155 (XII) and Article 68 of the United Nations Charter. Paragraph 5 of ECA's terms of reference, which were set forth in the Council resolution, listed the countries eligible for membership in the Commission, which had originally included South Africa but not Portugal, and paragraph 4 defined the geographical scope of the Commission's work; however, nothing in the resolution gave any State the right to membership in the Commission by virtue of its geographical position, just as nothing prevented a non-African State from becoming a member of the Commission.

6. His delegation believed that the Council was competent to amend the terms of a resolution which it had itself adopted. Moreover, the purpose of a regional economic commission was the encouragement of economic co-operation with a view to economic development, and under the existing circumstances there was no basis for hoping that any co-operation could be expected between Portugal and South Africa, on the one hand, and the rest of Africa, on the other. The Council should consider the ECA recommendation in the light of those considerations alone.

7. The statements made at the thirty-fourth session of the Council by France (1212th meeting) and the United Kingdom (1213th meeting) to the effect that those two countries would refrain, as in ECAFE, from voting against proposals supported by the countries on the continent concerned, and the memo-

random by which Spain had declared that it was prepared to comply with resolution 1466 (XIV) of the General Assembly and resolution 24 (III) of ECA (E/L.953 and Corr.1) could be considered new elements which should be duly taken into consideration. On the other hand, South Africa and Portugal continued to defy the decisions of the Assembly and the Commission with impunity; there was therefore no reason to re-examine the matter. For that reason, his delegation and that of Senegal had sponsored a draft resolution (E/L.972) and supported draft resolution IV, which the Commission urged the Council to adopt (E/3586, fourth part).

8. Mr. CARRILLO (El Salvador) said that his delegation's sponsorship, together with Colombia and Uruguay, of a draft resolution (E/L.971) had been motivated by the friendly relations maintained by those countries with France, the United Kingdom and Spain and with the new African States which were endeavouring, with the help of ECA, to develop their economy and to strengthen international co-operation. Those countries hoped that, since they belonged to a different regional grouping, they could enlist goodwill so as to achieve a constructive result in keeping with the Council's traditions. The draft resolution took note of the French and United Kingdom statements and the Spanish memorandum, factors which the Commission should have the opportunity to take into consideration.

9. He stated that the sponsors of draft resolution E/L.971 wished to make several small changes in their text: in the second preambular paragraph, the words "section III of the draft resolution" should be replaced by the words "draft resolution III"; in the fourth preambular paragraph, the word "economic" should be deleted; lastly, in the operative paragraph, the words "the provisions of section III of" should be deleted and the words "which concern" should be replaced by "as far as it concerns".

10. Mr. DELGADO (Senegal) supported the Ethiopian representative's remarks and emphasized the great importance of the problem to the African States. As some metropolitan States were fulfilling their territorial responsibilities resulting from the decolonization process and others were following a policy which was incompatible with the aims of ECA, a new solution had to be found in those two cases.

11. As regards Portugal and South Africa, he reaffirmed his delegation's position, expressed at the thirty-fourth session of the Council (1211th meeting), calling for the immediate expulsion of those two countries, and he recalled that the Minister for Foreign Affairs of Senegal, during the seventeenth session of the General Assembly (1012th plenary meeting), had called for their expulsion from the United Nations.

12. ECA was a regional body established by the Assembly to aid in solving the economic problems common to all African countries; it was thus based on co-operation, and it could be said that, more than any other, it was particularly homogeneous and had become a true family of nations. It was therefore impossible to force it to accept the presence of two declared enemies of Africa whose policies—which were condemned by the conscience of the entire world—were incompatible with even the technical objectives of the Commission. It would be infinitely distressing for Africa if the Council failed to ratify the resolution adopted unanimously by the African member States of

ECA. In any event, Africa had made its decision and, through the only two African representatives in the Council, it was again urging the Council to adopt draft resolution E/L.972 and draft resolution IV, which ECA recommended that the Council adopt.

13. While his delegation considered itself bound by ECA resolution 42 (IV), it took note of the new elements contained in the statements of the representatives of France and the United Kingdom and in the memorandum of the representative of Spain; it therefore would not oppose the three-Power draft resolution.

14. Mr. SEYDOUX (France) emphasized the importance of the subject under discussion, both from the legal point of view—since it concerned one of the aspects of the universality of the United Nations—and from the practical point of view, since the African and European countries wanted to establish useful co-operation with a view to promoting the economic and social development of Africa.

15. His Government understood and approved of the concern of the Africans, to the extent that they themselves managed their own affairs, but it hoped that the Council, in the very interest of the African countries, would, in making its decisions, take note of the terms on which France was participating in the work of ECA. In that connexion, he confirmed the statement, made by the French representative at the 1212th meeting of the Council, that his Government would act in ECA in accordance with the procedure already established for ECAFE.

16. His delegation supported the three-Power draft resolution (E/L.971) and was convinced that the members of the Commission would be wise and realistic enough to find a solution in respect of Spain, France and the United Kingdom which would be acceptable both to the African countries and to those who wished to co-operate effectively with them, under ECA, in promoting the development of the continent.

Mr. Patiño (Colombia), First Vice-President, took the Chair.

17. Mr. BHADKAMKAR (India) did not consider it necessary to comment on the three-Power draft resolution (E/L.971), since the Senegalese representative had just indicated that he was not opposed to its adoption. With regard to the two-Power draft resolution (E/L.972) and the ECA recommendation regarding Portugal, he recalled that, according to a well-established tradition, the Council endorsed the recommendations or decisions taken by the regional economic commissions on matters which lay within their competence. To his delegation's knowledge, the Council had never departed from that tradition. A question of principle therefore arose, particularly since ECA included almost one-third of the States Members of the United Nations. Moreover, the Commission had been established in the interest of the African countries, and it was logical to recognize that no body was better qualified than it to determine where the interest of its members lay, particularly when it was recalled that the recommendation in question had been adopted after due reflection.

18. The problem under study was thus being considered for the first time: neither the Council nor any committee of the United Nations had ever had before it a recommendation to withdraw or to suspend conditionally the rights of a State belonging to an organ of the United Nations. It was nevertheless true that, in view of the well-established practice which he had

just mentioned, it would be difficult for the Council to refuse to endorse the recommendation addressed to it, especially since it included only two representatives of the African States. It must be careful not to take a decision which would be detrimental to the regional economic commission with the largest membership and would set aside a recommendation adopted by an overwhelming majority of that body. In view of the completely novel nature of the problem and its importance as a precedent, he suggested that the Ethiopian and Senegalese representatives would either defer any decision on the matter under consideration—a solution which, apparently, they did not consider acceptable—or refer the ECA recommendation to the General Assembly, either in the Council's report or separately. If there were legal obstacles to the latter solution, he did not know what other solution to suggest.

19. Mr. CVOROVIC (Yugoslavia), after stressing the importance of the problem under consideration, observed that ECA was one of the newest of the United Nations organs—and also one of those with the largest membership—and that it included the African States which had recently become independent and which had to make considerable efforts in order to rid themselves of the legacy of their colonial past. There ECA had an importance role to play, since it made possible the establishment of effective co-operation in solving the urgent problems arising from the development of its member countries. It was not the first time that Portugal had refused to abide by United Nations decisions and it was unnecessary to reiterate the policies and practices of the Portuguese Government in its African territories. In the present case, that Government was refusing to co-operate with the new States which were actively striving to eradicate illiteracy, famine and sickness—the sad legacy of their colonial past—and the Council therefore had no choice but to endorse ECA's recommendation to expel Portugal from the Commission. The Yugoslav delegation would therefore vote for the two-Power draft resolution.

20. His delegation also supported the recommendation relating to South Africa, whose racial segregation policy was an extreme manifestation of the colonial system. The South African Government had refused not only to co-operate in implementing the General Assembly's decisions but even to take part in the work of ECA on the grounds that its agenda included the question of racial discrimination in South Africa. The Yugoslav delegation would therefore vote for draft resolution IV which appeared in the fourth part of the report of the Commission.

21. Mr. MATSUI (Japan) considered it most unfortunate that, at a time when co-operation was so obviously indispensable for the development of the African States, the Council should have to decide upon the expulsion of certain States from ECA. The Japanese delegation fully understood the attitude of the members of the Commission who found themselves contending with that difficult problem. While Japan had always maintained that resort to such action must be avoided, it had also expressed its disapproval on repeated occasions of the policy of Portugal and South Africa, which was the cause of the ECA recommendations. While deploring the fact that those two countries should have shown such a lack of willingness to co-operate and while understanding the reasons which had prompted the African countries, the Japanese delegation was unable to support a recommendation which would deprive a Member State of its membership in any organ of the United Nations. On the other

hand, it would not like to see the Council in the unfortunate position of having to reject a recommendation which ECA had adopted by an overwhelming majority. To avoid setting a dangerous precedent it might be better to reflect upon the matter once again. If, however, the two-Power draft resolution (E/L.972) and draft resolution IV appearing in the fourth part of the ECA report were put to the vote, the Japanese delegation would have to abstain on both draft resolutions. In the case of the measures relating to France, the United Kingdom and Spain, the Japanese delegation had always been in favour of an amicable solution and would therefore vote for the three-Power draft resolution (E/L.971).

22. Mr. CARVALHO SILOS (Brazil) wished to emphasize in the first place that his delegation's position was in no way influenced by the special bonds between Brazil and one of the countries concerned. A Member State should be expelled from the United Nations only under Article 6 of the Charter and that principle, in his opinion, applied to all United Nations organs, including the regional economic commissions. ECA was aware that the expulsion of a Member State was a grave step, as could be seen from the fact that instead of using the verb "expel" it had used the phrase "deprive of membership". But the meaning of the latter phrase did not differ from that of the word "expel": in neither case was the possibility of reversing the decision precluded.

23. Furthermore, expulsion based on ideological and political differences, and more specifically on divergencies of view concerning the problem of colonialism, could lead to unpredictable chain reactions. In addition, it would seem inadvisable to expel States considered as having infringed the principles of the United Nations from a United Nations organ, since they would then be no longer subject to the influence of the international community and the pressure of world opinion. Brazil, where one of the largest black populations in the world lived, understood the reasons which had led the member States of ECA to submit the recommendations contained in its report against the other member States which did not comply with the principles of the Charter and the resolutions of the General Assembly, but it believed it wrong to resort to such measures to bring about the desired change of attitude on the part of the countries concerned. Brazil was in fact convinced, vis-à-vis the recalcitrant member States, that their presence in the Organization was still the best way of exposing them to the moral and political pressure of the other member States. The Brazilian delegation would therefore have to cast a negative vote. On the other hand, the suggestion made by the representative of India seemed a most unfortunate one.

24. Mr. EL-FARRA (Jordan) said that his delegation had already made known its position on the substance of the problem at the Council's 1213th meeting and would therefore confine itself to a few remarks on the three-Power draft resolution (E/L.971). ECA had recommended that the Council should deprive Spain of membership in the Economic Commission for Africa solely because that country had been tardy in explaining its position regarding General Assembly resolution 1466 (XIV) and ECA resolution 24 (III). The delay had been interpreted as indicating a total lack of any spirit of co-operation on the part of that country. It now seemed that such had never been the attitude of Spain, which, in keeping with its tradition,

had transmitted to the Council a memorandum (E/L.953 and Corr.1), in which it announced its intention to abide by General Assembly resolution 1466 (XIV) and ECA resolution 24 (III). The situation had thus changed considerably and, since Spain had clearly indicated its desire to co-operate, it should be accorded the same status as France and the United Kingdom. He hoped that such would also be the opinion of ECA, and he indicated, in conclusion, that he would vote for the three-Power draft resolution (E/L.971).

25. Mr. WODAJO (Ethiopia) said he wished to clarify matters further for the representative of India. For the African countries, the ECA recommendations involved no legal difficulties. Paragraph 4 of ECA's terms of reference was confined to a definition of the geographical field of activity of ECA; nowhere did those terms of reference state that membership was dependent upon the situation of a national territory and the Council could quite well confer ECA membership upon countries situated outside the continent of Africa. The Council was thus free to establish the membership of ECA as it liked and, from the legal point of view, there was nothing to prevent it from changing its own decisions on that matter. Moreover, as the representative of India had stressed, it was well-established practice for the Council to endorse the recommendations of its subsidiary organs. In the case in question, ECA had adopted certain resolutions unanimously and for the Council not to endorse them would be a serious departure from that practice.

26. Mr. ARKADYEV (Union of Soviet Socialist Republics) emphasized the practical and political importance of the issue. Faced with the grave recommendations submitted to it, the Council had to ask itself why ECA should have acted in that manner. Some were endeavouring to demonstrate that the decisions in question were illogical or mistaken and should be reconsidered or deferred. But the facts alone inevitably showed that those decisions were fully justified.

27. As regards the easier case, that of the United Kingdom and France, which the Commission was recommending should be transferred from the category of full membership to that of associate membership, the two countries were not part of Africa, being represented on ECA solely because they had possessed—and in some cases still possessed—colonies on that continent. The African States believed it necessary to confer upon the United Kingdom and France a more modest rank than that of full membership. Their misgivings would appear to be justified; they had good grounds for fearing that those two States would continue, in their own interest, to exert a certain pressure on the new States of Africa and would try to restrict ECA's possibilities of action and to slow down the economic development of the continent. Their attitude was completely comprehensible from the historic and practical point of view and it could not be said that their decision was a serious blow to the prestige of the United Kingdom and France, which had sufficient foresight and political feeling to bow without difficulty to the legitimate wish of ECA.

28. With regard to Spain, some claimed that it was quite inadvertently that that country had neglected to make known in time its intention to furnish the requested information regarding the implementation of General Assembly resolution 1466 (XIV) and that, since it had at last indicated that it would supply that information, ECA should now correct its "error" and

restore its rights to that country. In fact, however, Africa had suffered much from Spain, a country in which not only were the most elementary democratic freedoms trampled underfoot but in which colonialism was set up as a principle of government. Spain had no intention of granting independence to the territories which it occupied in Africa and even went so far as to find moral justification for its attitude. For the Franco rulers, the battle against Spanish domination was a crime against humanity. However, it was to be doubted whether members of ECA and the international community would share that viewpoint or allow the Spanish colonialists to uphold their position without taking historical developments into account. How could the African countries be compelled to accept the presence in ECA of a country which had not granted independence to a single one of the five territories, with their total population of 1,250,000, for which it was responsible and which had never paid the slightest heed to the wishes of ECA?

29. In the case of Portugal, the "fruitfulness" of its activities in Africa, particularly in Angola, which constituted one of the acutest colonial problems, was only too well known. The maintenance of Portuguese colonial domination was a challenge to the whole world and it was upon the position adopted by the Members of the United Nations on that point that the prestige of the Organization and the attitude of the colonial peoples towards it would depend. Punitive expeditions, police repression, executions and massacres—those were the elements, as narrated in the press of the whole world, of Portugal's colonial policy, which was based on the massive extermination of the indigenous population. That country's fascist manoeuvres against peoples who wished to free themselves from slavery were a flagrant violation of the Charter and in those circumstances it was to be expected that the African States should refuse to tolerate the presence of Portugal in ECA any longer. The Council should therefore have no hesitation in conforming the recommendation transmitted to it regarding the expulsion of Portugal.

30. South Africa, despite General Assembly resolutions 1662 (XVI) and 1663 (XVI) condemning any policy based on racial superiority, continued to act in defiance of the principles of the Charter and to deny the most elementary rights to the indigenous peoples: 500,000 persons were arrested every year under the pass laws; any protest against racial segregation was considered as subversive activity punishable by death; 87 per cent of the land belonged to the Whites, who nevertheless represented only one-fifth of the total population; two-thirds of the indigenous population worked in areas reserved for exploitation by the Whites of the Blacks, who lived in a state close to slavery; and the people of Indian or Indo-Pakistan origin had no rights whatsoever. All those facts demonstrated that ECA had not made a mistake: its decisions were well founded on every count and the Soviet delegation would support them.

31. Mr. EL-FARRA (Jordan) pointed out to the USSR representative that the Spanish memorandum (E/L.953 and Corr.1) created a new situation. If the Economic Commission for Africa had known about it when considering its resolution, the result would probably have been different. It therefore seemed quite sensible to ask ECA to examine the matter afresh in the light of that new factor.

32. The PRESIDENT said that, in accordance with rule 75 of the Council's rules of procedure, three

States not members of the Council had asked to take part in the discussion. If there were no objections, the representatives of those States would be invited to speak.

It was so decided.

33. Mr. DELGADO (Senegal), speaking on a point of order, said that, although his delegation was not opposed to those States' participation, it wished to make the most formal reservations with regard to the hearing of representatives of South Africa and Portugal.

34. Mr. GARIN (Portugal) recalled that, under paragraphs 4 and 5 of the ECA's terms of reference, his country had been a member of the Commission since its creation. Portugal had collaborated very fully with that technical body, and nothing warranted the supposition that its collaboration was no longer necessary or useful. The measure against Portugal currently under consideration was entirely based on political motivations, in regard to which Portugal adopted a position based on its traditional internal structure, which did not differ today from what it was at the time that Portugal was admitted to full membership of ECA. That measure, besides introducing political considerations beyond the competence of a purely technical body such as ECA, raised juridical problems of the highest importance. It might also establish a precedent which would have extremely serious consequences for other organs of the United Nations and affect other countries in many other fields. Moreover, to refuse Portugal membership, far from serving the cause of technical co-operation in Africa, would gravely compromise that cause.

35. As the Council was aware, Portugal was discharging certain responsibilities in Africa; it was exerting all its efforts on behalf not only of its own inhabitants, but of all the African peoples. Portugal had striven for the welfare and progress of its inhabitants and had achieved remarkable results in the economic field, which was the field of ECA. Portugal was prepared to share the benefits of its technical experience, through ECA, with all its African neighbours. It would be extremely regrettable if emotional factors proved stronger than a sound appreciation of realities; the contribution which Portugal could make should not be rejected. The Council would certainly agree that the interests of the inhabitants should take precedence of all else. Portugal was therefore firmly convinced that wisdom, realism and justice would prevail.

36. Mr. BOTHA (South Africa) recalled that under the terms of General Assembly resolution 1105 (XII) the geographical scope of ECA's work was the whole African continent and that all existing and future African States Members of the United Nations could belong to it.

37. As South Africa was a State on the African continent, the proposal to deprive it of membership of ECA, thereby changing paragraph 5 of the terms of reference of the Commission, could not be reconciled with paragraph 4 of those terms of reference, which stipulated that the geographical scope of the Commission's work included the whole African continent.

38. Furthermore, a subsidiary committee of ECA was currently considering, at Addis Ababa, a report on industrial development in Africa, which not only mentioned South Africa but assigned to it an important place owing to the fact that it had 6 per cent of the population of the continent and that its industrial production amounted to two-fifths of Africa's total produc-

tion. South Africa, as an African State, had to solve the same problems as those facing any other African State: housing, the raising of living standards, the provision of inexpensive nutritious foods for lower-income groups, the struggle against animal and plant diseases and the improvement of public health—to mention only a few. South Africa had won its fight against malaria and against sleeping sickness and its vector, the tsetse fly, but its campaign against other diseases of the African continent, such as kwashiorkor (protein deficiency) and tuberculosis, continued.

39. The Economic and Social Council could not change the composition of a subsidiary organ when such a change would not be consistent with the principles under which that organ had been established. Moreover, ECA's terms of reference did not provide for the suspension of members. The only provision for the termination of membership was in respect of States which ceased to have any territorial responsibilities in Africa.

40. The decision to seek South Africa's suspension had been inspired by entirely political reasons which should not have been taken into account by a body of purely economic competence. That decision had been taken after a debate on racial discrimination and after consideration of a report which concentrated mainly on South Africa's domestic policy. The Council would doubtless recall that the Commission, under paragraph 1 of its terms of reference, could take no action with respect to any country without the agreement of that country's Government. South Africa had opposed the study in question; the compilation of the report and the debates which had taken place, as well as the recommendation that South Africa be deprived of membership, were ultra vires the terms of reference of the Commission. The various economic commissions that had been set up on a geographical basis were open to all Member States in the respective areas regardless of their political alignments and views—which made them instruments for practical co-operation between States having widely divergent political principles.

41. His Government therefore hoped that the Council would reject the proposal that South Africa's membership of ECA be suspended. It was not for the Council to examine South Africa's racial policy. It had to decide on an extremely important question of principle, namely, the right of every State Member of the United Nations to belong automatically to an organ established on a geographical basis—a principle which had the corollary that no State could be deprived of membership in such an organ so long as it remained a member of the parent organization.

42. Mr. LEQUERICA (Spain) said that the memorandum (E/L.953 and Corr.1) and statements of the Spanish Government indicating that Spain was prepared to comply with the provisions of General Assembly resolution 1466 (XIV) and ECA resolution 24 (III) had made his country's position abundantly clear. The three-Power draft resolution (E/L.971) was entirely satisfactory to his delegation, and it seemed unnecessary to be more specific. Spain left the matter to the wisdom of the Council.

43. Mr. UNWIN (United Kingdom) recalled that his country's position had already been stated during the summer session (1213th meeting). The United Kingdom had made it clear that it had voted at ECA meetings in such a way as not to oppose the wishes of the majority of the regional members.

44. The recommendations affecting Portugal and South Africa raised far-reaching problems which involved the very nature of the United Nations. It was, above all, a question of whether the Organization would continue as a place in which nations with differing political ideas and régimes could take part in constructive discussions. His delegation wished particularly to stress, as it had already done on other occasions, that it in no way approved the policy pursued by the two countries which were the subject of the recommendation. What was at issue was a very important question of principle: could the majority expel members which were in disagreement with it? The United Kingdom could not support such an assumption. As for the United Kingdom's own position, his country could accept the status proposed for it by ECA or any arrangement based on the so-called Lahore rule established by ECAFE in 1951.^{1/} He would, however, fall in with the wishes of the majority of the Council if those wishes were shared by the two African members of ECA who were members of the Council, if it should be decided to refer back to ECA the issue of the position of France, Spain and the United Kingdom; and he hoped that it would be possible to find a formula which would be generally acceptable and would apply to all three States affected. It would seem wiser to ask ECA to reconsider the draft resolution submitted to the Economic and Social Council, in the hope that further study might lead to a generally acceptable formula.

45. Mr. KLUTZNICK (United States of America) stressed the great importance of the question under consideration. With regard to France, Spain and the United Kingdom, the situation was perfectly clear and, as the Jordanian delegation had very rightly pointed out, the three-Power draft resolution (E/L.971) afforded ECA an opportunity to re-examine the situation in the light of the new developments. His delegations would therefore support that draft.

46. In the case of Portugal and South Africa, the Council was now called upon to take decisions which would have implications far beyond the African continent and the activities of the Commission. The United States was the first to want to give every assistance to ECA to help achieve the goals which were the legitimate aspirations of all its members.

47. There was no doubt that there were disagreements concerning the policies of particular countries. In the past, his delegation had frequently supported actions urging those countries to modify their attitude, but with respect to Portugal, the General Assembly itself had recognized that that country had territorial responsibilities in Africa. So long as that fact remained, his delegation maintained its position that Portugal had a right to membership in ECA.

48. With regard to South Africa, his delegation had already had occasion to state how greatly it disapproved the racial policy pursued by that country and had supported United Nations efforts to induce South Africa to abandon its policies. A member State, however, could not be expelled from the Commission merely because there was disapproval of its domestic policy. It was possible to rewrite the text of a resolution, but the geography of a continent could not be changed and the scope of the Commission's work encompassed the whole continent of Africa. South Africa was un-

doubtedly a part of the African continent. In addition, both South Africa and Portugal were still Members of the United Nations.

49. There seemed to be no doubt that adoption of the draft resolutions submitted by ECA would not be in the interests either of ECA, or of the Council, or of the other regional economic commissions. His delegation, therefore, would have to vote against the draft resolution providing for the expulsion of Portugal and against the draft resolution providing for the suspension of South Africa's membership.

50. Mr. WODAJO (Ethiopia) felt that the statements made by the representatives of Portugal and South Africa had strengthened his own argument. They showed, in fact, that there had been no change in the policy which those two States were following and which had led to ECA's decision. Moreover, although those States maintained that they were discharging territorial responsibilities in Africa, such responsibilities should be discharged not in a vacuum but within the context of the Charter, particularly Article 11. Portugal had several times repeated that its responsibilities were being discharged in the context of its own institutions, whereas under the Charter it should be leading the peoples under its administration to independence.

51. It was worth recalling the terms of resolution 1466 (XIV), whereby the General Assembly invited the Member States administering Non-Self-Governing Territories to increase the participation of indigenous representatives from those Territories in the work of the technical organs of the United Nations. There was nothing in the Portuguese representative's statement to indicate that Portugal had the least intention of complying with that resolution. Mention could also be made of resolution 1514 (XV) on the granting of independence to colonial countries and peoples, which Portugal still seemed to wish to disregard.

52. So far as South Africa was concerned, it might seem surprising that that country's representative had not seen fit to submit his explanations, in the first place, to ECA; possibly he had regarded that organ as not having competence. ECA's terms of reference, however, clearly showed that the Commission had been created to promote the economic development and social progress of Africa. Was there, in that matter, the least co-operation between South Africa and the rest of Africa? It was a question of taking a decision based not on legal arguments but on facts. Everyone knew that the relations between the African States and South Africa had been broken off owing to the policy of apartheid, which prevented all co-operation on the part of the vast majority of the South African peoples. South Africa had likewise declared that its right to membership in ECA derived from its geographical position. That argument was not wholly conclusive. It was in fact conceivable that other States located outside the African continent, such as Saudi Arabia, might be invited to become members of ECA. The decision taken by ECA had actually been motivated by the rupture of all relations, a development caused by the South African Government. The South African representative had, of course, spoken of technical co-operation and had maintained that ECA was primarily a technical organ. It was true that the Commission had to deal with technical problems, in view of their social repercussions; but it was in no way a purely technical organ such as, for instance, an office of consulting engineers would be.

^{1/} See Official Records of the Economic and Social Council, Thirteenth Session, Supplement No. 7, para. 341.

53. Mr. ARKADYEV (Union of Soviet Socialist Republics) said that he had failed to find, in the statement of the Spanish representative, any new element proving that Spain intended to allow its colonies to take part in the work of ECA.

54. The situation concerning South Africa was perfectly clear; and the General Assembly had adopted, at its current session, resolution 1761 (XVII) concerning the policy of apartheid of the Government of the Republic of South Africa, a resolution absolutely unprecedented in the history of the United Nations, in which the General Assembly, recalling its previous resolutions and the resolution of the Security Council, requested all Member States to take extremely severe measures against South Africa and requested the Security Council to take appropriate measures to secure South Africa's compliance with the resolutions of the General Assembly and of the Security Council. There were thus grounds for wondering whether South Africa's membership of the United Nations was not in jeopardy. The decision taken by ECA was completely justified and could have been taken much sooner.

55. The regional economic commissions could not ignore the decisions of the General Assembly and, after the discussions which had taken place at the Assembly's seventeenth session, the situation concerning Portugal was just as clear as that concerning South Africa. Portugal was claiming rights deriving from the exercise of its responsibilities in Africa, but it had never discharged those responsibilities and had always disregarded the interests of the peoples in its charge. The atrocities committed in Angola, and the brutal repression practised in all the territories administered by Portugal, proved that the unfortunate indigenous inhabitants had been deprived of their most elementary rights. By refusing to fulfil its obligations, Portugal had placed itself in such a position that one might well ask whether it deserved to remain a Member of the United Nations.

56. The Council would be very ill-advised to dissociate itself from ECA in the matter. The decision to expel Portugal, Spain and South Africa was completely justified, and the Council would certainly attach to that question the importance which it deserved.

57. Mr. BHADKAMKAR (India), referring to the Ethiopian representative's penultimate statement, said that he supported the recommendation of ECA, which the Council, in accordance with established practice, would doubtless wish to adopt. Since the decision would be novel and unprecedented, he considered that, unless such a course involved legal or technical problems, the Council should refer its decision to the General Assembly.

58. The PRESIDENT said that the Council had to vote on the annual report of ECA (E/3586) and that it might be preferable to begin with draft resolution IV, contained in the fourth part of that report. The Council had also to vote on the three-Power draft resolution (E/L.971), as orally amended by its sponsors, and on the two-Power draft (E/L.972). Draft resolution I, which concerned the report of ECA as a whole, could be considered last.

59. The President put to the vote draft resolution IV contained in the fourth part of the ECA report (E/3586).

A vote was taken by roll-call.

The Union of Soviet Socialist Republics, having been drawn by lot by the President, was called upon to vote first.

In favour: Union of Soviet Socialist Republics, Yugoslavia, Ethiopia, India, Jordan, Poland, Senegal.

Against: United Kingdom of Great Britain and Northern Ireland, United States of America, Australia, Brazil, Denmark, El Salvador, France, Italy.

Abstaining: Colombia, Japan, Uruguay.

Draft resolution IV was rejected by 8 votes to 7, with 3 abstentions.

60. The PRESIDENT put to the vote the three-Power draft resolution (E/L.971), as orally amended by its sponsors.

A vote was taken by roll-call.

France, having been drawn by lot by the President, was called upon to vote first.

In favour: France, India, Italy, Japan, Jordan, Senegal, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia, Brazil, Colombia, Denmark, El Salvador, Ethiopia.

Against: Poland, Union of Soviet Socialist Republics.

Abstaining: Australia.

The three-Power draft resolution (E/L.971), as orally amended, was adopted by 15 votes to 2, with 1 abstention.

61. The PRESIDENT put to the vote the two-Power draft resolution (E/L.972).

A vote was taken by roll-call.

Senegal, having been drawn by the President, was called upon to vote first.

In favour: Senegal, Union of Soviet Socialist Republics, Yugoslavia, Ethiopia, India, Jordan, Poland.

Against: United Kingdom of Great Britain and Northern Ireland, United States of America, Brazil, Denmark, El Salvador, France, Italy.

Abstaining: Uruguay, Australia, Colombia, Japan.

The two-Power draft resolution (E/L.972) was not adopted, 7 votes being cast in favour and 7 against, with 4 abstentions.

62. The PRESIDENT put to the vote draft resolution I contained in the fourth part of the ECA report (E/3586).

Draft resolution I was adopted unanimously.

63. Mr. NATORF (Poland) said that he had taken no part in the discussion not through indifference but because he had considered that the situation was perfectly clear and that the soundness of ECA's recommendations was self-evident. He had hoped that the Council would take a decision in line both with the spirit of the Charter and with the resolutions which the General Assembly had adopted, particularly at its seventeenth session. The Polish delegation had recorded its position by voting for the draft resolutions of ECA, as well as for the two-Power draft resolution which had been in line with the spirit of the ECA drafts, and by voting against the three-Power draft resolution.

64. The draft resolutions which ECA had recommended be adopted had however been rejected, although by only an insignificant majority; and the Polish delegation wished, on the one hand, to state that it did not consider itself responsible for the decisions taken by the Council and, on the other hand, to stress that those decisions were particularly unfortunate.

65. Mr. DAVIS (Australia) said that he had voted against the recommendation to deprive the Republic of South Africa of its membership of ECA. The Australian delegation wished in the first place to make it quite clear that, at the Assembly's seventeenth and earlier sessions, it had endorsed, in the Special Political Committee, the very general disapproval of South Africa's racial policy expressed by the international community, had deplored many of the results of that policy, and had tried to persuade South Africa that stubbornness in that field was not in the interests of any of the racial groups living on South African territory. But in so far as those problems were not directly connected with the question of South Africa's membership of ECA, they were no concern of the Council. At all events, he wished to make it quite clear that the fact of his delegation having voted against the recommendation should not be interpreted as a sign that Australia approved the policy in question.

66. In the case at issue, it seemed to him that other factors should be taken into account. The principal factor which had determined Australia's vote was that South Africa, as a sovereign State and a Member of the United Nations whose territory was located on the African continent, had the right to be a member of ECA so long as it conformed to the regulations governing that body. That was a generally applicable principle, given the statement in the Commission's terms of reference that the geographical scope of the Commission's work was a specific area. The delegation of Australia also considered that, even if South Africa's racial policy conflicted with ECA's terms of reference, it did not follow automatically that South Africa should be deprived of membership in ECA. Such a measure would not necessarily lead to the results envisaged in paragraph 1 (a) of the Commission's terms of reference, since breaking off relations with a country was not the best way of securing a change in that country's policy. The final factor to be considered was the absence of any precedents and the uncertainty which existed because there was no provision for withdrawal of the rights of a member of a regional economic commission whose territory was located in the area falling within the geographical scope of that commission's work.

67. Mrs. WRIGHT (Denmark) said that her delegation had voted against the draft resolution for the expulsion of Portugal from ECA and the suspension of the rights of South Africa because it had wished to adhere to the principle whereby all the countries situated in a given geographical area, or having territorial responsibilities in that area, should be members of the corresponding regional commission. None the less, so far as the substance of the matter was concerned, the Danish delegation fully shared the feelings of ECA in regard to Portugal and South Africa and had proved it, in the appropriate bodies of the United Nations, by supporting self-determination—it had voted in favour of General Assembly resolutions 1514 (XV) and 1695 (XVI)—and by opposing the policy of racial discrimination.

68. Mr. WODAJO (Ethiopia) said that his vote in favour of the three-Power draft resolution (E/L.971) did not prejudge his delegation's attitude regarding the statements of the delegations of France, the United Kingdom, and Spain—an attitude which would be explained at the next session of ECA. He had merely considered that the factors which many people regarded as new should be brought to the attention of ECA.

69. He regretted that the Council, contrary to tradition, had thought fit to reject recommendations unanimously formulated by a regional economic commission. The conclusions which he drew from that decision were, on the one hand, that Africa was not adequately represented on the Council and that the African Governments should strive to remedy that state of affairs, and, on the other hand, that the Council had arrived at its decision not on the basis of the intrinsic merits of the ECA recommendations, but rather on the basis of considerations which it should not have taken into account.

70. Mr. FRANZI (Italy) stressed that his vote against the recommendation concerning South Africa was not to be construed as evidence of approval of that country's policy: Italy had always spoken out clearly at the United Nations against racial discrimination, which could have only disastrous effects, not merely politically but also economically and socially. Although it understood the feelings of the members of ECA, the Italian delegation considered that, if only because of the Commission's terms of reference, it would not be advisable to expel South Africa from it, since such action would not change the situation. On the contrary, it might reasonably be hoped that South Africa's participation in the various organs of the United Nations would help to effect the change so much desired.

71. With regard to Portugal, he thought that that country's territorial responsibilities in Africa, and the task assigned to ECA, made it essential that, apart from all considerations of decolonization, Portugal should be represented on the Commission.

72. The delegation of Italy had voted in favour of the three-Power draft resolution (E/L.971) in the hope that ECA would consider it in the same constructive spirit with which its sponsors had been imbued and in the light of the undeniable contribution which France, Spain and the United Kingdom could make to the Commission's work.

73. Mr. DELGADO (Senegal) emphasized that, although he had voted in favour of the three-Power draft resolution (E/L.971), his vote was without prejudice to the decision of ECA, by which his Government regarded itself as bound, and it would be for his delegation to express its opinion, at the next session of ECA, regarding the substance of the problem.

74. He wished to say that the Council's decisions on Portugal and South Africa were particularly unfortunate and showed, more clearly than ever, that Africa was not fairly represented on the Council. All had assumed their responsibilities, and Africa took note of the present state of affairs. In conclusion, he thanked the representatives who had voted in favour of the ECA recommendations.

75. Mr. ARKADYEV (Union of Soviet Socialist Republics) was convinced that the Council had just taken some wrong decisions; he considered, moreover, that the very results of the voting proved how sound the ECA recommendations were. There was no doubt that the matter would not end there and that the Africans would find a just way of breaking free from the ties binding them to those who oppressed the African peoples. It was indeed still possible, as had been mentioned, to submit the Council's decision to the General Assembly.

The meeting rose at 6.30 p.m.



ECONOMIC AND SOCIAL COUNCIL

Resumed Thirty-fourth Session

OFFICIAL RECORDS

Thursday, 20 December 1962,
at 11.5 a.m.

NEW YORK

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Agenda item 28:

Elections

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<i>Election of members of the Special Committee on Co-ordination established by Council resolution 920 (XXXIV)</i>	<i>20</i>

President: Mr. Jerzy MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Austria, Czechoslovakia.

Representatives of the following specialized agencies: International Labour Organisation; Food and Agriculture Organization of the United Nations; United Nations Educational, Scientific and Cultural Organization; International Bank for Reconstruction and Development.

AGENDA ITEM 28

Elections (E/3703)

ELECTION OF MEMBERS OF THE TECHNICAL ASSISTANCE COMMITTEE

1. The PRESIDENT invited the Council to proceed to the election of six members of the Technical Assistance Committee, in pursuance of Council resolution 863 (XXXII), to serve for a period of two years from 1 January 1963.

At the invitation of the President, Mr. Parsons (Australia), Mr. Bloend (Denmark), Mr. Kadota (Japan) and Mr. Tell (Jordan) acted as tellers.

A vote was taken by secret ballot.

<i>Number of ballot papers:</i>	<i>17</i>
<i>Invalid ballots:</i>	<i>0</i>
<i>Number of valid ballots:</i>	<i>17</i>
<i>Abstentions:</i>	<i>0</i>
<i>Number of members voting:</i>	<i>17</i>
<i>Required majority:</i>	<i>9</i>
<i>Number of votes obtained:</i>	
Poland	13
Nigeria	12

Denmark	11
Federal Republic of Germany	11
Brazil	10
Ivory Coast	8
Morocco	8
United Arab Republic	8
Nepal	6
Thailand	6
China	5
Sudan	3
Czechoslovakia	1

Having obtained the required majority, Brazil, Denmark, Federal Republic of Germany, Nigeria and Poland were elected members of the Technical Assistance Committee.

2. The PRESIDENT invited the Committee to proceed to a special ballot, under rule 69 of the rules of procedure, in order to reduce to two the number of candidates for the sixth place. The special ballot would be restricted to the three countries which had tied with eight votes each, namely, the Ivory Coast, Morocco and the United Arab Republic.

A vote was taken by secret ballot.

<i>Number of ballot papers:</i>	<i>18</i>
<i>Invalid ballots:</i>	<i>0</i>
<i>Number of valid ballots:</i>	<i>18</i>
<i>Abstentions:</i>	<i>0</i>
<i>Number of members voting:</i>	<i>18</i>
<i>Required majority:</i>	<i>10</i>
<i>Number of votes obtained:</i>	
Morocco	15
Ivory Coast	10
United Arab Republic	10

3. The PRESIDENT said that as a result of the vote, the first candidate would be Morocco. He invited the Committee to proceed to a second special ballot to decide whether the second candidate would be the Ivory Coast or the United Arab Republic.

A vote was taken by secret ballot.

<i>Number of ballot papers:</i>	<i>18</i>
<i>Invalid ballots:</i>	<i>0</i>
<i>Number of valid ballots:</i>	<i>18</i>
<i>Abstentions:</i>	<i>0</i>
<i>Number of members voting:</i>	<i>18</i>
<i>Required majority:</i>	<i>10</i>
<i>Number of votes obtained:</i>	
Ivory Coast	9
United Arab Republic	9

4. The PRESIDENT announced that, as the second special ballot had resulted in a tie, he would draw lots, under rule 68 of the rules of procedure, to decide between the two candidates.

Having been drawn by lot by the President, the United Arab Republic was selected as the second candidate.

5. The PRESIDENT invited the Council to vote in order to decide between Morocco and the United Arab Republic for the sixth vacancy on TAC.

A vote was taken by secret ballot.

<i>Number of ballot papers:</i>	18
<i>Invalid ballots:</i>	0
<i>Number of valid ballots:</i>	18
<i>Abstentions:</i>	0
<i>Number of members voting:</i>	18
<i>Required majority:</i>	10
<i>Number of votes obtained:</i>	
United Arab Republic	10
Morocco	8

Having obtained the required majority, the United Arab Republic was elected a member of the Technical Assistance Committee.

ELECTION OF MEMBERS OF THE COMMITTEE FOR INDUSTRIAL DEVELOPMENT

6. The PRESIDENT invited the Council to elect four members of the Committee for Industrial Development, in pursuance of Council resolution 751 (XXIX) and the Council's decisions of 3 August 1960 (1132nd meeting) and 21 December 1960 (1135th meeting), to serve for a term of office of three years from 1 January 1963.

A vote was taken by secret ballot.

<i>Number of ballot papers:</i>	17
<i>Invalid ballots:</i>	0
<i>Number of valid ballots:</i>	17
<i>Abstentions:</i>	0
<i>Number of members voting:</i>	17
<i>Required majority:</i>	9
<i>Number of votes obtained:</i>	
Brazil	17
Sweden	16
Algeria	15
Central African Republic	9
Poland	7
Argentina	1
Denmark	1
Federation of Malaya	1

Having obtained the required majority, Algeria, Brazil, the Central African Republic and Sweden were elected members of the Committee for Industrial Development.

ELECTION OF MEMBERS OF THE COUNCIL COMMITTEE ON NON-GOVERNMENTAL ORGANIZATIONS

7. The PRESIDENT invited the Council to proceed to the election of the seven members of the Council Committee on Non-Governmental Organizations, in accordance with rule 82 of the Council's rules of procedure, to serve for the calendar year 1963.

A vote was taken by secret ballot.

<i>Number of ballot papers:</i>	18
<i>Invalid ballots:</i>	1
<i>Number of valid ballots:</i>	17
<i>Abstentions:</i>	0
<i>Number of members voting:</i>	18
<i>Required majority:</i>	9

Number of votes obtained:

France	17
Union of Soviet Socialist Republics	17
United Kingdom of Great Britain and Northern Ireland	17
United States of America	17
Senegal	11
Austria	10
Japan	10
El Salvador	9
Jordan	5
Argentina	3
Colombia	2
India	1

Having obtained the required majority, Austria, France, Japan, Senegal, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland and the United States of America were elected members of the Council Committee on Non-Governmental Organizations for 1963.

ELECTION OF MEMBERS OF THE SPECIAL COMMITTEE ON CO-ORDINATION ESTABLISHED BY COUNCIL RESOLUTION 920 (XXXIV)

8. The PRESIDENT invited the Council to elect the eleven members of the Special Committee on Co-ordination established by Council resolution 920 (XXXIV). The eleven members would serve for a period of one year.

A vote was taken by secret ballot.

<i>Number of ballot papers:</i>	18
<i>Invalid ballots:</i>	0
<i>Number of valid ballots:</i>	18
<i>Abstentions:</i>	0
<i>Number of members voting:</i>	18
<i>Required majority:</i>	10

Number of votes obtained:

Yugoslavia	18
Denmark	17
Ethiopia	17
Japan	17
Jordan	17
Union of Soviet Socialist Republics	17
United States of America	17
United Kingdom of Great Britain and Northern Ireland	16
France	15
Netherlands	13
Colombia	10
Poland	10
Austria	2
Brazil	2
Nigeria	2
Argentina	1
El Salvador	1
Indonesia	1
Italy	1
Lebanon	1
Senegal	1
Uruguay	1

Having obtained the required majority, Denmark, Ethiopia, France, Japan, Jordan, Netherlands, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, the United States of America and Yugoslavia were elected members of the Special Committee on Co-ordination.

9. The PRESIDENT stated that, in order to elect the eleventh member, a second ballot would be held, limited to Colombia and Poland.

A vote was taken by secret ballot.

<i>Number of ballot papers:</i>	18
<i>Invalid ballots:</i>	1
<i>Number of valid ballots:</i>	17
<i>Abstentions:</i>	0

<i>Number of members voting:</i>	18
<i>Required majority:</i>	9

<i>Number of votes obtained:</i>	
Colombia	12
Poland	5

Having obtained the required majority, Colombia was elected a member of the Special Committee on Co-ordination.

The meeting rose at 1 p.m.



ECONOMIC AND SOCIAL COUNCIL

Resumed Thirty-fourth Session

OFFICIAL RECORDS

Thursday, 20 December 1962,
at 2.55 p.m.

NEW YORK

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President: Mr. Jerzy MICHALOWSKI (Poland).

Present:

Representatives of the following States: Australia, Brazil, Colombia, Denmark, El Salvador, Ethiopia, France, India, Italy, Japan, Jordan, Poland, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yugoslavia.

Observers for the following Member States: Argentina, Austria, Czechoslovakia.

Representatives of the following specialized agencies: International Labour Organisation; Food and Agriculture Organization of the United Nations; United Nations Educational, Scientific and Cultural Organization; World Health Organization; International Bank for Reconstruction and Development.

AGENDA ITEM 28

Elections (E/3703) (concluded)

ELECTION OF MEMBERS OF THE COMMITTEE ON HOUSING, BUILDING AND PLANNING

1. The PRESIDENT recalled that the Council had decided on the preceding day (1138th meeting) to increase the number of members of the Committee on Housing, Building and Planning from 18 to 21. The Secretary-General's note (E/3703) listed the candidates received and described the criteria to be applied in electing the members of the Committee.

A vote was taken by secret ballot.

Number of ballot papers:	18
Invalid ballots:	0
Number of valid ballots:	18
Abstentions:	0

Number of members voting:	18
Required majority:	10

Number of votes obtained:

Italy.	18
Denmark.	17
Japan.	17
Union of Soviet Socialist Republics	17
United Arab Republic	17
United States of America	17
Argentina	16
France	16
Romania	16
Canada	15
Chile	15
Colombia	15
Costa Rica	15
Israel.	15
Madagascar.	15
Indonesia	14
Nigeria.	14
Iran.	12
Tanganyika	12
Greece	11
Hungary	11
Cyprus	6
Lebanon	6
Turkey	6
Peru	5
Syria	5
China	4
Netherlands.	4
Austria.	3
Gabon.	3
Belgium	1
Czechoslovakia	1
Ecuador	1
Ethiopia	1
Federation of Malaya	1
India	1
Ivory Coast	1
Nicaragua	1
New Zealand	1
Pakistan	1
Poland	1
Spain	1
United Kingdom of Great Britain and Northern Ireland	1
Tunisia.	1
Yugoslavia	1

Having obtained the required majority, Argentina, Canada, Chile, Colombia, Costa Rica, Denmark, France, Greece, Hungary, Indonesia, Iran, Israel, Italy, Japan, Madagascar, Nigeria, Romania, Tanganyika, Union of Soviet Socialist Republics, United Arab Republic and United States of America were elected members of the Committee on Housing, Building and Planning.

2. The PRESIDENT announced that, in accordance with paragraph 2 of Council resolution 903 C (XXXIV),

he would draw lots to decide the terms for which the 21 members just elected were to serve.

It was decided by the drawing of lots that Colombia, Iran, Israel, Japan, Madagascar, Nigeria and the United States of America should serve for a term of three years; Argentina, France, Greece, Italy, Romania, Tanganyika and the United Arab Republic a term of two years; Canada, Chile, Costa Rica, Denmark, Hungary, Indonesia and the Union of Soviet Socialist Republics a term of one year.

ELECTION OF TWELVE ADDITIONAL MEMBERS OF THE PREPARATORY COMMITTEE OF THE UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

3. The PRESIDENT reminded the Council that, as it had adopted on the preceding day (1238th meeting) the recommendation put forward by the General Assembly in its resolution 1785 (XVII), it had to elect twelve members to complete the membership of the Preparatory Committee of the United Nations Conference on Trade and Development, which consisted at present of the eighteen States represented on the Council in 1962.

A vote was taken by secret ballot.

Number of ballot papers:	18
Invalid ballots:	0
Number of valid ballots:	18
Abstentions:	0
Number of members voting:	18
Required majority:	10
Number of votes obtained:	
Argentina	18
Nigeria	18
Czechoslovakia	17
Austria	16
Madagascar	16
Pakistan	16
United Arab Republic	16
Canada	15
Peru	14
New Zealand	13
Lebanon	12
Tunisia	12
Federation of Malaya	10
Indonesia	10
Netherlands	10
Burma	1
Ghana	1

Having obtained the required majority, Argentina, Austria, Canada, Czechoslovakia, Lebanon, Madagascar, New Zealand, Nigeria, Pakistan, Peru, Tunisia and the United Arab Republic were elected members of the Preparatory Committee of the United Nations Conference on Trade and Development.

4. The PRESIDENT said that the first session of the Preparatory Committee would probably open on 22 January and asked all States which were members of it kindly to give the names of their representative to the Secretariat as soon as possible.

APPOINTMENT OF TWO ADDITIONAL MEMBERS OF THE ad hoc COMMITTEE ESTABLISHED BY RESOLUTION 851 (XXXII) OF THE ECONOMIC AND SOCIAL COUNCIL

5. The PRESIDENT stated that in accordance with the provisions of paragraph 6 of Council resolution 900 A

(XXXIV), he had designated Indonesia and Jordan as members of the ad hoc Committee in order to complete its membership.

AGENDA ITEM 29

Confirmation of members of functional commissions of the Council (E/3699 and Corr.1 and Add.1)

6. The PRESIDENT drew the Council's attention to the list of persons nominated by their Government as representatives to the functional commissions of the Council (E/3699 and Corr.1 and Add.1); to that list should be added the name of Mr. Zbigniew Resich, who had just been designated by Poland to represent it on the Commission on Human Rights and whose biographical data would be circulated shortly to members of the Council.

The Council confirmed the nominations submitted to it.

Closure of the session

7. The PRESIDENT said that while all delegations might not have shared the ideas he had expressed at the end of the Geneva session, he believed they would share the sentiments he wanted to express now that Poland was leaving the Council after having been a member of it for six years. He wished, on behalf of his Government and on his own behalf, to thank the members of the Council for the friendly support they had always given to his delegation and to himself, in his capacity both as representative of Poland and as President of the Council. He also wanted to thank for their collaboration the two Vice-Presidents, the Secretary of the Council and all the members of the Secretariat who had taken part in the Council's work.

8. Mr. VIAUD (France), on behalf of his delegation and the Danish and Italian delegations, Mr. ARKADYEV (Union of Soviet Socialist Republics), Mr. DAVIS (Australia), on behalf of the delegations of Australia, India and the United Kingdom, and Mr. VERAS (Brazil), on behalf of the delegations of the Latin American countries, congratulated the President on the authority, ability and impartiality with which he had conducted the Council's debates, which had been helped by his serenity and good humour; they also thanked and congratulated the other officers, the Secretary of the Council and all members of the Secretariat who had taken part in the work.

9. Mr. KLUTZNICK (United States of America), after congratulating the officers and all members of the Secretariat who had taken part in the Council's work, said he was happy once again to pay a tribute to the President for his remarkable qualities and, in particular, for his impartiality, which, despite occasional difficulties, had led to the thirty-fourth session of the Council being entirely successful.

10. Mr. WODAJO (Ethiopia), on behalf of his delegation and the Japanese, Jordanian and Senegalese delegations, also congratulated and thanked the President and other officers, together with the Secretary of the Council and his colleagues. He also wished to say how pleased he was at the close and friendly relations his delegation had been able to form with other members of the Council, and particularly with the United States representative, whose spirit of co-operation would leave him with the best of memories.

11. Mr. NATORF (Poland) wished to thank the Vice-Presidents for their work both in the Council itself

and at the head of its Committees, and also all members of the Secretariat.

12. The PRESIDENT again thanked all members of the Council for their co-operation and for their kind

words about him, and declared the thirty-fourth session of the Council closed.

The meeting rose at 3.50 p.m.