

United Nations  
**GENERAL  
ASSEMBLY**

FIFTEENTH SESSION

Official Records



**SECOND COMMITTEE, 676th  
MEETING**

Friday, 11 November 1960,  
at 3.15 p.m.

**NEW YORK**

**CONTENTS**

Page

Agenda items 12, 29 and 74:

Report of the Economic and Social Council  
(chapters II (sections I, II and III A, except  
paragraphs 189-198), III, IV and VII (section  
I and paragraph 645)) (continued)

Economic development of under-developed  
countries (continued):

(a) International flow of private capital: report  
of the Secretary-General and recommenda-  
tions thereon by the Economic and Social  
Council;

(b) Question of the establishment of a United  
Nations capital development fund: report of  
the Secretary-General;

(c) Methods and techniques for carrying out a  
study of world economic development: re-  
port of the Secretary-General and com-  
ments thereon by the Economic and Social  
Council;

(d) Promotion of wider trade co-operation  
among States: report of the Secretary-  
General

Land reform (continued)

General discussion (concluded) . . . . . 193

Consideration of draft resolutions (con-  
tinued) . . . . . 195

Chairman: Mr. Janez STANOVNIK (Yugoslavia).

**AGENDA ITEMS 12, 29 AND 74**

Report of the Economic and Social Council (chapters II  
(sections I, II and III A, except paragraphs 189-198), III,  
IV and VII (section I and paragraph 645)) (A/4415) (con-  
tinued)

Economic development of under-developed countries (con-  
tinued):

(a) International flow of private capital: report of the Secre-  
tary-General and recommendations thereon by the Eco-  
nomic and Social Council (A/4487, E/3325 and Corr.1-  
3);

(b) Question of the establishment of a United Nations capi-  
tal development fund: report of the Secretary-General  
(A/4488, E/3393, E/3393/Add.1-4);

(c) Methods and techniques for carrying out a study of world  
economic development: report of the Secretary-General  
and comments thereon by the Economic and Social Coun-  
cil (A/4489 and Add.1, E/3379, E/3379/Add.1-7);

(d) Promotion of wider trade co-operation among States: re-  
port of the Secretary-General (A/4490, E/3389)

**Land reform (A/4439) (continued)**

**GENERAL DISCUSSION (concluded)**

1. Mr. Kirshna MENON (India) referred to the ob-  
servation made by the Secretary-General in the  
introduction to his annual report that in the end the  
United Nations would be judged not so much by the  
criterion of how successfully it had overcome in-  
dividual crises as by the significance of its total con-  
tribution towards building the kind of world community  
in which such crises would no longer be inevitable  
(A/4390/Add.1, page 5). At the same time, at the  
economic level the world had to be rebuilt in order to  
close the enormous gap which historical circumstances  
had created between the economically advanced and the  
under-developed countries and make the world a social  
and economic whole. There was no reason to believe  
that the individual had ever been alone in the world; the  
family, the tribe and the nation had been the units of  
economic growth, and similarly nations could not live  
in isolation. Political frontiers did not correspond to  
economic realities and in the interests of economic  
development and the improvement of the levels of living  
of peoples, economic problems had to be approached  
from a world viewpoint.

2. During the fourteenth session of the General As-  
sembly (614th meeting) he had emphasized the neces-  
sity of organizing and planning the utilization of the  
world's resources to promote economic development.  
Increasing use was being made of planning in all  
countries. The Secretary-General's report on the  
evaluation of long-term economic projections (E/3379)  
showed that since the adoption of resolution 1428 (XIV),  
the United Nations had moved in that direction and was  
endeavouring at least to assemble the data without  
which action was impossible. He hoped that more  
Governments would reply to the Secretary-General's  
questionnaire.

3. It should be realized that in the modern world no  
Government, whatever its form or structure, could  
ignore the pressure of the masses or the influence of  
public opinion. Economic problems, which economists  
tended to shroud in a fog of technicalities, were very  
real problems of direct interest to the masses. The  
foundation after the First World War of the ILO, of  
which the United States had become a member, and the  
creation of the Economic and Social Council after the  
Second World War were evidence that it had become  
impossible to neglect the economic needs and re-  
quirements of the masses or ignore the role of eco-  
nomic factors in international life. The pressure of the  
masses had become even stronger, because in most of  
the countries which had become independent since the  
Second World War the political revolution had preceded  
the industrial revolution and the transformation of the  
economic structure, reversing the sequence of events  
in Europe. The peoples of the countries which had  
become independent in the last fifteen years were in

possession of their political rights and no longer believed that ignorance, hunger, disease and poverty were inevitable evils which man had to endure. They intended to use their political rights to satisfy their legitimate aspirations. At the same time the gravity of economic problems was increased by the rapid growth of the world's population, which had doubled in the last century and would reach 6,200 million by the end of the twentieth century. The population of India was increasing by 7 to 8 million and that of the world by 50 million a year. The age of great migrations and conquests was over. If there was not ultimately to be an explosion of major social disturbances, the nations would have to find sufficient resources in the world as it was to satisfy the needs and aspirations of the peoples. That was the economic meaning of "coexistence"; the problem was to ensure that all the inhabitants of the planet, who had to live together whether they liked it or not, had access to the resources necessary to enable them to live as human beings.

4. That objective clearly could not be achieved by each country in isolation; it demanded a joint co-operative effort on a world scale. Economic nationalism could no longer benefit anyone; it was ceasing to be valid because a stage was being reached at which the advanced countries, instead of competing for markets, as in the nineteenth century, were competing for raw materials with their own suppliers who themselves wished to industrialize. That situation underlined the need for planning the utilization of resources at the international level.

5. There seemed to be reason to believe that the world's energy resources were unlimited, particularly since the discovery of nuclear fission, and that raw materials, some of which, such as aluminium, were not fully used, would not run out. Plans should be made on the international level for the use of all water resources, reforestation and the control of harmful insects. Food resources raised the most serious problems, not because they were in short supply but because they were badly distributed and wrongly used. The greatest need for expert help would be in that field and the Secretary-General's reports did not emphasize that point.

6. There was not enough arable land in the world or, in other words, the land was not properly cultivated. Action should be taken to increase yields in all areas where they were too low. Farmers should be taught intensive methods of agriculture and should be provided with fertilizer wherever necessary. The situation would certainly improve if fertilizers were manufactured to meet the world's need and not to make profits. An international agreement to prevent excessive fluctuations in fertilizer prices on the world market would be of the greatest benefit to mankind. The classical methods of determining prices should be abandoned and it should be realized that international co-operation and the interests of both producers and consumers required a measure of stabilization of commodity prices, which were never determined by the producers themselves. It was high time to bring the holy alliance of prices to an end.

7. The peoples of the world needed technicians in every field, from agriculture to the peaceful uses of atomic energy and in that respect also the world's resources were inadequate. It would be useful if the Organization established a pool of technicians from all countries, including under-developed countries, upon

which all countries could draw. The United Nations should ensure that technological advances were made available to all who needed them, either as consumers or producers.

8. The human mind appeared not to have made as much progress in the field of social organization as in that of science and technology. The length of the working day would be progressively reduced in the advanced countries and the use of leisure would raise increasingly serious problems to which attention should already be directed, because they were of a type that might lead to international conflicts if they encouraged the appearance of a new type of adventurer with a taste for brutal sensations and dangerous undertakings.

9. With regard to the draft resolutions before the Committee, considered that the draft on the establishment of a United Nations capital development fund (A/C.2/L.472), and the draft on the accelerated flow of capital and technical assistance to the developing countries (A/C.2/L.474), were complementary and he hoped that both would be adopted by the Committee.

10. A United Nations capital development fund was essential to provide the less developed countries with the capital they needed to initiate the process of industrialization. It should not be forgotten that none of the present industrial countries had developed without the assistance of foreign capital. In the present changed historical situation it was the responsibility of the international community to enable the less developed countries to accumulate the capital they needed to transform their economies. However great the evils that accompanied it, industrialization was essential in order to expand production, raise the national income and increase agricultural productivity. Financial assistance should be furnished through the United Nations to ensure that no foreign military, political or economic pressures could jeopardize the independence of the countries which had until now been unable to develop their economies.

11. In suggesting that the advanced countries should set aside 1 per cent of their national income annually to assist the less developed countries (661st meeting), his delegation had not wished to suggest a compulsory levy on the resources of those States. The Indian representative had merely suggested a principle on which States might agree. The countries which had in the past been the principal beneficiaries of the economies of certain less developed countries might reasonably feel under an obligation to make a special effort to help them. If the principle proposed by his delegation was accepted by all countries, the Second Committee might perhaps set up a group to make a thorough study of the proposal and work out arrangements for implementing it. He was anxious to remove any misunderstanding there might be in regard to his delegation's suggestion and to emphasize that it was in no way directed against the conclusion of bilateral or multilateral intergovernmental agreements.

12. Turning to the Pakistan draft resolution on the economic and social consequences of disarmament (A/C.2/L.469), he said that while his delegation had every sympathy with the motives underlying the resolution, it felt that a more realistic approach was necessary. In the first place the question of international economic relations was too urgent a problem to be set aside until the disarmament problem could be resolved. Moreover, it was a mistake to believe that disarmament would release substantial resources. The

money used to manufacture armaments was appropriated solely for that purpose and would not be appropriated in the event of disarmament. The taxpayers who were bearing such a heavy burden would demand some relief. Disarmament would in fact be extremely expensive. A control system employing millions of people would have to be organized. There would also be inevitable changes in the economic and social structure. It would, for instance, be necessary to reconvert defence industries, provide alternative sources of employment, modify existing institutions, and deal with the problems of leisure. Even if disarmament cost more than war, it would be necessary to disarm. Nevertheless there was no point in insisting on too close a link between disarmament and economic advancement. It should also be remembered that the causes of war were usually economic and that they should be eliminated.

CONSIDERATION OF DRAFT RESOLUTIONS (A/C.2/L.461/REV.2 AND CORR.1) (continued)

13. Mr. CARAMA Sikké (Guinea) said that his delegation supported the eight-Power draft resolution (A/C.2/L.461/Rev.2 and Corr.1) and had considered the possibility of becoming a sponsor of the original text. After careful consideration, however, it had decided that certain changes were necessary and was therefore submitting an amendment (A/C.2/L.485). As the leader of the Indian delegation had pointed out, it was not enough to provide the less developed countries with capital goods. They must produce as much as they could. That was the core of the problem of underdevelopment; for no aid, however disinterested, could take the place of the initiative of the peoples themselves. His delegation's amendment did not modify the objective of the eight-Power draft resolution. It merely drew attention to means of enabling the less developed countries to contribute effectively to their own development. He hoped that the sponsors of the draft would accept his amendment. If they did so, he would be prepared to become a co-sponsor.

14. Mr. PENTEADO (Brazil) observed that many delegations still hoped that it would eventually be possible to establish SUNFED and that the door should therefore be left open to the establishment of new institutions. It was with that consideration in mind that his delegation had joined with the delegations of Ceylon, Indonesia and Iraq, in submitting an amendment (A/C.2/L.488) to paragraph 4 (d) of the draft resolution.

15. Mr. NATORF (Poland) considered that the amendments already embodied in the eight-Power draft resolution and the amendments still pending would substantially improve the text.

16. With regard to the USSR proposal (A/C.2/L.466), he noted that the Committee had recognized the importance of the draft declaration on international economic co-operation and the need for more detailed study of the principles it set out, and had decided (674th meeting) to transmit it to the Economic and Social Council for consideration. The Committee should therefore be in a position to take a final decision on the draft declaration at the next session. Everyone recognized the necessity of formulating a number of general principles by which States should be guided in their economic relations: aid to the underdeveloped countries, measures to strengthen their independence, the expansion of international trade, technical co-operation, etc. The document in which

those principles were set out should cover all the essential aspects of world economic relations and provide for the progressive elimination of obstacles to international trade. The USSR draft declaration fully satisfied that requirement; it envisaged co-operation between States with different social systems and between countries at different stages of development, and it emphasized that the normalization of trade would facilitate the settlement of the world's major political problems, the improvement of the international situation and the consolidation of the sovereignty and national independence of all countries. Under the terms of the draft declaration the less developed countries should be assisted to attain economic independence through the elimination of single-crop agriculture, to accelerate their economic growth and to develop their national industry. Adoption of the draft would help to improve and develop economic relations throughout the world and would lead to the gradual elimination of the existing barriers and artificial discriminatory restrictions in international trade. For those reasons his delegation whole-heartedly supported the USSR draft declaration.

17. His delegation would be able to vote for the eight-Power draft resolution if the various amendments proposed were incorporated, although it believed that the draft represented only a first step in the field of international economic co-operation. With regard to the amendment proposed by Brazil and three other delegations (A/C.2/L.488), he pointed out that the Romanian delegation had already proposed an amendment to paragraph 4 (d). That proposal, repeated by the representative of Romania at the previous meeting, should also be taken into consideration.

18. Mr. GEORGIEV (Bulgaria) said that draft resolution A/C.2/L.461 had been submitted as a result of the pressure brought to bear by the USSR draft declaration (A/C.2/L.466) and opinion in the underdeveloped countries. The original draft resolution had been wholly inadequate but the amendments incorporated had improved it and he hoped that the text finally adopted would be fully satisfactory. During the discussion the United Kingdom delegation had in general been willing to make concessions but had been inflexible with regard to three points. Firstly, the United Kingdom delegation had done its best to sidetrack amendments directed towards the establishment of SUNFED. Secondly, it had rejected that one of the amendments of Pakistan (A/C.2/L.478) which proposed the insertion of a new subparagraph concerning commodity prices. Thirdly, it had not accepted the principle that aid to the less developed countries should not be subject to any political conditions. The United Kingdom delegation's attitude emphasized the need for support of the USSR draft declaration. It had been argued that the proposal was not an ordinary draft resolution. That was, however, its most valuable feature, for States signing the declaration would undertake specific obligations. The resolutions ordinarily adopted contained mere recommendations, whereas the draft declaration would compel all States to show where they stood with regard to the world's fundamental economic problems. In view of the urgency of solving those problems there was no time for shilly-shallying.

19. Mr. FINGER (United States of America), speaking on a point of order, pointed out that the substantive discussion on the USSR draft declaration had been closed. The question could not therefore be reopened.

20. The CHAIRMAN said that the Committee had decided (671st meeting) to consider draft resolution A/C.2/L.461 and the draft declaration (A/C.2/L.466) at the same time. However, the Committee had already taken a decision (674th meeting) concerning the Soviet draft declaration and he therefore asked representatives to confine themselves as far as possible to the matter under discussion.

21. Mr. GEORGIEV (Bulgaria) said that the Bulgarian delegation in Washington and the State Department were now studying ways and means of improving economic relations between Bulgaria and the United States. In October 1960, the central organ of the Bulgarian Communist Party had published in its number for 24 October 1960 an article on the need to restore normal relations between the two countries. Such action would be useful from both the practical and the political standpoints and was in keeping with the principle of the peaceful coexistence of States with different social systems. That example showed the significance of the Soviet draft declaration.

22. The Bulgarian delegation hoped that due account would be taken of the Ukrainian amendment (A/C.2/L.477/Rev.1) to the effect that the establishment of priorities in furnishing economic assistance to the under-developed countries should not be subordinated to political motives. In that connexion, an important American newspaper had recently stated that the \$500 million aid programme for Latin America proposed by the United States was intended to strengthen the economies of the Latin American countries so that they would do better able to withstand the advance of Communism and of revolutionary movements like that in Cuba. That statement had never been denied. As the United Kingdom held a position similar to that of the United States in the matter and adhered to its views on the establishment of SUNFED and the question of commodities, it was to be wondered to what extent the amendments on those questions would be acceptable to the eight Powers. Nevertheless, his delegation hoped that the draft resolution (A/C.2/L.461/Rev.2) would be improved and would be able to support it if the final text was likely to assist the under-developed countries and to bring States with different social systems closer together.

23. Mr. DUDLEY (United Kingdom) felt that it was unfortunate that remarks had been made concerning the attitude and the motives of the United Kingdom delegation and the sponsors of the draft resolution, which were not in harmony with the spirit of the debate.

24. Mr. ENCINAS (Peru) thanked the sponsors of the draft resolution for having taken into account certain suggestions he had made and particularly for having modified operative paragraph 1. However, the new text was still not entirely satisfactory. In his view, the words "and thus safeguard their independence" should be deleted. The present text was, in fact, too restrictive in meaning. It might be taken to imply that the only effect of economic and social progress in the under-developed countries was to safeguard their independence, whereas it might also be reflected, in an improvement in agriculture, living standards, health, tourism, etc. Moreover, while it might be said that one of the first duties of the United Nations was to

accelerate economic and social advancement in the under-developed countries, it could not be said that one of its first duties was to safeguard the independence of those countries. Independence was a fundamental and unconditional legal concept which was quite independent of a country's economic and social advancement. The principle of the equality of States based on their sovereignty and independence was universally recognized. It should not be suggested that economic and social backwardness in a country might be detrimental to its independence. If those words were not deleted, he would have to ask for a separate vote on the paragraph.

25. Mr. ABDEL GHAFAR (United Arab Republic) said that he would withdraw the amendment he had submitted orally at the previous meeting, since the amendment appearing in document A/C.2/L.488 embodied the change he had proposed.

26. Mr. ORTIZ (Uruguay) felt that the attention which the United Kingdom draft resolution had received and the number of amendments which had been submitted might give the impression that the text in question was of paramount importance in solving world economic problems. However, after having studied it carefully, he considered that the draft would not substantially alter the present situation. Certainly, the intentions of the sponsors, who hoped to help improve the world economic situation—which was a vital question at the present time—should not be underestimated. But the various preambular paragraphs did no more than recall the principles of the Charter and the purposes of the United Nations. The fact that it was necessary to recall them showed that they had not always been applied, particularly by the more developed countries, on whom the responsibility fell.

27. Operative paragraph 1 was virtually a repetition of the preceding paragraph; the Peruvian representative's comments on that paragraph were fully justified. As for operative paragraph 3, it might seem surprising that the highly developed countries, with their long experience, only now realized that it was necessary to advance the economies of the under-developed countries. Sub-paragraphs (a) and (b) of paragraph 4 were of no great significance, as the questions concerned had been under study for a considerable time. Sub-paragraph (c), which emphasized the importance of technical training, contained nothing new. Sub-paragraph (d), although of greater interest, merely emphasized further that assistance furnished in the past had not always been beneficial to the recipients.

28. Notwithstanding those considerations, his delegation would vote in favour of the draft resolution, as it approved of the ideas embodied in it. But it was aware that resolutions were useful only in so far as they were reflected in specific measures. It was therefore to be hoped that the highly developed countries would realize that the approach they adopted in the future was more important than any statements they might make.

29. Mr. DUDLEY (United Kingdom) said that the sponsors of the draft resolution would meet again to see if the various proposals and suggestions could be taken into account and to submit a new revised draft.

The meeting rose at 6.25 p.m.