



GENERAL ASSEMBLY

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Fourth session

Item 28 of the agenda

ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED COUNTRIES

Report of the Second Committee

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I. TERMS OF REFERENCE

1. The General Assembly, at its 224th meeting held on 22 September 1949, decided to allocate the following item of its agenda to the Second Committee for consideration and report:

"Economic development of under-developed countries (Chapter II A of the report of the Economic and Social Council):

- (a) Economic development of under-developed countries: report of the Economic and Social Council;
- (b) Technical assistance for economic development: item proposed by the Economic and Social Council;
- (c) Expanded co-operative programme of technical assistance for economic development through the United Nations and the specialized agencies: item proposed by the Economic and Social Council."

This item combined under one heading the items proposed by the Economic and Social Council and Chapter II A of the report of the Council*, which was included in that report in accordance with the request made by the General Assembly in its resolution 198 (III) of 4 December 1948.

2. The summary records of the Second Committee's discussions on the matter will be found in documents A/C.2/SR.88-103 and A/C.2/SR.113. Various reports referred to in the Secretary-General's note on this item (A/983) were available to the Committee during its discussions.

3. The Committee agreed to begin with a general debate covering all aspects of the problem and to proceed to a consideration of specific proposals after the conclusion of the general debate.

* See Official Records of the fourth session of the General Assembly, Supplement No. 3 (A/972).

II. SYNOPSIS OF THE DISCUSSION DURING THE GENERAL DEBATE*

A. Expanded programme of technical assistance for economic development of under-developed countries

4. The representatives of forty-three Member States took part in the general debate and the summary records of the statements made during the debate will be found in documents A/C.2/SR.83-95.
5. The resolution concerning an expanded programme of technical assistance, adopted by the Economic and Social Council on 15 August 1949 (resolution 222 (IX) A) was commented upon favourably by all representatives who participated in the debate, even though in the views of some of them the proposals made contained certain weaknesses. Most of these representatives considered this resolution as a major step forward in the field of international action toward the promotion of economic development of under-developed countries. They also expressed the hope that the Council's proposal might be adopted unanimously by the General Assembly.
6. As regards contributions for the expanded programme the representatives of Argentina, Australia, Belgium, Chile, Denmark, France, India, Liberia, Mexico, the Netherlands, New Zealand, Norway, Pakistan, Peru, Sweden, the United Kingdom, the United States of America, Uruguay and Venezuela declared the intention of their Governments to contribute at an appropriate time to the special account to be established. Several representatives, among them the representatives of Australia, Canada and the United States of America, referring to the wide support which the technical assistance programme had already received, urged universal participation by all members of the United Nations and of the specialized agencies in this programme. The representative of the United Kingdom, drawing attention to the sacrifices which the countries contributing to the special account would be making, urged the highest efficiency in operations and the careful husbanding of resources by the administering authorities. The representative of Canada said that the reasonableness of the programme for the first year and the possibility of its accomplishing concrete results would undoubtedly be factors of great importance to national legislative bodies when they were considering the extent of their participation.
7. Many representatives, among them those of Argentina, Iraq, Mexico, Saudi Arabia, Poland, the United States of America, the Union of South Africa and the Union of Soviet Socialist Republics, stressed the importance

* The statements summarized in this synopsis are of necessity incomplete. For a more complete account reference should be made to the summary records of the debate.

of the principle that the technical assistance should be rendered by the participating organizations only in agreement with the Governments concerned and on the basis of requests received from them. The representatives of these countries also referred to the "guiding principles" adopted by the Economic and Social Council and contained in Annex I of Council resolution 222 (IX) A to which these representatives expected the United Nations to adhere very rigidly, and drew particular attention to one of the "guiding principles" which states that the technical assistance furnished shall "not be a means of foreign economic and political interference in the internal affairs of the country concerned and not be accompanied by any considerations of a political nature."

8. Several representatives, including those of Poland and the Union of Soviet Socialist Republics drew a distinction between the expanded programme of the United Nations and the activities of the United States Government under its programme known as "Point 4".

9. Several speakers, including the representatives of Australia, Lebanon and the United States of America, drew attention to the fact that the programme, as designed by the Economic and Social Council was limited to technical assistance directly related to economic development, and was not intended to assist participating organizations in the financing of all projects for which they could not obtain funds under their regular budgets. Some speakers, among them the representatives of France, Denmark, Greece, Ecuador, the Netherlands and Peru, stressed the close connexion between the economic and social fields and the desirability for adequate emphasis on technical assistance in the social field.

10. The representatives of Brazil, Canada and Sweden emphasized the direct relationship between economic development and world trade. The representative of Canada said that the industrial and general economic development of under-developed countries would improve opportunity for employment, enhance the productivity of labour, increase the demands for goods and services, contribute to economic balance, expand international trade and raise levels of real income. The representative of Brazil commented on the unfavourable long term trend of the terms of trade of under-developed countries, holding the view that an improvement of these terms of trade might, under certain conditions, provide a satisfactory alternative to the financing of imports of capital goods needed for developmental projects by means of foreign investment.

11. Some representatives, among them the representatives of Chile and the Philippines, pointed out that under the expanded programme due attention

/should be paid

should be paid to technical assistance both in the fields of industry and of agriculture in order to strengthen national economies without subordinating their development to the interests of the industrialized countries; Chile also considered that industrial development was essential to agricultural development. Several representatives placed particular emphasis on technical assistance leading to industrialization of under-developed countries and to diversification of their production structure. The representative of Lebanon stated that the basic problem was that of increasing production and that he felt that technical assistance in the field of manufacturing industries was therefore of primary importance. The representative of Egypt pointed to wide fluctuations in the prices of primary products and hence in the national income of countries producing such products; the fluctuations, he felt, obstructed their plans for economic development and he therefore believed that technical assistance directed towards diversification of production would promote the structural stability of the national economies of under-developed countries. The representative of Egypt also believed that technical assistance could help under-developed countries in increasing the pace of industrialization, since slow industrial development could not ameliorate the living conditions in those countries and could not absorb the normal increase in the working population and the excess agrarian population. The representatives of the Union of Soviet Socialist Republics, the Byelorussian Soviet Socialist Republic, the Ukrainian Soviet Socialist Republic and Yugoslavia considered that technical assistance furnished to under-developed countries should be determined by the needs of those countries and not by the requirements of the world market and that technical assistance should be directed to assist in the creation and development of national industries, including heavy industries; the representative of the Union of Soviet Socialist Republics referred in this connexion to the statement, contained in the report of the Secretary-General on Technical Assistance for Economic Development (E/1327/Add.1, Chapter III) concerning the requirements of the world market and productive capacities of more developed countries, which in his opinion was incorrect. The afore-mentioned representatives, together with the representatives from Cuba and Guatemala, also stressed the need for protection of infant industries in under-developed countries.

12. Regional co-operation with respect to technical assistance projects was advocated by the representatives of Bolivia, Canada, France, Poland and Peru. The representative of Uruguay stressed the importance of the co-ordination of the various national economies as a factor of fundamental importance in permitting intensified economic development without risk.

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13. The need for sympathetic understanding of specific environmental conditions of a country receiving technical assistance from experts provided under the expanded programme was stressed by several representatives, among them those of China and New Zealand; the representative of China also emphasized the importance of adequate training of such experts.
14. Several representatives held the view that it might have been desirable to have stated explicitly in the Council's resolution that all fields of technical assistance for economic development would, under the expanded programme, be open to all members of the United Nations or of any specialized agency, irrespective of whether they were members of the particular participating organization which was operating in the field in which the assistance was sought.
15. The representative of Venezuela laid stress on the need for adequate administrative machinery within a country receiving technical assistance, in order to ensure full utilization of international technical aid.
16. The representatives of Argentina and New Zealand strongly supported the view that a country receiving technical assistance should assume responsibility for a substantial part of the costs of such assistance. The representative of the Philippines believed, however, that no country should be deprived of technical assistance because it could not afford to meet a part of the expenses connected with it.
17. With respect to the distribution of contributions paid into the special account, the representatives of Australia, Belgium, Canada, Denmark, Ecuador, India, New Zealand and the United States of America stressed the fact that the percentages contained in Economic and Social Council resolution 222 (IX) A were designed for the first year only and could be modified in the future in the light of experience. The representative of France thought that the percentages assigned to the United Nations Educational, Scientific and Cultural Organization and the International Labour Organisation were not sufficient, and the representative of Australia emphasized the importance of large shares being allotted to the United Nations and to the Food and Agriculture Organization. The representative of Lebanon believed that, since an increase in production was the basic problem and since agriculture and the manufacturing industries offered the broadest field for increased production, a greater part of the available funds should have been directed to the agencies which could contribute most directly towards increased productivity in those fields, especially towards industrialization. The representatives of Afghanistan, Australia and Ecuador also were of the opinion that a higher priority should have been given to those projects which would most directly increase production.

18. The Committee did not change the terms of reference of the Technical Assistance Committee as set out in the Council's resolution. However, some of the speakers, among them the representatives of France, India, Poland, Belgium, New Zealand and Australia, expressed the view that the Technical Assistance Committee, as an inter-governmental body, might be more useful if it were given a greater and more direct responsibility with respect to planning the technical assistance programme and the distribution of unapportioned funds from the special account. On the other hand, several representatives, among them those of the United Kingdom and the United States, believed that it was a wise decision to have the operating responsibility for the programme placed with the non-political, professional staffs of international organizations which were represented on the Technical Assistance Board.

B. Technical assistance for economic development under
General Assembly resolution 200 (III)

19. In the course of the general debate, some observations were made concerning the draft resolution proposed by the Economic and Social Council on technical assistance for economic development arising out of General Assembly resolution 200(III) and contained in the Council's resolution 222 (IX)C of 4 December 1948.

20. Several representatives, including those of Australia, Brazil, Chile, Ecuador, Haiti, New Zealand and the United States of America, supported the Secretary-General's recommendations for the year 1950 under this programme as contained in document E/1335/Add.1. The representatives of Ecuador, New Zealand and the United States of America also added that the programme should be covered, on a continuing basis, in the regular budget of the United Nations, and the representative of Haiti favoured its extension to include pilot development projects concentrated on economic development in selected small under-developed countries.

21. The representatives of Australia and India held the view that this programme, although provided for separately in the regular budget of the United Nations, should administratively become part of the expanded programme to be undertaken by the United Nations, and the representatives of Australia and Belgium doubted whether, when a central fund for contributions towards an expanded programme was established and in operation, it would be necessary to have two separately financed programmes.

C. Financing of economic development of under-developed countries

22. The discussion of the problems of economic development, apart from technical assistance, centred largely on the question of financing economic development.

23. Several representatives, including those of Australia, Belgium, France, New Zealand, the United Kingdom and the United States of America expressed the view that the Economic and Social Council had acted wisely in not examining the various aspects of economic development simultaneously and that the General Assembly would be in a better position to consider the problem of financing economic development after it had had the benefit of the views and recommendations of the Council.
24. Many representatives, among them those of Afghanistan, Bolivia, Brazil, Chile, Ecuador, Greece, Haiti, India, Lebanon, Peru, Philippines and Syria, considered the problem of financing as a crucial issue in economic development and indicated that, in the absence of adequate capital, improved techniques alone could not substantially increase production in the under-developed areas and contribute to raising the standards of living of their people. The representatives of Chile and Syria felt that new approaches must be found for directing capital to under-developed areas, on the ground that international economic co-operation could not wait until favourable conditions for private investment existed.
25. While there was general agreement that the financing of economic development should be carried out mainly with domestic resources, some representatives pointed out that, owing to the low level of productivity of under-developed countries and the consequent inadequacy of the current volume of domestic savings, such a method of financing did not offer much hope for extensive development in the near future. The representative of Brazil, while stressing the prominent part which the flow of private capital should serve in the process of economic development of under-developed areas, believed that loans and credits by Governments and by international agencies would continue to be required for long-term development projects. The representative of Yugoslavia held the view that the United Nations had an important role to play in improving the methods of international financing, which he felt should be the main source of foreign aid to under-developed countries. The representative of the United States of America emphasized that private investments must constitute the principal source of United States capital for economic development abroad.
26. The need for developing favourable conditions for the investment of foreign capital was stressed by many speakers, including the representatives of Bolivia, Brazil and the Netherlands. The representatives of Brazil, India and Lebanon referred to the need for mutual concessions in the field of foreign investments by capital-exporting and capital-importing countries.

27. Several representatives, among them the representatives of the Byelorussian Soviet Socialist Republic, Poland and the Union of Soviet Socialist Republics, cautioned against the use of foreign investments to serve political purposes or the exclusive interests of capital-exporting countries. The representative of Saudi Arabia declared that under-developed countries must not be mere outlets for manufactured goods from more highly developed countries.

III. CONSIDERATION OF SPECIFIC PROPOSALS

A. Expanded programme of technical assistance: draft resolution submitted by the Economic and Social Council

28. When the Second Committee began consideration of the draft resolution submitted by the Economic and Social Council in Annex III to its resolution 222 (IX)A (A/983, paragraph 5), it had before it also three amendments submitted by Poland, Mexico and Australia (A/C.2/L.5). Subsequently, an amendment was submitted by Lebanon (A/C.2/L.6) in substitution for that put forward by Mexico. The records of the discussion concerning this draft resolution and the proposed amendments are contained in A/C.2/SR.95 to 98 inclusive.

29. Before the Committee began its consideration of the Polish amendment the representative of India requested the Chairman to clarify a point concerning the functions and powers of the Technical Assistance Committee and obtained the Committee's agreement to have the exchange made part of the official record, as follows:

The representative of India asked "whether an authoritative explanation could be given of paragraph 6 (a) of the Council's resolution 222 (IX)A especially with reference to the right of the TAC to make comments and recommendations regarding the activities of the Technical Assistance Board, for instance, concerning applications for technical assistance which were being considered by the Technical Assistance Board (TAB), it being the view of his delegation that the TAC had such right. The Chairman replied that although he had no authority to interpret the Council's resolution it was his personal view that the interpretation of the Indian delegation was correct and he wondered whether any delegation had any different views. No further comment being offered, the Chairman drew attention to that fact, and gave it as his view that that might be considered as consent by the Committee." (A/C.2/SR.96).

30. The representative of Poland and a number of other representatives wished to place greater emphasis on the role of the Technical Assistance Committee (TAC) in relation to the Technical Assistance Board (TAB) and to make it entirely clear that, if the TAC should wish to make recommendations on any question, it had the power to do so. Some representatives were of the opinion that the proposed amendment changed the entire structure of the organization provided for in Council resolution 222 (IX)A and would result in interference with the day-to-day activities of the TAB. Other representatives were of the opinion that the proposed amendment was superfluous, since the TAC already possessed the necessary powers and the amendment would not

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increase them. In the view of these representatives, the proposed amendment might even be dangerous, since it might give rise to confusion or be interpreted restrictively. In the interest of unanimity the Polish representative withdrew his amendment.

31. The amendment proposed by the representative of Mexico was to add after "Technical Assistance Conference" in the third paragraph of the Council's draft resolution the words "to be convened by the Secretary-General at such time as he finds appropriate". In the course of the discussion of the third paragraph and the Mexican amendment thereto a number of representatives expressed the view that the purpose of the Conference was wider than and not correctly described as that of "negotiating contributions to the programme". The representative of Lebanon pointed out that, since it was agreed that the General Assembly was merely taking note of a decision of the Council, it would be better to mention the paragraphs of resolution 222 (IX)A in which the purposes of the Conference were set out; since it was also agreed that paragraph 13 (a) of resolution 222 (IX)A already provided for discretion by the Secretary-General in the calling of the Technical Assistance Conference, he proposed a clarifying substitute for the Mexican amendment. He proposed to delete in the third paragraph the words "for the purpose of negotiating contributions to the programme" and to substitute the words "to be convened by the Secretary-General in accordance with the terms of paragraphs 12 and 13 of the Council resolution". The representative of Mexico then withdrew his amendment and the amendment proposed by the representative of Lebanon was unanimously adopted. In answer to an inquiry as to the interpretation to be given to the amendment, the representative of the Secretary-General stated that, in the absence of specific instructions from the General Assembly concerning the time when the Technical Assistance Conference was to be convened, the Secretary-General would seek guidance from delegations before convening it.

32. The purpose of the amendment proposed by the Australian representative was to impose an obligation on the United Nations and participating specialized agencies to accept formally the principles of the Council's resolution; this obligation was already implied in paragraph 8 of Council resolution 222 (IX)A. The amendment, which was adopted unanimously, was to add in the fourth paragraph of the draft resolution after the words "Authorizes the Secretary-General to set up a special account for technical assistance for economic development", the words set out below:

"... to be available to those organizations which participate in the expanded programme of technical assistance and which accept the observations and guiding principles set out in Annex I of the Council's resolution and the arrangements made by the Council for the

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administration of the programme".

33. After consideration of the above amendments the resolution as a whole, as amended, was adopted unanimously. The text of the resolution, as adopted, is appended to the present report as resolution A in section IV.

34. It was understood by the Second Committee that the Secretary-General would convene the first meeting of the TAC of the Council, established under paragraph 6 of the Council's resolution 222 (IX)A, as soon as possible after the conclusion of the Technical Assistance Conference proposed in paragraph 12 of that resolution.

B. Technical assistance under General Assembly resolution 200 (III): draft resolution submitted by the Economic and Social Council.

35. The draft resolution contained in Council resolution 222 (IX)C (A/983, paragraph 4) was adopted unanimously after a brief discussion (A/C.2/SR.98) and is appended to the present report as resolution B in section IV.

C. Continued work of the Economic and Social Council in the field of economic development with particular reference to financing: draft resolution submitted by the delegation of Chile.

36. The delegation of Chile put forward a draft resolution (A.C.2/L.2), subsequently revised (A/C.2/L.2/Rev.1, Rev.2 and Rev.3), regarding the over-all work of the Economic and Social Council in the field of economic development arising out of General Assembly resolution 193 (III) and referring particularly to the financing of economic development.

37. During the course of the debate on this draft resolution changes were suggested by Ecuador, the Philippines, Peru, Egypt, the United States of America, the Byelorussian Soviet Socialist Republic (A/C.2/SR.98) and Mexico (A/C.2/SR.99). The proposed changes were accepted in whole or in part by Chile and incorporated in the third draft of its resolution (A/C.2/L.2/Rev.3). A formal amendment was also presented by Yugoslavia (A/C.2/L.7) to the effect that the Economic and Social Council should extend its studies to the problems connected with international public financing. After the drafting changes suggested by Canada and India and accepted by Chile had brought out that the reference to the financing of economic development in the Chilean draft resolution embraced both public and private financing, the representative of Yugoslavia withdrew his amendment. The records of the discussion are contained in documents A/C.2/SR.98 and 99. The resolution, as revised, was adopted unanimously and is appended to the present report as resolution C in section IV.

D. Draft resolution

D. Draft resolution submitted by Uruguay regarding the importance of the principle of co-ordination between countries in planning measures for the promotion of economic development.

38. The representative of Uruguay submitted a draft resolution (A/C.2/L.3) on the importance of the principle of co-ordination between countries in planning measures for the promotion of economic development.
39. The representative of Uruguay and several others considered that economic development had to be carefully co-ordinated if it were not to lead to a dislocation of world economy and to oblige certain countries to isolate themselves behind customs and other barriers.
40. The representative of Sweden, in welcoming the Uruguayan draft resolution, hoped for constructive proposals regarding the distribution of the world's food surplus for the benefit of countries in which the population was under-nourished and, in this connexion, drew attention to the activities of the Food and Agriculture Organization and the proposals of the International Federation of Agricultural Producers.
41. Some representatives, however, particularly the representative of the Union of Soviet Socialist Republics, opposed the draft resolution on the ground that it would be detrimental to the economic development of under-developed countries. In addition, a number of representatives, who were in disagreement with the representative of Uruguay, considered that the draft resolution might be misinterpreted to involve interference in a country's internal affairs. There was also doubt as to who was to do the co-ordination under the draft resolution. One representative, while in favour of the main thesis of the Uruguayan proposal, considered that the matter was not strictly within the Council's competence, but was rather a matter for Governments.
42. Two clarifying amendments were submitted by the representatives of Mexico (A/C.2/L.9) and the United States of America (A/C.2/L.10) and the Uruguayan representative in the light of these amendments, himself revised his draft resolution (A/C.2/L.3/Rev.1). At the close of the discussion, the representative of Uruguay, in view of the difficulties which arose as regards an adequate interpretation of the Uruguayan resolution, and in the interest of maintaining unanimity in the Committee (A/C.2/SR.99 and 100), withdrew his draft resolution.

E. Draft resolution submitted by Cuba regarding
the influence of international economic and
commercial policy on economic development

43. The representative of Cuba submitted a draft resolution (A/C.2/L.4), supported by the representative of Guatemala, regarding the influence of commercial policy on economic development. It was subsequently revised (A/C.2/L.4/Rev.2 and A/C.2/L.4/Rev.3/Corr.1).* The Committee also had before it an amendment submitted by Uruguay (A/C.2/L.8) which was subsequently withdrawn because it became inapplicable in view of subsequent revisions by the Cuban representative. An amendment was also submitted jointly by the Philippines, Saudi Arabia, Iraq and Syria (A/C.2/L.11). During the course of the debate it appeared that there was considerable disagreement regarding, in particular, the last paragraph of the Cuban draft resolution (A/C.2/L.4/Rev.2). Several representatives, including the representative of the Netherlands, opposed the Cuban resolution, since in their view it tended to reopen debates and to restate general principles regarding a subject which had been fully covered by the Havana Conference on Trade and Employment. As a result of the discussions, the Cuban delegation, in an informal meeting with the representatives of the Philippines, Saudi Arabia, Iraq, Syria, Mexico, Argentina, Uruguay and Colombia, revised its draft resolution and incorporated the substance of the joint amendment submitted by the first four countries mentioned. This final revision is included in document A/C.2/L.4/Rev.3/Corr.1.**

44. Subsequently, amendments were submitted to the revised draft contained in document A/C.2/L.4/Rev.3/Corr.1** by the representatives of Australia and China (A/C.2/L.12) and the representative of China also made an informal suggestion for a change involving the deletion of most of the fourth paragraph (A/C.2/SR.102, paragraph 53). The representative of Cuba accepted both the formal amendment and the suggestion of the representative of China (A/C.2/SR.103, paragraph 3). As a result, the Australian amendment no longer applied and was withdrawn. The Committee then received an amendment submitted by Poland (A/C.2/L.13) and another reintroducing the fourth paragraph of the Cuban revised draft resolution (A/C.2/L.4/Rev.3/Corr.1***) proposed by the Union of Soviet Socialist Republics (A/C.2/SR.103, paragraph 22 and A/C.2/SR.103/Corr.1). The Committee also had before it at this stage an amendment proposed by Peru (A/C.2/SR.103, paragraph 21).

* In French A/C.2/L.4/Rev.1, A/C.2/L.4/Rev.2 and A/C.2/L.4/Rev.3;
In Spanish A/C.2/L.4/Rev.2 and A/C.2/L.4/Rev.3.

** A/C.2/L.4/Rev.3 in French and Spanish.

45. The Committee first voted on the Peruvian amendment, adopting it by 36 votes to 2, with 4 abstentions. The Committee then considered the Polish amendment to a/1, at the end of the third paragraph of the Cuban draft resolution, the following words:

"...taking into account the discussion, which took place in the Second Committee of the fourth regular session of the General Assembly during the consideration of the present resolution and, in particular, the opinions about the necessity of the protective customs tariffs as an efficient factor in the creation and development of the national industries of under-developed countries".

This amendment was adopted by 16 votes to 15, with 13 abstentions.

46. The Committee then voted on the amendment proposed by the Union of Soviet Socialist Republics. The amendment was rejected, the votes being 17 in favour, 17 against and 9 abstentions. The Committee next voted on the resolution as amended. The resolution was adopted by 30 votes to 12, with 1 abstention.

47. Several representatives, including those of Canada and the United States of America, expressed their disappointment and said that they had hoped to vote for the Cuban proposal in the form in which it appeared prior to the adoption of the Polish amendment and thus contribute to unanimous support of the Cuban resolution.

48. The records of the discussion of the Cuban draft resolution and the amendments thereto are contained in documents A/C.2/SR.100 to 103 inclusive. The resolution, as adopted, is appended to the present report as resolution D in section IV.

IV. RESOLUTIONS SUBMITTED BY THE SECOND COMMITTEE TO THE GENERAL ASSEMBLY
The Second Committee recommends the adoption by the General Assembly of the following resolutions:

A

EXPANDED PROGRAMME OF TECHNICAL ASSISTANCE FOR ECONOMIC DEVELOPMENT
OF UNDER-DEVELOPED COUNTRIES

The General Assembly,

Having considered the Economic and Social Council's resolution 222 (IX)A of 15 August 1949 on an expanded programme of technical assistance for economic development,

1. Approves the observations and guiding principles set out in Annex I to that resolution and the arrangements made by the Council for the administration of the programme;
2. Notes the decision of the Council to call a Technical Assistance Conference to be convened by the Secretary-General in accordance with the terms of paragraphs 12 and 13 of the Council resolution;
3. Authorizes the Secretary-General to set up a special account for technical assistance for economic development, to be available to those organizations which participate in the expanded programme of technical assistance and which accept the observations and guiding principles set out in Annex I to the Council's resolution and the arrangements made by the Council for the administration of the programme;
4. Approves the recommendations of the Council to Governments participating in the Technical Assistance Conference regarding financial arrangements for administering contributions, and authorizes the Secretary-General to fulfil the responsibilities assigned to him in this connexion;
5. Invites all Governments to make as large voluntary contributions as possible to the special account for technical assistance.

B

TECHNICAL ASSISTANCE FOR ECONOMIC DEVELOPMENT UNDER
GENERAL ASSEMBLY RESOLUTION 200 (III)

The General Assembly,

Having considered the Economic and Social Council's recommendation, in accordance with paragraph 6 of General Assembly resolution 200 (III), including its recommendations concerning "budgetary action required by the General Assembly to carry on the functions instituted" by resolution 200 (III),

/Having decided,

Having decided, in resolution 200 (III), "to appropriate the funds necessary to enable the Secretary-General to perform" certain functions set out in that resolution,

1. Agrees with the recommendations of the Economic and Social Council that the activities under resolution 200 (III) should be expanded in 1950 in accordance with the Secretary-General's proposals, that increased appropriations should be provided therefor and that the regular budget of the United Nations should continue to provide for the activities authorized by that resolution;

2. Notes with approval that the Secretary-General has included an amount for these services in the budget of the United Nations for the year 1950.

C

ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED COUNTRIES

The General Assembly,

Having considered the report presented by the Economic and Social Council in accordance with the provisions of General Assembly resolution 198 (III),

1. Notes the measures already devised by the Council, its commissions and the specialized agencies regarding the economic development of under-developed countries and regions, especially those in the field of technical assistance for economic development;

2. Takes note of the arrangements made by the Council to give detailed consideration at an early session to other questions related to the economic development of under-developed countries and regions;

3. Looks forward specifically to receiving the Council's studies of and recommendations for international action concerning the urgent problems of the financing, in all its aspects, of economic development in under-developed countries;

4. Recommends that the Economic and Social Council:

(a) Continue to give urgent attention to the problems of economic development of under-developed countries, giving due consideration to questions of a social nature which directly condition economic development;

(b) Stimulate its commissions and the specialized agencies to give similar urgent attention to these problems;

(c) Include in its annual report to each regular session of the General Assembly a special chapter on the measures being taken to promote economic development, together with recommendations for the further improvement, if necessary, of such measures.

D

ECONOMIC DEVELOPMENT AND INTERNATIONAL ECONOMIC
AND COMMERCIAL POLICY

The General Assembly,

Considering that the tasks hitherto entrusted to the Economic and Social Council, the Secretariat and the specialized agencies in connexion with the economic development of under-developed countries have been concentrated especially on the study of problems connected with technical assistance and with the financing of economic development.

Considering that experience has shown that many aspects of international economic and commercial policy exercise a powerful influence on the economic development of under-developed countries,

Recommends that, in the Economic and Social Council's forthcoming work and studies on economic development, further attention should be paid to such questions of international economic and commercial policy as may influence the process of development of the economies of under-developed countries with a view to making recommendations to the General Assembly, taking into account the discussion which took place in the Second Committee of the fourth regular session of the General Assembly during the consideration of the present resolution and, in particular, the opinions about the necessity of protective customs tariffs as an efficient factor in the creation and development of the national industries of under-developed countries.
