



CONTENTS

	Page
Statement by the Secretary-General of the United Nations Conference on Trade and Development	109
Agenda item 13:	
Reports of the regional economic commissions (<i>continued</i>)	110

President : Mr. T. BOUATTOURA (Algeria)

Present :

Representatives of the following States: Algeria, Cameroon, Canada, Chile, Czechoslovakia, Dahomey, Ecuador, France, Greece, India, Iran, Iraq, Luxembourg, Morocco, Pakistan, Panama, Peru, Philippines, Romania, Sierra Leone, Sweden, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Venezuela.

Observers for the following Member States: Bulgaria, Israel, Japan, Kuwait, Norway, Tunisia, Turkey.

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, International Bank for Reconstruction and Development, International Monetary Fund.

Statement by the Secretary-General of the United Nations Conference on Trade and Development

1. Mr. PREBISCH (Secretary-General, United Nations Conference on Trade and Development)¹ said that, before addressing himself to three of the most important problems relating to financing that were under consideration in UNCTAD, he would first like to stress the valuable co-operation that the regional economic commissions were giving to UNCTAD, which expected much from them in preparation for the second Conference on Trade and Development.

2. A major topic of the second Conference would be international liquidity, as seen from the point of view of the developing countries. In pursuance of a recommendation of the first Conference on the matter, the United Nations Secretariat had appointed a group of experts from the developing, socialist and developed

countries. The report of the group² had been most interesting; for the first time the problem of international liquidity had been studied from the point of view of the developing countries and those countries, it had been emphasized, should be able to take part in the current discussions on international monetary reform not only as spectators but as active participants. The group had recommended, in particular, that the developing countries should participate on an equal footing with others in the creation of additional reserves, and that part of the additional resources to be created should be placed at the disposal of the developing countries through the new machinery. That recommendation had become a source of controversy, for the so-called Group of Ten developed countries had excluded from their discussions the developing countries and had tended to limit the new schemes under study to the developed countries. That attitude had caused great concern among the developing countries, and the Managing Director of IMF had supported their view and had stated frankly at a recent meeting in the United States that he could not accept the notion that all but a few members of the Fund had little or no need for reserves and were not capable of keeping any they might receive; he had also stated that any attempt to divide the countries of the world into separate groups would be bitterly resented and could do grave damage to the cause of international co-operation in monetary and economic matters. Indeed, the argument that any reserves accumulated by the developing countries would be immediately depleted by their urgent needs and the chronic disequilibrium in their balance of payments constituted no valid reason for depriving them of an opportunity to participate in the new machinery for reform. That constituted, in fact, an argument for linking the reform of the international monetary system with other reforms relating to the international economy, and especially those which closely affected the trade gap. Monetary problems could not be considered in isolation, outside the context of general international and national economic problems.

3. The experts' report had been discussed in UNCTAD and, since the Group of Ten had maintained its position, the Group of Seventy-Seven developing countries had issued a statement which had been circulated to all Governments and interested institutions, drawing attention to the serious consequences of excluding the developing countries from direct participation in the reform.

4. Another point that was being considered within UNCTAD was the lack of financial machinery allowing for the provision of resources for the operation of buffer stocks in connexion with agreements on primary commo-

¹ The full text of the statement made by Mr. Prebisch was subsequently circulated as document E/L.1130.

² UNCTAD document TD/B/32 and Add.1; United Nations publication, Sales No.: 66.II.D.2.

dities. That point had emerged with considerable force when solutions had been sought for the problem of cocoa. He had been instructed to ask IMF and IBRD whether they would consider providing a sum of between \$60 million and \$80 million for a cocoa buffer stock; but neither institution had been able to give a positive answer, because of their constitutional arrangements and operational methods. That financial obstacle, together with the problem of the minimum price, had made it impossible to conclude a cocoa agreement; nevertheless, he was not discouraged by the outcome of the Cocoa Conference and would continue bilateral and multilateral consultations with a view to reaching agreement.

5. A major issue at the second Conference would be the question of supplementary financing, which had been discussed at length at the first Conference. The United Kingdom and Swedish delegations had then submitted a recommendation, adopted by the Conference, asking the World Bank to study the problem. The Bank had submitted an exhaustive report on the matter⁸ which was particularly valuable because of its constructive nature: not only did it propose a solution for the problem of external fluctuations, but it also took planning as its starting point—a concept which had become current only very recently. The report was based on the idea that planning for development must be so conceived as to ensure external resources to enable a country to meet any unexpected decline in that direction; the appropriate agency would offer to supply financing, so that the country in question might continue to implement its plan, irrespective of upheavals due to fluctuations.

6. The concept was an extremely interesting one in that it implied that basic financing must exist before supplementary financing could be supplied, and that the basic commitment would not be for individual projects, but for the development plan as a whole throughout its full duration. The theory underlying the report showed considerable progress in the concept of international financial policy, for not so long ago there had been much controversy as to whether financing should relate to individual projects or to entire plans.

7. The report assumed that, in order to supply basic and supplementary financing, the plan in question must be properly evaluated and approved by the financing institutions. In that connexion, however, an interesting economic and political problem arose: who was to assess the soundness and economic feasibility of the plan? Should it be only the financing institution concerned, or should the opinion of an impartial group of experts also be consulted? There again, the answer was affected by fundamental changes in international theory, for only ten to fifteen years previously, planning in itself had been regarded as a heretical notion, whereas it had now become an essential basis of granting resources and of the structure of national economic development. It was essential to keep an open mind on ideas and techniques of economic development; that might lead to acceptance of the principle that the

evaluation of plans might not always be entrusted exclusively to international credit institutions, since the impartial judgement of expert groups might be of great value, even in influencing Governments. The experience of Latin American countries in that regard was interesting: under the Punta del Este Charter, it had been decided that development plans should be evaluated by experts, without prejudice to final approval by international credit institutions. Some difficulties had been encountered, and the Punta del Este Charter was by no means regarded as perfect, but improvements in the system were being studied.

8. The report of the World Bank had been submitted to the UNCTAD Committee on Invisibles and Financing related to Trade, where an extremely constructive debate had taken place in that, first, general formulas had been left aside and the core of the problem had been tackled; and second, the response to a specific request of the developing to the developed countries had been the submission of a specific plan. The representatives of the World Bank had been impressed by the high technical level of the debate. Of course, the subject could not be exhausted at a single session, and it had been agreed to set up a committee of government experts to study the plan, on the basis of a carefully prepared questionnaire. It was to be hoped that all the necessary information for solving the problem would be available to the second Conference. That specific case showed that UNCTAD, a new organ of the United Nations family, was not merely fulfilling the functions of a forum for discussion of problems and for devising formulas for common action, but could also provide machinery for specific solutions.

AGENDA ITEM 13

Reports of the regional economic commissions (E/4173 and Corr.1 and Add.1, E/4177 and Add.1, E/4180/Rev.1, Rev.1/Corr. 1-3 and Rev.1/Add.1, E/4181, E/4239) (continued)

9. Sir Keith UNWIN (United Kingdom) expressed his delegation's appreciation of the reports submitted by the four regional economic commissions and for the extremely helpful oral reports made by their executive secretaries. Some of the points raised might be more usefully discussed under other items of the agenda.

10. The United Kingdom was a member of ECE, ECAFE and ECLA, and an associate member of ECA. His Government greatly valued its membership, which provided a method of keeping in touch with the economic problems of the different regions, and hoped it also provided a means of enabling developing countries to understand the problems and views of the United Kingdom. It attached great importance to continuing the dialogue between developing and developed countries, and the regional economic commissions were valuable forums for that purpose.

11. The commissions were to be congratulated on the initiative they had taken in regard to regional economic co-operation; the information given by the executive

⁸ *Study on Supplementary Financial Measures*, International Bank for Reconstruction and Development, Washington, D.C., December 1965.

secretaries about sub-regional economic co-operation and groupings had been most encouraging in that the need was recognized for a large enough market to make industrial development possible. The United Kingdom Government strongly believed in such groupings, and had been particularly gratified by the progress made towards the establishment of an Economic Community of East Africa. It was impressed by the swift progress made with the establishment of the Asian Development Bank. Regional banks would, as they developed, provide most effective instruments for financing industrial development and a close link with the United Nations financing institutions and bodies such as the new United Nations Organization for Industrial Development (UNOID). The Lower Mekong basin scheme was an interesting undertaking, to which the United Kingdom Government had been able to pledge additional technical assistance for navigational aids.

12. His delegation wished to reaffirm its support for the practical work carried out by ECE, especially through its expert committees and its secretariat. The United Kingdom had supported the eleven resolutions adopted by the Commission at its twenty-first session, and felt they would greatly strengthen the latter's work.

13. He hoped that in expanding their services to the countries in their regions, the regional economic commissions would draw on the mass of experience and knowledge already available within the United Nations Secretariat and the specialized agencies. Not only would that ensure that the commissions drew full advantage from such knowledge but it would draw the United Nations family together in increasing unity and co-operation.

14. The Executive Secretary of ECA had stressed the advantages resulting from ECA's decision to hold biennial sessions. The Council might bear those advantages in mind when considering the frequency of meetings of its own subsidiary organs. Less frequent meetings of those organs would make the Council's work more fruitful.

15. In view of the remarks made at the 1432nd meeting by the representative of Czechoslovakia concerning the fact that the so-called German Democratic Republic was not a member of ECE, he felt obliged to reiterate the views which the United Kingdom had stated on the subject in ECE. It considered that Germany was properly represented in ECE by the Government of the Federal Republic of Germany, which was the only legitimate constitutional Government in Germany and hence the only Government entitled to speak on behalf of the German people. It did not recognize an East German state and continued to regard the USSR Government as responsible for the administration of that part of Germany.

16. Mr. BENYAHIA (Algeria) said that the regional economic commissions were the advance posts of the United Nations in the different regions of the world, and through them it could, using the Council as intermediary, determine precisely and accurately the priorities to be given to the different fields of action.

17. The main task to which ECLA, and to a lesser extent ECA, were devoting themselves was regional integration,

and their executive secretaries were to be congratulated on what had been achieved so far in that connexion. The youngest of the four commissions, ECA, had seen its role increased as a result of the strengthening of its relationship with OAU and the tasks that had devolved on it since the establishment of UNCTAD. The joint meeting of the OAU *ad hoc* Committee of Fourteen Members on Trade and Development and the ECA Working Party on Intra-African Trade, held at Addis Ababa from 28 March to 2 April 1966, provided a good illustration of the consolidation and usefulness of such co-operation. The Working Party on Intra-African Trade was the first to meet of the seven working groups set up by ECA at its seventh session, and the results achieved augured well for the future of the work of the other six working groups.

18. Since the development of trade between the developing countries was accepted as a factor of growth, it was necessary to find means of promoting it. The determination of such means fell mainly within the responsibility of ECA's Working Party on Transport and Telecommunications. The Algerian Government attached great importance to the problem of transport, and in close co-operation with its main neighbours was studying the possibility of constructing a highway across the Sahara. The implementation of such a project would be of capital importance, not only for the development of trade between countries at present geographically separated, but also for intensifying human contact between peoples belonging to the same continent. By improving and establishing necessary communication routes, it was hoped also to make a contribution to regional integration, to which his Government attached much importance. In the same connexion, his Government welcomed the extension of the activities of ITU. The agreements reached between ITU and ECA should not only help to eliminate certain obstacles born of colonialism, but should promote more effective regional and sub-regional co-operation.

19. Co-operation at the regional and sub-regional level had already started with industrialization, and the various bodies established during the past two years bore witness to the positive action that was being taken. With regard to co-ordination of industrial policies, the Symposium on Industrial Development in Africa held early in 1966 had adopted resolutions dealing with such matters as regional economic co-operation, the expansion of trade and industry, transport, natural resources, external financing, standardization and industrial statistics.

20. In spite of the efforts already made, ECA still suffered from the lack of adequate statistical data. He hoped the situation would improve, so that planning could be undertaken on a solid basis.

21. The creation of UNCTAD and UNOID should strengthen the role and functions of the regional economic commissions. The effectiveness of the Council's work was largely linked with the way in which the commissions accomplished their tasks, and in view of what they had achieved so far he was convinced that they would continue to play a vital role.

22. Mr. LOPEZ (Philippines) said that the regional economic commissions had an extremely important part to play in United Nations activities to promote the well-being of peoples.

23. ECE, which operated in the most highly developed region of the world, was understandably concerned with the more sophisticated aspects of economic development. Its contribution would be of value to the other regional economic commissions when their regions had reached a stage of development where more complex problems assumed the importance they had at present in Europe. ECE was a bridge between two parts of a Europe divided by ideological, political and economic differences, but Europe had an advantage in that it was more closely integrated and more homogeneous than the other continents.

24. Latin America had a longer history of co-operation than the other two developing regions, and it was not therefore surprising that ECLA had been able to bring about a degree of economic integration not found in those other regions; its efforts might well serve as a pattern. ECLA's success in integration was perhaps best reflected in its initiative to create a region-wide common market.

25. ECAFE operated in the largest, most populated and most diversified region in the world. Its achievements should be measured against a background of religious, cultural and, now, formidable ideological differences. The region was the only one not served by an inter-governmental organization, and ECAFE was the only existing centre for regional co-operation and for co-operation between countries within the region.

26. His delegation would like to see ECA, as the youngest of the regional economic commissions, given all the extra privileges and consideration that was usually accorded to the youngest child in the family. It should be given favoured treatment in the way of funds and other assistance until it could operate in a way consonant with its responsibilities.

27. He hoped that the commissions would endeavour to achieve the fullest possible co-operation not only with each other, but with the United Nations, the specialized agencies and the newer bodies, in particular UNCTAD and UNOID. The joint meetings arranged by the regional economic commissions were certainly useful, and the assurances given by the representative of FAO (1423rd meeting) that that organization intended to extend its co-operation with the commissions was welcome.

28. It was a historic fact that the constructive development work of ECAFE was traceable to the Ministerial Conference on Asian Economic Co-operation, held at Manila in 1963, at which the question of establishing an Asian Development Bank had first been broached. The Philippines Government had enacted a law which would enable the construction of the new headquarters for the Bank to be started, and in the meantime had put temporary accommodation at the Bank's disposal so that it could start operating in September 1966. It was the pride of the region that the Bank would be operating so soon after the idea of its establishment was first mooted. None of the socialist countries had been able to contribute

materially to the Bank, although they had pledged their co-operation in every way possible. The Asian Development Bank was not a commercial bank, and he hoped that those countries would feel able to participate fully in its work.

29. The countries in the Asian and Far East region were especially proud of the original and imaginative projects, such as the Mekong basin project and the Asian Highway project, that were being undertaken and of the energetic manner in which they were being implemented. There were, however, countries in the region that were not linked with either of those projects. Indonesia, Japan and the Philippines were large islands and could not benefit directly from the new Asian Highway, and he wondered if some other transport project could be developed for them; what came to mind was shipping. It was not easy for countries to break into the shipping cartel controlled by a few powerful maritime States, and he suggested that ECAFE might consider how to ensure that those three countries could compete under fair and equitable conditions with the other countries in the region without being subject to dictation from the shipping cartel.

30. His delegation agreed that a dynamic agriculture was the basis of economic development, but could not accept the inference that the developing countries must remain agricultural. Experience showed that agriculture became dynamic after industrialization had been achieved, and not before.

31. Economic development could not be divorced from social progress. The Council should give the regional economic commissions greater responsibility for studying social problems. He was prepared to propose formally to the Council or the General Assembly that the name of the commissions should be changed to "regional economic and social commissions" and that their terms of reference should be altered to enable them to give greater attention to social problems.

32. Mr. TETANG (Cameroon) noted with satisfaction that the reports given by the executive secretaries showed evidence of considerable achievement. The reports on the three developing regions bore witness to considerable efforts on the part of the commissions concerned and their member States to promote the economic and social development of the regions, thus bearing out the Secretary-General's contention that the Third World had contributed substantially to its own development in the first half of the Development Decade.

33. The report of ECA (E/4173 and Corr.1) was a good illustration of that point; its secretariat had been intensely active in carrying out the programme of priorities defined at its seventh session. Its activities included a survey of mineral resources for Central Africa; studies by the Special Fund and ECA on the development of the Lake Chad basin; and the organization of a meeting of governors of central banks under the auspices of ECA. His delegation particularly appreciated the technical assistance given to it by ECA: the Commission's economic co-operation mission, which was conducting a survey on industrial co-operation in Central Africa, had prepared a report

containing useful suggestions on food industries, metals, textiles, fertilizers and so forth.

34. Earlier speakers, including the French representative (1423rd meeting), had stressed the important part played by agriculture in the industrialization of developing countries, and his delegation fully endorsed the French representative's views on that subject. His country had so far subsisted mainly by its agriculture, and was in a good position to assess the advantages and possible disadvantages of excessive prosperity in that sector. On the one hand, a flourishing agriculture enabled it to feed the population without resorting to food imports which drew so heavily on the foreign currency needed for the purchase of equipment. On the other hand, an unduly prosperous agriculture, however diversified it might be, raised certain problems in finding export outlets for primary commodities and stabilizing commodity prices. Excessive price fluctuations for Cameroonian agricultural exports prevented the country from counting on a minimum income for financing its development plan. Without a world-wide organization of primary commodity markets, many of the efforts of the developing countries would be in vain, and the developed countries which fully controlled the markets and held the capital needed by the developing countries should support those efforts and show greater understanding in seeking solutions for the problem of equitable and remunerative prices.

35. In that connexion, the secretariats of the regional commissions had a part to play in helping various Governments to implement the decisions of the Economic and Social Council and the recommendations of UNCTAD. It was in the light of those recommendations that regional and sub-regional co-operation was already taking place in Africa, through the joint efforts of ECA and member States. Cameroon attached special importance to sub-regional integration: the Central African Economic and Customs Union, of which Cameroon was one of the prime movers, should enable the five countries concerned to speed up their economic development through harmonization of national economic policies. Indeed, industrialization could only be carried out effectively in a framework going beyond national frontiers and grouping a larger number of consumers. His delegation welcomed the interest shown in the Union by the United Nations and the specialized agencies, as well as the financial and technical assistance provided not only by the competent organs of the United Nations, but also by certain developed countries. Successful economic co-operation at the sub-regional level might be a first step towards the creation of an African common market, which was a main objective of OAU.

36. Turning to the training of high-level and medium-level personnel in Africa, he congratulated ECA on its efforts to provide each country of the region with the high and medium-level personnel so necessary for their economic development. The assistance provided by ECA, although still inadequate, was most valuable. Much was expected of the African Institute for Economic Development and Planning.

37. In conclusion, despite the efforts of the regional economic commissions and of the Governments of the

developing countries, the development of those countries called for increased financial and technical assistance from outside. It could not be achieved without closer and more disinterested co-operation from the developed countries. The international assistance crisis to which the Secretary-General had referred was a living reality in the developing countries, which hoped that the crisis would not be perpetuated and that the rich countries would show greater determination to combat hunger and poverty throughout the world.

38. Mr. ENCINAS del PANDO (Peru) observed that the role of the regional economic commissions coincided with the long-standing aim of the United Nations to apply technical progress to development. Throughout the history of the United Nations, a number of organizations set up to deal with economic and social development had been created and had come to an end; the regional commissions, however, had a record of constant and vital expansion which indicated an effective methodology. Peru was a founder member of ECLA and had benefited by the Commission's advice, studies and general directives since 1948. The Commission had been responsible for a radical change in the Latin American approach to a number of problems; its special characteristic might be termed an intellectual approach to technical and economic problems, largely due to the influence of its two executive secretaries.

39. Peru regarded joint meetings of the executive secretaries as a welcome beginning to exchanges of experience, believing that that was the only way to elicit, expand and crystallize a whole set of operational concepts the application of which should not be limited by time and space.

40. As the representative of a Latin American country, he would concentrate mainly on the statement of the Executive Secretary of ECLA (1431st meeting). The Executive Secretary had said that there had been a slight recovery in the Latin American economies in the past few years; on the other hand, the recovery had resulted in a per capita growth of only 3 per cent, whereas the population growth had been almost at the same rate. That state of affairs indicated a serious structural problem, which might be broken down into three main points: first, how stability and growth were to be reconciled; second, how earnings and income could be better distributed; and third, how the market-population relationship might be improved.

41. Reconciliation between stability and growth was an age-old problem in Latin America. The solution could not be found by harking back to the past, whether of Latin America, of Europe or even of the United States, for in all those areas there had been periods of intensive growth with instability, great instability without any growth, and other combinations of the two factors. At first sight, it seemed necessary for Latin America to avoid extremes; moreover, the history of each individual country had a bearing on the operational formulas to be adopted. In seeking a solution, however, the interplay of external factors must be borne in mind, as well as the great limitations imposed on most Latin American countries by the declining growth rate of their means of subsistence. Nevertheless, it had been heartening to hear the Executive Secretary's remarks on the increase of agricultural output in 1965.

42. The second point, that of better distribution of income, also raised serious problems, for improvements must be made without prejudicing high indices of capitalization. There again, the Latin American countries had to steer a course between two extremes.

43. As far as the third point was concerned, the Executive Secretary had drawn attention to the structural obstacle to Latin American economic expansion represented by limited markets and excessive orientation towards foreign trade. Thus, only one Latin American country had a market that covered 80 per cent of its adult population, two had markets which covered 50 per cent, while the national markets of the rest of the continent covered 25 per cent or less. It was difficult to find a general formula for improving that state of affairs; the problem was one of national economic integration as an aspect of regional integration. The Executive Secretary had drawn an analogy between Latin American economic integration and the system applied in Europe; he would point out, however, that European integration was the direct result of advanced development and high levels of consumption, whereas the Latin American countries were seeking integration as a function of development, in an effort to create and expand trade relations. Peru would be interested to hear from the Executive Secretary whether automatic liberalization would alter the system laid down in the Montevideo Treaty whereby the Latin American Free-Trade Association had been instituted.

44. ECLA would do well to consider the advisability of strategic concentration of efforts, for a summary perusal of the reports of the regional commissions tended to give the impression that efforts were being dispersed; it might be argued that Governments were responsible for that state of affairs, but experience had shown that the regional commissions, with the experience they had acquired, could take the initiative in channelling policies in certain directions. It was essential to avoid dispersal, in view of the paucity of resources. Efforts must be concentrated on well-defined problems and sectors, where the evils must be attacked at the root.

45. Mr. MURGESCO (Romania) congratulated the executive secretaries on their reports on the activities and future projects of their commissions. It had been particularly gratifying to hear that projects would not be limited to the current United Nations Development Decade, but would be continued in the seventies. The main problem was to make it possible for the activities of the commissions to reflect changes in the modern world more closely; the Romanian delegation therefore welcomed the idea that had emerged from the meeting of executive secretaries, namely that the role of those commissions had been rendered more important by the increasing number of organizations, institutions and arrangements for promoting world co-operation, which necessitated organic and strategic co-ordination at the regional levels (E/4239, para. 4(a)).

46. The main sphere in which the contributions of the regional commissions might be intensified was industrialization; his delegation welcomed the proposal that, after UNOID was set up, a special meeting should be

held between the executive secretaries of the regional commissions and the executive director of the new institution, so as to define functions and joint action for promoting industrial development (E/4239, para. 18).

47. The regional commissions were also facing important problems in connexion with UNCTAD's activities, in view of the specific problems arising in all the regions in connexion with the over-all expansion of world trade. The same applied to the support which must be given to such activities as those of the new Committee for Development Planning and the Advisory Committee on the Application of Science and Technology to Development, and to the work on the development of human resources.

48. The Romanian delegation was concerned with the need to strengthen the position of all the regional commissions, but was naturally most interested in the work of ECE, because of its unique experience of bringing about co-operation between countries with different social and political systems and because it comprised countries whose experience could be useful to those of other continents. For instance, the Romanian delegation had taken an active part in the adoption by ECE of a resolution on the participation of experts from developing countries in study tours organized by the Commission; it considered that similar initiatives might facilitate the access of developing countries to the experience of European States and promote co-operation among the regional commissions, leading ultimately to inter-regional co-operation.

49. Nevertheless, ECE also had to concern itself with specifically European questions, one of which was the need to find new approaches to problems of European co-operation. The recently accentuated trend towards extending and diversifying that co-operation was considerably expanding ECE's capacity to implement the economic and social objectives of the United Nations at the regional level. Romania was developing co-operation with all countries, irrespective of their social system, in the belief that that was a means of strengthening trust and co-operation among nations; and it had been glad to see that idea confirmed in a resolution of the General Assembly on regional action for improving good neighbourly relations among European States with different social and political systems (resolution 2129 (XX)). ECE had also endorsed those recommendations by adopting at its most recent session a resolution which expressed the hope that Governments of Member States would be assiduous in their efforts to improve their mutual relations and promote increasingly close co-operation between their countries (resolution 1 (XXI)).

50. Of course, obstacles still lay in the path of European co-operation and indeed of all international co-operation; but they could and must be overcome. The countries of Europe, bound together by traditional ties, could only gain by developing mutually advantageous economic co-operation. Moreover, the development of economic ties between all European countries would make it possible to expand trade and co-operation with countries in other regions. Strengthening of those economic ties, as well as technical, scientific and cultural co-operation and political relations, might serve as a material basis for European security, which was a factor in strengthening peace

throughout the world. In that connexion, he drew the Council's attention to a recent declaration on the strengthening of peace and security in Europe adopted at Bucharest by the socialist States parties to the Warsaw Treaty and expressed the hope that the constructive proposals contained in that declaration would find an echo in all European countries.

51. Mr. RIVERO (Venezuela) said that of the interesting statements made by the executive secretaries he had naturally been particularly interested in that of the head of ECLA. The information concerning the efforts made to overcome the various stages of under-development in the Latin American region showed clearly the progress that had been made. In many countries the targets set for the achievement of the minimum acceptable progress in the economic field had been exceeded. While trade within the region had increased, trade with other parts of the world had declined, as a result of restrictive measures. The position was particularly unsatisfactory as far as trade with the countries of the European Common Market, and recently also with the United States and Canada, was concerned. It was paradoxical to find so much emphasis laid on the urgent need to increase production of food-stuffs, when in practice that involved engaging in uneconomic practices that were outmoded with respect to the marketing of primary products. He endorsed the statement made by the representative of Ecuador on that subject (1433rd meeting). Because it regarded the problems of other Latin American countries as of direct concern to Venezuela, his Government had decided to join the Latin American Free-Trade Area.

52. The stagnation in foreign capital investment in Latin America was a matter of grave concern to all the countries in the region. They had made a tremendous effort to meet their development needs with their own resources and were determined to spare no effort to achieve their aims. The ECLA report (E/4181) showed clearly the Commission's determination to raise the social level of the people of Latin America as exemplified by the campaign to eradicate illiteracy.

53. He welcomed the intention to achieve closer co-operation among the four regional commissions. It was essential to avoid any kind of regionalism in either developed or developing countries. The closer relationship envisaged among the four commissions should help to prevent regionalism.

54. He paid a tribute to the achievements of ECLA, which had had to overcome many difficulties before it could convince Latin American Governments of the need for planning and integrated action to deal with the problems of the region. Its pioneering work had had an influence in other areas of the world. He also wished to associate himself with the observations made by the Peruvian representative concerning other aspects of ECLA's work, and he wished to pay a tribute to Mr. Prebisch and Mr. Mayobre for the vision they had shown in dealing with Latin American problems.

55. Mr. SIDI BABA (Morocco) commended the clarity of the statements of the executive secretaries on the situation in their respective regions.

56. The commissions in the developing regions had many problems in common, and when any one of them successfully dealt with a problem the others were bound to profit from its experience. He agreed with the representative of the Philippines that periodic joint meetings of the three commissions in question with a view to the co-ordination of efforts would be extremely valuable.

57. His delegation attached the greatest importance to the work of ECA, the more so as one of the Commission's first achievements had been the establishment of the Statistical Training Centre at Rabat, which was doing invaluable work for the benefit of the whole region. He realized the difficulties inherent in ECA's task, but he none the less believed that it should do everything in its power to promote intra-regional trade by the creation of an adequate infrastructure and the development of means of communication by air, sea and land.

58. He welcomed the establishment of the African Development Bank. Morocco intended both to make its contribution to it and to benefit from the facilities which it could offer.

59. The development of agriculture in Africa raised particularly difficult problems which were bound up with other economic factors. It was clear that agricultural production should be expanded to meet the needs of the region, where many were still undernourished. However, as far as production for export was concerned, many other factors were involved. Unless increased exports led to greater export earnings, there was no point in endeavouring to increase production for that purpose. If the primary aim of higher agricultural production was to raise incomes, as it should be, measures would have to be taken to ensure that exports of agricultural produce were marketed at remunerative and stable prices.

60. Mr. COLLIER (Sierra Leone) commended the executive secretaries' reports on their respective regional commissions. As far as ECA's report was concerned, he endorsed the findings contained in it and expressed appreciation of the work being done. ECA had gone to great trouble to identify problems which were common to all African countries. He welcomed the decision to set up working parties and sub-regional committees. The sub-regional meetings on economic co-operation were an excellent idea and he was glad that one was to be held in West Africa. It was time that ECA moved on from planning and studies to positive action. That was what was needed to improve the economic situation in Africa.

61. U NYUN (Executive Secretary, Economic Commission for Asia and the Far East) thanked the members of the Council for the tributes paid to the regional economic commissions. As far as ECAFE was concerned, he expressed particular appreciation of the assistance given to it by the Government of the Philippines, which had acted as host to both the first and the second Ministerial Conference on Asian Economic Co-operation; moreover Manila was to be the headquarters of the Asian Development Bank. He was happy to inform the representative of the Philippines that at the last meeting of the Asian Highway Co-ordinating Committee it had been decided

that the project should not be confined to the mainland, and that the trans-Sumatra highway, the trans-Philippine highway and the highways in Japan would be included.

62. The PRESIDENT drew the Council's attention to two draft resolutions, one contained in paragraph 549 of the annual report of ECAFE (E/4180/Rev.1 and Rev.1/Corr.1-3) and the other in paragraph 447 of the annual report of ECLA (E/4181). As far as ECA was concerned, the report contained no draft resolution for action by the Council, but he would suggest that the Council should adopt one, taking note of the annual report of ECA (E/4173).

63. Mr. VIAUD (France) said that he would like to make two observations, both relating to the proper use of the working languages in the United Nations. As far as the report of ECA was concerned, if the Council adopted the draft resolution as suggested by the President, the Secretary-General would consider himself authorized to include financial provision, as set out in paragraph 3 of his note concerning the financial implications of the second Regional Cartographic Conference for Africa (E/4173/Add.1), in the revised estimates for 1967 resulting from actions of the Council and in the initial budget estimates for 1968. The French delegation definitely opposed that. It objected to the distribution of the allocations between the two years. There was no reason why the French version of the report should appear one year after the English. He therefore wished it to be placed on record that the financial implications had not been unanimously approved by the Council.

64. Secondly, the report of ECLA had not been made available to delegations in French. He therefore could not vote for that draft resolution, and he wished it to be placed on record that it had not been adopted unanimously by the Council.

65. Mr. BELEOKEN (Cameroon) endorsed that view. His delegation expected the English and French texts of documents to be received simultaneously. Therefore he could not approve the request for allocations as set out in

paragraph 3 of document E/4173/Add.1, and he hoped it could be amended so that the two working languages would be treated on the same footing.

66. Mr. KITTANI (Secretary of the Council) pointed out that French was a working language of ECA but that, in practice, it was not used as a working language in ECLA.

67. Mr. ZOLLNER (Dahomey) said that he too failed to understand why reports could not be made available in English and French simultaneously. As far as Dahomey was concerned, they were only useful to it in French, and he could not see why reports prepared in English could not be immediately translated into French.

68. Mr. de SEYNES (Under-Secretary for Economic and Social Affairs) pointed out that the United Nations language services were equipped to enable the Secretariat to fulfil its statutory obligations; however, the volume of documentation often taxed their capacity. As to publications, the programme of work was under very centralized direction, which raised problems that had been studied.

69. Mr. VIAUD (France) observed that, according to rule 42 of ECLA's rules of procedure, French was a working language of that body. Even if that were not so, however, it was the responsibility of the Secretariat to ensure that the ECLA report should be available in all the working languages of the Council, in accordance with rule 35 of its rules of procedure.

70. As far as the financial implications of the second Regional Cartographic Conference for Africa were concerned, he would consider that no decision had been taken until the Secretariat provided further information.

71. The PRESIDENT said that, if he heard no objection, he would take it that the Council adopted the three draft resolutions relating to the reports of ECAFE, ECLA and ECA, subject to the reservations tabled.

It was so decided.

The meeting rose at 6.35 p.m.