



CONTENTS

Page

Agenda item 2:

General discussion of international economic and social policy (*continued*)

Speakers:

Mr. Anger (Sweden)	71
Mr. Murgescu (Romania)	73
Mr. Cosío Villegas (Mexico)	74
Mr. Laval Valdez (Guatemala)	76
Mr. Harkett (Morocco)	76

President: Mr. M. KLUSAK (Czechoslovakia).*Present*:

Representatives of the following States: Belgium, Cameroon, Canada, Czechoslovakia, Dahomey, France, Gabon, Guatemala, India, Iran, Kuwait, Libya, Mexico, Morocco, Pakistan, Panama, Peru, Philippines, Romania, Sierra Leone, Sweden, Turkey, 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: Argentina, Austria, Brazil, Bulgaria, Central African Republic, Chile, China, Greece, Hungary, Iraq, Israel, Italy, Japan, Portugal, South Africa, Tunisia, Yugoslavia.

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

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

The representative of the International Atomic Energy Agency.

AGENDA ITEM 2

General discussion of international economic and social policy (E/4332, E/4343, E/4352 and Corr.1 and Add.1, E/4353 and Add.1 and Add.1/Corr.1, E/4361, E/4362 and Corr.1, E/4363 and Add.1-2, E/4370, E/4378, E/4392, E/4396 and Add. 1-3 and Add.1/Corr.1; E/CN.11/L.184, E/CN.11/L.185/Rev.1; E/CN.12/767, E/CN.12/768; E/CN.14/370, E/CN.14/397; E/ECE/656) (*continued*)

1. Mr. ANGER (Sweden), recalling the disappointment expressed at the Council's forty-first session at the pro-

gress made during the current United Nations Development Decade and the measures taken at that session to ensure that the experience gained would be used in subsequent planning for concerted international action, said his Government shared the Secretary-General's view that the preliminary conclusions of the Committee for Development Planning (E/4362 and Corr.1, paras. 82-88), especially its proposal that a "charter" might be adopted for the second Development Decade, merited serious consideration. Some countries regarded it as more urgent to tackle practical problems involved in development planning, while others attached greater importance to the establishment of principles. The proposal for a "charter" of development seemed to accommodate both views. While he supported the suggestion that certain targets should be set for the second Development Decade, those targets should be limited in number, as too many would tend to obscure the major problems. It would be appropriate, for instance, to set a target for increasing the per capita gross national product in each developing country, as per capita income was a more meaningful indicator of development progress than a national aggregate. It would also be useful to have a target for the equitable distribution of income. Although he had some sympathy with the Committee's proposal regarding pledges, he doubted whether it could be implemented. Long-term pledges would certainly enable the recipient countries to plan ahead, without being at the mercy of unforeseen contingencies, but experience had shown that parliaments were unwilling to assume long-term commitments. He nevertheless hoped that it would be possible to take some steps in that direction.

2. He particularly agreed with the general concept underlying the Committee's recommendations, *i.e.* that development planning should be considered a joint responsibility and made the subject of continuous consultation and discussion between the donor and recipient countries. Before growth targets could be established, estimates would have to be made of the rate of investment needed, the resources available in the developing countries and the external resources that they might reasonably expect to obtain. Such an assessment had been made in 1951 by the Committee of Nine and was one of the factors on which the present 5 per cent growth target had been based. For any practical discussion of targets for the second Development Decade, the Council would need a similar estimate, which could appropriately be prepared by the Committee for Development Planning. It might also be useful to obtain the views of other United Nations bodies with relevant experience, such as the World Bank group of institutes and the regional development banks, on that Committee's proposals.

3. Most countries seemed to have realized that their economic and social objectives could not be achieved without a certain amount of planning, although, as pointed out in the Secretary-General's message (1480th meeting), planning could not replace an appropriate development policy. Without the political will to pursue a given policy, the objectives of the plan could not be attained. The success of a second Development Decade would therefore depend on the effective execution of national plans. Recent changes in the centrally planned economies seemed to broaden the area of common interest between countries using different planning techniques, and the emergence of a consensus on both the need for planning and, to some extent, on the planning methods used would undoubtedly increase the chances of success for the second Development Decade.

4. Referring to the problem of the co-ordination of United Nations activities, he said that the vast scale of assistance programmes had necessitated a profound change in the entire structure and it was difficult to foresee where the process was leading. The Committee for Programme and Co-ordination had made a promising start and he hoped that its joint meetings with the ACC would be marked by an atmosphere of mutual understanding and constructive thinking. To be successful, co-ordination had to be positive in character and was less a question of drawing demarcation lines between areas of competence than of developing co-operation between the various organizations to ensure that their efforts were concerted and integrated.

5. The problem of supplying foodstuffs to the growing population of the world was one of staggering dimensions and he hoped that the Council's meetings would prepare the ground for practical measures based on the final report to be submitted to the General Assembly in accordance with its resolution 2096 (XX). He agreed with the conclusion reached in the Secretary-General's progress report on multilateral food aid (E/4352 and Corr.1 and Add.1) that a food deficit would continue in the developing countries for some time to come, and that the task of meeting that deficit could not be left to those countries alone but was the joint responsibility of the international community as a whole. The problem would have to be tackled in stages, the basic one being the maintenance or attainment of a minimum level of nutrition in regions where food supply fell short of requirements. The food supply would then have to be gradually increased to the level at which it was adequate from the point of view of calories and over-all nutritional balance. Those objectives would have to be considered within the over-all context of development planning, with the establishment of suitable priorities in regard to the disposal of the total internal and external resources available for development purposes.

6. It was gratifying that a measure of international responsibility had already been widely accepted in the matter of counteracting crop shortfalls and damage to food supplies caused by natural calamities. It seemed natural that such action should, where possible, be taken multilaterally and, although, as mentioned in the progress report, bilateral action should not be excluded, over-all

co-ordination should be undertaken by a multilateral body. As it might soon be necessary to establish food aid procedures on a much vaster scale than hitherto contemplated, he was glad that considerable experience of the practical aspect had already been gained, primarily under WFP. He welcomed the Programme's constructive approach in using food aid as a capital input in various developed enterprises and not only as a temporary measure to ward off hunger. He was also favourably impressed by the Programme's administration, especially its efforts to keep project implementation under continuous review and to appraise results frankly. His Government had recently pledged an additional amount to the Programme for the current period and had supported the new \$200 million pledging target for 1969-1970 in the FAO Council. The Programme was well suited to play a key role in the arrangements for dealing with the world food deficits and he agreed with the Director of the Programme that, if it were to operate on a larger scale, new approaches might be considered in addition to the project approach which had so far predominated. He also stressed the importance his Government attached to the agreement in principle, reached in connexion with the conclusion of the Kennedy Round of negotiations, that 4.5 million tons of grain should be used annually for food aid purposes during the next three years. His Government believed that the administration of that new food aid undertaking should be entrusted to WFP. The new commitment should be a real addition to multilateral food aid and should not prejudice contributions to the Programme. In the long term, transfers of food from developed to developing countries, though likely to be of crucial importance for some time to come, were only a marginal palliative, and ultimate responsibility for planning and producing adequate food supplies must rest with the developing countries and regions themselves.

7. He noted that an increasing number of developing countries had initiated or were contemplating measures to influence the population growth rate. Some had requested United Nations bodies to assist them in that connexion and he welcomed the Secretary-General's statement that the Secretariat was making arrangements for a bolder and more effective programme of action in that field. His Government had on various occasions expressed its willingness to give financial support to such activities and was considering making a contribution to the trust fund mentioned by the Secretary-General. He was in agreement with the United Kingdom's proposal (1481st meeting) that population should be a major item on the agenda of the Council's forty-fifth session.

8. Commending the Advisory Committee on the Application of Science and Technology to Development on its report on the production and use of edible protein (E/4343), he said that the cost of the programmes envisaged would be considerable and would have to be viewed in the context of the general pattern of priorities governing the resources at the disposal of United Nations organizations. In his Government's view, the protein problem warranted a very high priority, since it could have the gravest consequences for hundreds of millions of people, mostly in the developing countries.

9. Another matter of crucial importance was the development and utilization of human resources, which was essentially a question of education. In the developing countries, the problem had to be tackled at various levels. While basic education had to be provided, inadequate vocational training facilities often seriously impeded development and it was important to adapt each country's educational system to its specific needs; no single solution was applicable to all developing countries. His Government attached particular importance to the training of women, which, if neglected, could slow down development considerably. Sweden had for several years co-operated with UNESCO in the training of women in Africa and believed that such projects could be of great significance to the development effort of the recipient countries. It had also co-operated satisfactorily with the ILO and FAO in that field.

10. In order to achieve its objectives in the economic and social fields, the United Nations should try to interest the general public in its work; its efforts would fail unless it could inform public opinion of the enormous problems confronting the developing nations and the world as a whole, and of the action that could be taken to solve them. The Council should give serious attention to the improvements in the public information activities of the United Nations that had been proposed by the Secretary-General (E/4394).

11. In conclusion, he expressed the conviction that, if the work of the Council was geared to the identification of techniques and priorities during the last years of the current Development Decade, the second Development Decade would have better chances of success.

12. Mr. MURGESCU (Romania), emphasizing the close link between the world political situation and United Nations activities in the economic and social field, said that international economic co-operation could not grow while disputes between countries proliferated and military conflicts threatened world peace. International relations were gravely affected by the continuing aggression of the United States against the Democratic Republic of Viet-Nam and the recent hostilities in the Middle East. The latter had caused considerable loss of life and destruction and had benefited only the imperialists, who were anxious to maintain areas of tension in the world. Romania believed that Israel troops should be withdrawn from the territory they occupied and that the United Nations should create the necessary conditions for a just and lasting settlement negotiated with the participation of all the parties concerned. Every effort must be made to ease tension and arrive at a solution which respected the rights of all countries to independence and security, thus enabling them to devote their attention to economic and social progress. The populations which had suffered severely as a result of the hostilities should receive assistance to help them to recover. Romania had offered some of the Arab countries food, medicines and other goods and was of the opinion that all States should do likewise.

13. His delegation believed that nations were capable of finding solutions to problems, no matter how great their

complexity. It was, however, a dangerous illusion to imagine that under-development, famine, disease and ignorance could be eliminated as long as States used their physical and human resources for other purposes because of international tension. It was incumbent on economists to make that point clear. In that connexion he quoted the figures which the Administrator of UNDP (1481st meeting) had given in connexion with the Development Decade, which showed that for each dollar allocated to development, five dollars were allocated to means of destruction. It was more essential than ever before for people to realize that the consolidation of international peace, security and confidence and economic progress were two aspects of a single process.

14. All the documents submitted by the Secretary-General and all the statements made by representatives of the specialized agencies at the Council's present session clearly indicated that an adequate national effort by each country was a prerequisite for more rapid and harmonious economic and social development. It was fortunate that the international community was becoming increasingly aware of that fact, since there could be no lasting solution to any of the complex problems raised by economic growth and social development unless that development was based upon the mobilization of all the human and physical resources of each individual country. Romania had persistently followed that course and had achieved considerable success in developing its industry, modernizing its agriculture, and increasing its economic potential; there had been a steady improvement in the level of living of its people. In 1966 industrial production in Romania had increased by 11.7 per cent, the harvest had been the best in the country's history, the national income had risen by 7.9 per cent, the volume of foreign trade by 10.1 per cent and real wages by 6 per cent. Romania nevertheless still had a long way to go and obstacles to overcome before it reached the economic level of the highly-developed countries. But it viewed the targets it had set itself with optimism. The experience it had gained enabled it to correct errors which had been made in certain sectors, to increase its economic efficiency and to build up a modern socialist economy.

15. Each country's effort to mobilize its internal resources and to draw up a rational development programme should have its counterpart in the extension of international co-operation. Believing firmly in that principle, Romania was developing its foreign trade relations on a permanent basis and was promoting new forms of economic, technical and scientific co-operation with an increasing number of countries.

16. The United Nations, the specialized agencies and the regional economic commissions were very active in that field and afforded Member States the most extensive and favourable framework for their multilateral co-operation. In that connexion, ECE had adopted at its twenty-second session an important resolution relating to the promotion of European scientific and technological co-operation (E/4329, part III, resolution 14 (XXII)). The effectiveness of such action would, however, be increased if the United Nations reflected more faithfully the realities of the contemporary world. He was thinking, *inter alia*, of the

need to end the discrimination against the German Democratic Republic, which had a very great economic and technical potential.

17. During the past week, many important proposals had been made for the extension of world-wide co-operation in economic, educational, health and nutritional matters through the United Nations system. Romania would give them all careful consideration and would do its utmost to ensure their implementation.

18. The promotion of international co-operation in any field raised a number of problems of principle which should be examined by the Council. Although international scientific co-operation was increasing, disparities between countries were becoming greater. While efforts were being made, through co-operation, to facilitate the training of national cadres at all levels, the "brain drain" from the developing to the developed countries was reaching alarming proportions. Such trends were inconsistent with the whole concept of co-operation in the matter of research and training; they were preventing it from achieving its basic aims of establishing and improving national research and training systems, and developing the scientific potential of the countries concerned as an integral part of their economic potential. As everyone was aware, there had been cases in which technical co-operation, instead of enhancing the production potential of both partners, had made the weaker partner technically dependent. The same was true of certain forms of economic co-operation.

19. Those facts notwithstanding, there could be no denying the value of international co-operation. It was, however, necessary to consider the promotion of international co-operation not only in terms of the material resources available but also in the light of the aims which it was designed to achieve and of the principles which should guide States in the process. International co-operation was not an end in itself but a tool, just as at the national level planning was not an end in itself but a tool for development. United Nations efforts to extend international economic, technical and scientific co-operation should similarly be designed to strengthen the national foundations on which the equal rights of States proclaimed by the United Nations Charter could be more fully realized.

20. In order to achieve that purpose, the principles of independence and national sovereignty, of equal rights and non-interference in internal affairs had to be developed in accordance with a set of basic rules governing economic relations between States. In conformity with the Charter, those rules should take into account the great complexity of international economic relations, the various forms of co-operation between States at different levels of development, and the far-reaching implications of economic, technical and scientific co-operation in all branches of activity. In his delegation's opinion, it was incumbent on the Council to prepare such a document on international economic co-operation. Consideration of agenda item 22 should make it possible to achieve some progress in that direction.

21. Referring to the question of the development and utilization of human resources, he commended the Sec-

retariat and the specialized agencies on the documentation they had produced and regretted that there had not been time for its consideration at the joint meeting of the ACC and the Committee for Programme and Co-ordination. It was also unfortunate that it had been circulated too late for all delegations to study it thoroughly. But human problems should always be in the foreground of the Council's attention and he therefore hoped that it would not merely take note of the Secretary-General's report (E/4353 and Add.1 and Add.1/Corr.1) but would find it possible to implement the suggestions it contained.

22. Mr. COSIO VILLEGAS (Mexico) said that, with the increase in the membership of the Council, the Council Chamber had become totally inadequate for its work. If the position could not be remedied in the near future, the Council should give serious thought to the possibility of holding its summer session elsewhere.

23. The Council's decision to devote its spring session to social and humanitarian questions and its summer session to economic questions had been a wise one. A number of members of the Council believed that the day was not far distant when the United Nations would have two separate councils, one dealing with economic questions and the other with social and humanitarian questions. Pending that change, the only course open to the Council was to conform to the present arrangement as rationally as possible, although that did not unfortunately appear to be a simple matter. While item 2 was the most important item on the agenda, the Council had in fact selected multilateral food aid, the development and utilization of human resources, and implementation of national economic and social development plans as issues of major importance on which to focus attention at the current session. Perhaps the inconsistency was more apparent than real, since part I of the *World Economic Survey, 1966* (E/4363 and Add.1-2) made no reference to social development and the Council could not study international social policy seriously without having a document such as the *World Social Situation* before it.

24. The reports of the specialized agencies had formerly been considered in plenary meetings of the Council under the general topic of co-ordination. In 1967 the Enlarged Committee for Programme and Co-ordination had made only a cursory study of those reports with the result that a decision had been taken to consider them under agenda item 2. Since several of the specialized agencies operated not in the economic but in the social field, the general discussion of international economic policy had had to be extended to cover social policy as well.

25. The idea of referring the topic of co-ordination directly to a Committee was probably wise, since the Committee for Programme and Co-operation had not completed its work. The purpose of that step had, however, largely been frustrated because some of the executive directors of the specialized agencies had dealt at length with the question of co-ordination in plenary meetings of the Council. A statement had been made, for instance, by the Director-General of UNESCO (1482nd meeting) on the disagreements between his

organization and FAO on the subject of agricultural instruction and training. The Deputy Director-General of another specialized agency had also spoken of co-ordination, stating that the General Assembly could adopt any number of resolutions but that his agency would not feel obliged to consider or implement them unless they were endorsed by its own governing body. The problem did not lie in ascertaining whether those views were personal or official, but in determining the underlying legal position. He himself had long believed that no real progress would be achieved with respect to co-ordination until the nature and scope of the authority which, in accordance with the letter and spirit of the Charter, the General Assembly and the Council exercised over the specialized agencies had been legally defined. Since the parties to a dispute were not competent to give a ruling, the time would seem to have come for the Council to consider whether the question should not be referred to the International Court of Justice.

26. Part 1 of the *World Economic Survey, 1966*, dealing with implementation of development plans, was a clear, complete and logical study, but it none the less had some shortcomings. The first was the limited experience on which it was based. It made one or two references to France and Venezuela, but otherwise referred exclusively to India, Pakistan and the United Arab Republic. That was not the fault of the authors because, except for the case of the Netherlands, they had no other experience on which to draw. The fact was that the great majority of countries with a traditional democratic regime did not have development plans in the strict sense of the term nor did they intend to adopt them in the near future. That should have led the authors to consider what the reasons for that situation were and what action could be taken to alter it. He was convinced that the omission was deliberate and should therefore be explained.

27. Firstly, he thought it would be difficult to abandon a study because the experimental basis for it was inadequate. Secondly, it was commonly held that the main function of the United Nations and the specialized agencies was to make the less developed countries aware of their main problems. Seen in that perspective, the study fulfilled its function of demonstrating the incomparable advantages of adopting economic development plans. However, it was probably the conviction that the main obstacle to the adoption of such plans was political and to a lesser extent legal and constitutional that had led the authors to omit any reference to the point he had mentioned.

28. There were, however, other ways of exploring a topic of such vital importance as the implementation of national economic and social development plans. Some six years ago, UNESCO, in conjunction with the United Nations, had convened a working group on social aspects of economic development in Latin America. The results of its deliberations had been published by UNESCO. The main conclusion had been that it was desirable to undertake a study of the political roots of development. The UNESCO had welcomed that idea and had been prepared to include the necessary appropriation for a second seminar in its budget. A change of government in one of the Latin American countries had, however, resulted

in the abandonment of the idea but it might perhaps be revived by the Council.

29. There was another weakness in the study, namely, its lack of balance in dealing with the very important question of the part which was being and should be played by the private sector in the formulation and implementation of economic development plans. The study started from the premise that the part of the private sector was decisive for the success of the plan but it then went on to review in detail the monetary, financial and institutional measures which Governments could take to ensure the co-operation of the private sector. It failed, however, to mention the dangers which such measures might present for Governments or to point out that, generally speaking, private industry refused to accept the basic principle underlying any economic development plan, namely, that the public welfare should prevail over the interests of individuals or of limited groups of individuals. Moreover, the private sector was slow to realise that, far from being to its detriment, some aspects of an economic plan could be far more advantageous to it than its normal operations. In his own country, for instance, the private sector had only just realised that good profits could be made from the construction of low-cost housing despite the fact that the Government had been attempting to persuade it to enter that field for thirty-three years. For those reasons, arrangements to associate the private sector with development plans should provide for both official incentives and sanctions.

30. With respect to multilateral food aid, the need for such aid and the moral obligation to supply it were undisputed. He nevertheless feared that United Nations documents had not succeeded in drawing a clear distinction between the three separate problems involved. The first problem was that of "urgent" food aid, which was the aid required by a country that had been the victim of an unforeseen catastrophe. In that respect, the United Nations had done what it could and it was not its fault if bilateral aid had been far more effective.

31. The second problem was what might be called transitional food aid, *i.e.* aid to a country which, for one reason or another, did not itself produce and could not import from abroad the food it needed for its development. That problem had been misunderstood because there had not been sufficient emphasis on its transitional nature or on the fact that such food aid should be accompanied by other basic aid to enable the country concerned to dispense with food aid as soon as possible. While paragraph 153 of the Secretary-General's report on the subject (E/4352 and Corr.1) gave a good definition of that type of food aid, it did not stress the vital fact that it should be accompanied by what he had described as basic aid. But deeds were more important than words; what mattered was that some United Nations body should be able to report the case of a country which, with its support, had increased its food production to the point at which it no longer needed transitional food aid.

32. The third food problem was that of hunger resulting from an intolerable gap between food production and needs. Progress had so far taken the form of publicizing the problem, since the United Nations at present seemed

to consider that its main function was to make the peoples more aware of their own problems. Unfortunately an increased awareness resulted in increased demands so that the United Nations might find that, like the Sorcerer's Apprentice, it had unleashed demons only to discover that it could not recapture them.

33. Mr. LAVALLE VALDEZ (Guatemala) said his Government intended to do everything in its power to alleviate the misery that beset so many people throughout the world. As previous speakers had emphasized, insufficient financial resources were flowing from the developed to the developing countries. Not only had the target for the first Development Decade not been reached, but the proportion of aid was actually decreasing and the terms on which it was granted were hardening. The increase in world food production was clearly inadequate. A considerable part of the world's production was being spent on armaments, thus wasting production potential and endangering world peace.

34. Despite that dark picture of the economic and social situation as a whole, the efforts of the international community provided some grounds for optimism. In his able statement (1481st meeting), the Administrator of UNDP had incisively described the positive aspects of international economic policy. His own country retained its faith in international machinery as a means of achieving economic development, although it was well aware of the need for intensified efforts and for co-ordination to avoid duplication and rivalry between organizations. Economic and technological assistance to the developing countries had to be intensified and the developed countries had to make greater efforts to grant favourable treatment to their exports.

35. The Administrator of UNDP had touched on one institutional means of fostering economic development which was of particular interest for his country. That was regionalism, in which economic integration was an important component. The sister countries of Central America were engaged in integrating their economies and regarded that process, which had been initiated under the auspices of ECLA, as a constructive instrument for assisting their economic and social development. Inter-regional trade barriers had been almost completely suppressed and the total value of trade between the five countries in the Central American Common Market had increased by 500 per cent during the past six years, from about \$33 million in 1960 to \$176 million in 1966. In the case of most goods, there was already a common Customs tariff for imports from third countries. Special regional bodies were active in a variety of fields. Central America took legitimate pride in the fact that the Declaration signed at Punta del Este by the American Chiefs of State in April 1967 had mentioned their system of economic integration as a model for the whole of Latin America.

36. Since May 1966, Guatemala had substantially increased its drawings on international development funds, with the intention of making a serious attempt at economic planning. During the period in question, it had taken up eight loans from international financial institutions to a total amount of \$38,520,000 which would be devoted to

the economic development of various sectors of the infrastructure.

37. His Government had taken note of the recommendations made by the *Ad Hoc* Committee of OAS and intended to strengthen the technical and administrative services directly linked with planning work. It had also made adjustments in the plan for 1965-1969 in the light of the assessment made by that Committee.

38. Mr. HARKETT (Morocco) said that a clear distinction could not be drawn between economic and political questions. In fact, the main problems on which the Council had decided to concentrate its debates at the current session were not devoid of political implications. It was impossible to disregard international developments and particularly the war of aggression which had disrupted, and was still disrupting, the whole of the Middle East. In defiance of the most elementary principles of the United Nations Charter, Israel had launched a murderous war against three Arab countries, had devastated some of their richest areas, had provoked a collapse of their economies and was currently occupying vast Arab territories. The Council could not remain indifferent to such matters, in view of their international economic reverberations. It was, therefore, its duty to include the question, which was of great importance to every Member State, in the agenda of the present session, and to establish the responsibility of Israel for the economic damage caused to the Arab countries as a result of Zionist aggression.

39. The general debate was devoted to three main subjects which, if not of equal importance for all States, nevertheless concerned them all. It was no longer necessary to emphasize that planning was a prerequisite for the economic and social progress of the young developing economies. The emphasis should now be laid on techniques of planning and implementation and, above all, on the resolutely realistic approach that must govern the work at both stages. Plans must be within the capacity of the country concerned and prestige or over-ambitious policies must be rejected.

40. Economic planning in his country had undergone substantial changes in methods and priorities, as knowledge and experience had increased. Three plans had been drawn up, the last of which, the one for the period 1965-1967, was just coming to an end. On the basis of the experience gained from earlier plans, that plan had had more modest but more realistic objectives. Three priorities had been established on the basis of the country's real needs: agricultural development, the training of key personnel and the development of tourism. The establishment of those priorities by the plan did not, of course, exclude government efforts in other fields, particularly industrialization. Although it was still too early to draw up a balance sheet for that plan, it was already evident that the total amount of gross investment in the years 1965 and 1966 had been lower than the annual average provided for in the plan. It should be noted, however, that, if the result seemed modest, it was partly due to the fact that many investment projects, particularly in agriculture, were only profitable in the long term. The

next plan, covering the five-year period 1968-1972 would be as realistic as the last and would profit by the experience gained. In addition to the three priorities established for the earlier plan, a further three were to be added in an attempt to cover all aspects of harmonious economic and social development, namely, a global population policy, with particular reference to family planning, efforts to slow down rural depopulation, the creation of new work opportunities, and town planning; industrialization; and a domestic savings and foreign aid policy. Such a programme must provide for the study and selection of specific projects, chosen for their national importance, the adoption of legislative measures and, lastly, "provincialization" to involve the population. Whatever the intrinsic value and soundness of an economic and social development programme, it was only worthwhile if it made full use of the country's physical and intellectual capacity.

41. Where the development of human resources was concerned, he would merely say that the human resources of the developing countries were enormous but that the whole economic system would fail if it did not succeed in providing every man with the work he was entitled to demand for his livelihood and the prosperity of his community in conditions compatible with his human dignity. One of the major paradoxes of contemporary society was the existence of unemployment or under-employment in territories of great natural wealth. Large funds were not required to mobilize the vast human resources of rural areas, for instance. Quite modest resources, coupled with a readiness for action on the part of the authorities, were sufficient for the execution of major works of agricultural improvement, of infrastructural development and of capital equipment. The representative of France (1484th meeting) had mentioned the experiments carried out in Morocco and Tunisia in those fields. In his own country, that experiment had been launched under the title of *Promotion nationale* in 1961, and during the year 1966 almost 100,000 workers had been permanently employed on its projects. Obviously,

experiments of that kind could only be regarded as palliatives. If the various economic sectors were to be developed, it was indispensable to improve agricultural technology and to introduce vocational training at various levels.

42. The third subject was that of multilateral food aid. Such aid was vitally necessary in view of the danger of famine in some parts of the world. He paid a tribute to the outstanding work done in that field by the United Nations, and especially FAO and WFP. While the efforts of those organizations should receive every possible support, their transitional character must always be borne in mind, the basic long-term objective being to expand and improve agricultural production in the developing countries, especially in cereals.

43. The fact that millions of human beings had to beg for food from abroad was only one manifestation of the deep imbalance which existed in international trade. The developing countries constantly demanded an equitable world trade system which would give them some hope of survival in the face of the vast interests of the industrialized countries. Pious statements and fragmentary measures would not remedy that state of affairs. Lately, the Kennedy Round of negotiations had shown the direction world trade would take in the future; little had been done for the developing countries, whose situation largely remained unchanged. Their economies still seemed to be regarded as peripheral. All plans for the reorganization of agricultural markets had been rejected. Economically, there were two worlds: the one under-developing, the other over-developing. If the developing countries adapted badly to the market economies, the developed countries also adapted badly to a type of international trade based on true co-operation on terms of equality. It was only through deep understanding and mutual sincerity that the poor and the rich countries could reach a common accord, superseding short-term interests and narrow egoisms.

The meeting rose at 12.40 p.m.