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President: Mr. PÉREZ GUERRERO (Venezuela).

AGENDA ITEM 2

General discussion of international economic and social policy (E/4454, E/4467/Rev.1, E/4486/Add.1, E/4488 and Add.1-5, E/4496, E/4511 (Summary), E/4515, E/4525, E/4551; E/CN.5/417 and Corr.1 and Add.1 and Add.1/Corr.1 and Add.2 and Summary; E/CN.11/825; E/CN.12/806, E/CN.12/808 and Add.1; E/CN.14/409; E/ECE/703) (*continued*)

1. Mr. RUDA (Argentina) said that although the developing countries were responsible for their own development, they could not achieve their goals alone; international co-operation was also necessary. Such co-operation should lead to concrete action designed to raise living standards. The milestones along the path trodden by the United Nations family in recent years—the Special Fund, the Expanded Programme of Technical Assistance, food aid, UNCTAD, the transfer of science and technology, UNIDO, the Development Decade, etc. had held out hopes; but they had not been realized, and there was a growing sense of frustration.

2. To talk of a split between rich and poor countries was an over-simplification. The industrially developed countries differed as much in their interests and policies as did the developing countries in their social structures and the commodities they produced. Hence his delegation could not subscribe to the mistaken and even dangerous idea of a confrontation between the two groups. On the contrary, the interests of developed and developing countries were closely interconnected. The appeal for co-operation made by the Secretary-General in his introductory statement (1531st meeting) had been addressed to all countries, rich and poor, strong and weak, and the Council should make every effort to ensure that, as a result of its deliberations, the much-talked-of international co-operation found expression in positive measures to solve the problem of development.

3. There were four subjects in which Argentina was particularly interested, namely, multilateral food aid, science and technology, population and economic development, and the expansion and liberalization of trade. If it was not to have a detrimental effect on efficient food producers, on the recipients, on the structure of production and on the world food market, food aid should be provided by means of flexible multilateral machinery which could also embrace bilateral forms of assistance. Such machinery should be based on a parity system of contributions in cash and kind by means of which the surplus of efficient producer countries could be disposed of, thus making for better world prices, a more balanced production, and higher earnings for farmers. Assistance should be temporary in nature and should be so organized as to encourage the recipient countries to increase their purchasing power and be able to buy on the commercial market.

4. Argentina attached great importance to the question of the transfer of scientific and technical knowledge. The lack of skills in those spheres not only impeded the economic growth of the developing countries but had an adverse effect on their balance of payments, since importing foreign techniques was a costly matter. His Government therefore commended the provisions of General Assembly resolution 2091 (XX).

5. With regard to the population problem, the stress seemed to be placed on the economic aspect at the expense of an issue of major importance, namely, the dignity of the human person. All countries had the right to attempt to achieve economic development through population control; but countries doing so should recognize that measures which might be appropriate to their situation were not necessarily appropriate to that of others. Argentina did not object to the United Nations and its specialized agencies offering assistance in the matter when requested to do so; it was concerned, however, lest unilateral solutions should come to be regarded as the norm. What was needed was to educate the population in regard to the measures advocated, thereafter allowing them a free choice and leaving the principle of inviolability of the human person intact.

6. The developing countries had one characteristic in common; they all suffered from the consequences of their dependence on foreign trade earnings. Internal efforts or financial assistance from international sources would be of little avail if those countries were hampered in their efforts to increase exports and were not paid fair, stable prices for their commodities. It was paradoxical that at a time when trade in industrial products was becoming increasingly liberalized, the producers of agricultural products were encountering greater difficulties in gaining access to large markets. Exports were impeded by tariffs, surcharges on imports, quotas, production and export subsidies, and discriminatory preferences. Urgent

action was called for to abolish such practices, particularly in view of the disquieting revival of protectionist tendencies which were threatening to damage the multi-lateral system of trade relations. The problem of development had been discussed for the last decade. The next decade should bring action and the effective application of principles and programmes calculated to remedy the existing situation which threatened to undermine the very bases of society. Argentina was aware of the difficulties involved in such action. But a sincere dialogue based on the reconciliation of interests could awaken the determination to fulfil the hopes of the peoples of the world.

7. Mr. BOMANI (United Republic of Tanzania) said that the Secretary-General's introductory statement had instilled new hope at a time when many had reached the point of despair. If the Secretary-General's advice were heeded, the Council would succeed in its future programme of work.

8. Tanzania agreed with the Indian and Philippine delegations (1536th meeting) as to the reasons for the failure to achieve the quantitative targets set for the first Development Decade. The basic causes were the vagueness of the projections and the ill-defined programme of action; the fact that the international economic situation had not been conducive to growth through trade, so that the developing countries had lost growth through worsening terms of trade; the fact that many countries whose participation was necessary for the success of programmes had not properly played their part; and lastly, the fact that during the period resources which could have been used to achieve the objectives of the Decade had been spent on unproductive ventures—wars of aggression, competition in outer space, the arms race, and the preservation by former colonial Powers of their culture in their former colonies. As a result, the General Assembly's target transfer of 1 per cent of national income to developing countries had not been achieved. Furthermore, such machinery as existed for implementing the programmes lacked clarity, co-ordination and effectiveness. The bitter lesson of the first Development Decade should result in more rational and systematic preparations for the second Decade. The programme of work should be defined in clear terms and based on a realistic assessment of available resources; projections should be clear and comprehensible; and duplication of effort and evasion of responsibility should be avoided.

9. It was encouraging to see that new institutions had been established. One of the institutions in which the developing countries had placed high hopes was UNCTAD. But what had happened? Could UNCTAD realistically face the challenge issued by those who sought an immediate solution to existing economic problems? The first UNCTAD session had put on record that the poorer countries would continue to demand that the richer ones make greater efforts to abolish world poverty, even at the cost of some sacrifice by their citizens. It was common knowledge that the primary-producing countries harboured deep resentment at what they considered an unjust operation of world markets; that the aid provided by the richer to the poorer countries

had fallen miserably short of expectations, and that owing to the fluctuations in the prices of raw materials it was difficult if not impossible for primary-producing countries to plan their finances. Those were issues which cut across the familiar East-West division, for the Soviet Union was one of the richer countries.

10. At the second UNCTAD session, the developing countries had obtained hardly any of the reasonable and legitimate demands they had submitted in the Charter of Algiers. In the case of a generalized non-reciprocal system of preferences, for instance, even technical problems such as product coverage, depth of tariff cuts and burden sharing had not been seriously tackled and no decisions had been taken on most of those questions. Similarly, the problems of the least developed of the developing countries had been largely ignored.

11. The various organs of the United Nations had done good work in promoting human progress. But there was disappointment with some of the activities of the specialized agencies, to which countries contributed substantial funds every year. Large sums had been used by the agencies in fields of low priority and productivity. More could have been achieved if each agency had had clear ideas of what was to be done and when, and if all the agencies had worked together. It seemed, too, that funds could have been put to better use than for producing vast quantities of documentation, and savings could have been effected if there had been fewer time-consuming meetings.

12. The Tanzanian delegation endorsed the criticisms of the efficacy of the Council's programme of meetings. The necessity of holding two sessions within six weeks of each other was debatable; nor did it seem likely that in the short time at its disposal the Council would be able to give the thirty-five highly important items on its agenda the careful attention they warranted. Another unsatisfactory point was that the majority of the documents had been received only a week before the opening of the session. Under such conditions it was impossible for the Council to make a real contribution towards solving the problems confronting the world. The future work programmes of the Council should be thoroughly re-examined and radical changes made. The Tanzanian delegation proposed that in future the Council and its respective Committees should not adhere to the present rigid calendar of conferences but should meet as and when specific issues required. Because of the nature of its functions, the Council ought to adopt a more nearly full-time programme similar to that of the Security Council or the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples.

13. The statements by the representatives of some developed countries gave the impression that the developing countries were merely sitting back and expecting manna to drop from heaven. It was even suggested that they were not making good use of the little aid they did receive from the developed countries. Those accusations should not be allowed to form an excuse for inaction, indifference and a chronic propensity to shun international

obligations. Despite the importance of aid to developing countries, only a few countries had shown the determination to transfer 1 per cent of their national income to the developing countries. The announcement that Sweden, Australia and the Federal Republic of Germany intended to increase their financial aid by 20 per cent was welcome. On the other hand, the announcement by the Governments of France, the United Kingdom and the United States of America that they would reduce foreign aid to developing countries was alarming and disillusioning. The developing countries were not convinced that the financial crises in those countries had anything to do with the aid they gave to the developing countries. They were the result of the preoccupation with such unproductive ventures as the Viet-Nam war, expenditure on military equipment, and experiments in outer space.

14. When the World Bank and its affiliates were established, many of the developing countries had not been independent. Experience had shown that the constitutions of some of those institutions, particularly the International Finance Corporation, should be amended in order to meet the current requirements of the developing countries. The Articles of Agreement of the International Finance Corporation demanded that the Corporation should make loans only to private firms and not to State-owned or State-promoted enterprises. In Tanzania, private firms were mostly in foreign hands and their profits were repatriated to their countries of origin. By refusing to give loans to State-owned corporations, such as the Tanzanian National Development Corporation, which played a leading role in the economic development of the country, the World Bank seemed to be engaged in building foreign industries at the expense of local interests which had the full and active support of national Governments.

15. In its first Five Year Development Plan Tanzania had estimated that 20 per cent of public investment finance would be raised from local sources, and that 80 per cent of it would come from foreign aid. When it discovered that the expected aid was not forthcoming, it had to make further sacrifices in order to raise more finances from local sources. It had so far managed to raise 60 per cent of the public investment finance from local sources. The rise from 20 per cent to 60 per cent within the short period showed that Tanzania was determined to do its best to help itself. Most of the other developing countries were also trying hard to mobilize local resources. There was, however, a limit to what a poor country could do.

16. Tanzania recognized the importance of human resources. Involvement of the entire population in development through community and self-help schemes was beginning to pay high dividends. The construction of feeder roads, dispensaries, schools and wells was a common sight in Tanzanian villages. That was why, despite adverse weather conditions and the hostile international economic atmosphere, the country in 1967 had achieved an economic growth of nearly 6 per cent.

17. Tanzania realized that in order to achieve its economic targets it needed the help of others who were attempting to achieve similar goals. It therefore co-operated with many other countries and had recently signed Articles

of Agreement with Uganda and Kenya establishing the East African Economic Community. The East African Common Market had a sound background and its member countries jointly owned railways and harbours, a common East-African airline, telecommunications and a development bank. There was also a possibility that Zambia, Somalia, Ethiopia and Burundi might want to become members of the community, which in the long run might expand to other countries of Africa.

18. Tanzania had always been opposed to any kind of racial discrimination and would continue to help those who wanted independence from political bondage. It pursued that policy for humanitarian reasons only. In that connexion, attention should be paid to the urgent refugee problem in Biafra. The world as a whole had an obligation to see to it that the Biafran refugees received all the assistance they required.

19. The second Development Decade would succeed provided there was a radical change of heart, a new positive commitment and a new political will. It must be allowed to succeed if future generations were to achieve better conditions, indeed, to survive. It was not what would be said in the Council but the action members would be prepared to take after the session that would determine the fate of existing and future generations.

20. Mr. SANTA CRUZ (Observer for Chile), speaking at the President's invitation, said that the dynamism generated by the San Francisco Conference and the adoption of the United Nations Charter had lasted for a relatively short time and had soon vanished with the cold war and national or group interests. The developing countries' share in world exports during the 1948-66 period had declined from 30 to 19 per cent, and as a result of their heavy debt-servicing and amortization burden, net transfers of capital to those countries were practically nil, despite their greater capacity to absorb capital. Moreover, the amount of technical assistance they were receiving fell considerably short of their requirements, and the technological gap between the developing and developed countries had reached intolerable proportions.

21. The international community's reaction to that deterioration had brought about the first Development Decade, but even its very modest targets had not been reached, and the resulting frustration had been evident at New Delhi, at the second UNCTAD session. The general malaise reflected during the past three months in the spirit of rebellion manifested throughout the world, first and foremost by youth, had its counterpart in the demand by the developing countries to participate on an equal footing in world trade, to enjoy the benefits of modern technology and to take part in debates on matters affecting the future of the world. Unless it recognized the new situation and the new conditions and took resolute action, the Council would be failing in its duty under the Charter to promote economic and social development, social progress and human rights.

22. Disappointment with the second UNCTAD session had been general because it had failed to stimulate vigorous international action to create a new world

economic order. Nor had any common will been displayed to wipe out under-development as soon as possible and to mobilize the vast resources now being used for un-productive purposes. Failure to achieve worth-while results was all the more puzzling in view of the fact that the Conference had had before it an abundance of information on the problem in the form of detailed studies and possible lines of action, as well as the specific and realistic proposals contained in the Charter of Algiers with eighty-eight developing countries behind it. In his delegation's view, the reason for the failure of the New Delhi Conference could be summed up as inadequate political will on the part of the industrialized countries, socialist and market economies alike. At present the crucial question was what action the Council intended to take in the face of those failures. The forthcoming session of the Trade and Development Board would offer an opportunity for the reconsideration of the proposals submitted and shelved or rejected at New Delhi, and in his view the Council's best course would be to make recommendations reflecting the existence of the political will that had been lacking at New Delhi.

23. His delegation had been most interested in the Secretary-General's second report on development and utilization of human resources (E/4483 and Corr.1 and Add.1), as well as in the statements of the specialized agencies on the subject. It was important that international organizations such as FAO, IBRD and UNDP, which were concerned mainly with economic development, should bear in mind that true economic development was impossible without parallel and even prior social development. Moreover an element vital to the success of balanced economic and social development was broad popular participation by national and local communities and the association of every individual in the development process. Describing the efforts made by his own country to develop its human resources through research, education and training, he said that during the past three years funds earmarked for education had doubled, school enrolments had increased by 26 per cent, and the number of trade unions had risen sharply. Chile was most grateful to the United Nations and the specialized agencies concerned for their co-operation in making those achievements possible.

24. With regard to the Council's concern with problems relating to food and the development of agriculture, his delegation agreed wholeheartedly with the order of priority reflected in the programme outlined by the Director-General of FAO in his statement at the 1532nd meeting. However, care should be taken to maintain a balance between the programme's various elements, particularly in view of the dangerous tendency to consider that the world food problem could be solved merely by the application of technology to existing structures. Equal attention had to be devoted to measures of a social and institutional nature, and to the fact that emphasis on various aspects of the over-all problem must vary from country to country, depending on local conditions. The main obstacles to the expansion of food production usually took the form of obsolete land ownership systems. For that reason, radical educational, administrative and land reform measures were required.

25. The specialized agencies were engaged in a crucial process of self-analysis with a view to adapting the United Nations machinery to new needs. His delegation strongly supported any measures designed to concentrate activities in fields of vital importance to development by establishing sound priorities and close co-operation, as well as by co-ordinating all programmes designed to attain similar goals. The arrangements agreed upon between some specialized agencies were most gratifying in that they would resolve the question of competence, and his delegation hoped that as a result of current studies the specialized agencies would become fully operative, since they could all play a valuable role in development. In that connexion he hoped that the UNDP "capacity study" would be sufficiently detailed to have the desired impact on the economies of countries and would recommend the structural adjustments necessary.

26. The United States representative had said at the 1538th meeting that the specialized agencies were trying to decentralize their activities; that was certainly not true of FAO, where the main emphasis was still on headquarters and where no proposal had been made to move a single official under its regular programme from headquarters to the field. The proposed reorganization of FAO's regional offices entailed a reduction in the number of experts assigned to them, though all the countries of the Latin American region had requested that the FAO regional offices should be strengthened. His delegation once again reaffirmed its strong opposition to that trend.

27. The Director-General of FAO had proposed that FAO regional offices should be placed under the executive secretaries of the regional economic commissions in order to strengthen co-operation with the United Nations. The Chilean delegation, which had consistently supported the gradual integration of the operational activities of the United Nations system, did not favour such a merger in the case of the Economic Commission for Latin America at the present time. FAO's regional services should first be consolidated and extended, since a merger at a time when the number of FAO field staff was being reduced would simply have the effect of providing ECLA with five to seven additional experts in various agricultural sectors. ECLA too was at present reviewing its activities to determine where future emphasis could best be placed, so that it would be better to wait until the thinking of both bodies had crystallized and until their activities had been strengthened before any merger was contemplated.

28. In conclusion, he said that his delegation wholeheartedly supported the views expressed by the Argentine representative concerning science and technology and food aid.

29. Mr. BRUNI CELLI (Venezuela) said that the remaining years of the first Development Decade should be regarded as a transition period during which the results so far obtained could be evaluated and the activities of the second Decade prepared. The results of the first Decade had certainly been disappointing. A systematic evaluation could help to identify the problems to be overcome in the next Decade, and the Secretary-General had made a useful contribution thereto in the *World*

Economic Survey, 1967, Part I (E/4488 and Add.1-5). A climate of mutual comprehension with regard to development problems would be created not by speeches but by definite plans designed to solve such problems. The establishment of a development policy was a difficult task, and he hoped that the estimates to be submitted by experts, together with the views expressed by countries members of the Council and of other United Nations bodies, would form a useful basis for a realistic strategy. The suggestion made by the Indian representative in that connexion (1536th meeting) should be given serious consideration.

30. Development was a prime responsibility of every peripheral country, but it also demanded the active and sustained participation of the developed countries, which tended to regard it as a secondary problem and to tackle it with inadequate means. Influence must be brought to bear on the public opinion of the industrialized countries in order to change the attitude towards the developing countries' problems. Some progress was nevertheless to be noted amongst the intellectuals and the progressive sections of the populations of developed countries in understanding the responsibility of their countries towards developing nations.

31. Major international action for the development of human resources could constitute one of the basic elements of the second Development Decade. The education and training of the populations concerned was of vital importance to the success of any development programme. Quality and cost of production, return on capital invested, technological improvement, scientific progress—all were largely dependent upon the quality of the available human resources. In Venezuela, the scarcity of trained human resources constituted an obstacle to development, and his country would welcome any action, national or international, to accelerate the education and training process. His delegation had sponsored General Assembly resolution 2306 (XXII) to institute an International Education Year and agreed with the Director-General of UNESCO (1534th meeting) that the Year should not simply be regarded as a means of drawing attention to the importance of education but should give cause for deep reflection on the process of development at both the national and international levels. Some of the most important objectives should be the training of the middle and higher grade personnel needed for development.

32. Turning to a very serious problem for the developing countries, namely the "brain drain", he drew attention to General Assembly resolution 2320 (XXII), of which his country was a sponsor. There was a risk that the phenomenon would develop into one of the worst forms of exploitation of one country by another. It had been estimated that the United States would have to build twelve new Faculties of Medicine to produce the specialists it obtained through the immigration of some 12,000 persons a year, and the value in dollars of that "foreign aid" to the United States was approximately equivalent to the entire private and public medical aid that nation gave to foreign countries. From studies of the brain drain carried out by UNITAR, UNESCO, the ILO and other organizations, there was no doubt of the seriousness of the problem for the developing countries.

33. The Secretary-General had drawn attention in his opening statement to the critical situation regarding population and resources. His delegation supported the action of the United Nations and the specialized agencies to control the growth of population in the developing countries. There had been a change of attitude towards the problem in many parts of the world, including the Latin American countries. A recent meeting of government experts held at Caracas under the auspices of the Organization of American States had recognized the need to give a special place to demographic problems in development plans.

34. In the institutional field, progress had been made by the establishment of UNCTAD, UNIDO and UNDP, and by the creation of the United Nations Capital Development Fund. In other fields, too, there had been progress: the agreement on non-reciprocal preferences had been accepted at the second UNCTAD session, and there had been the creation of the Group of 77. But against such positive developments was to be set the continued limitation of financial transfers, the external trade deficit, the lack of a political desire for international co-operation, and the instability of primary commodity prices.

35. With regard to preparations for the next Decade, he considered that a development programme should be based above all on a correct identification of the obstacles and the preparation of an effective strategy to overcome them. There was little doubt that much progress had been made in economic thinking since the objectives of the first Decade had been formulated, and it would make for more realistic goals in the future. His delegation welcomed the unanimous intention of the members of ACC to co-operate actively in the preparation of a global strategy of development. The developing countries were convinced that there could be no harmonious development on a world scale without a strategy specifying the principal types of action to be taken by both the developed and the developing countries.

36. Measures should be taken which were within the sovereign power of every country, such as a better distribution of wealth by means of agrarian reform and reform of the taxation system; increase in the effectiveness of various activities, especially those requiring scarce specialized labour; and the control of population increase in accordance with means appropriate to each country. In addition, measures to be taken by the developed countries were: transfer of 1 per cent of their gross national product, as agreed at New Delhi, a figure which should be increased during the first years of the next decade; the steps proposed by the Chairman of the Committee for Development Planning, such as increased aid for training nationals of developing countries; increased food production to meet the requirements of WFP; re-negotiation of the terms of the external debts of developing countries; and a policy of incentives designed to encourage imports from developing countries.

37. The signing of the Treaty on the Non-Proliferation of Nuclear Weapons was an important step towards disarmament and the control of the nuclear arms race which, as had been pointed out, was so wasteful of resources

that if only 10 per cent of the expenditure devoted to it could be assigned to development activities, peripheral economies would achieve a substantial upswing.

38. In conclusion, he referred to the dissatisfied youth of the world, who did not wish to be associated with the serious injustices being perpetrated everywhere. Young people would be less mistrustful and sceptical if some proportion of the vast sums expended on destruction was devoted to relieving the suffering and misery in the world.

39. Mr. EL FASSI (Morocco) said that the first Development Decade had aroused immense hope because it had been thought that the solidarity of mankind would at last take up the challenge of poverty and ignorance. But successive international meetings had been held without even the modest objectives set being attained. The disappointing result of the second UNCTAD session was significant in that respect. Thus the progress made in the first Development Decade was not very encouraging. The terms of trade continued to deteriorate; the international commodity market remained unstable and unremunerative for the developing countries; the manufactured articles they produced were subject to import restrictions in the industrialized countries; the 1 per cent of national income transfer proposal accepted by the first UNCTAD session had not been attained; the falling-off in external aid was aggravated by repayment dues which absorbed about two-thirds of new aid for the whole of the developing countries. The improvement in relations between the great Powers should, however, enable numerous resources to be freed for the development of the poorer countries.

40. Morocco had taken measures to bring about an integrated development of the country based on the notion of a balance between natural and human resources. Rural development, increased agricultural production, and education and training were the basis of its growth and development programmes. Numerous projects for increasing cultivation by irrigation were under way. Many industrial plants were being constructed to increase national production and to absorb surplus population. A thorough-going reform of external trade had been undertaken, and a national agency for export marketing had been set up with the aim of achieving a rational marketing of traditional agricultural and fishing exports. His Government had given priority to educational training in its development plans. Rural co-operation, agricultural research, the introduction of new techniques, and experimentation with new kinds of cultivation ran parallel with training. Action in regard to family planning had been undertaken with the aim of obtaining a proper balance between resources and population to enable people to live reasonable lives.

41. Action at the domestic level was accompanied by co-operation with the other countries of the Maghreb, since regional co-operation was more than ever necessary to economic expansion. An economic union of the Maghreb was being established and important measures had been taken in trade, transport, telecommunications, and customs legislation. The countries of the Maghreb had established an industrial training institute at Tripoli

with aid from the Libyan Government and the United Nations.

42. The moment had come to mobilize material and spiritual forces in the service of mankind. The rich countries could only ensure the peace of the whole world by giving increased aid to the Third World. The question was whether the rich nations had at last understood their proper role and whether they realized the considerable contribution which the countries of the Third World could bring to humanity. They should take a global view; it was only by banishing traditional methods, developing trade and encouraging the potentialities of each different region that a more rational economic balance could be obtained which would be of benefit to all the countries of the world.

43. Miss MAY (Observer for the Organisation for Economic Co-operation and Development), speaking at the President's invitation, described the historical development of OECD. Its reorganization in 1960 had been significant in two respects. First, its membership had been expanded to include certain countries outside Europe, and secondly it had been decided that problems of development would thereafter be one of its primary concerns. Development in that context was to cover not only the problems of some of the less-developed members of OECD but also the programmes and policies of a large number of its members in their efforts to assist developing countries in other parts of the world.

44. The objectives of OECD included the promotion of policies designed to achieve the highest sustainable economic growth and employment and rising standards of living in its member countries, sound economic expansion in both member and non-member countries in process of development, and world trade expansion on a multilateral non-discriminatory basis in accordance with international obligations. One of the specialized bodies set up to help attain the aims of OECD was the Development Assistance Committee, which offered a forum to members for the discussion of common problems and policies, and was designed to expand and improve the flow of long-term funds and other assistance and to increase the over-all effectiveness of development aid. The Committee comprised all the major aid donors in Western Europe and North America, together with the Commission of the European Economic Community, Australia and Japan. Those countries provided well over 90 per cent of the total capital and technical assistance furnished to the developing countries. The Committee was concerned not only with the volume of assistance but also with the terms on which it was made available and with measures designed to increase its effectiveness.

45. In recent years, the Committee had found it useful as part of its continuing work of analysing and commenting on the programmes of its members to devote special attention to programmes in a different sector each year. In 1967 the sector chosen had been agriculture, and in 1968, with the technical co-operation of UNESCO and IBRD, emphasis had been placed on the educational sector in developing countries and on ways in which external assistance could best help to meet educational requirements.

46. Prior to the second UNCTAD session, OECD had engaged in extensive preparations with respect to three major topics on UNCTAD's agenda, namely trade preferences, the financial aspects of development, and shipping problems. Unfortunately the results achieved at New Delhi in those areas had been less than some had hoped for. However, OECD's Trade Committee was continuing work on the important problem of generalized preferences; the recommendations concerning development financing adopted at New Delhi would reinforce the continuing work of the Development Assistance

Committee, and the recommendations emerging in regard to shipping were on the agenda of the Committee on Maritime Transport.

47. OECD was very interested in the Council's discussions concerning the preparation of a co-ordinated programme of action by the United Nations system of organizations; it considered that concerted national and international efforts were an essential prerequisite to the success of the second Development Decade.

The meeting rose at 12.50 p.m.