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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. ÅSTRÖM (Sweden) said that the concept of the first United Nations Development Decade had served to provide the framework for concerted international action for development. The first Decade had not been wholly successful, but lessons had been learnt and much useful knowledge had been accumulated. It was now for Governments and the United Nations family to use the experience acquired so as to prepare the second Development Decade, which should be based on recognition of the absolute need for long-term planning and for an international development effort commensurate with the dimensions and complexity of development problems. The concept of the Decade would also inspire peoples and Governments to strive to reach two practical goals which, in his opinion, should be specified more clearly than had been done for the first Decade—economic growth and the flow of external assistance.

2. The complex question of the actual content of the second Development Decade was under active consideration by the Secretary-General in close consultation with other bodies and organizations, and his delegation hoped that attention would be paid to three main topics. The first was the role to be played by the United Nations system of organizations. The second was how the flow of external resources through multilateral as well as bilateral channels could be increased on terms as satisfactory as possible to the developing countries. The third was how the national development plans of the developing coun-

tries could be integrated into an over-all development strategy.

3. The fact that the economic and social activities of the United Nations system of organizations were now geared in an overwhelming degree to the development problem called for close and continuing co-operation. For that reason, not only should the work of those organizations be programmed and executed within the framework of certain over-all objectives to be determined by Governments but procedures and practices should be streamlined. The Governments which had established those organizations to serve their joint interests should try to agree on measures to be taken to realize the idea of a truly concerted effort and a global development strategy. Recent developments in that respect were encouraging, and preparations for the second Development Decade had given rise to new thinking and new action to achieve greater unity of purpose and operation. Moreover, a number of specialized agencies were preparing long-term plans and projections which, although not the result of central planning, would certainly be useful components of the over-all strategy. His delegation had also noted with satisfaction the decision by the Governing Council of UNDP to initiate a study of the capacity of the United Nations system which should answer a number of questions on organizational problems and the functions, content, strategy, programming procedures and operational methods of the system as a whole. That study would be taken into account by the Council, as the main instrument for over-all co-ordination, in drawing up plans for the second Development Decade.

4. A crucial problem that had to be tackled in regard to the second Development Decade was how the flow of external resources could be increased. Noteworthy progress had been made in that respect at the second session of UNCTAD at New Delhi, because the developed countries had accepted a re-definition of the 1 per cent target, according to which transfers from the developed countries would be related to gross national product instead of net national income. Some countries, including Sweden, had gone even further, and the Swedish Parliament had recently adopted a plan under which budgetary appropriations and other long-term official net transfers would amount to 1 per cent of the gross national product in the 1974/75 fiscal year. That would entail an average annual increase in budgetary appropriations of about 25 per cent for the next seven-year period. Moreover, in order to provide a firm financial basis for planning and for forward commitments in respect of multilateral assistance programmes, the Swedish Parliament had approved a government proposal for a basic plan fixing minimum sums to be appropriated during the three fiscal years up to 1970/71.

5. Another question of crucial importance was what could be done to enable the developing countries to make

better use of their export potential; only limited results had been achieved in that direction at New Delhi. However, some avenues for increased exports from the developing countries, such as the agreement on the principles of a system of tariff preferences had, at least in principle, been opened up.

6. Since development was a joint responsibility of the developed and developing countries, a development strategy which failed to specify objectives to be attained by the developing countries or which failed to take their national and regional plans into account would be deficient. For that reason some kind of interplay between efforts at the national and international level was essential, and his delegation believed that United Nations representatives in the field could render valuable assistance in drafting national development plans and particularly in advising recipient Governments concerning various forms of external assistance that might be available. In that respect it must be borne in mind that, regardless of the soundness of any plan, its objectives could not be attained without a political will to pursue a given policy. Obviously, therefore, the success of the second Development Decade depended on the effective implementation of national plans in the developed and developing countries alike.

7. The Secretary-General's reference in his opening address at the 1531st meeting to the turmoil affecting so many of the rich countries reflected a conviction shared by young persons today that the older generation had failed to grasp the vital importance of eradicating barriers between races and between rich and poor. Young persons in those countries were inspired by a sense of world solidarity and their desire for a total effort to bring about justice and decent living conditions must be met by a strong will for social and economic reform within the developing countries. For that reason, it was vital that everything possible should be done to provide young people with a real sense of participation in the over-all work of the United Nations, which still held out the main hope for a peaceful and just world. He hoped that the Council would explore possibilities of giving some kind of expression to the concern he had mentioned.

8. The programme for assistance in the event of natural disasters should also be a reflection of growing world solidarity. Such assistance, however, was more effective if it was properly planned beforehand, both in countries where natural disasters were likely to occur and in countries which were willing to help. His delegation intended to submit certain proposals on the subject under agenda item 26. Humanitarian assistance of a strictly non-political nature was also urgently required for the victims of the tragic events in Nigeria, and his delegation hoped that they would receive all the help they needed from Governments and international organizations such as the Red Cross.

9. In his opening address the Secretary-General had referred to the critical relationship between population and resources and had analysed the progress of efforts being made to establish policies and machinery for the moderation of population growth. His delegation was most gratified to note that due importance was now being

attached to that problem, and that a growing number of members of the United Nations family were in a position to provide active and material assistance. It hoped that the resources of the United Nations trust fund for population activities would be used to the best advantage in the light of the real needs of the developing countries. The goal, in his view, should be the freedom of each family to decide its own size in the light of the physical and mental well-being of the mother and of the welfare and education of the children.

10. Another somewhat related problem was the human environment, which had deteriorated as a result of the uncontrolled use of technological innovations as well as of inadequately planned industrialization and urbanization. His delegation considered that the various aspects of the problem had to be tackled on a global scale and had therefore referred it to the Council for consideration. The developing countries were likely to experience similar difficulties on an increasing scale and should be assisted, while there was still time, in their efforts to prevent the various harmful secondary effects of the processes referred to. His delegation was aware of the important work being carried out by various United Nations bodies in that field, but since it considered that intensified action was required at both the national and the international level, it had proposed that a United Nations conference on problems of the human environment should be convened in 1970 or 1971 (see E/4466/Add.1). A broad discussion of the problems involved would help to focus the attention of Governments and public opinion on the importance of the problem and help to identify those aspects that could be solved only through international co-operation and agreement. His delegation did not foresee any need for institutional innovations for that purpose; co-ordination at the administrative level between the various specialized agencies concerned could be provided by the ACC.

11. As Sweden would soon cease to be a member of the Council, he wished to present a few comments on the Council's role in the United Nations family. In its primary function as a governing board, the Council appeared to be unnecessarily burdened with the detailed consideration of matters of a highly technical nature. The Council might consider, when appropriate, establishing sub-committees or working groups for the preparatory examination of the reports of certain Commissions and of rather technical matters such as those dealt with at its forty-fourth session. With regard to its second role as a forum for the high-level discussion of international economic and social policy, his delegation considered that its debates had failed to have the anticipated impact on public opinion and on Governments, possibly because those debates were supplemented by similar discussions in the Second Committee of the General Assembly, the Governing Council of UNDP, UNIDO, etc. For that reason his delegation was convinced that the Council's most important work in future would be done in connexion with its third role as co-ordinator of all United Nations activities in the economic, social and human rights fields, for an increasing proportion of international activities were being focused upon development problems and particular care had to be taken to ensure that efficient use was made

of available scarce resources. If the Council were allowed to play a more central role in the co-ordination of the activities of the specialized agencies there might well be less need for the extensive co-ordination efforts now being undertaken directly between those agencies themselves. It might also be useful to consider whether the Council would work more efficiently if it adopted a more flexible time-table than the present two sessions a year; whether it would be desirable to hold shorter and more frequent meetings and thus, as it were, keep the Council in permanent session; and whether that procedure would facilitate the Secretariat's task of preparing documentation and the task of delegations, and particularly those of the smaller countries, in digesting such documentation.

12. Princess Ashraf PAHLAVI (Iran) said that the world economic situation was not very encouraging. Most of the developing countries were not in a position to achieve the modest 5 per cent growth rate established as target for the current Development Decade; and even if the rate of 5 per cent or 6 per cent were achieved, the gap between rich and poor would not be narrowed. The Proclamation of Teheran<sup>1</sup> stated that that widening gap impeded the realization of human rights in the international community, and affirmed the interdependence of economic, social and other factors in the promotion of human rights. In that respect, the Iranian delegation had welcomed the emphasis placed on human rights by the representative of the United Kingdom at the 1532nd meeting.

13. The second session of UNCTAD had not been the action conference which many had hoped it would be. Some positive results had been achieved, particularly in the matter of preferences; and in any case, the meagre success could be attributed in part to the world economic situation as a whole and to the economic and financial crises of the Western world. The constructive action taken by certain advanced countries was, however, worthy of note, e.g. the introduction of a preferential system by Australia; the recent measures taken by Austria; the earmarking by several countries of 1 per cent of their gross national product for development assistance; and the decision by the members of OECD to grant non-reciprocal preferences. The assistance granted by the United Nations system of organizations had also increased in volume and efficiency.

14. The causes of poverty were well known; the question was whether there was a genuine desire to give effect to the global strategy which alone could reduce the dangerous gap between rich and poor nations. In the preparations for the second Development Decade, account should be taken of factors of time and space; space because the needs to be met were increasing and becoming more diversified; and time because the rhythm of history continued to accelerate.

15. If the developing countries were expected, between the years 1968 and 2000, to cover the same routes as the industrialized countries had covered in a matter of cen-

turies, by the beginning of the twenty-first century they would still be creeping along on land while the advanced nations were making their way in space. Rather, the developing countries should turn in the direction of a new type of civilization so as to reach the threshold of the year 2000 as equals of the rich nations.

16. The abyss between the cultural levels of the rich and poor should also be bridged. The accumulation of knowledge was at least as important as that of capital in the struggle against under-development. In that connexion, the developing countries suffered not only from a lack of specialists but from a brain drain. In development matters, the question of cultural and scientific development arose increasingly alongside that of purely economic expansion. Uneducated persons had neither the ability nor the desire to be integrated into a development process. For that reason she personally had concerned herself, at the national and international levels, with the campaign against illiteracy.

17. Turning to the question of youth, she said that young persons of the developing countries were frustrated by the lack of means of training. The emancipation they needed was integration in the development movement, as both the driving force and the beneficiaries. In order to achieve that, they had to acquire the scientific outlook of the modern world. Unfortunately, investments in training and education were not always proportionate to the demographic evolution and there was a "vicious circle of aculture". The village child was moulded by his primitive surroundings, and two-thirds of the world's population lived in rural areas. The question of the transfer of science and technology, responsibility for which lay almost exclusively with the advanced countries, should therefore be at the very core of the second Development Decade. That was another sphere where the absence of a common strategy made itself felt.

18. The blame for the lack of progress in economic development should not be laid entirely at the door of the industrialized countries. The developing countries must mobilize their resources, undertake the necessary structural reforms, prepare realistic plans and establish appropriate priorities. They must also explore the possibilities for regional co-operation. In that connexion, the benefits derived by Iran, Pakistan and Turkey from the regional co-operation development system they had established should be noted. The question of regional groupings, which were essential to development, should also be included in the programme for the second Development Decade. It would be illusory to imagine that with its limited resources the United Nations system could solve all development problems; but the new Decade should not be content with giving effect to multilateral projects. It should serve as a framework for all national and international action and formulate the principles of the global development strategy which was so sorely needed.

19. Recourse should be had to innovations with a view to infusing new blood into the struggle in which the peoples of the world were engaged. For that reason His Imperial Majesty The Shahinshah had recently proposed, in a speech at Harvard University, that a "welfare legion" should be established within the framework of

<sup>1</sup>Adopted by the International Conference on Human Rights at its 27th plenary meeting.

the United Nations, a peace army in which any person, whatever his nationality, race or creed, would be able to serve the cause of humanity as a whole and help to win the battle against poverty, ignorance, disease and social injustice.

20. Mr. BENLER (Turkey) said that the link between the second session of UNCTAD and the International Conference on Human Rights was more than superficial, for it was only among men who enjoyed a minimum degree of economic well-being that talk about respect for human rights was possible. That being so, his delegation shared the disappointment felt at the results of the first Development Decade, particularly in regard to the meagre rate of growth achieved thus far. Clearly, the need to take effective and urgent action was inescapable.

21. With those considerations in mind Turkey had looked forward to the second session of UNCTAD, assuming that once the maladies had been diagnosed and the failures revealed, the Conference would take practical steps towards a more constructive chapter in economic co-operation that would result in vigorous expansion of the economies of the developing world. The inability of the Conference to live up to expectations had coincided with a time when the prospects of assistance from developed to developing countries were less promising than they had ever been during the post-war years. The balance-of-payments difficulties and economic problems of a number of the larger donor countries affected the ability and willingness of those countries to assist the developing world. In addition, a disenchantment was beginning to reveal itself in certain sectors of public opinion in the donor countries, probably a result of the belief that foreign aid was a relatively temporary expedient that could be phased out as more and more countries reached the take-off stage in their development. Unfortunately, economic development was neither easy nor swift, and re-education of public opinion was needed. His delegation therefore welcomed the establishment of a centre for economic and social information, as mentioned by the Secretary-General in his introductory address.

22. A number of signs encouraged the belief that the second Development Decade augured well for mankind. To begin with, the first Decade had firmly established the principle that economic and social development was the collective concern of all countries, rich and poor alike. Incidentally UNCTAD had made a valuable contribution in that direction. Secondly, there was now a better understanding of the process of economic development and of the difficulties that had to be faced. All the developing countries were now more conscious of their economic problems. It was generally acknowledged that without a will to develop and without effort and sacrifice on the part of the aid-receiving countries, foreign assistance was largely wasted. Currently, the volume of assistance to developing countries was considerably less than they could usefully absorb. Perhaps therefore they should consider what more they themselves could do to hasten their development. A country could, for example, usefully direct its resources to accelerating the expansion of its educational system, a matter which did not require large

direct imports but which could have tremendous benefits in making subsequent development possible.

23. An encouraging trend in recent years was the increased co-operation among developing countries at the regional and sub-regional levels. Another was the fact that practically all developing countries had come to understand the need to develop within the framework of a plan designed to balance resources and requirements, set targets, establish priorities and enable burdens and sacrifices to be shared more equitably among the different sections of society. The United Nations could perform a useful task in the formulation of a development plan; and developing countries could usefully co-operate with each other in that task. It had been heartening to hear the Director-General of FAO speak of a breakthrough in world food production (1532nd meeting). In his own country, the new strains of wheat developed in Mexico had proved that remarkable increases in yields could be obtained without any corresponding increase in manpower or in land use.

24. On the question of population too, there were grounds for optimism. The United Nations system was uniquely placed to assist developing countries in making family planning techniques accessible to their populations at relatively low cost. Once a pilot scheme had been started in a particular area, with United Nations assistance, its scope could easily be broadened to cover the whole country. The Turkish development plan assigned high priority to family planning, and since 1965 a vigorous programme had been put into effect. The Ministry of Health furnished information on contraceptive methods and provided drugs and supplies free of charge to those who could not afford to purchase them. Mobile teams had been set up, and their coverage of the population was planned to increase by 5 per cent each year.

25. The recent financial and economic difficulties faced by developed countries had brought home the degree of economic interdependence that existed in the world. It was therefore of the utmost importance that developed countries should pursue expansionist policies; and the techniques and tools for achieving that appeared to have become acceptable to leaders in those countries.

26. The expansion and proliferation of the activities of the United Nations system of organizations made it essential that the summer session of the Council should carry out its co-ordinating duties in a thorough and business-like manner in order to reduce duplication and waste to a minimum; and the heads of the specialized agencies should be constantly on the alert to find new ways of streamlining their operations. It was encouraging to learn that new ideas were being considered and new ways sought to render the United Nations more responsive to the urgent needs of its Members, and that the question of the capacity of executing agencies of UNDP to carry out projects was being reviewed. His delegation regarded the questions posed earlier by the representative of Sweden as most relevant. It was now for the members of the Council jointly to find answers to those questions.

27. Mr. HEYER (International Confederation of Free Trade Unions), speaking at the invitation of the President,

said that the main concern of the free trade union movement in both the developed and the developing countries was with employment. A policy of economic growth could only be fully justified if it did not leave a section of the population unemployed or under-employed, and thus unable to enjoy the fruits of expansion. It was in relation to the right to work, proclaimed in the Universal Declaration of Human Rights, that the free trade unions judged all economic policies and made their own contribution, in both new and mature economies. For whatever the techniques and the capital used and whatever the results obtained, the basis of development was ultimately human labour.

28. In the developing countries the growing mass of unemployed or under-employed was a matter of grave concern. New generations of workers, migrants from rural areas or school-leavers, found themselves rejected by the modern economy and frustrated in their ambitions. They appeared on a market which was not ready to receive them and were resented by those already in employment. The result was often that they were denied their right to fair remuneration and a share in the fruits of their work and that pressure was exerted against trade union rights in general.

29. The ICFTU had been among the first to be concerned over the failure to meet the targets of the Development Decade: the growth rate of gross national products was well below the desired minimum and aid from the developed to the developing countries was considerably less than 1 per cent of their national income. The free trade unions had not hesitated to blame the commercial, financial, industrial and cultural relations between developed and developing countries, which were all too often disorganized and distorted by short-sighted selfish interests. The failure to achieve the targets of the Development Decade, however, was not the main cause of the present employment situation in the developing countries. Nor did the explanation lie in the population explosion; the free trade unions recognized the need for action in the matter of population, but its effects could only be long-term. The real problem was the direction that development was taking, at both the national and international levels. The choice of objectives, for the most part expressed in purely economic terms, and the decisions taken by private and public investors to increase production in a particular direction, namely, by concentration of capital and imported techniques on a limited number of workers, were responsible for the present situation. Industries had been started in the developing countries with large capital investment but using only a small part of the national labour force in conditions of very high productivity, while the mass of workers remained in undeveloped industries with only rudimentary equipment. There was a wide gap between the productivity and the remuneration of the two groups. In economic terms, it was open to question whether concentration of investment in one direction was the best way of using available resources—whether the total growth in production might not have been greater if the same effort had been put into training a larger number of workers.

30. It was characteristic of the present situation that the real question had never been seriously faced. Neither at the national nor the international level were data available for assessing whether particular agrarian reforms or the development of small industries should have priority, i.e. whether they would create employment and increase the income of a large number of workers within a reasonable period of time. The selection of priorities should be based on proper statistical data and research.

31. He did not deny the value of investment in modern sectors of production in the developing regions. The crux of the matter, however, was not so much whether a modern sector was necessary or not, as how much investment it could absorb in proportion to what was necessary to promote the progress of the traditional sector and thus avoid excessive disparities between the two. Before any such action was undertaken, there must be structural reform in all spheres in order to transform and develop the traditional sectors. That approach, which the free trade unions had long been advocating, had now for the first time been adopted at the international level in the World Employment Programme of the ILO. That Programme should be the basis for all future development programmes of the United Nations forming the development strategy for the 1970s. The Director-General of the ILO had stated that the aim of the world employment programme was to stem the ever-increasing rural exodus and the influx into shanty towns of people who had no part in development; that the best methods of economic development were those which brought essential benefits and work to the greatest number of people; and that development programmes directed towards creating employment should have a sound social basis as long as they did not lead to economic stagnation.

32. Turning to the effects of the economic and social situation in the developed countries, he said that the economic policy of the free trade union movement in advanced industrial societies was also concerned with full employment. The utilization of the large unused resources in the production systems of industrial societies depended in the long term on basic policies for investment, for the re-organization of industrial sectors and regions and for manpower, in order to prevent the bottle-necks which all too often held up the economic machine. That was one of the most important aspects of economic policy and the trade union organizations paid special attention to it. In the present situation, however, the more immediate concern was the over-all level of economic activity, which depended essentially on private demand for mass consumption goods, sustained by a steady growth in purchasing power. The growth of demand and production were both dependent on monetary policy. The free trade union movement had always stressed that high interest rates meant a deflationary policy, but a deflationary policy would settle nothing. A policy of economic expansion was the only way of dealing with balance-of-payments difficulties. The free trade unions supported the strengthening of the international monetary system and the extension of drawing rights on IMF.

33. As far as income policies were concerned, the free trade unions would never support a restrictive wages policy based on traditional methods for controlling costs and incomes in situations of economic difficulty. An income policy could only be useful in combination with other methods of stimulating economic recovery: only on that basis could the trade unions take part in an incomes policy, which in any case should cover unearned incomes and be accompanied by its essential counterpart, namely, a stable prices policy.

34. The main characteristic of the advanced industrial economy in the past two decades had been the rapid development of its structure, its production techniques and its methods of organizing and managing production units. Such development was not without its problems, the main one being the position of the labour force. The effects on the labour force were all the greater because changes in structure called for greater occupational and geographical mobility, re-training, reform of recruitment and career conditions, revision of the traditional distinctions between occupational categories, modification of grading systems and re-organization of systems of remuneration. To reduce the social cost of industrial change it was therefore necessary to have an active labour policy involving adaptation of the general education system and improvement of the system of vocational training and re-training. Concurrently, a regional policy should be drawn up to provide new opportunities for industries or for regions undergoing important structural changes. Investment policy should be both an anticyclical measure and a means to promote the rational organization of undertakings within the framework of regional development.

35. In addition to full employment and higher standards of living for workers, the free trade unions in advanced industrial societies typically had two other objectives. The first was to reduce the social inequality imposed on unproductive consumers such as the very young, the very old and the sick, or those whose work was not used, such as the unemployed, the uneducated and the discriminated-against. That meant trade union activity with regard to fiscal and family policy, wages, unemployment benefits, health, education and other public services, directed particularly towards assisting the underprivileged.

36. The second objective was to transform consumption and production systems by proposing priorities other than those created by the operation of market forces. Such priority requirements were education, cultural activity for leisure time, health, house building, integrated regional development, town renovation, development of an adequate infrastructure, transport systems and community facilities, and improvement of public health.

37. The present age was notable for an economic growth unparalleled in history. The danger was that the productive machine might become an end instead of a means. Production should serve the human beings of today and tomorrow.

38. Mr. PIETRYGA (International Federation of Christian Trade Unions), speaking at the invitation of the President, said that the Federation welcomed the Secre-

tary-General's words on the importance of involving everyone in the work of economic and social development at all stages of planning and executing programmes.

39. The mistake made at the start of the current Development Decade had been to assume that the objective could be achieved merely by obtaining the necessary financial resources and technical assistance. Halfway through the Decade, however, it had become apparent that progress was being held up through insufficient attention to the social aspect and lack of participation by the people. As far as the population factor was concerned, for example, family planning had been attempted without giving parents the education necessary to equip them for a free decision. The right to family planning, discussed at the International Conference on Human Rights, presupposed the intellectual capacity to accept or refuse it. Freedom in family planning was a fiction in conditions of ignorance and poverty. The marginal position of the worker and peasant in poor countries and regions encouraged an anti-productive and anti-social attitude. Neither family planning nor vocational training could mobilize human resources for development while people lived in poor, unhealthy and overcrowded housing.

40. There was a vicious circle in which lack of participation by the population held up economic progress while the majority of people were unable to participate because they were not integrated into the social structure. The ILO was to be commended for tackling the problem at its forty-eighth session and adopting resolution III, concerning the concept of democratic decision-making in programming and planning for economic and social development. The Director-General of ILO had stressed that workers' organizations, co-operatives, the bodies responsible for management training and enterprises themselves were in the best position to carry out the social and economic changes necessary to escape from that vicious circle.

41. What was the Council's role as the first Development Decade gave way to the second? The problem went much further than recommending increased aid by organizations. The State had become the fundamental mechanism of the economy. Industrial and developing societies had become State societies serving mutually antagonistic sovereignties and strategies. Such national egoism obstructed development. At his press conference on 10 July 1968, the Secretary-General had stated, in connexion with the second Development Decade, that national interests and prosperity depended on international progress and peace. The Federation would add that international solidarity and activity would not succeed unless States carried out the necessary structural reforms. He hoped that representatives would take to heart the conclusions in the introduction to the *World Economic Survey, 1967*, part I, concerning the differences between the "modern" and "traditional" segments within an economy (E/4488).

42. Structural reforms were necessary not only for the developing countries, although those countries would of course have priority. All development aid, bilateral or international, even if it exceeded the 1 per cent of net national income or gross national product fixed at the

second session of UNCTAD, would be hypocritical and deceptive if the economic structures of the industrialized countries were not made more flexible and more receptive to the needs of the developing countries. Such action should be accompanied by a dynamic social policy so that industries would not be protected against competition from developing countries on the grounds that its effect on labour would be disastrous. The industrialized countries should demand a dynamic and flexible policy taking account of the effects of imports of finished or semi-finished and other products from developing countries and of the development resulting from automation and technological changes with the same force as they demanded agrarian, educational and other reforms. The figures given in the *World Economic Survey, 1967*, part I, chapter V (E/4488/Add.5) were evidence that such a claim was realistic and practicable.

43. In order to create the strategy needed to achieve those objectives, it was essential for the population to participate in the preparation and implementation of plans. Although the *Survey* indicated that planning was necessarily a

government function, it also concluded that planning should be a function of society as a whole and should involve all levels of the population. After reading the resolutions adopted in the past, it was embarrassing to have to raise those questions again. The Federation and its seventy affiliated organizations had always given the resolutions wide publicity, because the workers believed in the force of the international society. But what did those resolutions lead to? The United Nations programme had paid less attention to social development in 1967 than in 1966. The figures in themselves were not unsatisfactory, but the trend was depressing. The secretariats of the United Nations and the agencies responsible for those programmes had not been inactive, but the existing structures had made their efforts ineffectual. The workers hoped that the Council would not merely make general statements, but would adopt specific measures within the framework of the United Nations programmes, and would appeal to all Governments not to abandon the principles they had supported for so many years.

The meeting rose at 5.15 p.m.