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President: Mr. SCHEYVEN (Belgium).

General discussion of international economic and social policy (E/4638, E/4674, E/4679, E/4687 and Add.1-3, E/4688, E/4695, E/4701; E/CN.11/878; E/CN.12/825 and Add.1; E/CN.14/435; E/ECE/741) (*continued*)

1. Mr. AQUINO (Executive Director, World Food Programme) said that WFP was going through a period of rapid transition from an experimental undertaking to a programme that represented an important additional source of capital for social and economic development in the less developed countries. Part of the resources made available to WFP had been used to meet emergencies of various types, but, as the programme grew, a smaller proportion of the total resources was being devoted to emergencies.

2. The rate of growth of WFP social and economic development activities had been striking. The projects it had implemented could be divided into three groups: those for the development of human resources, those intended to improve the economic and social infrastructure of the recipient countries, and those which could be considered immediately productive. By the end of April 1969, there had been ninety-one projects of the first type, eighty-seven of the second and 156 of the third, valued respectively at \$154 million, \$137 million and \$180 million. At its last session, the Intergovernmental Committee of WFP had approved new projects for \$180 million to be executed in fourteen countries. The total commitments of WFP were currently above the \$650 million mark.

3. The aid provided through WFP acquired special significance considering the large number of people in very vulnerable groups to whom it was given: children of pre-school and school ages, expectant mothers, students and so on. In Botswana and Lesotho, virtually the whole primary school population was receiving supplementary rations from WFP, and in Algeria a WFP-assisted project

was providing mid-day meals for 500,000 children in primary schools.

4. In the case of projects for the development of the economic and social infrastructure, WFP foodstuffs went to the families of 695,000 forestry workers, 325,000 in community development and 500,000 others in housing, road construction and the erection of power lines.

5. The number of beneficiaries in projects mainly for the promotion of agricultural development, to which most of the resources of WFP were devoted, was equally impressive. Aid in the form of food was supplied by WFP to 1 million persons working in land development, and to 300,000, including refugees and displaced persons, who were being settled in new areas.

6. He had just signed, in Bogotá, a plan of operations for nutritional education and feeding. The plan had been approved by the WFP Intergovernmental Committee in May 1969 and would cost \$42 million. It would help Colombia to improve the dietary habits of its population, and curb the high rate of mortality and morbidity of children in the lower income groups. Another plan of operations had been signed with the United Arab Republic; the operations it stipulated would cost \$45 million and would serve to expand the agricultural basis of that country's economy, reduce unemployment rates in rural areas and improve agricultural output. The Intergovernmental Committee had also approved many other projects to be implemented in Sudan, Turkey, Lesotho, Taiwan, Mauritius, Syria, Burundi, Bolivia, Ceylon, India, Afghanistan and Iraq.

7. In 1967, total commitments for new WFP projects had amounted to some \$85 million; they had grown to \$203 million in 1968; and in 1969 could easily reach \$400 million if the resources were forthcoming. The unit cost of the various projects was increasing concurrently. The growth in WFP activities had prompted the WFP governing body to recommend a target of contributions of \$300 million for the two-year period 1971-1972, representing a 50 per cent increase over the target for the current biennium. That target had been endorsed by the FAO Council, and it was hoped that it would also obtain the approval of the Economic and Social Council, so that both the General Assembly and the FAO Conference could recommend it as the target for the WFP pledging conference to be held in January 1970.

8. A number of Governments, signatories of the Food Aid Convention, had decided to use WFP as a channel for discharging their obligations under the Convention, and EEC had decided to contribute 35,000 tons of butter oil to WFP. It was to be hoped that EEC would find it possible to channel through WFP a substantial part of its large surpluses of dairy products, especially in the form of dried skimmed milk.

9. General Assembly resolution 2462 (XXIII) invited the WFP Intergovernmental Committee to study some specific aspects of the problem of food aid and to present a final report on the subject to the Economic and Social Council at its forty-ninth session. The study, to which the Secretariats of the United Nations and FAO would be invited to contribute, would be extremely useful, for it was important that the subject of multilateral food aid should be approached as a substantial part of the development effort of the United Nations system.

10. Since WFP was a joint operation of the United Nations and FAO, it was co-operating closely with its parent bodies; it also worked in very close liaison with UNDP through the resident representatives, who were also representatives of WFP. In addition, ILO, UNESCO and WHO provided extremely useful technical services for the scrutiny and evaluation of WFP projects. WFP was also working closely with UNICEF and UNHCR.

11. WFP could make a valuable contribution to the Second United Nations Development Decade; he hoped that the Council would continue to give WFP its full support and ensure that it was endowed with the resources needed to fulfil its responsibilities.

12. Mr. ABE (Japan) said that the *World Economic Survey, 1968* (E/4687 and Add.1-3), prepared by the Secretariat, was an excellent document; it showed that the remarkable expansion of the world economy and international trade had exceeded all expectations. In 1968, the growth rate of the world economy had been nearly 6 per cent, and the rate of growth of world trade had doubled by comparison with 1967. The increase in trade had played an important part in the expansion of the economies of the developed countries, while the economies of the developing countries had continued to improve as a result of higher agricultural production, the upward trend in commodity prices and increased exports to the markets of the developed countries. Those facts clearly showed that the first Development Decade had not been a failure and that it was gradually bearing fruit.

13. Of course, many problems still remained unresolved, particularly in regard to the monetary situation, high interest rates and inflationary trends. They should be carefully studied by the Governments concerned and resolved through international co-operation so as not to hamper the further development of the world economy as a whole. In that connexion, it should be noted that, through international co-operation, it had been possible to introduce special drawing rights within the framework of

IMF, with the object of ensuring the stability of international currencies and the steady and balanced development of the world economy.

14. The economic progress of a country, whether developed or developing, was a continuing process, which demanded steady and sustained efforts on a nation-wide scale over a period of several years. One fundamental condition for such development, however, was political stability at the national and international levels. Consequently, it was to be hoped that the political climate would improve in the years to come so that the current expansion of the world economy could be maintained and accelerated; such improvement was particularly necessary at a time when vigorous efforts were being made to launch the Second Development Decade.

15. In 1968, the Japanese economy had continued to maintain a high growth rate for the third consecutive year mainly owing to the expansion of private capital investment and consumption. The gross national product had increased by 14.4 per cent in real terms, thus exceeding the corresponding 1967 figure of 13.7 per cent. After the official discount rate had been raised at the beginning of 1968 in order to cope with an increasing balance of payments deficit, exports had recovered and the balance of payments situation had improved to such an extent that it had been possible to lower the rate once again in August; thanks to the favourable trend of the economy, unemployment had remained at a low level and wages had risen rapidly. Subsequently, however, certain shortcomings inherent in the Japanese economy had reappeared in the form of a sharp upswing in consumer prices and a more acute labour shortage. Nevertheless, the balance of payments situation had remained sound, thanks to a sharp increase in exports and the stabilization of imports. At the same time, it had ceased to act as a brake on Japan's economic expansion.

16. In 1968, the financial aid supplied by Japan to the developing countries had reached the high level of \$1,050 million, or three times the 1964 figure. Although that increase had been a consequence of the economic boom of recent years, it also reflected the Japanese Government's determination to step up appreciably its economic aid to the developing countries despite enormous needs on the home front, particularly in road-building and housing.

17. Although his Government was fully aware of the importance of the development of the developing countries, it also recognized the economic interdependence of all countries. In its opinion, the steady development of the developed countries was no less important than that of the developing countries for the future of the world economy as a whole. The Economic and Social Council should keep that fact constantly before it.

18. With reference to the Second United Nations Development Decade, his delegation appreciated the work already accomplished by the Preparatory Committee, in

co-operation with various United Nations organs and the specialized agencies. Nevertheless, a number of problems were still unresolved. The slow progress so far made had given rise to some dissatisfaction. It should not be forgotten that the basic aim of the Second Development Decade was to supply a driving force for the development of the developing countries and to that end to organize international action in support of those countries' own efforts.

19. Part I of the *World Economic Survey, 1968*, relating to some issues of development policy in the coming decade, contained numerous suggestions which might be useful for the Preparatory Committee's work, particularly in regard to population growth, education and agricultural development. In connexion with unemployment problems resulting from population growth, it was particularly interesting to note the possibility of substituting labour for capital in the industrialization process of the developing countries. The *Survey* expressed certain reservations on the commonly held idea that the problem of unemployment could be remedied by industrialization and presented instead a case for the more intensive use of labour in agriculture, with a view to improving output. That was a new approach which deserved very careful study.

20. On the subject of education, which was dealt with as an important aspect of population growth, the *Survey* stated that labour productivity and the extension of education were interrelated and stressed the need for planning in the training of high-level and skilled manpower, so as to correct the undue orientation towards general education at the expense of technical education. The curricula of educational institutions should also be reviewed, with a view to ensuring that they met the particular development needs of individual countries.

21. Lastly, the *Survey* advocated a comprehensive approach to agricultural development, based on institutional, technical and economic reforms. It also suggested an alternative method, which consisted in identifying particularly critical bottlenecks and ensuring the minimum essential inputs. While that method would doubtless resolve some of the short-term difficulties of agricultural development, it would be better to view agricultural development in a wider perspective, over a period even longer than a decade, in an attempt to promote fundamental conditions for sustained agricultural growth.

22. The formulation of a global development strategy required the co-operation of all United Nations organs, the specialized agencies and other international organizations. Accordingly, it was quite opportune that the Council should take up the question of co-ordination at its current session from the particular angle of the problems created by the preparations for the Second Development Decade. His delegation hoped that ACC and the Committee for Programme and Co-ordination would intensify their activities, which had already proved very useful, with a view to helping the Council to carry out its role in that field. To ensure the success of the Second Development Decade, it was essential that all countries

and all organs within the United Nations family should join forces in a spirit of mutual trust and confidence.

23. Mr. VIAUD (France) said that, despite the criticisms levelled at it, the Council was still a privileged forum which gave Member States an opportunity to evaluate the ups and downs of international economic co-operation. No one could fail to be aware, at the end of the first Development Decade, of the keen disappointment felt in the less favoured nations concerning the assistance expected from the community of nations. The gap between developed and developing countries was widening. Very few developing countries had achieved real economic growth, while the industrialized countries were concerned at the somewhat irregular growth rate of their economies and at the inflationary trends which were appearing in their economic and financial relations, with unfavourable repercussions on international co-operation. His delegation, having learnt from France's own economic and social experience and taking the world economic situation into account, considered that steady economic expansion benefiting the developing and developed countries alike was not inconceivable; it was even the *sine qua non* which would enable the Second United Nations Development Decade to provide the setting for mutual progress by all countries.

24. In France, after the fears aroused by the disturbances in the spring of 1968, private consumption had grown rapidly, stimulated by the purchasing power generated by the increase in the volume of wages and by the psychological effects of an uncertain international monetary situation. According to the forecasts for 1969 made in the autumn of 1968, the gross domestic product had been expected to increase by nearly 7 per cent during the year. That forecast had proved wrong because demand had remained at a very high level and had led to such a substantial reduction in unemployment that the shortage of manpower, particularly skilled manpower, had become a bottleneck in the economy. A second bottleneck was created by difficulties of supply, resulting in a strong tendency to increase investments in enterprises, a favourable factor which the Government had taken steps to encourage, particularly by tax measures. On the other hand, the tight labour market was causing a rapid rise in wages which could have repercussions on price levels. Actually prices tended to edge upwards at the rate of 5 to 6 per cent *per annum*. The Government was making every effort to hold the trend in check.

25. Temporary foreign trade difficulties created another problem which caused concern. In the face of a large increase in imports of consumer goods, exports, despite rapid growth, had not reached the level which would have cancelled out the balance of payments deficit; the deficit had, however, shrunk in June, while at the same time there had been a slight improvement in foreign exchange reserves.

26. The state of the French economy in mid-1969 called for skilful action by the public authorities to fore-

stall pre-inflationary trends without running the risk of slowing down the expansionary trend too much, as part of a policy whose main objectives were to strengthen the industrial structures and to promote social justice and peace.

27. It was possible to draw a lesson of general application from that review of the economic situation in France, namely, that it was difficult to bring the caprices of the economy under full control. The main reason was psychological rather than economic: economic management implied forecasting, which in its turn required a minimum of regularity in the coefficients reflecting the behaviour of economic forces. It seemed that the reactions of societies and individuals no longer fully conformed to the laws which, it had been thought, could be formulated from earlier experience. The accumulated effects of technological progress confronted man with a future containing the seeds of a real mutation whose consequences no one could very clearly foresee. As a result, equilibrium was suddenly upset in all fields, including the economic. Economic management was rendered all the more difficult by the fact that no one knew very well how best to deal with the psychological aspects shaping attitudes.

28. With regard to the world economic and social situation, the first impression gleaned from the data in the *World Economic Survey, 1968*, was favourable. Closer scrutiny seemed, however, to lead to less optimistic conclusions.

29. The year 1968 had had some positive features to its credit in several respects, in the developed market-economy countries, in the developed planned-economy countries and in the developing countries. In the first group, the growth rate had reverted to a high level after the drop of 1967, despite a slowing down in the growth of agricultural production, particularly in Europe. In the United States, in particular, the growth of demand had caused a considerable expansion of imports, which had risen by 24 per cent in 1968 as compared with an average of 9.7 per cent during the eight preceding years.

30. In the developed planned-economy countries, the changes were less noticeable, the growth in the gross domestic product having been impeded by some slowing down in the rate of industrial expansion and agricultural production. But the foreign trade of those countries continued to expand, principally in the form of reciprocal trade, although there were considerable opportunities for expansion of trade with the rest of the world. France had substantially increased its trade with the countries of the East and had set up permanent machinery for co-operation.

31. The developing countries had for the most part taken advantage of the favourable prospects afforded by the rapid growth in the industrialized countries. The food situation in the developing countries had improved slightly; that respite should be used to carry out certain

reforms in structures and methods of cultivation. Industrial production had risen by 8 per cent, which was consistent with the target set by the Preparatory Committee for the Second United Nations Development Decade. If that progress continued at the same pace in 1969, the targets fixed for the first Development Decade could finally be achieved. Lastly, the foreign trade of the developing countries had been boosted by the demand of the developed countries for primary commodities and manufactures.

32. The optimism to which those facts might give rise had, however, to be qualified. In the first place, not all the developing countries had benefited equally from the favourable world economic conditions. Latin America, in particular, in addition to a drop in its agricultural production, had been unable to halt the shrinkage in its share of world trade. Moreover, financial aid to the developing countries was passing through a crisis. According to the estimates of the Department of Economic and Social Affairs, capital transfers from the developed market-economy countries to the developing countries had amounted to \$11,000 million in 1968. That figure represented an increase of 7 to 8 per cent over 1967 in terms of its nominal value but a relative decrease in the contributions of the developed economies expressed as a percentage of their gross national product. Finally, the improvement in the situation in the developing countries was mainly due to a vigorous expansion in the industrialized countries. The precarious and dangerous nature of that trend, which led to generalized inflation, was apparent. Such "overheating" was prompting Governments to introduce stabilization policies. It would be most welcome if the anticipated slowing down proved to be the temporary result of a lasting improvement. The situation would be quite different if it resulted in a sharp and generalized economic reversal in the industrialized countries, of which the developing countries would be the first victims. At all events, it was advisable to beware of protectionist trends which might well set off chain reactions and compromise all the progress achieved since the Second World War in trade liberalization.

33. Uncontrolled expansion also resulted in persistent imbalances in international payments. The drawings effected by the United States banking sector on the Euro-dollar market, resulting in excessive rises in rates on that market, were an extremely disturbing phenomenon, not only for the debtor countries but also for the creditor countries whose capital exports were impeded. The phenomenon also had implications for the developing countries, making it more difficult to finance the programmes of the international financial institutions and making those programmes more costly; Hence the control of inflation and the implementation of suitable economic policies were the very basis of any attempt at international monetary co-operation.

34. The Second Development Decade was the means whereby the domestic and foreign policies of Member States, aimed at accelerating the economic and social pro-

gress of the developing countries, could be better co-ordinated. To that end those policies should be ordered in a predetermined pattern which should lay down the targets considered desirable for the next ten years.

35. Without being a plan in the proper sense, the Development Decade was not entirely divorced from the idea of planning. However, it would be difficult to make an absolutely coherent econometric model of it, with more or less mandatory targets. The first French contribution had been to propose recourse to the flexible planning methods used in France. Since the representatives of the most active elements in the nation were closely associated with the defining of targets and the search for resources, the problem of the commitments to be assumed by both sides to ensure implementation of the plan was greatly simplified.

36. There was no intention of making the Development Decade a legal instrument; the aim was rather to obtain from Member States declarations of intent concerning the policies which they proposed to follow over the next ten years with a view to accelerating the economic and social development of the less favoured regions. In order to assemble the initial elements of an international development strategy, it was sufficient that the developing countries should be aware of the need to save more and to carry out essential structural reforms and that the developed countries, for their part, should continue to be prepared to provide aid and markets and supply the developing countries with increased external resources. It would be much easier to design the framework within which national policies were to be developed if projections covering the whole of the Second Development Decade were available for the two groups of countries. The developing countries must make known their needs and plans and they would be able to do so only if they had some idea of the growth rate of the industrial countries in the years to come.

37. In the meantime, an attempt could be made to define, even roughly, the contribution to be made to the Second Development Decade. France, like other countries, thought that the main effort should come from the developing countries, whose limited resources should always be used with circumspection. But it was convinced that to a large extent the example should be set by the industrial countries themselves. The President of the French Republic had recently stated his belief that it was in the best interests of the whole industrialized world, both East and West, to make an effort on behalf of the developing countries and that France was making that effort to the full extent that its resources permitted. In that connexion, he drew attention to the three main components of the contribution which France intended to make to the Second Development Decade: economic and technical aid equivalent to more than 1 per cent of its gross national product; international action designed to stabilize primary commodity prices at a remunerative level; and the introduction of a system of general and non-

discriminatory preferences in favour of manufactures from the developing countries.

38. France had always attached the greatest importance to the solution of the problem of commodities. That was why, together with the African countries members of the franc area, it had been responsible, in 1967, for the adoption of a resolution by the Boards of Governors of IMF and IBRD providing that those two agencies were to study ways and means of participating financially in international stabilization activities. It was therefore gratified that the executive directors of IMF had recently adopted a plan affording developing countries additional opportunities to use automatic drawing rights in order to help them to contribute to the financing of international buffer stocks. It was unfortunate that IBRD had not felt that it should endorse, at least for the time being, the idea of loans granted directly to member countries to facilitate their participation in any stabilization agreements on a commodity-by-commodity basis.

39. Those were sound economic targets, but the Development Decade had to be something more: it had to aim at improving man's lot by helping to fight ignorance, disease, hunger and unemployment. If it was to be not only economic but also largely humanitarian, the specialized agencies must be urged to formulate social targets. That raised the problem of co-ordinating the activities of the United Nations and those agencies.

40. The preparations for the Second Development Decade and the action programme which should emerge from them were the outcome of a type of co-ordination which would make it possible for the various organizations of the United Nations system to share the responsibility for implementing a joint programme reflecting, at a given moment, the priority targets of international co-operation. Rivalries and disputes concerning competence among closely related organizations were out of order. Each agency should be able to subscribe, under the development strategy, to a common discipline consisting of priorities established by common agreement by the Economic and Social Council and the General Assembly. The consistency of the proposed plans had to be guaranteed; in other words, choices had to be made between essential educational, health and other needs. That requirement would not involve any relinquishment of sovereignty by international organizations because there would be no mandatory obligation other than the conventional consultations with closely related bodies. A joint programme as important as that of the Second Development Decade presupposed the existence of a forum for consultation in which not only the administrative aspects but also the very substance of the problems to be resolved could be fully grasped. Such facilities could be provided only by the Council, assisted by the technical services of the Secretariat which customarily helped it to perform its duties.

41. Care should be taken not to try to make the Second Development Decade an unduly ambitious undertaking.

The ideal to be pursued was more realistic since it involved taking action to ensure that in ten years' time mankind would at least be able to guarantee better living conditions than those which were at present so inadequate. That aim would be achieved only if countries had the political will to make the necessary joint effort. The danger to avoid was not that of indulging in extravagant hopes but that of lacking the boldness which constituted the driving force of great undertakings.

42. Mr. FORTHOMME (Belgium) proposed to confine his remarks to a subject of particular concern to his delegation, namely, the Second Development Decade, and to make a number of suggestions concerning the mechanisms and procedures which might contribute to the success of that undertaking.

43. The first essential was to start by being selective and to draw up a classification which, though provisional, might serve as a guide in the work of imagination and synthesis which had still to be done.

44. A consensus was emerging on a number of ideas. In the first place, economic growth was no longer considered the sole purpose of the Development Decade. It was merely one of the objectives to be attained so that a much broader aim might be reached, namely, a general and steady improvement in the well-being of the masses and the enhancement of the human personality in the developing countries. To reach that goal, the strategy must be based on the suggestions of the specialized agencies in respect of employment, health, education and training, the expansion of industrial and agricultural production, trade and development. It would thus be possible to ensure that national efforts were well planned and international co-operation better organized. A consequence of that broad approach was that the efforts to be made by the developing countries themselves were becoming an increasingly important preoccupation. There was general agreement on the need for greater efforts in the pursuit of two essential goals: the effective implementation of national development plans and projects and the optimum utilization of external aid. Those two aims were merely two sides of the same problem: how to secure as many resources as possible and then utilize them to the greatest advantage, bearing in mind that they would always be insufficient to meet the almost limitless needs.

45. The active mobilization of the developing countries' internal resources should not be conditional upon the availability of a specific volume of external aid. Experience showed that, as a general rule, efforts made by a country single-handed were very slow to produce results and that assistance without sufficient effort on the part of the country itself was pure waste, but that a judicious combination of the two enabled the country to make steady progress.

46. That was one of the primary reasons why constant attention should be given to the organization of inter-

national co-operation. Another reason was that assistance extended, or could extend, to all fields. Such multifunctional assistance involved a large number of organizations, forming a whole institutional apparatus which should as far as possible be co-ordinated and made to co-operate usefully. Ways and means had to be found to co-ordinate development activities. The United Kingdom representative had said (1604th meeting) that there was increasing recognition of the importance of consultations between representatives of national and international sources of aid on the one hand, and planning authorities in the various developing countries on the other, in order to examine the needs of each country and to identify each donor's most effective contribution to a balanced and coherent programme. He had also said that efforts should likewise be directed towards regional development.

47. That view was shared by the Belgian delegation, which considered, in addition, that the time had come to establish mechanisms and procedures to fulfil two of the essential aims of the Development Decade: first, to initiate coherent development programmes and projects and organize co-ordinated activities for their implementation and, secondly, to ensure that the programmes and their implementation were properly evaluated without overburdening the national administrations of the developing countries.

48. The framing and implementation of a country's development policy involved three stages: study of national data, resources and needs and the formulation of targets, guidelines and plans; consultation at the regional level, accompanied or preceded by sub-regional arrangements; and international consultations with a view to organizing external assistance for the development tasks which the country had set itself.

49. Organization of the work at the national level was an internal matter for States themselves; it was for them to decide what their objectives were, how they wished to attain them and what technical assistance they might wish to request. There would, nevertheless, be links between the global objectives to be established for the Second Development Decade and national goals. The projections on which the global objectives were based were constructed from an amalgam of national situations and prospects. Conversely, national objectives and aspirations would be ranged on one side or the other of the global objectives, between minimum and optimum levels which it would be utopian to seek to surpass. A country's freedom was obviously not absolute. Countries belonged to a league of nations working together. Consequently, one of the important functions of national sovereignty was to seek and establish agreements and modes of co-operation with other countries.

50. Consultations and co-operation at the regional level were among the important forms of co-operation between countries. It was highly desirable that the development policies of countries in a given region should be compatible, and even complementary. It had been demonstrated

that it was preferable to strive for harmonization among neighbouring countries or among countries within one region. Thought should be given to the possibility of establishing, in the regional economic commissions or in any other body considered suitable by the countries concerned, procedures for the mutual review of the policies of member States, on the pattern of OECD, where each country was in turn examiner and examinee. Such regional procedures would not, of course, prevent smaller groups of countries from forging closer links in order to agree on common policies or integrate their development plans and projects.

51. International consultations with a view to organizing external assistance should be held under the auspices of two types of bodies: first, bodies which would be an extrapolation of existing advisory groups or consortia and, secondly, the United Nations family of organizations. The first type, which might be called "multilateral co-operation groups", should become the normal instrument for implementing international development policies. They would examine national development plans and projects, in order to improve them, and especially in order to allocate tasks and co-ordinate the efforts to be made by all members of the group; it would then be possible to negotiate reciprocal commitments with regard to particular measures or programmes.

52. Apart from the fact that it would reconcile respect for national sovereignty and freedom of decision with the practical necessities of effective international co-operation, that formula was more flexible and more adaptable to the various needs and situations than were the advisory groups and consortia. The strategy for the Second Development Decade would cover a large number of fields in which well-organized co-operation would be useful. Lastly, multilateral co-operation groups could vary considerably depending on the developing countries con-

cerned, and their work could be restricted to a number of specific matters. Their objective would be to achieve the effective harmonization of national and international activities for the progress of a particular developing country or group of developing countries.

53. The international organizations whose activities were intended to supplement and strengthen the mechanisms and procedures just referred to would be called upon, first of all, to undertake periodic reviews of the situation in the various sectors of development, to evaluate the progress achieved, and to point to shortcomings and failures and identify their causes. Secondly, they would open the way to overcoming internal and external obstacles to development. Thus the specialized agencies would continue their work in their own fields of competence. For example, UNCTAD and GATT, whose main task was to pull down external barriers, would have to work in increasingly close co-operation, particularly since their task was an arduous one even in such fields as generalized preferences, supplementary financing and commodity agreements, where there was already a large measure of agreement. Action should, nevertheless, be intensified and speeded up throughout the Second Development Decade.

54. The international strategy for development must necessarily be a conglomeration of ideas, assembled from all quarters because of their intrinsic value and because of their suitability for inclusion in a coherent whole which could be accepted by all. Mutual trust was a *sine qua non* of international co-operation. Since interests and views did not always coincide, it was essential to seek the middle road which would enable the development strategy to be carried out.

The meeting rose at 5.15 p.m.