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Chairman: Mr. Richard M. AKWEI (Ghana).

GENERAL STATEMENTS (continued)

and

AGENDA ITEM 37

United Nations Development Decade: report of the Secretary-General (continued) (A/7203, chap. III; A/7251, E/4496, E/AC.54/L.25, E/AC.54/L.28, E/AC.54/L.29/Rev.1, E/AC.54/L.30, E/AC.54/L.31, TD/B/186/Rev.1)

1. Mr. LAWREY (Australia) said that the limited progress towards a more rational and stable world order achieved during the first United Nations Development Decade and the relatively meagre permanent benefit discernible from the recent massive economic aid and co-operation had combined to produce a general feeling of disappointment in both developed and developing countries. The failure of the second session of the United Nations Conference on Trade and Development (UNCTAD) to achieve greater results had intensified that feeling. As the Australian Minister for External Affairs had already stated in the General Assembly (see 1687th plenary meeting, para. 107), the Australian Government considered that the problem should be approached in three ways: first, the world volume of aid should not fall; secondly, the aid should be given in the most appropriate form and applied in the most effective ways; thirdly, the mere provision of international aid would not solve the fundamental problems underlying the need for it.

2. An attack should be made without delay on the underlying causes of economic maladjustment. At present the developing countries were faced, on the one hand, with a disturbing slackening in the aid provided by certain developed countries and, on the other, by the likelihood of an imminent crisis in their external debt servicing. The situation was all the more serious because they were far from being economically self-sustaining and their trading situation was still precarious. In fact, the terms of trade of the developing countries had fallen by 11 per cent since the mid-1950s and the growth of their exports was still only 4 per cent, as compared with 9 per cent for the industrialized countries. Australia, which derived its export earnings principally from agriculture and

mining, was well placed to understand the developing countries' problems of trade in major commodities.

3. Another major problem was that of the flow of capital for development. The industrialized countries tended to impose controls on capital outflows as a first step in dealing with their balance-of-payments difficulties. The policies of developed countries and their mutual co-operation in the matter of capital flows might thus have had the indirect effect of intensifying the division of the world economy into two groups. If the gap between those groups was to be narrowed, there was clear need for an over-all view of the world economic situation. The Australian delegation was awaiting with interest the results of the evaluations initiated by the International Bank for Reconstruction and Development (IBRD) and the United Nations Development Programme (UNDP).

4. A solution to the main problems should be sought in the complementary action by both developed and developing countries mentioned by the representative of Ceylon at a previous meeting (see 1186th meeting, para. 12). As many representatives of developing countries had courageously recognized during the debates, the impetus to develop should come from within the developing countries. The first concern should be to maintain a forward-looking and pragmatic approach to development problems and to avoid abstractions and generalities. In the last analysis, solutions depended on action taken by Governments, each in the light of its own problems and possibilities. There should be dialogue between the different countries, promoted by the competent United Nations bodies and collective action should be taken by the United Nations and the specialized agencies to guide and help the Governments in their development efforts.

5. Australia's international assistance had been marked by a concern for practical and forward-looking action. Year by year it had increased at a faster rate than the national income. In the fiscal year 1967-1968, it had represented 0.79 per cent of the national income and in the fiscal year 1968-1969 it would reach \$173 million, an increase of 11 per cent over the preceding year. The value of Australia's aid to Papua at present exceeded \$100 million. Australia was therefore one of the largest contributors to foreign aid, expressed as a proportion of national per capita income. So far as trade was concerned, Australia had also granted a number of non-reciprocal tariff preferences for selected manufactured and semi-manufactured products of developing countries.

6. There were three elements in action for development: national, multilateral and regional. All were closely interconnected, but regional action was particularly important. The Australian delegation agreed

with several other delegations that the fullest possible use should be made of the experience and knowledge of the regional economic commissions. The Economic Commission for Asia and the Far East, in particular, had proved its practical worth to the countries of the region. The Asian Development Bank, to which Australia was a major contributor, was an excellent example of regional machinery which promised to be extremely useful. The part of the world to which Australia belonged was far from self-sustaining in aid terms, and it was essential that the multilateral organizations concerned with development should continue to give due weight to Asia in their expanding activities. However, the decisions and actions of the United Nations itself should not jeopardize those of the regional bodies, which were best able to understand the particular problems of their parts of the world, and any action should be taken in close co-operation with the regional bodies concerned. It might perhaps be possible to decentralize some of the effort in favour of the regional economic commissions and other regional bodies.

7. The application of science and technology to development was a relatively new aspect of collective action which might be traced back to an initiative taken in the General Assembly ten years earlier by the Australian Minister for External Affairs. The report entitled Feeding the Expanding World Population: international action to avert the impending protein crisis^{L/} produced in 1967 by the Advisory Committee on the Application of Science and Technology to Development was an excellent example of the work done in that connexion. The Australian delegation considered it indispensable that scientific advances should be applied in a practical way to the problems of the developing countries.

8. In connexion with the institutional framework of the development effort, the Charter of the United Nations had specifically provided for the establishment of a number of bodies. Others, the importance of which was incontestable, such as UNCTAD, had been set up more recently. New institutions should not, however, be allowed to proliferate to a point where they competed with each other, and full use should be made of existing institutions, which were already numerous and varied.

9. All development questions must be looked at from the practical point of view, bearing in mind that the function of the United Nations was primarily to help and guide national administrations, which were the ultimate authorities for implementing the programmes. There was such a diffusion of proposals, recommendations and projects that they sometimes became a source of embarrassment to the countries for which they were intended. A proposal, however admirable it might be, had to be implemented and in the long run the work of the United Nations would be judged by one criterion alone: its worth as a stimulus of practical action to promote a better world economic order.

10. Mr. BOLIN (Sweden) said that it appeared to be generally agreed that the second Development Decade should be carefully prepared and supported by ade-

quate political decisions, on the national and international levels. If it was to serve as the framework of a global strategy of development within which the regional and national plans of developing countries could be formulated, it was essential to set realistic targets for the 1970s, in order to prompt the Governments of all countries to adopt appropriate policies and measures for their implementation. While economic development was primarily the responsibility of the developing countries themselves, a main objective of the Decade should be to ensure the co-operation of the developed countries, and it was essential that public opinion should be mobilized for the purpose.

11. The new Development Decade should also facilitate the harmonizing and strengthening of the activities of United Nations economic and social bodies and provide a framework within which they could work out their long-term plans for assistance to developing countries.

12. The suggestions put forward by the Under-Secretary-General for Economic and Social Affairs in his introductory statement at the 1180th meeting (A/C.2/L.1002), particularly regarding the need to consider the next Decade as a "frame of reference" and to establish international surveillance machinery in order to integrate joint efforts, deserved further study. It would be too ambitious to make annual revisions of needs and objectives on the basis of "rolling programming", but it was essential to provide for periodic reviews. The Under-Secretary-General had also referred in his statement to the "determinants" of development. In that connexion, the target of 1 per cent set for the flow of financial assistance would continue to spur on the developed countries to maintain or even redouble their efforts to increase the flow of external aid. Sweden, together with other small donor countries, had undertaken commitments in line with that target, and its public aid alone—not to speak of its private aid—would in 1974–1975 reach the target level of 1 per cent in terms of the gross national product. In addition, Sweden had already announced increased contributions to certain international development agencies, including the International Development Association and UNDP, for the three-year period beginning with the financial year 1968–1969. If the major donor countries were to assume longer-term commitments, economic and social planning could be considerably improved, and the international development agencies would be in a better position to ensure the execution of their programmes.

13. The 5 per cent target should be defined more flexibly, in terms of the national or regional context, and should be calculated per capita. Moreover, to express the growth rate solely in terms of economic expansion did not give an accurate reflection of the social and economic realities in a country: certain social factors should also be taken into account. In particular, education and employment were two long-overlooked elements which were essential if viable and stable development were to be achieved. Similarly, the more equal distribution of income through, inter alia, land and tax reforms was a key element of sound economic and social develop-

^{L/} United Nations publication, Sales No.: E.66.XIII.2.

ment policy. Unfortunately, many developing countries were still unable to introduce the necessary social measures, because of the shortage of trained social planners. Consequently, training in that subject should be intensified.

14. The Swedish delegation also considered that international development planning which did not take full account of the population problem would be meaningless. However, it was recognized that that matter had to be approached with some circumspection.

15. He called attention to the vital importance of the problem of the impairment of the human environment, which had been the subject of a resolution unanimously adopted by the Economic and Social Council at its forty-fifth session (Council resolution 1346 (XLV)). The problem had formerly been confined to the industrial countries, but it was now threatening the developing countries, and consequently those countries should be given the means to avoid the harmful effects of industrialization and urbanization.

16. Turning to the institutional aspects, he said that the United Nations and the specialized agencies, as well as the other international development organizations would, each in its own field, have an important task to fulfil. Efforts must be made to improve the co-ordination of their activities and to integrate their programmes, particularly those of the specialized agencies, but without delaying their execution. For that purpose it would be advisable to establish a continuous follow-up system.

17. Mr. ZAKHAROV (Union of Soviet Socialist Republics) said that the preparation of the programme for the second United Nations Development Decade was taking place against the background of an international situation in which the forces of peace were arrayed against the forces of reaction and war. Many economists were pointing to the danger of the widening gap between the developed and developing countries in the matter of living levels. Hunger and even the shortage of water were rife in various areas, and half the world's population was not receiving the necessary minimum amount of protein. The report of the Economic and Social Council to the current session of the General Assembly showed that in Africa the gross national product per capita had amounted to only \$112 in 1966, and that at the present growth rate it would take 110 years for that figure to rise to \$300 (see A/7203, para. 71). One of the causes was the arms race, which necessitated vast military expenditure. The diversion of only part of those funds to economic development would represent a major step forward for mankind as a whole. Mr. Gromyko, the Minister for Foreign Affairs of the USSR, had stated on 3 October in the General Assembly (see 1679th plenary meeting, para. 104) that the funds used for the arms race must be transferred to economic development. One of the items on the agenda for the present session of the General Assembly (item 94) was the "Memorandum of the Government of the Union of Soviet Socialist Republics concerning urgent measures to stop the arms race and achieve disarmament". The adoption of the measures proposed would have a decisive effect on development.

18. He considered that the programme for the second Development Decade should fully reflect the measures needed to protect the economic interests of the developing countries: an increase in the share of the developing countries in the profits reaped by foreign capital from the exploitation of their natural resources, limitation of the outflow of resources from those countries in the form of income from foreign capital, and respect for the sovereignty of those countries over their natural resources. Those matters were dealt with in detail in a memorandum submitted by the Soviet Union to the General Assembly at its twenty-second session.^{2/}

19. He agreed with the Secretary-General of UNCTAD that a global strategy would be meaningless unless accompanied by positive measures. The second session of UNCTAD had made it clear that the Western Powers had not abandoned the practice of maintaining obsolete structures of world trade. New structures, based on equality, mutual advantage and non-interference, were essential. Those principles had been adopted by an overwhelming majority at the first session of the Conference.^{3/} If the capitalist countries continued to ignore the principles of Geneva, it would be difficult to bring about any improvement in the economic situation of the developing countries. The Soviet Union endorsed the principles of Geneva and supported the pleas made by the developing countries at the second session of UNCTAD at New Delhi for the elimination of the consequences of colonialism and neo-colonialism and the establishment of a new international division of labour. It also supported the pleas for the granting of non-discriminatory preferences, the stabilization of commodity markets and the liberalization of credit. An important place should be given in the plan of action for the next Development Decade to trade and financial problems. For some time the United Nations had been concerning itself more closely with the economic integration of the developing countries. That integration should be strengthened and become an important means of their economic growth. While working out the programme of the second Decade, efforts should be concentrated on the most rewarding sectors of production and study problems concerning the redistribution of national income, the introduction of modern systems of management, the strengthening of planning, democratic land reform, education the training of cadres and the participation of the working masses in national economic development. The problems of the redistribution of national income affecting social structures were very complex because they involved the most delicate aspects of the social structure, but it was essential to solve them in order to attain a level of savings that would permit high growth and an increase in consumption. Some new States had already gained experience of modern economic management linked with the execution of national plans based on the mobilization of internal national savings and the elimination of obsolete institutions.

^{2/} See Official Records of the General Assembly, Twenty-second Session, Annexes, agenda item 41, document A/C.2/241.

^{3/} See Proceedings of the United Nations Conference on Trade and Development, vol. I, Final Act and Report (United Nations publication, Sales No.: 64.II.B.11).

20. He outlined the main points of a programme for the 1970s: protection of the interests of the developing countries and the normalization of world trade in the spirit of the principles adopted by the first session of UNCTAD in 1964; basing the programme for the second Development Decade on the economic and social plans of those countries, involving the mobilization of domestic savings, the elimination of obsolete structures, and the establishment of an efficient public sector; more extensive co-operation between the developing and the developed countries, as well as the economic bodies and specialized agencies of the United Nations; and maximum utilization of manpower and the improved training of cadres in the developing countries.

21. Many delegations had devoted considerable attention to the problem of birth control as a factor in economic development. The projected doubling of the world population by the year 2000 certainly presented serious problems. But it should first be determined whether food production could keep up with population growth. FAO experts had calculated that in order to achieve a daily per capita consumption of 2,500 calories by the year 2000, it would be necessary to increase food production by between 160 and 300 per cent, depending on the region. A German economist believed that the areas currently under cultivation could be tripled. Seventy per cent of the world's agricultural population was still using hoes and wooden ploughs, while modern technology offered unlimited opportunities for agriculture. Several FAO experiments had proved the significance of mineral fertilizers. According to the economist, Josué de Castro, it would be possible to feed ten times the current population through the use of modern technology. It was important not to over-simplify the problem and to face it realistically. The problems of development could not be solved without curtailing the domination of foreign monopolies and colonial systems, or without industrialization, agrarian reform, training and broad international co-operation. The population factor was very important, and many developing countries had adopted measures in that field, but they could only serve as a complement to economic measures.

22. He opposed the erroneous concept of a 1 per cent target, which set off the North against the South, rather than the East against the West. The capitalist West was responsible for the economic ills of the Third World, and it was absurd to try to impose on the socialist countries the obligation of repairing the damage done by imperialism. The achievements of the Soviet Union were considerable, and its progress had opened broad horizons to the Third World. The USSR assisted the developing countries and based its economic co-operation with them on equal rights and mutual advantage while increasing the number of countries benefiting from its aid and providing ever-increasing aid in new areas. From 1955 to 1960, the number of economic and technical co-operation agreements entered into by the Soviet Union had grown from 2 to 16, and, in 1968, it was co-operating with 35 developing countries, including 16 in Asia, 17 in Africa and 2 in Latin America. The amount of economic aid furnished by the Soviet Union had grown from 130 million roubles in 1955 to 5,000 million

roubles, including 4,500 million in long-term credits, in 1968. He cited the steel industry as an example: in the past eight years the USSR had built up a capacity of 25 million tons on its own territory and at the same time a capacity of 8 million tons, or one third of its own capacity, in the developing countries.

23. The preparation of the programme for the second Development Decade required the collaboration of all the economic organs of the United Nations and specialized agencies. Far from weakening the co-ordinating role of the Economic and Social Council, the United Nations should make it a real centre for linking together United Nations activities in the economic and social field. Under Article 62 of the Charter of the United Nations, its basic role was to study the various activities and work programmes of the organs and specialized agencies of the United Nations with a view to formulating substantive recommendations to eliminate overlapping and to increase efficiency. The recommendations of the Council on the programmes of all United Nations bodies in economic, social and cultural fields should be binding. All the organs and specialized agencies of the United Nations must provide the information needed by the Committee for Programme and Co-ordination, whose function was to consider such questions in the framework of the Economic and Social Council. His delegation hoped that its comments would be taken into consideration, and he recalled that the USSR was not seeking unilateral privileges, but was providing disinterested assistance to countries struggling for national and economic independence.

24. Mr. DEVENDRA (Nepal) said that the first United Nations Development Decade, however disappointing, had nevertheless made it possible to identify the economic problems of the developing world and would help to determine a better course of action for the second Development Decade. It was highly distressing that, since the early 1960s, important donor countries had made major cuts in their international economic assistance and that the example of the Netherlands and France, which had appreciably increased their contributions, had not been followed. On the eve of the next Decade, it was necessary to ascertain the possible commitment of the developed countries. It was the level of external assistance which would determine the result of the Decade, and, if the political will of the developed countries was lacking, the situation in the developing countries had little chance of improving.

25. The richer countries were increasingly concerned with expanding their own national income. While they cut down the flow of economic assistance to the developing world, they had not shown much interest in the question of stabilizing commodity prices. Therefore, it was essential to reopen the dialogue between the rich and poor countries which had unfortunately come to a standstill at the second session of UNCTAD, and to initiate a concerted international action.

26. The developing countries should take the initiative in changing the structural pattern of their economy in order to meet current international economic conditions. By means of a vigorous land reform programme, which had received a tremendous response from the

peasants, his country had entirely transformed an outdated land-tenure system. His Government had laid special emphasis on the improvement of the agricultural sector during the current plan period and had initiated a programme of village integration.

27. A global strategy must be supplemented by domestic efforts and international assistance. It was important to take account of the various stages of development among the developing countries and international financial institutions should provide them with assistance.

28. The international surveillance machinery suggested by the Under-Secretary-General for Economic and Social Affairs in his statement (A/C.2/L.1002) should be entrusted with the equitable distribution of international economic assistance extended through multilateral channels and should also help the developing countries to determine an order of priorities on a global and regional scale.

29. In addition, he called attention to the importance of the role to be played by the regional economic commissions, together with the other United Nations agencies, in the implementation of a global strategy during the second Development Decade. In the preparatory work for the Decade, it was essential not only to set quantitative targets, but also to determine the funds which would be committed for achieving them. Otherwise, the second Decade would breed further disappointment.

30. Mr. GOLDSCHMIDT (United States of America) recalled that, since the international community had attacked the problem of development, the aim had been to find the "key" to the process by which a nation organized itself so as to ensure its continued economic and social growth. Attention had been focused on the problems of capital transfer, technical assistance, transfer of technology, etc., and, with varying results, on those of education, industrialization and agriculture. Some had argued for "balanced" development; others had insisted that certain sectors should be given priority; and still others favoured unbalanced growth. Currently, the effort to define the "first things" to come first had given way to a broader and more integrated approach.

31. The explicit goals of the first Development Decade had not been fully achieved, yet it could not be written off as a failure. A greater awareness had emerged of the complexity of the problem and a recognition on the part of all involved of the absolute need for increased co-operation and co-ordination of efforts so that available resources would be utilized in the most efficient and effective manner possible. It was that need which the Under-Secretary-General for Economic and Social Affairs had emphasized so eloquently and forcefully in his statement (A/C.2/L.1002). His vision of the world was indeed a challenge which could be met only through the co-operation of all. The evidence showed that the challenge was being accepted by the United Nations family. His delegation was pleased at the progress made in that respect by the Committee for Programme and Co-ordination. The study being undertaken by the Enlarged Committee for Programme and Co-ordination promised to provide a better understanding of the United Nations

system and where it was heading. The UNDP "capacity study" under the direction of Sir Robert Jackson should also serve to increase the effectiveness of United Nations development efforts. Moreover, a new spirit of co-operation was becoming evident in relations among the specialized agencies and especially in the various activities initiated by FAO, UNCTAD, the International Labour Organisation and the World Meteorological Organization; the integration of those activities into the second Development Decade would provide a needed base of knowledge for all to draw upon. The emphasis on co-operative endeavour was also illustrated by the UNCTAD/GATT International Trade Centre and the agreements being drawn up between UNIDO and several of the specialized agencies.

32. It was also gratifying to note that the United Nations was seriously involved in finding a solution to the twin problems of food and population which must be solved to achieve sustained, rapid and dramatic progress in raising standards of living. Indeed, that had already happened to some extent in agriculture, where the development of new strains and new methods in the cultivation of cereals and rice had promised freedom from hunger for a significant portion of the world's population. As the President of the United States had recently pointed out, such developments had bought time for family planning policies to become effective. The United States delegation was awaiting with interest the Secretary-General's report on edible protein which dealt with a subject of such vital importance to the second Development Decade. With regard to the population side of the equation, it welcomed the resolution which the Economic and Social Council had adopted at its forty-fifth session (Council resolution 1347 (XLV)), which recognized that the United Nations and its specialized agencies must help the developing countries, at their request, to deal with population problems. The United States contribution to the United Nations Trust Fund for population activities clearly showed the importance which his delegation attached to that particular problem.

33. The United States delegation was impressed with the preparations being made for the second Development Decade by all members of the United Nations family and, in particular, by the Committee for Development Planning. The documents produced showed that the planning for the next Decade would be on a much more sophisticated level than had been the case for the first Decade. It was particularly gratifying that the Committee was contemplating regional and even national formulations of development strategy. Certain other developments both within and without the United Nations were not so encouraging, but given the co-operation of all, advancement would be made.

34. Mr. BOZA (Peru) appealed to the industrialized countries to shoulder their responsibilities towards the developing countries. Indeed, international economic co-operation must advance hand in hand with the economic expansion of the industrialized countries. The less favoured countries relied mainly on their export earnings and foreign aid for their development. However, the volume of aid was becoming smaller and smaller while the conditions governing it were becoming more and more rigid. Furthermore, the burden

of external debt servicing was becoming heavier every year. At the moment, it absorbed more than half the capital supplied. It was therefore important that the rich countries should realize the basic facts of the development process of the less favoured countries and its relationships with international trade. Natural resources being the basis of their economies, it was absolutely essential to stabilize primary commodity prices and open up the markets of the industrialized countries. Although the role which the developing countries themselves must play should not be underemphasized, it must be pointed out that external obstacles interfering with their domestic development policy were difficult to surmount. For example, the Peruvian Government, in order to protect its petroleum resources, had recently been forced to nationalize that sector.

35. His delegation hoped that, following the statement made by the Under-Secretary-General for Economic and Social Affairs (A/C.2/L.1002), a new and more dynamic phase would be initiated by the Secretariat in the field of natural resources. The failure of the first United Nations Development Decade was attributable mainly to the absence of a global strategy.

36. Mr. GELEV (Bulgaria) recalled that at the forty-fifth session of the Economic and Social Council, the Bulgarian Government had described in detail its attitude towards certain of the most important problems of international economic co-operation. The problem of devising an international development strategy for the second Development Decade was the main preoccupation of the international organizations. When the basic principles to be followed in the next Decade were worked out, it would be necessary to consider the problems of economic and social development in a broader context than was done in the planning for the first Decade. The elimination of all forms of discrimination in economic and trade relations and the introduction of genuine equality in the rights and benefits of all participants in international trade should create conditions more favourable to the accelerated economic development of the developing countries and should promote the stabilization of their economic growth.

37. The first United Nations Development Decade had yielded relatively mediocre results mainly because the complex character of development had not been taken sufficiently into account. In planning for the next Decade, it was essential to avoid a more or less abstract conception of the situation of the different developing countries. Furthermore, the division of the world about a geographical axis of wealth and poverty might transform development assistance into a charity operation accompanied by statements that were far removed from reality.

38. Bulgaria agreed with the view expressed in the report of the Economic and Social Council to the General Assembly (see A/7203, para. 99) that foreign aid should supplement the domestic development effort and not be a substitute for it. Foreign aid should be considered as an additional factor whose aim was to stimulate the rational organization and mobilization of the human and natural resources of the different countries. It was necessary, however, to safeguard the economic interests of the developing countries,

to guarantee respect for their sovereignty over their natural resources, and to keep effective control over the profits of foreign monopolies established on their territories.

39. Like the Committee for Development Planning, Bulgaria felt that, in order to develop and diversify economic activity, it was necessary to mobilize resources by increasing domestic savings and modifying the structure of external trade. However, it could not agree with certain representatives who considered that industrial development would not contribute to the solution of the problems of the developing countries. Such an attitude obviously contradicted the opinion of nearly all United Nations bodies, the provisions of General Assembly resolution 1940 (XVIII) and the conclusions on the special role of heavy industry set forth in the paper submitted to the Committee for Development Planning by the Centre for Development Planning, Projections and Policies on the preliminary estimates for some key elements of a draft framework for international development strategy (E/AC.54/L.29/Rev.1). Furthermore, the experience acquired by many developing countries in the field of industry could be of considerable importance for other countries. The study of that experience and of the possibilities of applying it in other countries might be one of the essential tasks to be accomplished during the coming Decade.

40. The very important question of the transfer of technical knowledge and patents to the developing countries deserved careful study by the Advisory Committee on the Application of Science and Technology to Development.

41. Foreign trade was also extremely important for the developing countries. It should enable them to acquire the foreign exchange necessary for the purchase of capital goods. However, in practice, foreign trade syphoned off the national wealth of the developing countries, mainly because the prices of raw materials were low and those of industrial products were high. The Committee must bear in mind the need to resolve existing problems when examining the results of the second session of UNCTAD, which had been a stage in the long and difficult transformation of international economic structures. That transformation was meeting the resistance of the imperialist forces wishing to maintain the *status quo*. Obviously, the present international division of labour of the capitalist system did not provide the developing countries with their fair share of the profits without which there could be no economic growth. For that reason, the Bulgarian delegation had supported the developing countries at the second session of UNCTAD when they had rightly demanded an equitable international division of labour and the stabilization of primary commodity markets.

42. In working out an international strategy for development, the United Nations must respect the basic principle that economic planning must be the task of the countries concerned. The Bulgarian delegation was happy to see that it was generally acknowledged that the countries concerned must participate directly in the task of elaborating the basic principles for the Decade.

43. The views being expressed by his delegation were based upon his country's experience which had enabled it to understand more clearly the gravity of the problems facing the countries and peoples which, following colonial domination, were behind in their development. During the last four years, economic relations between Bulgaria and foreign countries had developed at an accelerated pace, thanks to the dynamism of the whole Bulgarian economy. As a result, Bulgaria was now in a position to provide a number of developing countries with assistance, which increasingly took on the character and form of a sincere, durable and mutually profitable co-operation.

44. His delegation was deeply convinced that it was impossible to discuss such problems and solve them by speaking in abstract terms of the world political situation. Of course, international economic co-operation would be easier if peoples could solve their problems in an atmosphere of lasting peace and if the human and material resources now devoted to military purposes could be used for the solution of the most urgent economic and social problems, as the Secretary-General had stated in his annual report on the work of the Organization submitted to the General Assembly at its present session (A/7201).

45. Mr. ALLEN (United Kingdom) said that the debate which had followed the excellent statement made by the Under-Secretary-General for Economic and Social Affairs at the 1180th meeting (A/C.2/L.1002) had been most constructive, although some delegations had seen fit to repeat quite outworn arguments against imperialism. It had been said over and over again that the first Development Decade had been a failure. The United Kingdom delegation could not agree, despite the disappointment about the Decade. The Decade had been proclaimed in General Assembly resolution 1710 (XVI) which had set as a target for the developing countries a growth rate of 5 per cent at the end of ten years. There were still two years to go and the average growth rate of all the developing countries was approximately 4.8 per cent. Since the final figures would not be known for three years, it was still possible that the target might be met, contrary to the pessimistic forecasts of some people. Perhaps in 1971 the Decade would be regarded as a success. In any case, it could be only a qualified success. It should be remembered, however, that the Decade had been the first attempt at a concerted effort by the international community, that some of the targets had been unrealistic, and that action had been limited to the economic sphere. The efforts to be made in the second Decade would in addition cover education, health, community development, etc. In addition, Governments and United Nations organs would presumably be better equipped for action, as a result of the capacity study, which had been assigned by UNDP to Sir Robert Jackson, and the work of the Committee for Programme and Co-ordination.

46. The strategy to be followed during the second Decade would therefore cover a much wider area, which could not yet be precisely defined. The Economic and Social Council would have to define it at a later stage. It appeared, however, that the guide-lines to be drawn up should be sufficiently flexible to permit any necessary adjustments and corrections. It should not be

imagined that it would be easy to work out the strategy. For example, while national priorities should take precedence over all else, they might not always correspond to world priorities. There would also be problems such as the population explosion, the inadequacy of food resources and, in particular, the protein crisis. On the other hand, favourable developments could be expected in some sectors. For instance, one could look forward to a sizable increase in external aid, since several countries had agreed to implement the recommendation on the 1 per cent target. It was to be hoped that the socialist countries of Eastern Europe would agree to do so too.

47. The problems of the developing countries could not be divorced from the problems which the developed countries were also experiencing; the strategy of development would have to take into account the material limitations of all concerned. The Second Committee should do everything possible to prevent serious duplication and overlapping, but it would ultimately be the responsibility of the Economic and Social Council to supervise the execution of the plan for the Decade. In any event, it should be remembered that development was a natural process: the international community should see that the process was as smooth as possible. It should give it a certain momentum but should refrain from interfering in the internal affairs of States.

48. Mr. BAKOTO (Cameroon) said that the various speeches made and the important statement by the Under-Secretary-General for Economic and Social Affairs had brought out one essential point, namely, that the development of the poor countries depended on the political will of States.

49. If the Development Decade had failed, it was because the recommendations made had not received the necessary support from Governments. The different international gatherings which had analysed the problem of under-development had indicated what methods, both domestic and external, should be adopted to resolve it. Cameroon was trying to follow those recommendations to the best of its ability. It was then pursuing a liberal policy designed to attract foreign capital and was exporting a range of products which placed it in the forefront of the African countries. Nevertheless, the economic situation of the African countries was not very encouraging. Various facts emerged from the documents of the IBRD, GATT (General Agreement on Tariffs and Trade), the Organization for Economic Co-operation and Development (OECD) and FAO: in the poor countries the rate of development had been slower in 1966 than in the period 1960-1965; financial aid had hardly increased at all while the efforts of the rich countries had decreased; the debt-servicing burden had become heavier; world consumption of manufactures from the rich countries had risen twice as fast as consumption of primary products from the developing countries; and, lastly, per capita food production had never been so low in the developing countries.

50. At the preceding meeting, the representative of Iran had spoken of the progress which States or the international community could achieve when they had the political will to succeed (see 1189th meeting, para. 14). It seemed therefore that at the current

session representatives of Member States should say how far their Governments intended to devote themselves to the attainment of existing or future targets. That was particularly necessary because, for the developing countries, international economic relations were in fact the prime mover of economic development.

51. With regard to preparations for the next Decade, everything seemed, in a word, to revolve around the idea put forward by the Under-Secretary-General to the effect that there should be an articulated plan of action, including an evaluation of requirements and with quantified objectives and political stipulations, which would provide a reasonable frame of reference. His delegation felt that the plan should evaluate the requirements of each country or group of countries, recommend reforms, suggest the measures to be adopted at the national level, and set a time-limit for such action.

52. In addition, regular meetings should be held to measure the progress made towards the targets and to make any necessary corrections and adjustments. Lastly, all organs and States should participate in the elaboration of the plan, so as to avoid overlapping, duplication and a consequent waste of effort. There again, however, the definition and implementation of a global strategy of development required the support of the Members of the Organization. It would be recalled that the success of the Marshall Plan had been due to the political will behind it. Success required more than a proclamation. However, the current Decade had failed not because world economic problems had been narrowed down to those of the developing countries but because the issues dealt with were far removed from international reality. Instead of increasing, the developing countries' share of international trade had decreased after the Kennedy Round of negotiations. Although the developing countries had to industrialize, an outmoded concept of the international division of labour still prevailed. What the developing countries wanted was aid which would enable them later to reap the fruits of their labours.

53. Mrs. SAILER (Austria) said that the experiences gained during the current United Nations Development Decade clearly indicated the need for a comprehensive, systematic and integrated approach to the problems of economic and social development.

54. If the enthusiasm of the international community for those problems was wavering—as had been said by a number of speakers—that need not be interpreted as an exclusively negative sign. It could be an indication that those questions were being approached less emotionally and more rationally and realistically.

55. Development assistance being closely connected with development planning, it was increasingly important to understand, influence and evaluate the processes and instruments of development planning more in depth, especially as development planning was in itself a more recent economic and sociological phenomenon. As development assistance was becoming a continuing function of the international community,

it was increasingly important to obtain concrete results and to assess the effectiveness of assistance rendered. Development could not be reduced to a mere set of figures; economic growth had to be evaluated also in terms of the social and human components that are part of the development process.

56. In addition to quantitative data in reference to economic growth, it was essential not to lose sight of the impact it made on the existing social structures, as change was an indispensable concomitant of the development process.

57. The changes in the social structure, the impact of technological innovation, industrialization and urbanization on the basic social units, such as the family, the college, the community, should be seen as part of the picture. Planning for development projects should include, at an early stage, planning for the social side-effects of the developmental process, so as to assure an harmonious rather than a disruptive growth process; by negatively affecting the social structure, which provides security, stability, as well as a means for orienting the individual in a rapidly changing world, the results of material progress could be rendered meaningless.

58. It had been stated by the Under-Secretary-General for Economic and Social Affairs, in his deeply penetrating statement (A/C.2/L.1002), that the preparation for the second Development Decade should include a diagnosis. That would mean that the second Development Decade would not deal only with symptoms but with the underlying causes which would also mean that generalizations had to be avoided. Ways of assistance had to be found which related to the special stages of development and to the particular characteristics and aptitudes of certain categories of countries.

59. As far as the assistance rendered was to be evaluated, simple quantitative rules should not be mechanically applied; historical factors had to be taken into account. Austria had, by necessity of its location as a landlocked country, been more closely oriented towards her neighbouring countries.

60. With the exception of strong traditional relationships to the countries of the Near and Middle East, Austria had in the past fewer economic ties with the countries of the developing world. However, Austria had, in the last decade or so, become very active in the field of development assistance, on a bilateral as well as on a multilateral basis; Austria had extended her development aid gradually, both in a geographical and in a quantitative sense. For example, Austria had doubled its contribution to UNDP since 1966 and intended to increase its contribution for the year 1969.

61. In order to make her assistance more effective, Austria was concentrating its technical assistance on those sectors, where because of her experience and standard of achievements and the particular need of developing countries, her aid could be most meaningful. Those sectors included power-economy, particularly hydro-electricity, water resources, steel industry, geology and prospecting, cattle-raising, forestry and tourism.

62. In the future, the co-ordination of Austrian assistance would be even better related to the programmes of the Development Decade, as the Austrian Government had decided on a medium-term assistance programme, the drafting of which has been entrusted

to an inter-ministerial committee. Austria had also made an agreement with Switzerland regarding technical co-operation with developing countries.

The meeting rose at 6.15 p.m.