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REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

The role of entrepreneurship in promoting economic development

Note by the Secretariat

By decision 198€/170 of 22 July 1986, the Economic and Social Council decided to transmit the draft resolution entitled "The role of entrepreneurship in promoting economic development", contained in document E/1986/L.36, and the amendments thereto contained in documents E/1986/L.38, as revised, and E/1986/L.40, to the General Assembly at its forty-first session for consideration and action. 1/ The texts of the draft resolution and the amendments thereto are reproduced below.

Draft resolution contained in document E.1'36/L.36

The role of entrepreneurship in promoting economic development

The Economic and Social Council,

Recalling the importance of mobilizing resources for development as well as the full utilization of human resources potential, as emphasized in the International Development Strategy for the Third United Nations Development Decade,

Recalling also Economic and Social Council resolution 1985/10 on public administration and finance for development and General Assembly resolution 34/137 on the role of the public sector in promoting economic development,

^{1/} For details, see Official Records of the General Assembly, Forty-first Session, Supplement No. 3 (A/41/3), chap. II, paras. 67-74.

Convinced that entrepreneurship and individual initiative play an important role in mobilizing national resources and promoting economic growth and development,

Acknowledging that government attitudes play a key role in encouraging an entrepreneurial spirit and promoting more dynamic economic growth and development in all countries,

Confident that the active promotion of entrepreneurship and individual initiative can contribute to the expansion of economic activity in all sectors of the economy,

Further confident that international and national organizations can play a supportive role in this regard,

- 1. Affirms the importance of promoting entrepreneurship and individual initiative as a means of mobilizing national resources and encouraging development;
- 2. Invites the United Nations Development Programme and other competent organizations of the United Nations system to support, through technical co-operation projects, the efforts of interested States in encuraging entrepreneurship, providing incentives in all sectors of the economy, and promoting private enterprise;
- 3. Requests the Secretary-General to prepare a study on the role of entrepreneurship in promoting economic development and to submit, through the Economic and Social Council, a report thereon to the forty-second session of the General Assembly paying special attention to the following aspects:
- (a) The role of entrepreneurship and individual initiative in mobilizing national resources, setting priorities, and participating in economic and social growth and development;
 - (b) Ways and means of encouraging and strengthening the private sector;
- (c) Ways and means of facilitating the practical exchange of experience and information, especially among developing countries, on the role of entrepreneurship, including nolding seminars and publishing handbooks on the experience of different countries in encouraging entrepreneurship and strengthening the private sector;
- 4. Decides to include in the provisional agenda for its second regular session of 1987 an item entitled "The role of entrepreneurship in promoting economic development".

Amendments contained in document E/1986/L.38, as revised

- 1. In the t tle, delete the words "The role of entrepreneurship in".
- Before the first preambular paragraph, insert a new preambular paragraph, reading:
 - "Recalling the primary responsibility of each State to promote the economic, social and cultural development of its people".
- 3. In the first preambular paragraph, after the word "Recalling", insert the words "further the determination of Governments to establish a new international economic order based on justice and equality and".
- 4. In the third preambular paragraph, replace the word "entrepreneurship" by the words "full and effective participation by the entire population in all stages of the development process"; replace the word "individual" by the word "creative".
- 5. In the fourth preambular paragraph, replace the words "government attitudes" by the words "co-operation between all members of the international community on the basis of sovereign equality and the removal of the disequilibrium that exists between them"; delete the words "encouraging an entrepreneurial spirit and".
 - 6. Replace the fifth preambular paragraph by the following:
 - "Stressing the importance of a fair distribution of the benefits of development and of a more equitable distribution of economic opportunities".
 - 7. Replace the sixth preambular paragraph by the following:
 - "Believing that the primary task of all States and international organizations is to eliminate from the life of society all evils and obstacles to the development process, particularly such evils as inequality, exploitation, colonialism and racism".
 - 8. Replace operative paragraph 1 by the "ollowing:
 - "Reaffirms the importance of full and active participation by the entire population and the encouragement of creative initiative as a means of mobilizing national resources, providing incentives in all sectors of the economy and promoting economic and social advancement".
 - 9. After operative paragraph 1, insert a new operative paragraph, reading:
 - "Recognizes the right and responsibility of each State to choose its economic system in accordance with the will of its people, to determine freely its own development objectives, to set its priorities and to decide in conformity with the principles of the Charter of the United Nations the means and methods of their achievement without external interference".

- 10. Replace operative paragraph 2 by the following:
- "2. <u>Invites</u> Governments, the United Nations Development Programme and other competent organizations of the United Nations system to support, through technical co-operation projects, the efforts of interested States in encouraging full and effective participation by the entire population in the development process."
- 11. Replace operative paragraph 3 by the following text:
- *3. Requests the Secretary-General to prepare a report on the implementation of the present resolution, to be submitted, through the Economic and Social Council, to the General Assembly at its forty-second session, paying special attention to the following aspects:
- "(a) The role of international co-operation in mobilizing national resources and promoting economic and social advancement and development in all countries;
- "(b) Ways and means of facilitating the practical exchange of experience and information of different countries on encouraging creative initiative of the entire population in the deve' oment process and on integrating the private sector in overall national development plans".
- 12. Delete operative paragraph 4.

Amendments contained in document E/1986/L.40

1. Replace the title by the following:

"The role of popular enterprises in promoting economic development".

2. Replace the third preambular paragraph by the following:

"Convinced that the potentials of individual and collective entrepreneurs can be further developed as a means of promoting economic growth and equitable income distribution".

3. Replace the fourth preambular paragraph by the following:

"Further convinced that national policies can create an environment for the development of popular enterprises".

4. Replace the fifth preambular paragraph by the following:

"Acknowledging that popular enterprises face many constraints internal and external to the enterprises".

5. Replace operative paragraph 1 by the following:

"Affirms the important role of national, individual and collective entrepreneurship in mobilizing and deploying national resources in employment—generating activities".

6. Replace operative paragraph 2 by the following:

"Invites Member States, the United Nations Development Programme, the World Bank, the Food and Agriculture Organization of the United Nations, the International Trade Centre UNCTAD/GATT and other competent organizations, including non-governmental organizations, to support national efforts in promoting popular enterprises that would generate employment and contribute to efficient resource allocation and the equitable distribution of income".

7. Replace operative paragraph 3 by the following:

"Requests the Secretary-General to prepare a study on the role of popular enterprises in promoting economic development and to submit a report thereon to the General Assembly at its forty-second session, through the Economic and Social Council, paying special attention to the following aspects:

- "(a) The role of popular enterprises through individual and collective initiative in mobilizing national resources, efficient resource utilization, relevance of products and participation in the accomplishment of national objectives;
- "(b) Ways and means of enabling these enterprises to observe minimum labour and environmental standards;
 - "(c) Obstacles faced by popular enterprises in national economies;
- "(d) Ways and means of facilitating the practical exchange of experience and information, especially among developing countries on the role of popular enterprises, including holding seminars and publishing handbooks on the experience of different countries in encouraging popular enterprises".

8. Replace operative paragraph 4 by the following:

"Decides to include in the provisional agenda for the second regular session of 1987 an item entitled 'The role of national popular enterprises in promoting development'".