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Chairman: Mr. Janez STANOVNIK (Yugoslavia).

AGENDA ITEMS 12, 29 AND 74

Report of the Economic and Social Council (chapters II (sections I, II and III A, except paragraphs 189-198), III IV and VII (section I and paragraph 645)) (A/4415) (continued)

Economic development of under-developed countries (continued):

- (a) International flow of private capital: report of the Secretary-General and recommendations thereon by the Economic and Social Council (A/4487, E/3325 and Corr.1-3);
- (b) Question of the establishment of a United Nations capital development fund: report of the Secretary-General (A/4488, E/3393, E/3393/Add.1-4);
- (c) Methods and techniques for carrying out a study of world economic development: report of the Secretary-General and comments thereon by the Economic and Social Council (A/4489, E/3379, E/3379/Add.1-6);
- (d) Promotion of wider trade co-operation among States: report of the Secretary-General (A/4490, E/3389)

Land reform (A/4439) (continued)

CONSIDERATION OF DRAFT RESOLUTIONS (A/C.2/L.461 AND ADD.1, AND A/C.2/L.466)

1. The CHAIRMAN invited the Committee to consider the United Kingdom's draft resolution on partnership for economic and social development (A/C.2/L.461), now co-sponsored by seven other countries (A/C.2/L.461/Add.1), and the draft declaration on international economic co-operation (A/C.2/L.466) submitted by the USSR.

2. Mr. DUDLEY (United Kingdom), before introducing draft resolution A/C.2/L.461, paid tribute to the Under-Secretary for Economic and Social Affairs, whose statement at the 671st meeting seemed to exemplify that element of impartiality which his delegation considered to be of such importance in the Secretariat's work. He agreed with the Under-Secretary that the debates of the Second Committee and the Economic and Social Council had been of great value, because they had resulted in a better understanding of different points of view, in a tendency to avoid polemics, and in considerable progress towards common agreement on United Nations objectives in the economic field. He hoped that polemical exchanges arising out of misrepresentations or accusations of bad faith would be reduced to a minimum, so that more time might be devoted to matters of substance.

3. Draft resolution A/C.2/L.461 sought to define the means of reaching a goal which was already stated in the principles of the Charter and which now needed no more than reaffirmation for the benefit of newly admitted Members. The draft was concerned wholly and unequivocally with the development of under-developed countries and was not aimed at securing benefits for developed countries, particularly any one group of developed countries, or at establishing the superiority of any economic or political system. It was wholly positive in its purpose. Partnership for development could be beneficial to all members of the world community but the subject of the resolution was the development of the poorer countries, not the benefit to the wealthier.

4. It was recognized that the under-developed countries must be mainly responsible for their own development and must themselves find capital, resources and manpower and learn the managerial skills necessary for development. Outside help could however do much to assist them, particularly in purchasing capital goods, in providing and teaching skills, and in transforming the economic infrastructure. This help should be given and received in a spirit of partnership and good faith. The same was true of trade, which, if it was to result in development, required intelligence and understanding and the ability of all parties to take a long view of their common interests.

5. The first two paragraphs reiterated objectives already laid down in the Charter and many General Assembly resolutions, with particular emphasis on strengthening the sovereignty and independence of the under-developed countries.
6. The methods set out in the remainder of the resolution were, he believed, already accepted, although many of them had not been generally accepted for very long. A common policy had only recently been agreed upon and even during the current session the sincerity of some delegations' belief in certain of the methods had been questioned. That was true of the subject matter of paragraph 3 and he hoped that the statement in that paragraph that diversification and industrialization of the primary producing countries were essential would end dispute on that point.
7. Paragraph 4 set out what was, he thought, common ground concerning the objectives of national economic policy. It was desirable to maintain a high and expanding level of economic activity in all countries to increase production of the goods that made life endurable. Countries which had been able to produce and accumulate capital earlier or on a larger scale than others should assist development by the direct transfer of part of that capital to other parts of the world, on terms acceptable to the parties concerned. Intellectual capital, in the form of scientific and technical progress should also be widely shared and all countries should as a matter of international policy, be enabled to make their contribution. No country had a monopoly of wisdom and inventiveness, and the United Kingdom had always gladly shared the fruits of its own inventions and recognized the contributions of others.
8. Paragraph 4 (e) was a reminder that progress was made for man and not man for progress, a lesson that had been brought home by the history of industrial and agrarian revolutions in many countries.
9. Paragraph 5 recommended a programme of action and was confined to measures that were strictly practicable, with the intention of gaining the greatest possible measure of common agreement.
10. The text had been carefully drafted to present a brief but comprehensive programme for the benefit of the under-developed countries, which the sponsors hoped would be acceptable to all delegations. Any constructive suggestions would be welcomed and, where possible, incorporated in the text.
11. Mr. CHERNYSHEV (Union of Soviet Socialist Republics) agreed with the United Kingdom representative that all nations were members of the same world community.
12. The purpose of the draft declaration submitted by the USSR (A/C.2/L.466) was to provide a basis for international economic co-operation in accordance with the provisions of the Charter concerning economic relations and to extend, rather than replace, those provisions. It embodied the accumulated wisdom of fifteen years of United Nations activities and could be of particular value to newly admitted Member States confronted with the multitude of United Nations resolutions on international relations. A declaration on economic co-operation could take its place alongside the Universal Declaration of Human Rights and the Declaration of the Rights of the Child, which had proved their worth in another field.
13. The recent deterioration in political and economic relations had underlined the urgent need for the adoption of such a declaration by the United Nations, which, since it was required under the Charter to promote economic and social co-operation, could hardly ignore the policy of economic discrimination, restriction and embargo practised by some Members against others. A solemn undertaking by Member States to abide strictly by certain standards in international economic intercourse would help to normalize economic relations, promote economic co-operation and eliminate mistrust and unfair competition between States. It would also enable the United Nations to settle certain disputes and to counter unilateral actions that were at variance with the provisions of the Charter.
14. The signatories of the proposed declaration would undertake to make concerted efforts for the peaceful coexistence of countries with different social and economic systems, thus opening the way to peaceful economic competition and co-operation, and providing a sound basis for improved political relations.
15. His delegation attached particular importance to the provision that economic competition between countries with different social systems should not lead to the economic isolation of certain countries. Economic embargoes and restrictions imposed for political reasons would never serve a useful purpose, as had been proved in the case of China and other socialist countries.
16. The provisions of the Charter and the dictates of common sense alike required that economic and trade relations between countries should be founded on the principles of equality, mutual benefit and non-interference in internal affairs. Observance of those principles was particularly important in relations between developed and under-developed countries and it was the duty of the United Nations to take resolute action to that end. Unhindered, mutually-advantageous international trade was a major factor in international progress and all discriminatory and restrictive policies used as a means of intimidation should be renounced.
17. The draft declaration recognized that States and groups of States were free to form regional economic associations of the kind recently entered into by certain Western countries, provided that such groupings were not detrimental to other countries, in particular the under-developed countries whose economies were exceptionally vulnerable to external influences. The draft declaration also included special provisions concerning the granting of assistance to under-developed countries and stated certain principles designed to safeguard the economic rights of those countries.
18. His delegation also considered it desirable for the declaration to include provisions safeguarding the sovereign rights of under-developed countries over their natural resources, including the right of nationalization. The United Nations had already adopted a specific resolution on that subject. The adoption of such provisions would prevent the exploitation of assistance to under-developed countries for the purpose of exercising influence, preserving privileges and fostering neo-colonialism.
19. In conclusion, he emphasized that his country attached the greatest importance to peaceful coexistence, world-wide co-operation and mutual understanding and believed that peaceful competition would show which economic and social system was superior.

20. Mr. PENTEADO (Brazil) submitted an amendment (A/C.2/L.475) proposing the insertion in draft resolution A/C.2/L.461 of a new sub-paragraph 5 (b) reading:

"(b) the Economic and Social Council give full consideration and, whenever possible and convenient, prompt implementation to the recommendations of the forthcoming ninth session of the Commission on International Commodity Trade (CICT);"

Sub-paragraphs 5 (b) and (c) would become 5 (c) and (d), respectively.

21. Mr. GREEN (New Zealand) suggested the addition, after the word "this" in paragraph 3, of the words "economic and social advancement", and the replacement of the word "this", in paragraph 4, by the words "the achievement of these ends". He would also suggest that the scope of paragraph 4 (a) should be broadened somewhat by the addition, after the words "less developed countries", of the phrase "and countries dependent on the export of a small range of primary commodities".

22. Mr. ABDEL GHAFFAR (United Arab Republic) said that the word "partnership" in the title of the draft resolution suggested an association for business purposes; in his view, the word "co-operation" would more accurately convey the intent of the draft. He would also suggest the addition, at the end of paragraph 5 (b), of the words "as well as programmes to be established within the United Nations framework".

23. Mr. AMADOR (Mexico) considered that the joint draft resolution would be improved by the addition, in paragraph 4, of references to some ideas which were of great importance to the less developed countries, including the need of those countries to sell more of their products at remunerative prices, the importance of eliminating sharp fluctuations in commodity prices, and the artificial policies of some countries, which disrupted the commodity trade of the under-developed countries.

24. Mr. VIAUD (France) commended the disinterested and conciliatory spirit animating the sponsors of the joint draft resolution. His delegation would support the draft, but believed that the words "concerted action" might better describe the resolution's purpose than the word "partnership". He also felt that paragraph 2 should include a reference to the duty of Member States individually, as well as of the United Nations collectively, to further the economic and social advancement of the less developed countries, and that in enumerating the methods by which that could be done account should be taken of all the methods available to Governments or so far employed by them, provided such methods helped to strengthen the sovereignty and independence of the less developed countries. That was true not only of assistance furnished through the United Nations but also of other forms of assistance extended or planned on a regional or bilateral basis. His delegation would also emphasize that concerted action toward the end in view must of necessity be multiple in form.

25. Mr. HASSAN (Sudan) said that his delegation welcomed the emphasis on partnership in the joint draft resolution. The relationship between the industrialized and the less developed countries should be based on respect for the existence of the smaller countries as sovereign States and assistance should be extended to those countries without thought of achieving political

or economic advantages. The draft resolution's emphasis on the aim of social development was also welcome, for too much attention had been devoted in the past to development of the material rather than the human resources of the less advanced countries, particularly those of Africa. His delegation was also glad that stress had been laid on the international character of the approach to partnership for economic and social development and would like to see that principle, as well as the principle of peaceful coexistence, implemented in specific action to provide some of the less developed African countries with some of the basic facilities they still lacked.

26. Although his delegation agreed that the primary responsibility for the development of the less developed countries rested with those countries themselves, it felt that a larger share of that responsibility must be assumed by the wealthy and developed countries, and that the rate of assistance to the less developed countries should be speeded up. Both of those objectives could be achieved through a recognition of the need for more equitable terms of trade for the primary-producing countries, and for that reason, his delegation supported the Brazilian amendment. It also felt that the aim of increased industrialization of the less developed countries could be more speedily achieved if the advanced countries were to make more serious efforts in that direction. For that reason, it would suggest that the draft resolution should call on the advanced countries to take part in co-operation for economic and social development more effectively.

27. Mr. PANYARACHUN (Thailand) said that his delegation appreciated the motives underlying the joint draft resolution and particularly the spirit in which it had been introduced. He supported the Brazilian representative's amendment to paragraph 5 and also shared the concern expressed by the Mexican representative regarding fluctuations in primary commodity prices. The under-developed countries were apprehensive not so much about the quantity of their exports as about their total foreign currency earnings. They were not seeking exorbitant prices but merely a fair share in world trade. He therefore proposed that the phrase "at reasonable and stable prices" should be inserted in paragraph 4 (a) after the word "products".

28. Mr. ROA KOURI (Cuba) said that he supported the New Zealand amendment to paragraph 3. He also proposed the insertion in paragraph 3 of the word "largely" before the word "dependent" and the addition to paragraph 4 of a new sub-paragraph reading: "expansion of trade among all countries by means of a widening of traditional markets". In paragraph 5 (a) the words "at more remunerative and stable prices" should be inserted after the words "expanding trade" and in paragraph 5 (b) the word "important" should be substituted for the word "major". In paragraph 5 (c) the words "preferably on a long-term basis and a low interest rate" should be inserted after the word "recipients". He supported the Brazilian amendment.

29. Mr. ENCINAS (Peru) said that he warmly welcomed the joint draft resolution, the more so as he had stressed during the general debate (666th meeting) the importance of international co-operation between both the developed and the under-developed countries for the purposes of eradicating under-development. He proposed that the phrase "and in this way to strengthen their sovereignty and independence" should be deleted

from paragraph 2 since it introduced a somewhat controversial and delicate subject. Paragraph 4 outlined a series of measures which was by no means exhaustive and the words "among others" should therefore be inserted at a convenient point in the introductory phrase. He supported the Thai representative's amendment to paragraph 4 (a), as the importance of reasonable and stable prices had been stressed by many delegations. The sponsors of the joint draft might also consider mentioning long-term as well as short-term fluctuations in paragraph 5 (a). As the whole of paragraph 5 referred to measures which were already being put into practice, the introductory phrase might make it clear that such measures should be continued.

30. Mr. ABDEL GHAFFAR (United Arab Republic) pointed out that it was usual for United Nations resolu-

tions to have a preamble and proposed an amendment (A/C.2/L.476) that in paragraph 1 the word "Reaffirms" should be changed to the words "Bearing in mind" and that a new preambular paragraph should be inserted after that paragraph reading:

"Believing that the principles laid down in the Charter of the United Nations with regard to international co-operation should be reaffirmed now when so many Member States have recently joined the United Nations."

31. Mr. DUDLEY (United Kingdom) thanked delegations for their useful suggestions and amendments, which would be carefully considered by the sponsors.

The meeting rose at 1.10 p.m.