

RESOLUTIONS

adopted by the ECONOMIC AND SOCIAL COUNCIL
during its sixteenth session from 30 June to 5 August 1953

482 (XVI). Economic development of under-developed countries

A

METHODS OF FINANCING ECONOMIC DEVELOPMENT

I

The Economic and Social Council,

Having taken into consideration the document entitled *Report on a Special United Nations Fund for Economic Development*,¹ prepared by a committee appointed by the Secretary-General pursuant to Council resolution 416 A (XIV),

Having in mind General Assembly resolutions 520 A (VI) and 622 A (VII) requesting the Council to submit to the General Assembly a detailed plan for establishing, as soon as circumstances permit, a United Nations fund for the financing of the economic development of under-developed countries,

1. *Expresses* its great appreciation to the Committee for its work;

2. *Transmits* the report of the Committee to the General Assembly, together with the pertinent records² of the sixteenth session of the Council;

3. *Recommends* that the General Assembly consider, in the light of the report of the Committee and the records of the sixteenth session of the Council, what other preparatory steps might usefully be taken towards the establishment, when circumstances permit, of an international fund designed to assist development and reconstruction of the under-developed countries.

*749th plenary meeting,
4 August 1953.*

II

The Economic and Social Council,

Desirous of strengthening the United Nations in its mission of guarding the peace and security of all peoples and of making the United Nations a more effective institution for the promotion of higher standards of living and of conditions of economic and social progress and development in under-developed countries,

¹ See document E/2381. United Nations Publication, Sales No. 1953.II.B.1.

² See documents E/SR.725 to 731 and 749 and E/AC.6/SR.138 and 139.

Looking forward to the time when sufficient progress in internationally supervised world-wide disarmament will make it propitious to devote additional resources to assist development and reconstruction, particularly in the under-developed countries,

Recommends that governments consider joining, at the eighth session of the General Assembly, in the following draft declaration:

"We, the governments of the States Members of the United Nations, in order to promote higher standards of living and conditions of economic and social progress and development, stand ready to ask our peoples, when sufficient progress has been made in internationally supervised worldwide disarmament, to devote a portion of the savings achieved through such disarmament to an international fund, within the framework of the United Nations, to assist development and reconstruction in under-developed countries."

*749th plenary meeting,
4 August 1953.*

B

REPORT OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ON THE QUESTION OF CREATING AN INTERNATIONAL FINANCE CORPORATION

The Economic and Social Council,

Having considered the further report³ of the International Bank for Reconstruction and Development on the proposal for an international finance corporation,

Noting that the Bank intends to continue to explore the question with its members,

Believing that it would be desirable to have from the Bank a further study of the proposal, which would be aimed at clarifying and analysing the questions that have been raised and the different points of view that have been expressed with regard to the merits of the proposal and the basic purposes and functions of the proposed institution, so as to assist the various interests concerned in determining their attitude towards the proposal,

1. *Commends* the Bank for the useful contribution it has made to the study of the question;

2. *Invites* the Bank to present as soon as possible the results of a further study along the lines mentioned above, namely, a study with a view to clarifying and analysing the questions that have been raised and the different points of view that have been expressed,

³ See document E/2441.

continuing at the same time further exploration of the matter with its members, and in so doing to take into account the comments⁴ made on the Bank's further report during the sixteenth session of the Council;

3. *Further invites* the Bank to report to the Council at its seventeenth session on the progress made in these respects.

749th plenary meeting,
4 August 1953.

483 (XVI). Full employment

The Economic and Social Council,

Having considered the documentation placed before it for its discussion on the question of full employment, including, *inter alia*, the replies⁵ of the governments of Member States to the questionnaire on full employment and balance of payments and the analysis⁶ of these replies presented by the Secretary-General, the reports⁷ presented by the Secretary-General on measures designed to reconcile the attainment and maintenance of full employment with the avoidance of the harmful effects of inflation, and the report⁸ of the International Monetary Fund on the adequacy of monetary reserves,

A

Having in mind the need for continuing efforts to achieve and maintain high levels of employment,

Considering that the problems of reconciling the attainment and maintenance of full employment in the industrialized countries, and the acceleration of the economic development of the less economically-developed countries, with the need of avoiding the harmful effects of inflation, deserve further consideration,

1. *Requests* the Secretary-General:

(a) To suggest to Member States that those governments having had experience in dealing with inflationary pressures associated with high levels of economic activity or with the process of economic development in under-developed countries should arrange to give the Council the benefit of their experience and to submit written statements on this subject by 1 December 1953, for circulation to the Council;

(b) To prepare a summary of these statements and to circulate it to the Council for consideration at its seventeenth session;

2. *Decides* to consider at its seventeenth session the advisability of requesting the Secretary-General to appoint a committee of experts for further study of these problems;

3. *Invites* the International Labour Organisation to continue its study of wage policies, including the question of wage policy in relation to the problem of inflation,

⁴ See documents E/SR.725 to 731 and 749 and E/AC.6/SR.139 and 140.

⁵ See documents E/2408 and Add.1, 2, 3, 4 and Corr.1, 5 and Corr.1 and 6 to 9.

⁶ See documents E/2445 and Add.1 and 2.

⁷ See documents E/2404 and E/2449.

⁸ See document E/2454.

and to inform the Council from time to time, as appropriate, of the results of its work in this connexion;

B

Recognizing that any significant reduction in the level of expenditure on defence, which would of itself be most welcome, could at any time cause a slackening or a fall in the total effective demand on some sectors of the world economy,

Recognizing, in this connexion, that any such tendency could be counteracted, *inter alia*, by a more rapid economic development of the less economically-developed countries, as well as by an expansion in the demand for, and internal and international trade in, products coming from the civilian sector of the economy,

1. *Requests* the Secretary-General to invite each Member State to indicate, before 1 December 1953, its views on the measures it may consider necessary to prevent foreseeable adverse effects on its economy or on those of other Member States arising from reductions in its defence expenditures;

2. *Decides* to consider at its seventeenth session the possible need for further action with reference to the above-mentioned problems of reconversion, including the advisability of requesting the Secretary-General to provide for further studies either by the committee of experts mentioned under section A, paragraph 2, above or in some other appropriate manner;

C

Recognizing that the level of the monetary reserves available to Member States is an important factor influencing the possibility of maintaining international economic stability at optimum levels of output, consumption, trade and employment,

Requests the International Monetary Fund to continue to keep under review the adequacy of monetary reserves for the purpose of helping countries to meet temporary disequilibria in their balances of international payments, bearing in mind the objectives referred to in paragraph 6 (a) of Council resolution 427 (XIV), and to inform the Council in 1954 of the results of its work in this connexion;

D

Considering that the removal of obstacles to the development of normal and mutually beneficial trade between countries would help to stimulate business activity and employment,

Calls upon all governments, with a view to increasing trade, employment and standards of living, to take all practicable steps to reduce obstacles to the development of normal and mutually beneficial trade between countries, availing themselves, *inter alia*, of any opportunities which may arise as a consequence of improved balance of payments or monetary reserve positions, the maturing of newly-developed industries or an easing of international tensions.

749th plenary meeting,
4 August 1953.