

RESOLUTIONS

adopted by the ECONOMIC AND SOCIAL COUNCIL

during its eighteenth session from 29 June to 6 August 1954

531 (XVIII). World economic situation

A

CONSIDERATION OF THE WORLD ECONOMIC SITUATION

The Economic and Social Council,

Taking note of the Secretary-General's reports ¹ on the world economic situation during 1952-53,

Bearing in mind that the solution of international economic and social problems would contribute to the creation of conditions of stability and well-being which are necessary for ensuring peaceful and friendly relations among nations,

Considering that an easing of the international political situation would greatly contribute to the maintenance of economic and social stability and to the achievement of greater economic and social progress,

Affirms that:

1. Improvement of the international political situation should lead to a reduction of armaments and to an expansion of civilian production;

2. The achievement and maintenance of full employment with rising productivity and living standards should remain the primary objective of both national and international economic and social policy;

3. Acceleration of the economic development of the under-developed countries, particularly in the fields of industry, agriculture and commerce, is of major importance for the achievement of a more prosperous and stable world economy.

*827th plenary meeting,
4 August 1954.*

B

FULL EMPLOYMENT

The Economic and Social Council,

Recognizing its responsibility to promote full employment and rising standards of living and to encourage the economic development of Member States,

Having considered the documents placed before it for its discussion on the question of full employment, com-

prising the replies ² to the annual full employment questionnaires, the statements ³ submitted on the problems of reconversion after the rearmament period and the statements ⁴ submitted on experience in dealing with inflationary tendencies at high levels of economic activity,

Having considered also the advisability of arranging for further study of the problems referred to in Council resolution 483 A and B (XVI),

Recognizing the need for the continued pursuit by Member States of positive policies designed to maintain national and international economic stability with high and expanding levels of employment, productivity and standards of living, and to promote the economic development of the under-developed countries,

Noting the statements ⁵ made in the Council and in the documents submitted to the Council of the intentions of Member States to continue their efforts to maintain high levels of domestic production and employment, and noting also the progress made by Member States in developing techniques for this purpose,

Considering that in pursuing their domestic economic policies Member States should have regard to the desirability of avoiding adverse effects upon the employment levels and general economic stability of other Member States, including the under-developed countries,

Recognizing that in the under-developed countries the achievement of full employment is hampered by the characteristics of their economic structure, as illustrated by the nature of their foreign trade and their vulnerability to excessive fluctuations in terms of trade due largely to external factors outside their own control,

Noting that in the under-developed countries the progress towards higher levels of production and employment would be assisted by greater stability in the prices of primary commodities and by an increased flow of capital to under-developed countries,

Recognizing that the International Labour Organisation occupies a unique position in relation to the international consideration of problems of full employment by virtue of its universal character and of the representa-

² See documents E/2565 and Corr.1 and Add.1 to 10, E/2408/Add.13, and E/2620 and Add.1.

³ See documents E/2564 and Add.1 to 3.

⁴ See documents E/2563 and Add.1 to 4 and E/2597.

⁵ See documents E/AC.6/SR.160 to 163 and E/SR.799 to 805 and 827.

¹ See documents E/2560, E/2581 and E/2582.

tion of employers' and workers' organizations in its membership,

1. *Invites* the International Labour Organisation to continue its important work in the field of employment problems, with due regard to the need for providing the Council with comments and suggestions on the problems of particular concern to the Council as indicated by the records⁶ of its debates;

2. *Commends* to the attention of Member States documents E/2563 and addenda 1 to 4 and E/2597 surveying Member countries' experience in dealing with inflationary tendencies at high levels of economic activity;

3. *Recommends* that Member States follow closely changes in economic trends and be prepared at any time to take without delay such action as they may deem necessary to maintain high and expanding levels of production and employment in their territories in the face of reductions in demand on particular sectors of their economies, including such reductions as may result from a levelling-off or reduction in government expenditure on defence;

4. *Recommends* that in considering such action Member States, especially the more developed countries, give due regard to the importance of avoiding any adverse effects upon the levels of employment, stability and economic development of other Member States, including the under-developed countries;

5. *Recommends* that in considering such action Member States bear in mind also the importance of employing measures which will contribute to the maintenance of international economic stability, to the economic progress of Member States generally, and to the economic development of the under-developed countries, the acceleration of which is of major importance for the attainment of high levels of production, employment and world trade;

6. *Recommends* that national and international efforts should be intensified to reduce instability in the prices of primary commodities and to facilitate the flow of capital to under-developed countries.

*827th plenary meeting,
4 August 1954.*

C

REMOVAL OF OBSTACLES TO INTERNATIONAL TRADE AND MEANS OF DEVELOPING INTERNATIONAL ECONOMIC RELATIONS

The Economic and Social Council,

Recognizing the contribution which a continuing expansion of international trade can make to increasing production, employment, standards of living, economic development of under-developed countries and international stability,

Emphasizing the importance of continuing efforts to facilitate the expansion of international trade as rapidly as possible,

Noting that the regional economic commissions and other international bodies are already doing valuable work in this connexion,

⁶ See documents E/AC.6/SR.160 to 163 and E/SR.799 to 805 and 827.

Believing, however, that it would be useful if the Council could be furnished with a broad examination of the various factors tending to limit expansion of international trade,

1. *Requests* the Secretary-General to include in his next *World Economic Report* an analysis of such factors, prepared in consultation with the international bodies concerned, and to include in such an analysis a study on a global basis of the problems involved in promoting the development of trade within and between all the various geographical and currency areas, it being understood that the Secretary-General will, in the preparation of this analysis, make use of the valuable work which is being done by experts under the auspices of the regional economic commissions;

2. *Urges* that governments take all practicable steps to facilitate the further expansion of mutually beneficial international trade;

3. *Decides* to place the question of the expansion of international trade and the development of international economic relations on the agenda for its twentieth session, when the subject will once more be studied in all its aspects and every method of achieving the desired result be considered.

*827th plenary meeting,
4 August 1954.*

532 (XVIII). Economic development of under-developed countries

A

SPECIAL UNITED NATIONS FUND FOR ECONOMIC DEVELOPMENT

The Economic and Social Council,

Having examined the interim report⁷ submitted by Mr. Raymond Scheyven concerning the establishment of a special United Nations fund for economic development as well as the working paper⁸ by the Secretary-General,

Noting that both the contents of the replies⁹ of governments and the debates in the Council indicate increasing moral, and an increased degree of material, support for the establishment of a special United Nations fund for economic development,

Considering that the balanced development of the world economy is a necessary condition for promoting such international relationships as are propitious for the maintenance of peace and world prosperity,

Reaffirming that the economic development of the under-developed countries is of essential importance not only for them, but also for the industrialized countries,

Bearing in mind that the present rate of development of the under-developed countries in general is unsatisfactory, and that the present world situation calls for accelerating the development of these countries,

1. *Expresses* its great appreciation of Mr. Scheyven's work and of his interim report;

⁷ See documents E/2599 and Corr.1.

⁸ See document E/2618.

⁹ See documents A/2646 and Add.1 and 2.