

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.

2. *Recommends* that the General Assembly urge governments to review their respective positions with respect to extending their material support to a special United Nations fund for economic development, in accordance with changes in the international situation and other relevant factors;

3. *Recommends* that the General Assembly extend the appointment of Mr. Scheyven in order that he may continue his consultations with governments.

*827th plenary meeting,
4 August 1954.*

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 examined the report¹⁰ submitted by the International Bank for Reconstruction and Development, pursuant to the requests contained in General Assembly resolution 724 C (VIII), part I, and Council resolution 482 B (XVI),

Noting the view expressed by the management of the Bank in the report concerning the contribution which an institution such as an international finance corporation might be able to make to the stimulation of private international investment,

Noting also the view expressed by the management of the Bank in the report that it would not be practicable to establish a corporation unless its initial capital were provided by governments,

Bearing in mind the importance of augmenting the flow of capital, from both domestic and external sources, for accelerating the rate of development in the underdeveloped countries,

1. *Expresses* its thanks to the International Bank for Reconstruction and Development for its continued interest in the project to establish an international finance corporation and to the management for having submitted its suggestions on the structure, organization, financing and functions of such a corporation;

2. *Recommends* the General Assembly to request Member States which might be in a position to provide capital for an international finance corporation to keep the problem under review;

3. *Requests* the International Bank for Reconstruction and Development, in the light of the discussions¹¹ at the eighteenth session of the Council, to continue to consult the countries which might be in a position to provide capital for an international finance corporation, and to report further to the Council upon its consultations and on any further suggestions the Bank may have regarding the provision of capital and the structure and functions of such a corporation.

*828th plenary meeting,
5 August 1954.*

C

INTEGRATED ECONOMIC DEVELOPMENT AND METHODS TO INCREASE WORLD PRODUCTIVITY

The Economic and Social Council,

Taking note of the observations¹² of the Economic Committee on the interim report¹³ submitted by the Secretary-General on integrated economic development and the working paper¹⁴ prepared by the Secretary-General on methods to increase world productivity,

Bearing in mind the close relationship that exists between these two problems and their intimate relationship to the broader problems of economic development,

Requests the Secretary-General to complete his studies on the two problems as early as possible and agrees to postpone further consideration of them until its nineteenth session.

*828th plenary meeting,
5 August 1954.*

533 (XVIII). International co-operation with respect to water resource development

The Economic and Social Council,

Having noted the report¹⁵ by the Secretary-General entitled "Development and Utilization of Water Resources",

Considering that international technical co-operation in regard to the development and utilization of water resources and to the development of arid land is important to economic development in many countries and regions,

1. *Calls* to the attention of governments the urgent problems raised by the heavy demands upon the world's water supply as a result of increased population pressures and of the need for water both for agricultural and for industrial development;

2. *Recommends* that governments study the report by the Secretary-General with a view to utilizing such suggestions as seem appropriate and effective in helping to meet national and international water problems in their technical and economic aspects;

3. *Recommends* that governments and appropriate United Nations organizations give particular attention to the following problems:

(a) Assembly of hydrological data;

(b) Technique of watershed management in its broadest sense;

(c) Water for domestic, urban, agricultural and industrial uses, including water conservation through pollution abatement;

4. *Invites* the Secretary-General, the regional economic commissions and the interested specialized agencies to take, in co-operation with governments, all practical steps, within the framework of their present budgets and the purview of conclusions in the Secretary-General's

¹² See document E/2644.

¹³ See document E/2613.

¹⁴ See documents E/2604 and Corr.1.

¹⁵ See document E/2603.

¹⁰ See document E/2616.

¹¹ See documents E/AC.6/SR.168 and 169 and E/SR.816 and 828.