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President : Mr. T. BOUATTOURA (Algeria)

Present :

Representatives of the following States: Algeria, Cameroon, Canada, Chile, Czechoslovakia, Dahomey, Ecuador, France, Gabon, Greece, India, Iran, Luxembourg, Morocco, Pakistan, Panama, Peru, Philippines, Romania, Sweden, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America.

Observers for the following Member States: Australia, Bulgaria, Italy, Japan, Mexico, Tunisia.

Observers for the following non-member States: Federal Republic of Germany, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Bank for Reconstruction and Development, International Monetary Fund, World Health Organization, World Meteorological Organization.

The representative of the International Atomic Energy Agency.

Report of the Council Committee on Non-Governmental Organizations on applications for hearings (E/L.1124)

1. The PRESIDENT drew the Council's attention to the report of the Council Committee on Non-Governmental Organizations (E/L.1124). There being no comments on the report, he suggested that the Council should approve it.

It was so decided.

AGENDA ITEMS 2, 3, 4, 5, 7, 8, 10 AND 17

World economic trends (E/4053 and addenda, E/4152 and Corr.1, E/4187 and addenda, E/4221, E/4224 and Add. 1; E/ECE/613; E/CN.12/752 and Add. 1 and 2, E/CN.12/754; E/CN.14/345)

General review of the development, co-ordination and concentration of the economic, social and human rights programmes and activities of the United Nations, the specialized agencies and the International Atomic Energy Agency as a whole (E/4182 and Add.1, E/4183, E/4185/Rev.1 and Rev.1/Add.1, E/4188 and Add.1, E/4190, E/4191 and Corr.1 and 2, E/4193, E/4195 and Add.1, E/4197 and Add.1 and 2, E/4198 and Add.1, E/4199 and Add.1, E/4202, E/4205, E/4209, E/4215 and Corr.1 E/4233 and Corr. 1)

Review and reappraisal of the Council's role and functions (E/4216)

United Nations Development Decade (E/4196 and Add.3)

Economic planning and projections (E/4046/Rev.1, E/4207 and Add.1; E/ECE/493/Add.1)

Financing of economic development

- (a) International flow of capital and assistance (E/4170, E/4171 and Corr.1)
- (b) Promotion of the international flow of private capital (E/4189 and Corr.1 and 2)

Industrial development activities (E/4192 and Add. 1, E/4203, E/4229 and Add. 1, E/4230)

Social development

- (a) Report of the Social Commission (E/4206 and Add.1; E/CN.5/401)
- (b) Report on the World Social Situation (E/CN.5/402 and Add.1 and 2; E/L.1125)
- (c) Report on a programme of research and training in connexion with regional development projects (E/4228; E/CN.5/403)

GENERAL DEBATE (*continued*)

2. Mr. ASTROM (Sweden) said he would refer to a few problems in regard to which his delegation would like to co-operate with other delegations with a view to submitting specific proposals to the Council. He would relate his remarks to the single theme of the necessity of planning the activities of the United Nations for some long period ahead, in order to ensure efficient mobilization and use of available resources.

3. As to the existing situation, the reports before the Council showed that the pace of economic and social development in the underprivileged part of the world was disappointingly slow. It was true that a number of steps had been taken and programmes launched with a view to giving renewed impetus to the joint development efforts. But most of those steps and programmes would require time before they produced tangible results. Considerable progress had been achieved during the 1960's in many of the developing countries, but over-all performance had been hampered by a large number of factors which had been described in the reports. Nevertheless, certain lessons could be drawn from the experience so far gained during the Development Decade. In the first place, some insight had been acquired into the complexity of the development process, which—if psychological, educational, technical, political, social and economic changes were to be brought about—called for decisions that were often painful and always difficult. Secondly, the very establishment of the Development Decade and the efforts to achieve its objectives had led to a better understanding of the difficulties and potentialities of international action. It had become clear that a uniform growth target of 5 per cent might not always correspond to economic realities and that, in order to establish targets on a regional basis, it was essential to assess the development possibilities of individual countries in the region first.

4. On the question of co-ordination, he observed that, if the resources available to the various organizations in the United Nations system were to be used with maximum efficiency, the work programme and actual operations of the organizations would have to be closely co-ordinated. It had been said that co-ordination really meant a reduction of the funds available; but his delegation did not share that opinion. In its view, co-ordination meant not only increased efficiency but a very real possibility of using available resources in an increasingly rational manner.

5. Of the many forms which co-ordination might take, one was inter-agency co-operation. It had often been said that the primary task of co-ordination efforts in the United Nations family was to avoid overlapping and duplication. Nobody would deny, of course, that duplication of work should be avoided wherever possible; but a certain measure of deliberate overlapping was not necessarily bad, particularly if the desire to avoid duplication might create gaps between the fields of competence of different organizations. He noted with satisfaction that inter-agency co-ordination had now extended beyond the search for solutions to practical problems and was taking the form of constructive co-operation and joint planning to achieve rational distribution of tasks and real integration of efforts.

6. At the same time, there was another type of co-ordination problem which sometimes created unnecessary difficulties, and which arose from the fact that Governments did not always express the same views on the same problems in different organizations. One example was the population problem, on which different views had been expressed in the General Assembly and the Council in 1965, and in the World Health Assembly and the UNICEF Executive Board in 1966. That was an organiza-

tional question, which might perhaps be solved if the United Nations requested Governments to provide it with specific information on their attitudes to the various problems considered.

7. Yet another type of co-ordination was co-ordination between members of the United Nations system and between multilateral and bilateral programmes of assistance. It had often been pointed out that primary responsibility in that area rested with recipient Governments, and the United Nations' role was to assist those Governments in building up and strengthening a co-ordination machinery. As the Secretary-General had rightly said in his statement at the 1421st meeting, however, co-ordination in that context consisted essentially of the establishment of priorities which every member of the United Nations family should respect, without trying to influence Governments to alter them in order to satisfy purely sectional interests. The Council would have to concern itself with the problem of priorities if it wished to make a useful contribution to the total development effort during the rest of the Decade and especially, when it was over.

8. Everyone recognized that it was for the developing countries themselves to establish their own priorities in the light of their aspirations and requirements. But the United Nations, reflecting the trends in world opinion, had assumed the task of drawing attention to particular development problems as being of concern to the community of nations as a whole.

9. As a result, particular stress had been placed on trade and development, industrialization and other subjects. Those fields were, of course, of the highest order of priority, and progress in them was of decisive importance for balanced development and the establishment of new and equitable relations between all countries. But his delegation hoped that priority for international action would also be given to the population problem; and it noted with satisfaction that a steadily growing number of countries shared its deep concern at the economic, social and—above all—humanitarian implications of the population explosion. Various theories on the relationship between population growth and economic growth had been advanced; but, for its part, his country was still convinced that a high rate of population growth in a poor country slowed down economic progress. For the sake of the physical and mental well-being of the mother, parents must have access to methods and means of spacing out the births of their children. Concerted international action should be taken to bring the means of family planning within the reach of all those men and women who needed and sought that kind of help. To that end WHO, FAO, UNESCO, ILO and UNICEF should combine their efforts. Action on family planning would, obviously, however, have to be concerted and centralized; and in that field, too, the Council had an important role to play.

10. A rational scale of priorities should be based on constant evaluation of past performance; and his delegation welcomed with great satisfaction the evaluation reports now before the Council. The reports were important, not only because they provided the Council and other interested bodies with useful working material, but also because they helped to create confidence in the

multilateral system of assistance; and confidence was essential if appropriate financial resources were to be mobilized. His delegation also supported the proposal by the Secretary-General (E/4151, paras. 40-50) to continue the evaluation exercise along the lines already envisaged—which implied, *inter alia*, further efforts to refine the methods of evaluation.

11. Next, he wished to state his Government's views on action which the Council could usefully take in that field at its present session. The efforts of the United Nations family would, of course, have to be continued and strengthened after the Development Decade had ended. But the efficiency of those efforts would depend on their being planned. Some might contend that the ideal was an integrated master plan which would set specific goals to be achieved during a given period—say, five or ten years—indicate the sources of the funds required for implementing the plan and allocate tasks to the various organizations available. Everyone knew, however, that that objective was unattainable and might not even be desirable, in view of the extreme complexity and variety of development problems and national requirements. But that should not prevent the Council from taking certain decisions at the present session, with a view to making preparations for planning the total efforts of the United Nations system after 1970. The Council might, for instance, adopt a resolution supplementing resolution 1089 (XXXIX) and requesting the Secretary-General to consider, in consultation with the specialized agencies, the IAEA, the functional commissions and such *ad hoc* bodies as he thought fit, how the planning for the period after 1970 should best proceed and how it could best be co-ordinated with national programmes. In the same resolution, the Council might also request the Committee for Development Planning to assist the Secretary-General in his task, and to meet earlier than the date at present fixed. His delegation was fully aware that, even if the Council took action in accordance with those suggestions, its responsibilities would not end there. It would still have to review the development process in its political, long-range context and, if possible, contribute to the debate on the basic premises underlying the process.

12. Mr. MURGESCO (Romania) said that, to be really rational, an examination of the world economic situation and of measures appropriate to speed up the progress of humanity should take due account of the rights of nations freely to choose the line of development most suitable to their aspirations, their right to utilize the natural and human resources at their disposal and also the ever-increasing role of international co-operation in economic, scientific, technical and cultural fields, based on the principles of equality of rights and non-interference in the internal affairs of States.

13. Referring to the considerable efforts required to transform a country where industry was not well developed and agriculture backward, he quoted the example of Romania, whose efforts at transformation called for annual investments representing more than 25 per cent of the national income. Nevertheless, the results justified the sacrifices made—output increasing at an annual rate of 14 per cent, all branches of the economy developing

harmoniously, and agricultural production rising, as a result of modern methods, to a point where it was able to satisfy the country's own needs and at the same time leave surpluses for export. That was progress of a kind which enabled Romania to develop its trade and economic co-operation with all countries, irrespective of their social and political systems. Industrialization was being pursued in all sectors of the economy, as was shown by the objectives of the new five-year plan for 1966-1970 recently adopted by the National Assembly—a plan which stressed the need for improving the national economic planning system. All that explained the interest shown by Romania in the efforts of countries striving to develop their economies and in the work of all the organizations in the United Nations family which concerned the various aspects of development.

14. Several speakers had drawn attention to the so far disappointing results of the United Nations Development Decade. The gap between development needs and the material means actually provided to meet those needs was in fact seen to be growing steadily wider. At the same time, the expenditures for military purposes throughout the world were enormous, and the funds swallowed up in a single day by the armaments race represented more than twice the appropriations at the disposal of the United Nations Development Programme for a whole year. In addition, at a time when there was so much talk of international co-operation, legitimate anxiety was being caused by, for example, the United States aggression against the Democratic Republic of Viet-Nam, a sovereign independent State—an aggression which had recently been further aggravated by the bombardments of Hanoi and Haiphong by the American Air Force, and which was a serious threat to the peace of the world. The President of the Romanian Council of Ministers had firmly condemned those fresh acts of aggression, and had drawn the attention of the Government of the United States of America to the heavy responsibility it was assuming by continuing and intensifying the war and by pursuing a policy which violated the principles of international law and hindered the development of international co-operation in all spheres.

15. Reverting to the question of industrialization, which was of paramount importance to numerous Member States, he said that the establishment of the United Nations Organization for Industrial Development and the work of the *Ad Hoc* Committee set up to prepare the statute and terms of reference of that Organization, as well as the exchange of views that had taken place at the joint session of the Administrative Committee on Co-ordination and the Special Committee on Co-ordination, bore witness to the desire to organize United Nations activities relating to industrialization effectively. In his opinion, the conclusions and recommendations of the regional symposia on industrial development, and of the International Symposium in particular, would be of great use in drawing up a work programme for the new organization.

16. Considering that present-day economic development was proceeding in the context of a stupendous revolution in science and technology, major importance was to be attached to the exchange of scientific and technical

knowledge, and to the communication to the developing countries of the experience in the matter of development that had been acquired. The Romanian Government therefore supported the recommendation of the Advisory Committee on the Application of Science and Technology to Development that the Council should adopt a resolution which would be the starting point for a world plan of action for the application of science and technology to development (E/4178, chapter VI). He expressed interest in the work of the Committee for Development Planning, which had just made its first report (E/4207): the Committee might usefully analyse the principal planning and programming trends in various countries and also the different techniques employed; for in his opinion planning must conform to uniform rules and could become an efficient means of action only if it were identified with national interests.

17. Turning to the question of the co-ordination of United Nations activities, which in his opinion was of capital importance in view of the increasing scope and diversity of those activities, he said that the report on the work of the joint session of the Administrative Committee on Co-ordination and the Special Committee on Co-ordination (E/4233 and Corr. 1) deserved careful study. He particularly stressed the utility of convening joint sessions of the two Committees from time to time; and he pointed out that their work in no way diminished the Council's responsibility for discharging the duties attributed to it by the Charter. The working-out of detailed long-term programmes in certain fields would represent a considerable advance towards co-ordination. The five-year programme for the exploitation of natural resources, the five-year plan for the implantation of a scientific and technical infrastructure in developing countries, the world campaign for universal literacy and the five-year programme of the Social Commission were some of the happy initiatives taken towards that end. As had been pointed out by the Secretary-General in his speech at the 1421st meeting, problems of priority were complex, particularly at the international level, but with goodwill on all sides it should be possible to solve them.

18. The Romanian delegation unreservedly shared the point of view expressed by the Under-Secretary for Economic and Social Affairs, who had observed, at the fourth session of the Special Committee on Co-ordination, that the United Nations and the other national organizations were under a duty to respect the member countries' diverse and changing priorities without trying to impose arbitrary priorities upon them; and that they should be prepared to help the poorest countries as well as those which were on the point of becoming developed. The regional economic commissions should play a much more active part in that connexion. The question had been raised in the Special Committee on Co-ordination whether all the commissions should not be regarded as economic and social commissions so as to reflect the image of the Council, whose regional organs they were. The Council's consideration of the regional economic commissions' work would no doubt produce other suggestions designed to enable the Council to make the fullest possible use of those organs' resources, for each was rich in experience in the matters with which it dealt.

19. Mr. KURKA (Czechoslovakia) remarked that all the speakers had rightly emphasized that co-operation among all countries was the *sine qua non* of world economic development. The Czechoslovak Government was trying to make the co-operation and understanding that were necessary among the peoples a reality in international relations. It had, in particular, submitted a proposal on peaceful coexistence to the Special Committee set up under resolution 2103 A (XX) of the General Assembly. The establishment of principles of international law concerning friendly relations and co-operation among States in accordance with the Charter could not but have a favourable effect on matters which fell within the Council's competence. In his first statement, at the 1422nd meeting, the United States representative had expressed his conviction that economic and social development was the only basis for a lasting peace; but in the Czechoslovak delegation's view that was only one aspect of the matter. In his second statement, at the 1424th meeting, the United States representative had denied that international peace was also based on non-interference in the internal affairs of States and equality among the peoples. Those, however, were obviously essential to any well-balanced development. Care should be taken to avoid all action which might endanger peace and which would render vain the efforts to achieve economic and social progress. In a world torn by hunger, poverty and disease, it was impossible not to point out that the military operations in Viet-Nam, with the attendant killing of civilians, laying waste of their homes and destruction of food resources and the irrigation system, ran counter to efforts in favour of development. The United States representative's appeal for silence on the subject of the Viet-Nam war on the grounds that it had nothing to do with the Council's work was therefore devoid of sense. The logical outcome of such reasoning was that the Council might go on chatting about peaceful co-operation while the outside world was being reduced to ashes. In thus calling the Council's attention to the dire consequences of the Viet-Nam war, he had no propaganda aim in view. He meant only to draw attention to a major source of the tensions in the world which were gravely impairing the chances of solving international problems. The bombing raids against Hanoi and Haiphong would most certainly complicate the search for means of ensuring economic and social development. The Viet-Nam war was poisoning the international atmosphere by accentuating the distrust among States and bringing the world closer to the abyss.

20. Efforts should be made to bridge the wide gap between the developed and the insufficiently developed regions of the world, especially since the unfavourable trends were persisting and the gap was broadening instead of narrowing. The Secretary-General had put forward some specific suggestions and had made an urgent appeal for an increase in the flow of capital to the developing countries. For fifteen years, those countries had been trying to use their domestic resources, and they had achieved certain results. But the conclusion must not be drawn that they now needed fewer resources. On the contrary, their development called for increased investment and the import of machinery and tools wherewith to correct the one-sidedness of their economies, the evident after-effect of colonialism.

21. The amount and effectiveness of foreign aid could not be evaluated outside the framework of over-all economic development. In other words, the volume of capital investment and the conditions on which it was made available to developing countries could not be regarded as the only criteria. The extent to which the aid granted corresponded to the general process of economic development in the receiving countries had also to be taken into account. That did not mean that the Czechoslovak Government did not share the view that maximum mobilization of the developing countries' own resources was the principal factor in their economic development. Attention had been drawn to the possibility of using resources that had not yet been mobilized, and that was a matter to which due attention should be given. Many countries recouped a part of the aid which they granted in the form of profits made by private enterprises, and the true situation was therefore quite different from that which some depicted. The profits realized should be ploughed directly back into investments furthering the developing countries' economic development. In view of the inflow of foreign capital into the developing countries, the servicing of the debt was a matter to which more attention should be given, for it was an important factor in the balance of payments of the countries concerned.

22. He felt that the Czechoslovak delegation had been justified in calling for prudence at the time of the adoption of General Assembly resolution 1710 (XVI) on the United Nations Development Decade. The fact was that development programmes could not bear fruit without adequate programming to establish objectives for the different sectors and without a thorough analysis of possibilities and resources. Failure to achieve the aims of the Decade would inevitably have serious results owing to the time lost, the hopes disappointed and the possible loss of confidence in the international programmes of the United Nations.

23. As to the aid furnished by Czechoslovakia to the developing countries, he said that his country's exports to those countries consisted largely of machinery and industrial equipment requiring credit facilities, and that in future the amount of aid furnished would fully correspond to the economic development needs of the countries concerned.

24. His country was on the threshold of a new stage in its economic development, a stage which would bring further qualitative improvements and more efficient management and planning, making fuller use of the international division of labour. Czechoslovakia was trying to extend its relations with all countries, and it would contribute in particular to the development of inter-regional co-operation within the framework of the Economic Commission for Europe.

25. The developing countries had to be helped, not only for moral reasons, but also because it was in everyone's interest to develop the production of raw materials through the application of technical and scientific knowledge, and to break the bonds of traditional frameworks. What the French representative had said (1423rd meeting) about the prospects for developing trade between his country and the socialist countries was very encouraging.

Czechoslovakia's aim was to develop relations with its European partners on a basis of complete equality and non-discrimination.

26. He noted with satisfaction the progress made in economic planning and industrial development. The Committee for Development Planning had already accomplished a great deal. It was indeed important to co-ordinate and unite the efforts to raise the level of practical assistance in planning for the benefit of Member States. One thing to be made sure of in that connexion was co-operation—reciprocal and complementary—between national and international agencies. On the subject of industrial development, he expressed regret that General Assembly resolution 2089 (XX) establishing the United Nations Organization for Industrial Development had been the result of a compromise, and did not fully correspond with what most States had in mind. The resolution was undoubtedly a step forward, however, and it was to be hoped that the new organization would enjoy the co-operation of all countries in the spirit of the Charter. He hoped that the International Symposium on Industrial Development, to be held in 1967, would stimulate the United Nations' activities in that sphere.

27. In the social field United Nations activities were not contributing enough to the solution of urgent problems. In its resolution 1916 (XVIII), the General Assembly had stressed the need for reviewing United Nations activities in the social sphere. Those activities were still not directed towards the fundamental issues and particularly the differences in social level between the developed and the insufficiently developed countries. All of the competent United Nations bodies should make an effort to remedy that situation.

28. On the subject of co-ordination problems, he expressed satisfaction with the more realistic attitude which was being adopted. He was particularly grateful to the Special Committee on Co-ordination and the Secretariat for the documentation before the Council. The report of the Secretary-General on the work programme of the United Nations in the economic, social and human rights fields (E/4179/Rev.1 and E/4179/Add.1-18) in particular would enable the Council to make a thorough study and thus discharge the function of principal co-ordinating body which had been conferred upon it by the Charter. The adoption of practical measures was certainly difficult, but the goodwill of all concerned would enable many difficulties to be overcome. For its part, the Czechoslovak delegation would participate in all the Council's work in the desire to see positive results obtained.

29. Mr. ROOSEVELT (United States of America) said he was sorry that two speakers had felt obliged to repeat accusations against the United States which had been fully refuted by the statement made at the 1424th meeting by the head of the United States delegation, who had shown that all his Government's efforts were aimed at restoring peace. He drew the attention of the members of the Council to the positive and constructive aspects of that statement, which had apparently not been considered by the two speakers. Perhaps the statement would receive more attention in their capitals.

30. Mr. BARTON (World Federation of Trade Unions), speaking at the invitation of the President, said that recent modifications in the economies of many countries had had important repercussions internationally. The WFTU had consistently drawn attention to the increasing importance of international economic relations and their interaction with national economic conditions. It agreed, therefore, with what the Secretary-General had said about the role of the United Nations and the Council. The WFTU supported efforts to achieve a more rational international division of labour. World trends must be anticipated by taking appropriate measures in advance, for example in the matter of food stocks and the development of forest resources. But such projections should only be short or medium-term, for long-term projections were frequently upset by subsequent social and political changes. It would therefore be unrealistic to try to plan the world economy. He agreed with the Swedish representative's remarks on that point.

31. An increasing concentration of enterprises was now taking place in the developed countries. The progress of science and technology often required vast industrial and economic units. But that phenomenon also had unfavourable repercussions, namely the increase in monopoly power. The VIth World Trade Union Congress held in Warsaw in October 1965 had considered the problem and drawn attention to the harmful results of such mergers for the workers. In Western Europe and Japan especially, there was the problem of control measures to prevent the take-over of key sectors of the economy by United States firms. The United States itself had recently been confronted with the same problem in reverse.

32. The intensification of international competition, the concentration of enterprises, the progress of technology and automation, and financial and industrial reorganization raised new problems for the workers and trade unions. The trade unions were justified in demanding that the effects of the stagnation existing in some countries in industries like mining, textiles and shipbuilding should not be borne by the workers but by the economy as a whole, and in the first place by the firms which profited from the situation. In fact, despite the general economic expansion, more and more workers were being faced with unemployment or being forced to change their jobs, with consequent loss of earnings and higher taxes or social security contributions, in a context of faster-rising prices. The instability of employment raised a serious problem, particularly above a certain age. Measures to combat unemployment, to provide training and to develop depressed areas were essential elements of government economic and social policy. Development planning was practised by all, although the forms and objectives differed.

33. In countries where the market was dominated by private companies, and particularly by large firms, State intervention consisted merely of supporting and guiding the movement of the economy in the direction chosen by the private sector. Several of those countries were attempting to limit wage increases: within the Common Market, for example, the organs of the Community were themselves encouraging Governments in that direction.

The opposition aroused among the workers by those policies had led in recent months to unrest and strikes, as in France and in Great Britain. Workers in the Netherlands were trying to recover the ground they had lost after their sad experience of an incomes policy. The WFTU agreed with the view expressed by different trade unions that economic expansion could not be obtained by policies aimed at holding wages down and increasing the accumulation of capital in private hands. On the contrary, wages should be increased and prices controlled so as to permit a redistribution of the national income in favour of the working people and their families. The expansion of purchasing power in all those countries was bound to stimulate the domestic economy and increase imports from developing countries.

34. In most of the developing countries, the situation had shown little improvement in the past year, particularly because of their unfavourable trade situation, which had grown worse than it had been in 1964. The lack of progress was disturbing, despite the cautious hopes aroused by the establishment of UNCTAD. The failure of the negotiations on sugar and cocoa showed the difficulties encountered, and it was to be hoped that further efforts would be more fruitful.

35. The VIth World Trade Union Congress had discussed the efforts of the peoples in developing countries to achieve independent economic and social development, and it had reached the conclusion that private investors were exploiting the wealth of those countries and obstructing their progress.

36. The WFTU welcomed the steps taken by some developing countries to control the foreign sector of their economies. He drew the Council's attention to certain means of attracting foreign investment which might endanger national sovereignty over economic resources. Some investment codes, by giving not only economic concessions but also guarantees against risk, seemed particularly dangerous. Similarly, the proposed IBRD convention for the protection of foreign investments might infringe the economic sovereignty of the developing countries.

37. The increased attention being given to industrialization by the United Nations and its specialized agencies, as shown in particular by the establishment of the United Nations Organization for Industrial Development, must be welcomed. It was also noteworthy that the latest International Labour Conference had paid a great deal of attention to the problem, and had adopted a most important resolution relating industrialization to social progress and the development of vocational training. It was encouraging to note that in several countries industrialization was continuing despite all obstacles.

38. At the same time, industrialization was in many countries being held up by failures in agricultural output which forced the countries concerned to spend some of their foreign exchange resources on imports of foodstuffs. Referring to the various aspects of the problem and also to the efforts being made internationally to solve it, he stated that the chronic malnutrition from which those peoples were suffering was due partly to the inadequacy

of the available food supplies and partly to the very low purchasing power of the population. In that connexion he would suggest that the ILO, FAO and WHO should draw up a convention or recommendation to the Governments of the developing countries instituting the principle of an absolute minimum wage, which, embodied in legislation or collective agreements, would give everyone sufficient purchasing power to provide the number of calories needed for avoiding under-nourishment.

39. Land reform was also one way of dealing with the situation described above, and it was to be hoped that the work of the World Land Reform Conference, which had just been held in Rome, would further a solution of the relevant problems. The World Trade Union Conference for the Development of International Trade in the Interests of the Workers and Peoples, to be held in December 1966, was to give special attention to the problem of freeing from dependence on private capital the efforts to achieve industrialization and agricultural modernization.

40. The WFTU welcomed the steps recently taken towards increasing East-West trade and economic and technical co-operation. Many obstacles still remained; and there was still therefore a great deal to be done, especially since the last session of the Economic Commission for Europe had been somewhat disappointing. The World Trade Union Conference for the Development of International Trade would also study what action should be taken to do away with discrimination and positions of privilege in the world economy. For example, so far as concerned the problem of international liquidity, the WFTU shared the dissatisfaction of the developing countries, expressed in a letter to the Secretary-General of UNCTAD, at the prospect that the Group of Ten might adopt a plan in which only a few major countries could participate. Decisions on international economic and trade relations on a world scale must be taken within a framework favouring the widest possible international participation.

The meeting rose at 12.50 p.m.