

2063rd meeting

Friday, 8 July 1977, at 10.45 a.m.

President: Mr. L. ŠMÍD (Czechoslovakia)

E/SR.2063

AGENDA ITEM 3

General discussion of international economic and social policy, including regional and sectoral developments (*continued*) (E/5937 and Corr.1, E/5937/Add.1 and Add.1/Corr.1 and 2, E/5937/Add.2 and 3, E/5937/Add.4 and Add.4/Corr.1, E/5977-5980, E/5995, E/5996, E/CEPAL/1027

AGENDA ITEM 11

Assessment of the progress made in the implementation of General Assembly resolution 2626 (XXV) entitled "International Development Strategy for the Second United Nations Development Decade", 3202 (S-VI) entitled "Programme of Action on the Establishment of a New International Economic Order", 3281 (XXIX) entitled "Charter of Economic Rights and Duties of States" and 3362 (S-VII) entitled "Development and international economic co-operation" (*continued*) (E/5939 and Corr.1, E/5942, E/5970, E/5974, E/5981, E/5985, E/5991, E/5992, E/5994, E/5999, E/6001, E/6016)

1. Mr. SAOUMA (Director-General, Food and Agriculture Organization of the United Nations) said that he welcomed the opportunity to address the Council and wished that there were more opportunities to do so; it would be good for the United Nations system if there were more dialogue between those responsible for the organizations composing it and the Economic and Social Council.

2. The new international economic order would remain unattainable unless some decisive progress was made in food and agriculture as a whole, and specifically in certain areas identified at recent conferences. The establishment of that new order remained a primary aim for FAO, whose contribution would be an essential part of the process. That was one of the main ideas behind the work programme and budget for 1978-1979, which had just been adopted by the FAO Council. One of the most important points to be considered would be the prospects for the third development decade and the period following it. FAO would make a major contribution in the form of a forecast entitled "Agriculture: Horizon 2000". That and other economic studies, whose practical value was obvious, would have a priority position in FAO programmes.

3. The world food situation, although better than in recent years, required constant attention. In 1975 and 1976, world food production had been good; favourable price trends had led to an expansion in cultivated areas, and the supply of fertilizers and other inputs had improved. World cereal stocks (excluding those of China and the USSR) had increased in 1975/76 for the first time for three

years and were currently estimated at 159 million tons, or 17 per cent of annual consumption. A figure of that order was what FAO regarded as the minimum level for world food security. For the first time, there was an opportunity to implement the principles of the International Undertaking on World Food Security, and he hoped that it would be seized by the international community.

4. There were still, however, many long-term problems on which little or no progress had been made. Since the beginning of the 1970s, the average annual increase in food production in the developing countries had not exceeded 2.6 per cent, which was well below the 4 per cent target set for the Second United Nations Development Decade and reaffirmed at the 1974 World Food Conference. Recent production trends had likewise been unfavourable in some developing countries, particularly African countries and the poorest food deficit countries. The terms of trade of most developing countries had, moreover, further deteriorated.

5. Food aid in non-cereal products had risen substantially in 1975 and 1976. Cereal aid in 1976/77 had, however, totalled only about 8.3 million tons, well below the minimum annual target of 10 million tons recommended by the World Food Conference. Allocations for 1977/78, currently estimated at about 8.6 million tons, would also fall short of that target, although some members of the FAO Council considered that the target should be raised, in order to improve nutrition and build up reserves. Despite recently announced pledges, the target of 500,000 tons recommended for the emergency reserve stock of cereals had not yet been reached.

6. The main burden of solving the food problems of the developing countries lay on those countries themselves, but the developed countries, too, had an essential role to play in helping to create a climate more favourable to economic progress, establishing more favourable trading conditions for developing countries on world markets and increasing the flow of development assistance on concessional terms. It was a matter of concern that, after increasing in 1974 and 1975, pledges of external aid to agriculture had fallen off in 1976. The already large gap between the volume of external aid given and the amount required to speed up progress in agricultural production in the developing countries had widened further.

7. With regard to the crucial battle being waged by the United Nations system on behalf of the poorest and least privileged groups, FAO was stepping up its efforts in conjunction with other specialized agencies to prepare for the World Conference on Agrarian Reform and Rural Development, which was to take place in 1979. It was essential to ensure that the Conference avoided semantic and sociological disputes and produced practical results.

8. The main intergovernmental bodies of FAO for agriculture, fisheries, forestry and commodities had recently held fruitful meetings, which had shown that member countries considered the activities of FAO to be appropriate, vigorous and viable. The FAO Committee on Commodity Problems had expressed its concern at the grave situation in agricultural trade and had noted the disappointment and resentment of the developing countries at the lack of tangible progress in that field. It had been agreed that all countries had a common interest in fostering the stabilization of commodity prices and supplies within a framework of expanding trade. It had been generally accepted that the problems of developing countries, particularly those experiencing serious balance-of-payments difficulties, should receive priority treatment in the negotiations. The Committee on Commodity Problems had also welcomed the close working collaboration that had developed between the FAO secretariat and UNCTAD, and had given guidance on the role and responsibility of FAO in implementing the decisions resulting from the UNCTAD negotiations. Lastly, the Committee had proposed practical guidelines for the various intergovernmental groups dealing with commodities not covered by the UNCTAD Integrated Programme for Commodities.¹

9. The Committee on Agriculture had discussed certain subjects of major importance, including the reduction of food losses, especially post-harvest losses, which had aroused keen interest at the World Food Conference. The General Assembly, at its seventh special session, had called for a 50-per cent reduction in post-harvest losses by 1985, and in November 1976 the FAO Council had requested the submission of a proposal for the establishment of a \$20 million fund for the purpose. The question was one of outstanding importance; even if post-harvest losses were estimated at 10 per cent of the total harvest—a figure far below the real one—halving them would make it possible to save a quantity corresponding to roughly half of the developing countries' cereal and coarse grain requirements in 1985. The resulting savings in foreign exchange could exceed \$7,500 million a year. His proposed programme of action in that area had been endorsed by the FAO Council, which had considered it to be practical and economically feasible, and FAO wished to act speedily in launching it. In doing so, it would rely on the support of Governments of member States, since a relentless battle would have to be waged for many years to come in order to end the present deplorable losses in food products.

10. That programme illustrated the capacity of FAO as a specialized agency in two ways. Firstly, it showed its ability to organize, co-ordinate and, where requested, ensure the use of funds, both from the regular programme and from extra-budgetary sources, for the execution of specific programmes. FAO had already demonstrated its efficacy with its programmes on milk, meat, fertilizers, genetic resources, seed and food-security assistance. It was now launching a new programme which might prove to be the most important and far-reaching of all.

11. Secondly, the programme illustrated the new look acquired by FAO. A far-reaching review of the programmes and structure of the organization had been completed, and the Director-General's proposals designed to give FAO a new impetus had been approved by the FAO Council at its sixty-ninth session in July 1976. There were four main aspects: firstly, heavy cuts in headquarters bureaucracy, general or over-theoretical studies, over-numerous and verbose publications, and unnecessary or unproductive meetings; secondly, greater efforts to promote investment for food and agricultural production; thirdly, the establishment of a technical co-operation programme which, within a framework of carefully defined criteria and limits, would enable FAO to respond promptly and flexibly to requests from developing countries for urgent and short-term assistance and would complement and stimulate other sources of technical assistance rather than duplicate them; and lastly, decentralization at the country level.

12. A year had passed since the new FAO strategy had been put into effect. The summary programme of work and budget for 1978-1979, which he had submitted to the FAO Council at its seventy-first session, consolidated and extended the new strategy. The FAO Council had found his proposals to be well-conceived and realistic, and he had been greatly encouraged by the harmony and near consensus of the views expressed. The establishment of FAO country offices had received full support, and he had already received about 50 requests for such offices. Council members had recognized them as an essential feature in strengthening field programmes at the national level. The new FAO Technical Co-operation Programme had been generally welcomed by the FAO Council as an essential element of the activities of FAO, a large majority of delegations finding that it had already proved useful and well adjusted to the needs and that it involved no duplication.

13. The concern in certain quarters regarding consistency and co-ordination appeared to him to be exaggerated. If the aim was really to control or reduce the amount of aid, regardless of its purpose, he would be unable to help, since his objective was not to reduce aid but to increase it. At the same time, he had to ensure, that the aid furnished by FAO was used appropriately and that there was no competition among different sources. It was clear to him, however, that the main co-ordination effort had to be made at the country level. He had therefore done everything possible to ensure that the relations between FAO and UNDP were particularly close in the field, where FAO experts also worked together with their national counterparts at all times. The relations between FAO and the UNDP resident representatives were generally harmonious, and he would make every effort to ensure that they continued to be so, in the interest of the developing countries, which themselves provided the bulk of the resources for their development. There was a need for a global view of development priorities, which had hitherto been lacking. That was shown by the number of world conferences held in recent years, each producing far-reaching recommendations on new activities and, in some cases, the establishment of new institutions and funds. Such a proliferation of conferences and institutions had obviously raised problems for Governments, and, above all, for those of the developing countries.

¹ See *Proceedings of the United Nations Conference on Trade and Development, Fourth Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.76.H.D.10), part one, sect. A.1, resolution 93 (IV).

Within the United Nations system, such a global view could best be defined within the framework of the Economic and Social Council. He hoped that the Council would be able to fulfil that task, preferably without upsetting the present arrangements and procedures. Neither he nor the majority of Governments of member States of FAO believed that the centralization of operational responsibilities or funds could provide the necessary solution. Neither did they believe in co-ordination for its own sake, which was likely to result in a plethora of theoretical studies and inter-agency meetings, creating duplication rather than preventing it. On the contrary, they believed that the strength of the United Nations system lay in diversity, decentralization and flexibility; a consolidation of operational activities and funds would increase the vulnerability of the system. Furthermore, as the example of IFAD had shown, the creation of new funds could attract additional resources. The attainment of the target of \$1,000 million in pledges to IFAD in 1977 was a great step forward, offering the prospect of the Fund's early establishment. FAO would co-operate fully with IFAD, as it had done with the World Bank, through the FAO Investment Centre. It was well equipped to do so. In 1976, it had identified and prepared 38 projects involving total investment of more than \$1,500 million financed by multilateral and national banks, in addition to its work with the World Bank, whose loans to the food and agriculture sector had grown substantially and, it was hoped, would grow even more in future. The President of the World Bank and himself had recently agreed to expand their co-operative programme during the next biennium.

14. The activities he had described would ensure that FAO could be a dynamic element, helping to solve the basic problems of food and agricultural development. The search for equity in the relations between rich and poor, at the national and individual levels, would be virtually meaningless so long as the world food problem remained unsolved. The needs of the rural areas in the greater part of the world must not be neglected. The food problem was not merely a theme for one world conference, or a pretext for creating new bureaucratic empires or debating institutions. On the contrary, it was essential to be able to offer rational policies and effective scientific and technological help to those in need of them. The political, economic and cultural differences among the members of international organizations were such that the path to agreement and co-operation was bound to be strewn with obstacles. He nevertheless believed that the United Nations system was capable of promoting international co-operation and practical action and he was convinced that FAO could contribute decisively to the success of such efforts.

15. Mr. HJORTH-NIELSEN (Denmark), speaking on behalf of the European Economic Community, observed that the sixty-third session of the Economic and Social Council was taking place after the conclusion of the important negotiations within the framework of the Conference on International Economic Co-operation in Paris. The General Assembly would undoubtedly have to give thorough consideration to the outcome of that Conference at its resumed thirty-first session and its thirty-second session. The member States of the European Economic Community considered the results of the Paris Conference to be generally positive and constructive. They were aware

that it had not been possible to meet all the demands of the developing countries or to serve all the interests of the industrialized countries. The Conference had, however, represented an important stage in the dialogue between developing and developed countries. Despite the great complexity of the problems involved, substantial progress had been made in a number of areas. That had been made possible only by the determination of all participants to reach agreement on some very important issues. What now had to be done was to translate the agreements into practical action. The Community and its member States pledged their full co-operation in the implementation of the agreements reached at the Conference and hoped that the discussions would have laid the foundation for further constructive negotiations within the United Nations system and other appropriate bodies. The Community had made a constructive effort to contribute to a positive outcome at the Paris Conference. It had submitted various proposals which had formed a valuable basis for discussion during the negotiations. The delegation of the Commission of the European Communities would comment, on behalf of the European Economic Community, on the results of the Conference in its statement to the Council, to be made in its capacity as observer.

16. The present North-South dialogue, however, had begun not with the Paris Conference but with the direct involvement of the entire United Nations system in all aspects of development—an involvement which had first found expression in 1961 in the adoption in General Assembly resolution 1710 (XVI) of the strategy for the first United Nations Development Decade and had been taken a stage further by the adoption of the International Development Strategy for the Second United Nations Development Decade in 1970 in General Assembly resolution 2626 (XXV), with its elaborate review and appraisal machinery. The sixth and seventh special sessions of the General Assembly and the fourth session of the United Nations Conference on Trade and Development had been important milestones in the continuing dialogue, and the final report of the Conference on International Economic Co-operation expressed the view that the dialogue should continue. It would in fact be pursued during the Council's session, in UNCTAD, and in particular by the General Assembly at its thirty-second session when it took up the substantive issues dealt with at the Paris Conference.

17. One of the important consequences of the Paris Conference was undoubtedly the fact that a broader understanding of the various complex problems involved and of the positions of the participants had developed during the negotiations. That mutual understanding would be of great importance in future work. The Community and its member States were determined to maintain the spirit of co-operation shown at the Paris Conference.

18. Turning to the assessment of the implementation of the International Development Strategy for the Second United Nations Development Decade, which was one of the main tasks of the Council at its present session, he said that the six years which had passed since the launching of the Strategy had been remarkably eventful. The over-all picture had changed fundamentally, both with regard to the background situation against which the assessment had to

be made and to the new ideas which had since been introduced. Considering the severe shocks to which the international economy had been subjected in the first half of the 1970s, however, the framework of international co-operation on which the Second Development Decade was based had proved surprisingly resilient.

19. The present world economic situation was still precarious. Some developed market-economy countries, including countries of the European Economic Community, were still facing high rates of inflation and unemployment. There were indications that the economic recovery would not be as fast as had been hoped. At the same time, developing countries, and particularly the poorest among them, had felt severely the repercussions of the slow-down in economic growth. Economic and social problems were a common concern in a world of interdependent States, and there was therefore a need for all countries to contribute as much as possible to a sustained recovery of international economic activity. The International Development Strategy had to be viewed in the light of all those considerations, which were bound to influence the assumptions underlying it.

20. According to table 3 in the report of the Committee for Development Planning on its thirteenth session (E/5939 and Corr.1), the average annual rate of growth of the developing countries as a whole during the period 1971-1975 had been 5.6 per cent — close to the target of 6 per cent specified in the Strategy. It was rightly pointed out (*ibid.*, para. 27), however, that the growth rates of the individual developing countries varied strikingly, and it was significant that in the low-income developing countries the average annual rate had been only 3.5 per cent.

21. One of the main lessons to be drawn from the Strategy, therefore, was that for the remainder of the Second Development Decade strong emphasis had to be placed on the development problems of the poorest countries. Recognition of that fact at the Paris Conference had led to the proposal of the European Economic Community for a \$1,000 million "special action" by the participating industrialized countries to meet the urgent needs of individual developing countries among those least developed and most seriously affected.

22. The most discouraging feature of the first half of the 1970s had been the poor performance of the agricultural sector. During the period 1971-1976, the growth of agricultural output had been no more than 2.5 per cent per annum—far short of the 4 per cent called for in the International Development Strategy. The countries of the Community, which recognized the need to focus attention on the agricultural sector in the developing countries, had made a substantial contribution to IFAD, which they hoped would soon become operational.

23. The outlook for agricultural and industrial growth in the poorest countries was sombre. The figures for the first part of the decade showed that, whereas *per capita* income in the developing countries as a whole had grown at an annual rate of 2.9 per cent, the figure for the poorest countries had been only 0.9 per cent. That fact emphasized the urgent need for a sustained increase in agricultural

production and for appropriate steps by Governments to reduce population growth rates.

24. During the first six and a half years of the Second Development Decade, there had not only been a drastic change in basic economic conditions; the period had also seen the development of a number of important new ideas which would have a great impact on the remainder of the Decade and on the strategy for a third development decade. In addition to the establishment of a new international economic order, the most important new ideas were those of "basic needs" and "collective self-reliance", which, together with a number of other ideas formulated at a number of United Nations conferences during the period, deserved further examination.

25. The "basic needs" concept implied that Governments in developing countries should concentrate on meeting the needs of the poor masses through programmes related, for example, to health, education and shelter and should seek to include those sections of the population in the development process. It was central to the development policy of the European Economic Community and its member States, which firmly believed that all international development efforts should be directed towards that goal. The Chairman of the Committee on Review and Appraisal had rightly observed that development was not about statistics but about people. Experience had shown that economic growth in itself did not automatically improve the position of the poorest. Only determined action by Governments to meet the basic needs of all their citizens could ensure a just distribution of the benefits of the development effort.

26. The concept of collective self-reliance was not new to the European Economic Community and its member States, which, in UNDP, had always supported global, regional and interregional projects aimed at furthering economic co-operation among developing countries. They looked forward to hearing about ways of strengthening the activities of the United Nations development system in that area at the United Nations Conference on Technical Co-operation among Developing Countries to be held in 1978. It must also be borne in mind that one of the principal aims of the Lomé Convention² was to help developing countries to establish the necessary infrastructure for increasing economic co-operation with other developing countries.

27. The countries of the Community were aware of the need for urgent action during the remainder of the Second Development Decade and had taken a number of specific measures, outlined in their reply to a communication of the Secretary-General of October 1976, as their contribution to the present appraisal of progress made in the context of the International Development Strategy. The Community had consistently fought the tendency to restrict free trade in the present difficult economic situation, and there had been no retreat into protectionism. It would expand trade opportunities in order to strengthen the open international trading system. The Community was the largest single

² Convention between the European Economic Community and 46 African, Caribbean and Pacific States, signed at Lomé, Togo, on 28 February 1975.

export market for the developing countries, absorbing about a third of their total exports. The principal instrument in the area of trade was the GSP, which had been progressively improved since its introduction in 1971.

28. The European Economic Community and its member States attached the greatest importance to the GATT multilateral trade negotiations. Since tropical products had been given special priority in the 1973 Tokyo Declaration,³ the Community had, in April 1976, offered trade concessions to the developing countries for such products. Those measures, which had become effective at the beginning of 1977, constituted the first substantial result of the multilateral trade negotiations. The Community would give new impetus to those negotiations, its objective being to make substantive progress in key areas in 1977, taking into consideration the structural changes in the world economy.

29. At its present session, the Council would have to tackle a great number of important issues, including the restructuring of the economic and social sectors of the United Nations system. Although the final report of the *Ad Hoc* Committee on the Restructuring of the Economic and Social Sectors of the United Nations System⁴ would, unfortunately, not be before the Council at its present session, he hoped that it would be possible to use the time available to seek solutions to outstanding questions. The Community and its member States had contributed in the past by submitting a number of documents outlining solutions to the difficult problems being tackled. It would continue to do so, with a view to bringing the negotiations to a positive conclusion and thus enabling the United Nations to play the important role in the economic and social fields envisaged in the Charter of the United Nations.

30. The many specific questions with which the Council would have to deal should not, however, prevent it from concentrating on what should be its essential tasks: first and foremost, to co-ordinate the activities of the United Nations in the economic and social sectors; secondly, to initiate new policies in those sectors, acting as a sounding-board for new ideas; and, lastly, to give reality to the concept of interdependence, not only with regard to relations among countries but also with regard to the relationship between the great variety of issues before it. Only if the Economic and Social Council could contribute to the realization of those three goals would it have fulfilled its central function in the United Nations system.

31. Mr. RICHARD (United Kingdom) said that the Council was meeting at a time which was particularly appropriate for taking stock of developments in international economic and social co-operation. It was, of course, not easy to measure how much had been achieved, but, in terms of volume, intensity and effort, discussions on relations between developed and developing countries had

reached unprecedented levels during the past six months. It could fairly be said that the dialogue between developed and developing countries had been joined and that some of the benefits were becoming apparent.

32. Against that background, and with the General Assembly due to meet in a few weeks' time, the scope for major innovative action by the Council must be limited. However, under agenda item 11, it had to assess the progress made since the beginning of the Second Development Decade, and more particularly in the three years since the sixth special session of the General Assembly. Building upon the foundation laid by the Committee for Development Planning and the Committee on Review and Appraisal, the Council should seek to produce a realistic evaluation which would put the international community in a position to consider what might come after the existing International Development Strategy and what the basis should be for moving towards a new international economic order in the 1980s.

33. He fully endorsed the assessment of the most recent developments just made by the representative of Denmark on behalf of the European Economic Community. He wished, however, to concentrate on those elements of the dialogue which did not collectively lie within the responsibility of any organ of the United Nations other than the Council and the General Assembly itself.

34. The first aspect he wished to consider was the restructuring of the economic and social sectors of the United Nations system. Getting the right institutions would not of itself solve the problems, but the General Assembly at its seventh special session had been right to treat restructuring as an integral part of the task of development and international economic co-operation. His delegation shared the developing countries' concern at the fact that the existing United Nations system had not been sufficiently responsive to their needs. It would like there to be an increase in the role and responsibilities of the Economic and Social Council, a strengthening of the United Nations Secretariat's capacity for research and analysis, in order that it should be given the intellectual authority necessary to provide effective support to the Council in exercising its responsibilities for co-ordination throughout the whole of the United Nations system, and the making of the United Nations into a more efficient mechanism for the flow of development assistance, not only so as to ensure that more resources were safeguarded from the dangers of bureaucratic attrition but also in order to make the United Nations more attractive to donor countries and thereby to increase the actual flow of resources to those who most needed them.

35. His delegation was prepared to support radical proposals for change, provided that they were based on a thorough analysis of the shortcomings of the present system and offered a prospect of improved performance. It was regrettable that the *Ad Hoc* Committee on the Restructuring of the Economic and Social Sectors of the United Nations System had been unable to agree to recommendations in time for the Council's current session, since they could have provided the stimulus for the Council

³ Declaration of Ministers, approved at Tokyo on 14 September 1973 (for the text, see GATT, *Basic Instruments and Selected Documents, Twentieth Supplement* (Sales No. GATT/1974-1), p. 19).

⁴ *Official Records of the General Assembly, Thirty-second Session, Supplement No. 34 (A/32/34)*

to assert its authority and discharge the role assigned to it by the Charter.

36. With regard to the substance of the dialogue, his Government shared the Secretary-General's concern for social justice and agreed that the new order had not only an economic aspect but also a human dimension. No amount of statistical sophistication could fully convey all the unpleasant realities that lay behind the differences between a *per capita* income of \$200 and one of \$5,000. The deprivation of the most basic necessities of life being experienced by so many people made a major attack on world development the most pressing task of the present day. There was an increasing acceptance of the fact that economic development embraced not only economic growth but also fundamental changes in the way people lived. Economic activity was a means rather than an end and must be consistent with the ultimate dignity of the human being.

37. The United Nations had to its credit a series of conferences on social and economic issues which went to the heart of the problem of attaining certain minimum standards of living in all countries. The interaction of those meetings and the more exclusively economic discussions proved that a distinction between the economic and social aspects of development was untenable. It was also necessary to be very careful about drawing a distinction between economic and social rights and civil and political rights. People's right to live their lives with a proper degree of self-expression had been recognized in the Charter and the International Covenants on Human Rights. The commitment to close the gap between the richest and the poorest nations sprang from a moral imperative. A comprehensive system of values was indivisible: the pursuit of economic development and the maintenance of fundamental political and civil rights were not mutually exclusive but were fundamentally linked. The United Kingdom's position on human rights was based on the belief that it was necessary to promote universal values without which no society could be judged to be humane, tolerant and democratic. Each developing country would wish to follow its own path in the light of its own circumstances, traditions and aspirations, but he hoped that the developing countries could learn from past errors of older countries and avoid some of the inequities and strains experienced in their development. His country fully respected and supported the efforts being made to develop indigenous political, economic and social systems within a framework of basic concern for fundamental human values.

38. The Council had an opportunity to draw up an assessment which would provide a basis for constructive work designed to achieve minimum decent living standards for all countries and all individuals. The international community should adopt a more pragmatic approach in assessing development needs, tackling individual problems country by country and region by region. Generalized solutions should give way to responses designed to suit the circumstances of each developing country and based on the development path which it itself wished to follow. That approach was more constructive than one based on a theoretical appraisal of the needs of the developing countries as a whole.

39. Mr. YOUNG (United States of America) said that whatever specific issues might be discussed at the present session, the object of the United Nations and of its Member States was to marshal their resources in such a way as to bring the greatest lasting benefit to the greatest number of people. That matter could not be handled by economists, administrators or other experts alone, but required the will of Governments and ultimately the commitment of the people they represented. Such a common political and public will had never been more important, for the world stood at the threshold of a new era. The nations of the developed and the developing world had passed through a difficult period but now knew that they could and must co-operate and that their aspirations did not differ as much as had been thought. That search was an evolving process which must be open to the ideas of all concerned, since no single blueprint could establish immutable and final answers to all problems. It was a never-ending process towards objectives that must be constantly readjusted, and it involved perseverance with valid concepts, but also willingness to adopt new ideas and to abandon or revise those that proved unworkable. The only unchangeable element was the fundamental purpose: the achievement of economic justice for nations and for people.

40. The aspirations of the developing countries to achieve economic justice had come to be symbolized in the phrase "new international economic order". The concept of such a new system was supported by his country and particularly by its present Administration. The difficulties that the United States of America had with the particular phrase "new international economic order" had arisen from its association with two resolutions adopted at the sixth special session of the General Assembly (3201 (S-VI) and 3202 (S-VI)), on which the United States had had, and maintained, serious reservations. It had not, however, objected to those two resolutions in their entirety and could in fact agree with much in them. Consequently, the United States would be able to support the new order as a broad evolving concept, but it would be unable to join in when asked to endorse or implement the provisions of the resolutions of the sixth special session as a whole, or to criticize itself for not doing so. Since the international economic order was a system of relationships among all nations, the process of change must be through an evolving consensus that took into account the economic systems, interests and ideas of all countries. What was under discussion was a broad framework for dialogue and progress, a process as much as an order, and the process must be dynamic rather than stagnant. The time seemed ripe for that type of exchange, since the nations of North and South were realizing that the common search for new ideas was more fruitful than mutual distrust.

41. The Conference on International Economic Co-operation, at which international economic problems had been discussed in a small but representative forum, had reached agreement in a number of key areas, although in others there was not yet any agreement. Most important of all, the countries concerned had come to appreciate not only each others' views and positions, but also the reasons for them, derived from national conditions, tradition and philosophy. The thirty-first session of the General Assembly had been held open in order to review the results of that Conference.

In that way, all questions concerning the evolution of the world economy returned for discussion to the United Nations; in its highest forum, the General Assembly, all Member States were represented and each delegation had the chance to express its national vision of the future and give the opinion of its Government on problems and proposals for economic co-operation.

42. One advantage to be drawn from the special nature of the Economic and Social Council, with its smaller but equitably selected membership and closer link to specific problems, was that it could be used for a more open dialogue, for a kind of consensus-building. His Government wanted the United Nations and all its organs, including the Economic and Social Council, to be as effective a means as possible of making continuous economic and social progress. That called for a maximum of co-operation and of openness to new ideas in the restructuring of the economic and social sectors of the United Nations system. His delegation had been taking an active role in the *Ad Hoc* Committee on the Restructuring of the Economic and Social Sectors of the United Nations System, which was working hard to prepare a text for consideration at the resumed sixty-third session of the Council, before submission to the General Assembly at its thirty-second session.

43. One of the United Nations organs which had most reflected the aspiration for change was UNCTAD. His Government had been participating fully in its work on commodities within the framework of the Integrated Programme for Commodities. It looked forward to the conclusion of a number of commodity agreements and supported the establishment of a common fund to help to finance them. He had discussed with the Secretary-General of UNCTAD ways in which United States co-operation could be strengthened in all areas of UNCTAD responsibility.

44. His Government was also anxious to strengthen the work of the regional commissions. It welcomed the constructive attention given at the seventeenth session of ECLA to the urgent need to combine social justice and economic development so that the poorest people of the region might share in its impressive growth. He also referred to the important work of the United Nations Water Conference, held at Mar del Plata in March 1977, and of the United Nations Conference on Desertification, to be held at Nairobi from 29 August to 9 September 1977. With regard to the first session of the Committee on Science and Technology for Development held in February 1977 in its capacity as Preparatory Committee for the United Nations Conference on Science and Technology for Development, his delegation was disappointed at the excessive emphasis on personnel questions which seemed to have marked the preparatory work. The United States Government remained willing to ensure the fullest co-operation with the Conference by the United States business community, universities and the entire scientific community and to serve as host. The Council had a special responsibility to ensure the success of the Conference.

45. The greatest contribution that the application of science and technology could make was to the realization

of human potential. Hence, technology was not to be viewed simply as a package to be handed over. The basis for any transfer of technology was education, training and research conducted with the needs of the developing countries in mind so that modernization could really take root in the recipient country. Governments must collaborate in an effort to ensure that the technology provided was truly applicable to the needs of the country concerned. Private and state-owned enterprises, in market-economy countries and in industrialized socialist countries, in the developed and developing world alike, could and must contribute to the expansion of industrial capacity throughout the world. It should not be forgotten that transfers of real resources through investment were well in excess of those arising from official development assistance. International investment, moreover, could help to increase human capacities through the development of industrial skills. When business was established in a developing country, new generations of technicians and scientists could be trained in that country according to needs. Developing countries themselves must decide whether they wanted investment and under what conditions, which must be understood by both parties to any agreement. Developing countries on every continent and with every economic philosophy had learned that they could reach agreements with multinational corporations that fully took into account their interests, their development priorities and their national sovereignty. Under the United States system, the Government could not dictate to business interests with regard to the transfer of technology or the establishment or redeployment of industries. Investment implied freely negotiated contracts, respect for the rights of the investor and mutual benefits, and the decision of American business to invest would depend largely on the conditions set by host countries. The United Nations could help in clarifying the conditions under which mutually acceptable arrangements were possible.

46. The United States had participated actively in the Intergovernmental Working Group, established after the second session of the Commission on Transnational Corporations in 1976, to develop a code of conduct relating to those corporations. Areas of serious difficulty remained, but it was hoped that a satisfactory code would eventually be established. In the same spirit a realistic and balanced code of conduct or guidelines should be developed for the transfer of technology.

47. His Government attached the highest priority to the work of the *Ad Hoc* Intergovernmental Working Group on the Problem of Corrupt Practices established in pursuance of Council resolution 2041 (LXI), and would examine its report on its first, second, third and resumed third sessions (E/6006) with interest. Since there was fundamental agreement on the problem of illicit payments, including bribery, his delegation hoped that, in considering the report of the *Ad Hoc* Working Group, the Council would make the necessary arrangements to complete the negotiation of an international agreement. Work on such an agreement should not detract from continuing efforts to formulate a general code of conduct on transnational corporations. In fact, the two efforts were complementary.

48. In all the Council's deliberations, it must never lose track of the basic needs of human beings, particularly those

of poor nations and poor people in every nation. There could not be lasting economic development without social justice, and there could not be social justice unless the fruits of the expansion of the world economy were equitably shared and served to attain the goals of economic development. Fixation on growth rates and economic targets, if carried to excess, could be self-defeating, as it might divert attention from overcoming poverty and the gross imbalance between rich and poor. A new international economic order did not mean only equality of opportunity for all States to share in the continued expansion of the global economy, but also equality of opportunity for all people within those States. If all people were to join in building a better society they must be assured of their basic human needs. No group of countries could disclaim responsibility for participating in the universal endeavour to meet those needs and all should look on it as a new and vital dimension in a broader strategy of development. It would not be designed to supplant programmes to develop the infrastructure and productivity of developing countries, which were essential if those countries were increasingly to assume the burden of meeting the basic human needs of their own people. The process of studying how to meet those needs should begin at various levels in central and specialized bodies of the United Nations and in the regional commissions. All Member States should pool their ideas on how the United Nations could best contribute to that common effort. An encouraging example was the action taken by the World Food Council at its third session in June 1977, when it had recognized the need for additional assistance from traditional and new donors, while calling attention to the need for self-help measures and proper priorities within the developing countries themselves, in the interest of meeting the needs of the poorest sections of their population.

49. The United States had pledged itself at the Conference on International Economic Co-operation to a substantial increase in the economic assistance it provided both bilaterally and through international institutions, but its capacity would depend on the state of its own economy, which, like most others, had been struck by a series of shocks culminating in the worst inflation and the worst recession in decades. While it had been more successful than some others in recovering from those immediate shocks, some severe problems remained. Unemployment was high and inflation rates remained unsatisfactory. His Government had therefore set itself the goal of reducing the rate of inflation further through co-operation with business and labour and of bringing its rate of unemployment down to 4 3/4 per cent by 1981, a rate that was close to normal in a highly mobile labour force, but was still too high a cost in human suffering. To achieve that result, the economy would have to grow at a real rate of about 5 per cent per year.

50. Those goals could be realized only if an important change took place within the country. The Government had therefore given priority to restoring confidence that stable and sustained economic growth was attainable. Words alone could not promote that change. The Government must show its own capacity to contribute to such a stable environment through the economic lever most directly under its control, namely, the budget. It had therefore set a

goal of attaining a balanced budget by 1981 and sustaining it thereafter. Since decisions taken in 1977 would affect budgets years ahead, they must be taken with that goal in mind.

51. Those considerations would continue to be important for his country's national and international economic policy in future years, but it would not conduct that policy in isolation. It must be remembered that all peoples lived in an international economic system based on interdependence. When industrialized countries contributed to the development process in the third world, they laid a basis for a greater general level of prosperity and economic development, which in the end would benefit all nations, including themselves. Similarly, healthy economies in the industrialized countries increased their capacity to provide assistance, markets and investments benefiting developing countries. Interdependence also meant that failure to consider the impact of decisions on other countries could do great harm. His country took its responsibility in that respect most seriously. Any new international economic order must fully respect the sovereign rights of nations to maintain their own economic systems, but also required that decisions made within each system must fully take into account the needs of others. While his country could not immediately fulfil every hope and expectation, it would not forget its responsibilities as a member of a world community of interdependent States.

52. Mr. JURASZ (Poland) said that the Council's general debate at the current session had a special significance in the light of the world economic situation. It would be approaching the matter within the context of its appraisal of the progress made in implementing the International Development Strategy, the Charter of Economic Rights and Duties of States and the decisions of the United Nations General Assembly at its sixth and seventh special sessions designed to bring about a new international economic order. Growing relations between national economies, together with the existing and newly emerging global problems, called for an international approach and co-operation in a climate of lasting peace and world security. Social and economic progress in individual countries and regions was a vital component of comprehensive development on a global scale. Poland therefore viewed with serious concern the gap between the developing and developed market-economy countries, which had recently widened on account of developments in certain parts of the world economy. It was in the interests of all that the world community should strive for the sustained development of all countries, in particular the developing ones, in order to bridge the economic and technological gap.

53. Poland fully supported the continuing efforts of the developing countries to achieve economic independence, which was an essential basis for their political independence. Those efforts, however, needed to be supported by broad-based international co-operation in conditions of equality, mutual advantage and full respect for the interests and national sovereignty of States.

54. The world economic situation gave cause for serious concern and called for common action. Although the

position was less alarming than a few years before, it was fairly certain that in the present decade market economies would register lower rates of growth than in the previous decade. That, combined with the large-scale unemployment of the labour force and productive capacity in the Western world, did not favour world-wide economic co-operation. Protectionist tendencies, involving the maintenance of discriminatory measures and the introduction of new barriers, and hence slowing down the process of the liberalization of international trade, merely added to the uncertainties in current international economic relations. Those tendencies in fact ran counter to the expansion of international economic co-operation and did not facilitate development efforts, particularly in the developing countries. The world's socio-economic problems were extremely complicated. The simplistic idea of a self-adjusting market, including monetary mechanisms, had been revealed as wishful thinking, and there was no longer any hope of the automatic functioning of the development process. There was now an urgent need for new ways and means of guaranteeing a steady and balanced social and economic development throughout the world.

55. Individual Governments themselves were responsible for the choice of such ways and means, and the role of the United Nations should be to provide every possible assistance to achieve international co-operation in solving international economic and social problems.

56. One of the basic problems of all Governments in programming their development was to acquire reliable information on medium and long-term economic trends. To that end, continuous studies of the trends of economic development in the interdependent regions of the world and in the world economy as a whole were essential. Scientific conclusions could then be drawn as to the most promising directions for future economic co-operation. The studies prepared hitherto, although of interest, were no basis for Governments' decision-making, because of the major differences in their forecasts of the future of the world economy, and, in some cases, their questionable analytical methods. The United Nations itself should respond to the demand for reliable studies in accordance with General Assembly resolution 3508 (XXX), which gave a firm mandate for the examination of long-term trends in the economic development of the regions of the world.

57. Now that the Second United Nations Development Decade was coming to a close, it was regrettably apparent that its main targets would not be attained and that only a few countries of the developing world fared better than at the beginning of the decade. Poland shared the anxiety of the developing countries about their future economic growth; the outcome of the Conference on International Economic Co-operation had proved that world economic problems could not be dealt with in a limited context. As many countries had not participated, they would understandably not feel bound by any decision or conclusions arrived at in that forum.

58. Poland, together with other socialist countries, had supported the aims and ideas of the Second United Nations Development Decade. As stated in the socialist countries'

joint declarations,⁵ the achievement of those aims depended on the fulfilment of a number of pre-conditions, such as the complete abolition of all forms of colonial and neo-colonial exploitation of the developing countries, the implementation of social and economic reforms, including development planning, and the maximum mobilization of internal resources. External development financing should be regarded only as a supplement to the efforts of the developing countries themselves. In many cases, other forms of development assistance proved effective. Furthermore, international co-operation and technical assistance should not be regarded as a universal remedy for social and economic ills.

59. For countries at a less advanced stage of economic development, therefore, dynamic economic development policies appeared to be most suitable even if they led to temporary trade deficits or the strains which often accompanied rapid development. Poland supported all moves to expand world trade and to counter the rising wave of protectionism. It agreed with the Secretary-General (2061st meeting) that industrialized countries were tempted to forget what international trade had done for them in the past quarter of a century. Poland was therefore in favour of speeding up the multilateral trade negotiations and the preparation of all measures and instruments which might boost international trade and economic co-operation.

60. Poland had contributed to the success of the Second Development Decade to the extent of its ability. With the aim of increasing co-operation with developing countries, it had concluded long-term trade and financial agreements with many of them, as well as agreements on economic, scientific, technological and industrial co-operation. They provided mostly for the supply by Poland of complete factories and of machinery and equipment for branches of industry in which Poland was well advanced, giving developing countries an opportunity to expand their industrial potential on advantageous terms and without any strain on their balance of payments. There had consequently been a steady development of economic co-operation and trade between Poland and the developing countries; the volume of trade turnover in 1976 had been 318 per cent higher than in 1970. In that same period there had been a rapid increase in Poland's imports of manufactured and semi-manufactured goods from the developing countries. Poland had also given assistance in personnel training, economic planning and public administration.

61. Poland itself had made considerable economic progress in 1976, with a high rate of growth both in industrial production and in national income, under conditions of full employment and intensive expansion of the country's productive potential. Those results were fully consistent with the targets that had been set. In spite of the adverse

⁵ See the joint statements by the socialist countries submitted to the General Assembly at its twenty-fifth and twenty-eighth sessions (*Official Records of the General Assembly, Twenty-fifth Session, Annexes*, agenda item 42, document A/8074, and *Twenty-eighth Session*, document A/9389) and the joint statement contained in annex C to agreed conclusion 152 (S-VIII) adopted by the Trade and Development Board at its eighth special session (see *Official Records of the General Assembly, Thirty-second Session, Supplement No. 15 (A/32/15)*, vol. I, annex I).

impact of world economic conditions, Poland had managed over the past six years to increase its national income by 70 per cent and its industrial output by 88.5 per cent, improving considerably the living standards of the population.

62. It owed a certain degree of success to its growing involvement in the international division of labour. International co-operation in trade and related fields had become a permanent factor in the country's internal and foreign economic policies, and its co-operation within CMEA had also contributed to its dynamic development. One of the policies of the members of CMEA was to broaden their economic relations world-wide. At its last session, CMEA had decided in favour of providing all-round assistance to newly liberated countries and strengthening peaceful coexistence and equal and mutually beneficial co-operation among countries with different social systems. In that connexion, the proposed agreement on the principles governing relations between CMEA and the European Economic Community was significant. Economic co-operation between countries with different social systems had every chance of positive development, particularly in the light of the Final Act of the Conference on Security and Co-operation in Europe. In view of the dynamic expansion of the economies of CMEA countries, their partners could rely on continued co-operation despite a recession and sluggish trade in the West. Experience showed that trade with socialist countries could help to offset fluctuations due to cyclical phenomena, aggravated by structural difficulties, in the market economies. As far as the developing countries were concerned, their co-operation with Poland and other socialist countries under stable and long-term conditions and equitable arrangements were a reliable, if limited, factor in their efforts to attain development goals.

63. Poland's positive attitude stemmed from its desire to contribute to the consolidation of détente and international security. The tightening of economic links among all countries provided the material infrastructure of détente and was essential to progressive development on a world scale. Poland was highly interested in a joint international approach to many economic problems and supported a rational and just international division of labour, compatible with the requirements of the New International Economic Order. The Economic and Social Council had a very responsible part to play in achieving those aims.

64. Mr. SICAT (Philippines) said that the reports before the Council under agenda items 3 and 11 provided a global, regional and sectoral views of progress and shortfalls in achieving the targets and objectives laid down in the four major resolutions of the General Assembly relating to international development, to which reference was made in the title of item 11. Together with the report of the Secretary-General on long-term trends in the economic development of the regions of the world (E/5937 and addenda and corrigenda), those documents reflected the problems and obstacles which continued to impede progress at the present juncture of the Second United Nations Development Decade.

65. The resurgence of world economic activity reported in the *World Economic Survey, 1976* (E/5995) had been

reflected in increased agricultural, industrial and energy production in the developing countries and in the expansion of their exports and imports. Those favourable short-term developments, however, could not begin to compensate for the poor performance of developing countries over the past six years. While their growth rate in agricultural production had reached a target of 4 per cent in 1975-1976, the average growth rate for the first six years of the decade had been only 2.4 per cent; industrial production for the same period had averaged 7.3 per cent per year, which still fell short of the 8 per cent target for industrial production set in the International Development Strategy. The average annual growth rate of exports from developing countries fell below 5 per cent per year, as against the 7 per cent target, while the average annual rate of increase in imports by developing countries had been only 4 per cent, well below the 7 per cent target envisaged. The combined GNP of the developing countries had increased at an average annual rate of 5 per cent, short of the target of 6 per cent. Those average growth rates concealed great disparities between oil-exporting and oil-importing developing countries, and the terms of trade of the oil-importing developing countries had actually deteriorated during the period. The external debt of the developing countries continued to rise, aggravating repayment problems.

66. On the other hand, the record of the developed countries in meeting their own commitments under the Strategy had been even more disappointing. The ratio of official development assistance to the combined GNP of the developed countries had remained at about one half or less of the target figure of 0.7 per cent laid down in the Strategy. The over-all flow of resources from the developed to the developing countries had also fallen short of the Strategy target of 1 per cent of GNP, although some individual countries had surpassed that target.

67. The task confronting the international agencies concerned was to develop the mechanisms that would rectify the existing economic inequalities at the international level. Sovereign nations should strive to lessen the inequalities among their citizens within the framework of a progressive economic and social system.

68. Progress in implementing the Programme of Action on the Establishment of a New International Economic Order and the Charter of Economic Rights and Duties of States had been slow and difficult. In some fields, indeed, it had been non-existent. Nothing had been achieved by way of implementing the Integrated Programme for Commodities adopted in resolution 93 (IV) of the United Nations Conference on Trade and Development. The common fund for financing buffer stocks of commodities was still in the initial stages of discussion, and although a wide range of views had become known through the United Nations Negotiating Conference on a Common Fund under the Integrated Programme for Commodities held at Geneva from 7 March to 2 April 1977, there was still no firm agreement. Through the Commission on Transnational Corporations, and particularly the Intergovernmental Working Group on a Code of Conduct, some progress was being made in preparing a code that would regulate the activities of transnational corporations and ensure that they operated

within the priorities of developing countries and in ways consistent with their legitimate interests.

69. Considerable efforts were being made to promote and strengthen economic co-operation among developing countries, on the lines laid down in the Programme of Economic Co-operation among Developing Countries adopted at the Conference on Economic Co-operation among Developing Countries, held at Mexico City in September 1976. Efforts were also being made to strengthen or create new producers' associations with a view to improving the bargaining position of producer developing countries. There had, however, been little or no movement in most of the areas covered by the resolutions adopted by the General Assembly at its sixth and seventh special sessions and by the Charter of Economic Rights and Duties of States. Apart from the Lomé Convention, little headway had been made in securing stable, equitable and remunerative prices for commodities of export interest to developing countries or in granting them preferential treatment.

70. The multilateral trade negotiations under the auspices of GATT had so far failed to produce any substantial improvements in the trade position of developing countries, whether in reducing trade barriers to primary products of export interest or removing non-tariff barriers to industrial exports. The benefits of the GSP to developing countries were substantially restricted by the limitation of its product coverage and the duration of the schemes. Unless there was some improvement, the GSP would be of limited value to the developing countries for which it was designed.

71. With regard to the goal of increasing the share of developing countries in world industrial production to 25 per cent by the end of the century, no significant measures had been taken beyond the initiation of consultations among developed and developing countries. Liberalized trade and the GSP were of particular importance in achieving that target.

72. Much remained to be done to increase the developing countries' share in world shipping, in spite of the assistance currently available to them for the establishment and expansion of national merchant fleets. Then again, the "North-South" dialogue had one little but identify problems, the solutions to which still had to be negotiated in other forums. A number of encouraging steps had, however, been taken by the developed countries in the field of science and technology, with a view to strengthening and developing the scientific and technological infrastructure of developing countries and facilitating the transfer of technology to them.

73. The disappointing record of the Second Development Decade and the current economic difficulties facing developed countries should not be a pretext for "writing off" the present decade. The Committee for Development Planning, in its report on its thirteenth session (E/5939 and Corr.1) had underlined the need for a renewed and intensified effort to improve growth rates and restore some balance to the world economy as a prologue to further

international action in the cause of development beyond 1980. In the light of the up-swing in the growth rates recorded by developing countries in 1975-1976, the gradual recovery of the world economy might permit the attainment of some of the targets of the International Development Strategy for the current decade. However, the conclusion of the Committee for Development Planning and of the Leontief study on the future of the world economy⁶ was that the gap between developed and developing countries could not really be bridged without fundamental structural changes both at the national and the international level, and both reports had called for far-reaching international reforms in the developing countries and a significant restructuring of the present world economic order.

74. In order to reach agreements on major international issues, specialized conferences were needed. But the disappointing results achieved in all the negotiating forums so far indicated either that countries were worlds apart in their positions or else that there were powerful forces that wished to maintain the *status quo*. It was nevertheless important to recognize that those separate forums were designed to solve an interrelated set of international problems.

75. Given the poor performance produced by international co-operation so far, many nations could only hope to rely on national effort, or regional action. The developing countries, particularly the oil-importing countries, needed to make every effort to offset the inadequacies of the international system and the corresponding fluctuations in domestic incomes and the welfare of their people. The Philippines had had to revise its development programme priorities and introduce programmes of action as a substitute for the economic developments which would normally have been stimulated by international trade. However, the degree to which developing countries could rely on that approach partly depended on their individual level of development: those still enmeshed in colonial trade links were set back many years in their struggles for economic self-reliance.

76. As far as regional action was concerned, the strengthening of co-operation between developing countries at the regional level could in turn strengthen their collective bargaining position, which might contribute to the early resolution of seemingly intractable issues at the international level. ASEAN had moved closer to achieving greater collective action in that field.

77. It nevertheless remained true that the interdependence of countries and the moral necessity to rectify the inequities of the present world order placed the main burden on international effort. There was clearly a long way to go in implementing the Programme of Action on the Establishment of a New International Economic Order. Trade in commodities required considerable restructuring to ensure stable and relatively higher prices for agricultural goods and raw materials. A substantial increase in the developing countries' share in world industrial production

⁶ W. Leontief et al., *The Future of the World Economy: a United Nations study* (New York, Oxford University Press, 1977).

would be required, and increased agricultural production would entail, in addition to higher investment and improved technology, institutional changes that would permit more extensive and intensive cultivation of land.

78. The establishment of a new international economic order would also depend on the adoption of international reforms of a social, political, structural and economic nature. The satisfaction of basic human needs and the increased participation of all sectors of the population in the development process were essential for the attainment of a stable world economic order. An equitable and rational pattern of land ownership and distribution of wealth, increased access of the poor groups of the population to education, health care and other basic services, and the creation of greater employment opportunities were important both as the end and as the means of development.

79. Those matters were of particular concern in the ESCAP region, where increasing importance was attached to social development and the removal of internal inequities. One of the positive features of development in the region was the incorporation of social priorities and programmes in international development planning. In spite of the criticisms in the document entitled "Economic and social survey of Asia and the Pacific, 1976 (summary)" (E/5980) of the problems and shortcomings experienced by ESCAP countries in that respect, efforts were being made

to develop more "grass-roots" participation in development and to promote the contribution of women and young people to development through the provision of basic services aimed at improving the human skills of those two groups. Efforts were also being made to provide a minimum level of basic services in such areas as health, nutrition, basic education and family planning.

80. In the Philippines, programmes for social justice in the rural sector, through such measures as land reform, rural development projects and agricultural development, and in the urban sector, through the improvement of the bargaining position of labour by means of a wages and incomes policy and the stimulation of investment in industry and commerce, were a major component of the development policies.

81. The Secretary-General's proposal that an energy body should be set up within the framework of the United Nations should be carefully considered, in view of the importance of all sources of energy to world development. Energy matters occupied an important part in the affairs of Governments, and in the Philippines a department was about to be created to deal entirely with energy matters. The United Nations certainly deserved a forum exclusively devoted to that subject.

The meeting rose at 1 p.m.
