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President: Sir Douglas COPLAND (Australia).

Present:

The representatives of the following countries: Argentina, Australia, China, Czechoslovakia, Dominican Republic, Ecuador, Egypt, France, India, Netherlands, Norway, Pakistan, Turkey, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela, Yugoslavia.

Observers from the following Member States: Cuba, Indonesia, Israel, Mexico.

Observers from the following non-member States: Bulgaria, Federal Republic of Germany, Hungary, Spain, Switzerland.

The representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, International Bank for Reconstruction and Development, International Monetary Fund, Interim Commission for the International Trade Organization.

AGENDA ITEM 2

World economic situation (E/2706, E/2712, E/2756, E/ECE/194, E/CN.12/359, E/CN.12/362) (*continued*)

1. Mr. PREBISCH (Executive Secretary, Economic Commission for Latin America) wished to indicate the precise direction in which the work of the Economic Commission for Latin America (ECLA) was moving. As the Secretary-General had pointed out during the 877th meeting, that work was being focused more and more on the economic development of the Latin American countries. Once the preliminary stage of preparatory research had been completed, ECLA had tackled the practical problems raised by the development of the Latin American countries, and its member States had succeeded in producing a very satisfactory work programme, marked by unity of aims and a desire to avoid dispersion of effort.

2. Leaving the realm of theory, the secretariat had applied itself in its studies to diagnosing the economic problems of the countries concerned and forecasting the rate and trend of economic development on the basis of hypotheses that were as realistic as possible.

3. It had been thought necessary, in preparing the economic development programme, to work out suitable techniques for the purpose, and that had been done with the co-operation of Governments. Those studies would permit Governments to decide in what direction the economies of the Latin American countries could best be developed, and to determine the changes to be made in their structure, their capital and technical assistance requirements, and, finally, the major obstacles to the realization of their aims. Studies of that kind had been undertaken three years before for Chile, and afterwards for Brazil in co-operation with the Brazilian National Economic Development Bank. The results of that work, and of the studies on the economic development of Colombia, would be submitted to the Bogotá Conference.

4. Furthermore, the ECLA secretariat, complying with the Commission's recommendations, had undertaken several studies on various sectors of the economy—in particular the industrial, foreign trade, agricultural, mining and transport sectors. Those studies were not merely of academic interest, but were essentially practical in scope. That was borne out by the current study on the mechanical and metallurgical industries in such Latin American countries as Brazil, Chile and Colombia. Those three countries had reached a stage of development at which the expansion of their economy required the development of their iron and steel transforming industries. The experts had accordingly studied the present situation in the industries, then the problems hampering their development, and, lastly, their development potentialities. They had given their opinion on what industries might advantageously be further developed in the light of the countries' potentialities. Much could be expected from such studies, especially when the ECLA experts had the help of experts from the countries concerned.

5. Another feature of ECLA's work was the holding of meetings at which various aspects of economic development were studied; examples of these were the meeting of the Expert Working Group on the Iron and Steel Industry in Latin America, held at Bogotá in October 1952, the meeting of experts on the pulp and paper industry held at Buenos Aires in October-November 1954, and the meeting to be held shortly at São Paulo to consider the more important economic and technical problems of the iron and steel transforming industries.

6. The importance the Latin American countries attached to collaboration by experts from the United States and from European countries should also be stressed; it already existed and was increasing. It would have been hardly conceivable a few years previously that experts from other regions would give their advice to other countries on the economic development of sectors of the economy likely to compete with their own economy. Thanks to the United Nations, it was now common practice for experts from the more highly industrialized countries to collaborate with experts from the less developed countries. The ECLA secretariat, always bearing in mind that it was part of an international secretariat, never lost sight in its work of the fact that the interests of the countries in the region should be viewed in the light of the interests of the international community as a whole.

7. The PRESIDENT suggested that the Council should continue to concentrate on the achievements of the regional economic commissions, their future plans of development and the possibility of discussions on regional trends. The second major problem, that of membership, should be taken up separately.

8. Mr. BRILEJ (Yugoslavia) proposed that the Council postpone consideration of the membership on regional economic commissions until the Economic Committee had reported on the matters referred to it.

9. Mr. ALFONZO-RAVARD (Venezuela) supported the Yugoslav proposal. He believed that the question of membership should be dealt with towards the end of the session, after the Economic Committee had had an opportunity of discussing it.

10. The PRESIDENT pointed out that the Yugoslav representative had not proposed that the question of membership of regional economic commissions be referred to the Economic Committee.

11. Mr. DIAZ ORDOÑEZ (Dominican Republic) also supported the Yugoslav proposal, provided it did not mean that the discussion on membership would be deferred to another session.

12. The PRESIDENT assured the representative of the Dominican Republic that it was not intended to defer that discussion to another session. The Yugoslav representative had proposed only that discussion be postponed until after the Economic Committee had submitted its report on the matters relating to item 2 which had been referred to it.

The Yugoslav proposal was adopted.

13. Mr. MORALES (Argentina) said that the annual report of ECLA (E/2756) showed how active the Commission had been, particularly in the analysis of basic economic problems affecting Latin America. Clearly, ECLA now had sufficient experience and knowledge to proceed from the academic to the practical. The general studies carried out by the ECLA secretariat had opened up new avenues: methods of analysis had been perfected which would make it possible to study problems common to the whole region as well as those affecting individual countries. Part I of the report dealt mainly with studies of economic development programmes, a sphere in which ECLA had also taken the initiative by

developing what his delegation regarded as a highly important technique of programming. Experience showed that programming was a complex matter; if one aspect of a problem was considered to the exclusion of others there was a risk not only that the whole problem would remain unsolved, but that the results achieved might be detrimental to the region.

14. All the questions considered by ECLA were important, particularly those relating to international and regional trade and the agricultural and industrial development of the Latin American countries. The Council had held a very interesting debate on the problems of producing pulp, cellulose and paper at its nineteenth session; the Latin American meeting of experts on the pulp and paper industry had paved the way for concerted action to promote a great new industry. Industrial development had been discussed at length in the course of the Council's same session, and his delegation was happy to note the attention which all the regional commissions, including ECLA, were giving to that problem. They might be invited to prepare a study on industrial development to be submitted to the following session of the Council. Such a study would facilitate a general view of the question and make it possible to prepare economic development programmes which would take into account the factors peculiar to each region.

15. His delegation was satisfied with the way in which co-ordination had been ensured between the work of ECLA and other Latin American bodies and hoped that that co-ordination would continue. It was happy to note that ECLA was working closely with the specialized agencies and the Technical Assistance Administration (TAA) in the preparation of regional programmes. A notable example was the work done by ECLA in co-operation with the Food and Agriculture Organization (FAO) in connexion with the pulp industry and coffee production. It was his delegation's view that the regional economic commissions should be the bodies responsible, each in its particular region, for co-ordinating the activities of the United Nations and the specialized agencies. They were particularly qualified to perform that function by their knowledge of regional resources and problems. They should therefore participate to a greater extent in the preparation of technical assistance programmes. At the same time, as the Secretary-General had said, that type of co-ordination must not lead to narrow regionalism.

16. He personally saw no reason to fear that the obsolete idea of regionalism might prevail over internationalism. The regional economic commissions could do good work in drawing up programmes which would bear fruit at the national level and achieve international harmony, thus helping to bring about a maximum degree of economic integration in the continental countries, which demanded an outlook transcending the national sphere.

17. With regard to co-operation among the regional economic commissions themselves, results were encouraging, as could be judged from their joint studies. It would be interesting to envisage the closest collaboration not only between ECLA and ECE, but between ECLA and ECAFE. Exchanges of information and experience between the less developed countries were most

valuable. Indeed, experts from countries of medium development sometimes understood the problems of an undeveloped country better than experts from the highly developed countries.

18. The Argentine Government was pleased with the efforts made by ECLA to work out harmonious programmes which took account of the requirements of its members. With regard to the financial resources necessary for the functioning of ECLA, the Argentine delegation would continue to urge on the General Assembly's Fifth Committee the importance of providing ECLA with adequate means for fulfilling its task. In economic matters, discernment must be exercised, and the regional economic commissions should certainly be given favourable treatment, since they were in a fair way to becoming vitally important institutions which should be assured of permanence.

19. The Argentine delegation thanked the Executive Secretary of ECLA for his excellent report, and expressed the hope that the Council would unanimously approve draft resolution 77, contained in paragraph 142 of the report.

20. Mr. RUYGERS (Netherlands) said that ECE had always been seriously handicapped by the division of Europe, but that was a political problem which it was not for the Council to solve. It was most commendable in the circumstances that ECE succeeded year after year in providing an objective and highly scientific economic survey of Europe, containing useful information for all who had to follow the development of European economies closely.

21. ECE had achieved positive results not only in study and research, but also in the practical field. He had particularly in mind the very valuable work of the Inland Transport Committee.

22. It was most satisfactory that the survey for 1954 should have paid full attention to the problem of underdeveloped areas in Europe itself, areas to which the French representative had referred during the general debate. They had sometimes been called the forgotten part of Europe and were in danger of becoming the forgotten part of the world because they were just a shade less underdeveloped than the underdeveloped areas of Asia and Africa. Europeans would remember with gratitude the help the United States had given in the development of southern Italy, but it should not be forgotten that the task primarily devolved on the countries concerned themselves and, secondly, on other European countries which ought to lend co-operation and support. He hoped that ECE would be able to devote increasing attention to the question.

23. The other two regional economic commissions were developing rapidly, in accordance with the tempo of economic expansion in both regions, and he noted with satisfaction that the secretariats of ECLA and ECAFE were not only occupied with research, but also took the initiative in stimulating regional co-operation and co-operation with specialized agencies. The economic interdependence of countries and regions was being increasingly recognized in Asia and Latin America, as in Europe, as well as the link between economic development of the underdeveloped countries and the

development of the world economy as a whole. In that respect the regional commissions had a most important part to play, provided that they were ever mindful of their status as instruments of the United Nations, and more particularly of the Council. The assurance given by the executive secretaries in their statements that that was so should be welcomed.

24. The greatest problem in the ECAFE region was the disparity between the high rate of population increase and the at best constant, but in some countries declining, levels of living. The problem could not be solved solely by regional measures, but would require joint study in several regions.

25. The Executive Secretary of ECAFE had rightly drawn attention to the other great problem of Asia, the lack of sufficient capital. The countries of the region were aware that first and foremost they would have to mobilize the capital, but member States of the Commission outside Asia also realized the seriousness and scale of the problem. The International Bank for Reconstruction and Development was giving increasing attention to Asia, and that was fortunate, since, apart from the efforts of the countries themselves, a dynamic development could come about only as a result of some joint project to finance the infra-structure of their economies.

26. His delegation had attentively followed the multifarious and useful activities of ECLA, particularly in the field of co-ordination. In that connexion he mentioned the assistance given by ECLA in persuading five central American States to co-operate in the drafting of a central American economic integration programme; it was an instance of a commendable activity, provided it did not run counter to the requirements of world trade.

27. ECLA's secretariat had made certain inquiries into the capital requirements of Latin American countries, and there again he was convinced that, in addition to what could be done through the International Finance Corporation, there was room for infra-structure financing.

28. In conclusion, he hoped that strong ties would continue to be maintained between the Secretariat of the United Nations and those of the specialized agencies, so as to ensure proper co-ordination. The need for regional economic commissions was no longer in question; they had given convincing proof of their usefulness. He looked forward with confidence to the results of their future efforts.

29. Mr. KING (United States of America) thanked the Secretary-General and the executive secretaries of the regional economic commissions for their lucid statements. At the same time, he pointed out that what might be salutary for one region was not necessarily a cure for the ills of another. He would also reserve his delegation's right, when the Council came to agenda item 4—General review of the development and co-ordination of the economic, social and human rights programmes and activities of the United Nations and the specialized agencies as a whole—to comment on the place of the three regional economic commissions and their secretariats in the United Nations system as a whole.

30. With regard to ECE, in whose work the United States had taken an active part during the past year, he recalled the unanimous adoption by the Commission at

its tenth session of a joint Soviet Union and United Kingdom resolution on the work of the Committees. The three main aspects singled out for emphasis in that resolution (resolution 1 (X)) were arrangements for study trips on a reciprocal basis, exchange of technical information and the provision of statistical data. The United States had already participated in two exchange visits organized by the Polish and French Governments respectively, and a further exchange of visits would shortly take place between agricultural experts of the Soviet Union and of the United States.

31. The growing emphasis on the exchange of technical information commanded his delegation's full support. It should be borne in mind, however, that that programme involved the Economic Commission for Europe, and not the Technical Assistance Programme for Europe. It would be inappropriate for ECE to become involved with technical assistance work, except in accordance with the procedures laid down by the Technical Assistance Committee and by the Council. ECE committees should not be transformed into a series of scientific seminars performing technical assistance functions. With those reservations, his Government would continue to support the Commission's work.

32. Some delegations had shown a discouraging attitude towards the exchange of statistical data; and the eastern European countries had been conspicuously absent from the meetings of three different statistical groups working in different fields of European economy. That was a bad omen for the implementation of the Commission's resolution and for its other activities, since the flow of statistical information was essential to much of its work.

33. His delegation was glad to note that the Commission's Housing Sub-Committee had been raised to the status of an independent committee, for that body had done much effective work. The streamlining of the work programme and structure of the Inland Transport Committee, the completion of the study of the Youglexport scheme by the Committee on Electric Power and the re-orientation of the work of other committees towards the analysis of consumption problems and market research were all encouraging signs in making ECE a more effective organ of the Council.

34. ECAFE was continuing to serve a useful purpose, and the inclusion of Cambodia, Ceylon, Japan, Korea, Laos and Viet-Nam as full members should strengthen it. He agreed with the Commission's emphasis on the desirability of a greater concentration of effort; its best contribution could be made by intensive rather than an extensive utilization of resources. The Executive Secretary's suggestions for future work programmes provided a useful basis for eventual consideration of the future course of the Commission, upon which his delegation would comment at the appropriate time. For the moment he would express his Government's strong conviction that the proposed emphasis on economic development should not attract the Commission into the operational field. Such a course would not only be contrary to the Commission's terms of reference, but would lead to duplication and possibly to conflict with other bodies.

35. The most important part of the work programme was the preparation of the annual economic survey of Asia and the Far East, which was the most comprehensive analysis available on economic progress in that region. He complimented the secretariat on the increasing reliability and usefulness of that document and hoped that the improvement would be maintained. Full consultation between the secretariat and members of the Commission was needed in order to ensure maximum care in the utilization of data not susceptible of objective confirmation. One possible economy might be realized by reduction of the length of the annual meeting of the ECAFE Committee on Industry and Trade to, say, one week; during that period it should be possible for the Committee to review reports submitted to it and to prepare a draft report on the items on the Commission's agenda which were its special concern. He hoped that that suggestion would be considered formally by the Commission at its forthcoming session.

36. He also invited the Council's attention to the abuse of its privilege of consultation by the World Federation of Trade Unions at the Commission's recent meeting at Tokyo. He hoped that the Executive Secretary would find it possible to ensure compliance with the provisions of rule 50 of the Commission's rules of procedure, with a view to avoiding a repetition of such incidents.

37. ECLA had also made progress in various fields and, in particular, there had been a useful meeting of experts from the pulp and paper industries, which was an excellent example of co-operation between ECLA, FAO and the Technical Assistance Administration. He noted with satisfaction the agreement reached by ECLA and FAO for a joint agricultural programme, and that one of the first studies would deal with certain aspects of coffee production. His Government was looking forward to the completion of the various ECLA studies due to be considered at its sixth session in September and he hoped that the basic documents would be distributed in ample time for prior study.

38. He understood that, as a result of ECLA's participation in the preparations for the meeting of the Latin American Ministers of Economy or Finance held in November 1954 at Rio de Janeiro, the secretariat had found it difficult to keep to its own time-table. Such organizations deserved support, but he hoped that any such future co-operation would not interfere with ECLA's own work programme.

39. In conclusion, he stressed that the continued participation of his Government in the work of all three regional economic commissions was based on its interest in the economies of the three regions, and was also in keeping with President Eisenhower's statement to the effect that the United States would leave no stone unturned in its efforts to achieve world peace and understanding.

40. Mr. STANOVNIK (Yugoslavia), after commending the statements of the executive secretaries of the three regional economic commissions, said that since its inception ECE had been in a difficult situation owing to the discrepancy between its terms of reference and its actual task. It certainly deserved praise for the way it had adapted itself to changing conditions. The

Economic Survey of Europe in 1954 (E/ECE/194) was an excellent document, and such long-term studies as *Growth and Stagnation in the European Economy*, by Professor Sventnilson,¹ were a useful initiative, which might well be followed by the other regional commissions. In the Commission's work programme, he would particularly emphasize the future concentration on practical problems, such as that of the economic development of southern Europe; in that connexion he warmly commended the Netherlands representative's statement. It was self-evident that Europe's interest in the world economy should not distract attention from its own less developed areas. The progress of the Yougelexport scheme was of particular interest, and one major problem deserving study was the financing of intra-regional trade, in the furtherance of which new methods would obviously be required.

41. With regard to ECLA, he had noted with appreciation the two main theoretical studies on economic growth and economic planning, which in importance far overlapped the frontiers of Latin America and would prove of value to all under-developed countries. Despite differences between regions, certain general characteristics were common to all. Further, the study *International Co-operation in a Latin American Development Policy* (E/CN.12/359) prepared for the Rio de Janeiro 1954 Meeting, with its stress on the problems of basic infra-structural financing, was a very useful document.

42. ECAFE had also rightly laid stress on financing problems in its report and had also made a useful contribution by its studies on small industries and inland transport.

43. With regard to more general matters, he would stress again the great importance his delegation attached to the type of technical assistance received by the under-developed countries as a consequence of regional co-ordination. It was vital that such assistance should not be confined to purely technical questions, but that it should extend also to economic advice on such matters as public financing. There was certainly need for closer co-ordination in that field, and the regional commission's experts should visit the areas concerned in order to obtain first-hand experience of the economic problems they would be helping to solve. Inter-regional co-operation was of the highest importance, particularly in trade. Regionalism had become accentuated in the post-war period, and there had been a marked increase in the proportion of intra-regional to total trade in many countries. Such a change in the structure of world trade shed a significant light on the relationship between regionalism and the global aspects of national economies. It should never be forgotten that the work of the regional economic commissions must always be subordinated to the principles of world economic integration.

44. Mr. SINGH (India) paid a tribute to the Executive Secretary of ECAFE and his staff for their excellent work. The Commission had steadily grown in stature and had come to occupy a place in the hearts and minds of the peoples of the region. Although, on account of its limited resources, it had so far had to concentrate on

fact-finding, it had singled out the major problems facing the under-developed world and had helped to focus attention on them. Study of some of the special projects which it was at present undertaking, such as flood control and housing, should prove of great value to Asian and Far Eastern countries.

45. The time had come, however, when the ECAFE secretariat might also assume some quasi-executive functions by co-operating with the Colombo Plan Consultative Committee in making good the region's deficiencies in organization and in technical personnel. In that way it could aid not only intra-regional trade, but also intra-regional co-operation in economic development. The Indian delegation noted with satisfaction the statement made on behalf of the Secretary-General that he was "ready and anxious to strengthen, in any way within his power, the secretariat resources available to assist ECAFE in meeting the responsibilities placed upon it" (E/2712, paragraph 225).

46. He had already referred to the need for making an immediate study of the question of discriminatory freights and for laying down certain criteria of responsible behaviour on the part of shipping companies. In view of the under-developed countries' remoteness from their normal markets, freights formed a very important part of their cost structure; moreover, an increase in freight rates or discrimination in that respect reduced the competitive power of the raw materials produced in the under-developed countries. Sea transport was mostly in the hands of the advanced countries, and a feeling was growing in the under-developed countries that the present freight structure loaded the dice against industrial development. He therefore hoped that the Council would endorse the study of the question which ECAFE was to make and which should have a two-fold objective—first, to keep freight rates within reasonable bounds and, secondly, to build freight structures on a more rational basis. The study should be undertaken in conjunction with the Transport and Communications Commission.

47. For the first time, the *Economic Survey of Asia and the Far East, 1954*, devoted a chapter to Afghanistan; it also devoted a section to mainland China. That was a heartening development, but it did not go far enough. Discussions in ECAFE and its subsidiary organs at present suffered from an air of unreality owing to the exclusion from them of a vast country which by virtue of its strength and vitality was destined to play an important role in the economic life of the region. The importance of establishing healthy trade and economic relations between China and other countries inside and outside the region could not be over-emphasized. Political considerations should not be allowed to influence decisions on questions of vital economic interest to the region.

48. The peaceful application of atomic energy, to which many speakers had already referred, was, as the Bandoeng Conference had stressed, of particular significance to the Asian and Far Eastern countries, since it would enable them to eliminate one or two stages in the normal process of development. The Conference had welcomed the initiative of the Powers principally

¹ United Nations publication—Sales No.: 1954.II.E.3.

concerned in offering to make information regarding the use of atomic energy available for peaceful purposes, had urged the speedy establishment of an international atomic energy agency and adequate representation for Asian and African countries on the agency's executive authority, and had recommended the participating Governments to take full advantage of the training and other facilities in the peaceful uses of atomic energy offered by countries sponsoring such programmes. ECAFE, which referred to the question of atomic energy in paragraph 246 of its report, would do well to establish relations with the agency when it was set up, with a view to deriving the maximum benefits for the region's economic development.

49. A general discussion such as the present, covering all three regional economic commissions' reports, was valuable, but encouraged representatives to comment exclusively on the work of those commissions in which their own countries took part. He suggested that in future it might be wise for the Council to discuss each Commission's report separately, in addition to holding a general discussion covering them all.

50. Mr. SAID HASAN (Pakistan) said that the suggestion had been made that the regional economic commissions should become organs of economic development and technical assistance. The commissions, however, already had an important task of their own, that of conducting economic studies and research; moreover, there was already very adequate and well-defined machinery for co-ordination in technical assistance. If the regional economic commissions assumed the new responsibilities proposed for them, there was a danger that their proper task would be neglected, without their being able to make any useful contribution in economic development and technical assistance. The United States representative had summed the matter up admirably when he said that the proposed emphasis on economic development must not be allowed to draw the commissions into actual operations, since that would entail duplication and inefficiency. The Pakistan delegation therefore suggested to the executive secretaries that, at least for the time being while so few experts were available, they should confine their efforts to conducting economic studies and research, of which Asia in particular was at present in so great need.

51. The Asian countries' need for analytical studies, and for the guidance which could be based on such studies, should also be borne in mind when assessing the work of ECAFE, and particularly the *Economic Survey of Asia and the Far East, 1954*. The *Survey* was—perhaps inevitably—largely devoted to a recital of facts which were well known to the countries concerned and which had, in fact, in many cases been furnished by them. From his own country's experience, he knew how the lack of adequate statistics, or, even if adequate statistics were available, the inability to interpret them properly, could impede development work.

52. The *Survey* said that there had been no marked shift in occupational distribution. How could there be, when the population in the countries of the region was 85 per cent agricultural and so much was required to transfer a single worker from the agricultural to the industrial sector? It would have been of infinitely greater

practical value if the *Survey* could have calculated what diversification would be possible in the light of the various countries' development plans. The *Survey* also pointed out that the pressure of population in the Asian countries was so great as to make vast amounts of capital necessary in order merely to maintain the present level of living. The Asian countries knew that only too well, and, as he had indicated in his previous statement, a non-financial, "physical" approach to the problem would have been more fruitful.

53. In making those criticisms, however, his main purpose was to show how much useful research and study work remained to be done, and should be done before ECAFE launched out into economic development and technical assistance.

54. At the present stage of their development, the economies of the Asian and Far Eastern countries were so non-complementary that there was much less scope for trade among them than there was, and always had been, among the countries of Europe. On the other hand, there were considerable possibilities of increasing trade between the two regions, and his delegation agreed that trade consultations of experts from the member countries of ECE and ECAFE might be useful for that purpose. Such consultations should be organized by the United Nations Secretariat and should be devoted to the discussion of specific possibilities of increasing trade, leaving long-term trade and payments questions aside.

55. Mr. LOKANATHAN (Executive Secretary, Economic Commission for Asia and the Far East), replying to the United States representative, said that an effort would be made to limit the duration of meetings of the Committee on Industry and Trade to one week. Arrangements for the last meeting had been carefully made and the subsidiary bodies had done much preparatory work which had enabled the committee's last meeting to be shorter than ever before. Constant consultations were taking place between the secretariat and the Governments of members on the information necessary to prepare the annual survey, and many data were gathered directly in the member countries. Moreover, drafts were sent to the Governments of members to enable them to check the data used by the secretariat in the preparation of the survey. Thus the procedure for consultation was more highly developed in ECAFE than might be expected. With regard to the participation of the World Federation of Trade Unions in the Commission's last session, he emphasized that great care was taken in the presentation of documents. The establishment of a procedure for the circulation of documents might perhaps be examined at the Commission's next session.

56. Referring to the Pakistan representative's comments, he pointed out that the annual survey was not the only document ECAFE published. The Commission had done much work on the question of capital requirements for the transfer of rural populations into industry and for the absorption of additional manpower. In that connexion, he referred to two articles on that subject published in the *Economic Bulletin for Asia and the Far East*,² which showed that it was very difficult to lay down exact figures for capital output ratios. He did

² Vol. 1, No. 1; Vol. 3, Nos. 1 and 2.

not therefore feel that undue reliance could be placed on estimates concerning that problem. Moreover, there were great possibilities of overcoming a shortage of capital if efforts were made to concentrate on labour-intensive projects. It should also be remembered that the Commission had convened a number of working parties, notably for the discussion of economic development and of the financial resources which such development entailed. Members of the working parties were drawn from all parts of the world and from a number of specialized agencies and international organizations. Pakistan had taken an active part in that work and, he hoped, had drawn some benefit from it. With regard to diversification, he drew attention to an article in the *Economic Bulletin*³ concerning diversification in agriculture in the last ten years. Furthermore, the Commission had paid constant attention to statistics, with a view to establishing international comparability, and conferences had taken place on subjects ranging from the statistics of trade and agriculture to labour and national income statistics. Great progress had been made on definitions and on the selection and presentation of data. The publication of the index of Asian economic statistics showed what tremendous strides had been taken in that respect during the last five years, and the statistical data appended to the annual *Survey* were by far the most complete in the whole of Asia. Although much remained to be done in all fields, the Commission could regard with satisfaction the work it had done for member countries, and it would continue to be at their service.

57. Mr. BORIS (France) was glad to see that this year the Council had decided to deal with the reports of the three regional commissions all together. A comprehensive review of their work was of particular interest when the concept of inter-regional co-operation was coming more and more to the fore.

58. As matters stood, the Council could survey with legitimate pride the activities of the three regional commissions which it had created. The members of the Council all agreed in recognizing that the commissions had obtained remarkable results, of which the general public was perhaps not always aware. Actually, it was the Governments which took the decisions, but they were often influenced by the information provided by the various international bodies, and by their studies, discussions and recommendations.

59. ECE, in which his country was especially interested, had been established during a period of shortages and had been able at that time to give Governments valuable advice on emergency remedial measures. Joint action to develop the economy was less easy to achieve, but that was a field in which national sovereignty obviously acted as a brake. ECE, ECLA and ECAFE had all none the less shown initiative and a will to succeed, as a result of which they had overcome many difficulties with the assistance of their respective executive secretaries, who had laid the foundations of that success.

60. Analysing the work of ECE, which was of special interest to the economically more advanced countries, he said that in very many sections of the economy the object had been to achieve co-operation. ECLA and

ECAFE, which were the bodies mainly concerned with the problems of under-developed countries, had a very different sphere of activity, and he had listened with interest to the statements of their respective executive secretaries. The theoretical side of economic development had probably been most thoroughly studied by ECLA, and it was a matter for congratulation that it had reached the stage of putting theory into practice. Seeing that its activities had been the subject of careful preparation, they could hardly fail to be effective.

61. The Executive Secretary of ECAFE had demonstrated the energy with which that commission had attacked the difficult and complex problems confronting it by methods adapted to the geographical, economic and political conditions of the region. He reviewed the work done and the results obtained, drawing particular attention to the joint efforts made by the ECAFE countries to find ways and means of solving such problems as the regulation of watercourses and the development of handicraft industries.

62. He welcomed the recent tendency in ECE to broaden and strengthen the foundations of its technical work, expressed in concrete form by the increasing participation of the eastern European countries in the work of the committees and the growing exchanges of technical information and visits of specialists. The latter form of co-operation, which had been agreed by a resolution unanimously adopted at the Commission's tenth session (resolution I (X)), had already been initiated by such gestures as the invitations issued by the USSR to the Moscow Agricultural Exhibition and the visits to France by eastern European specialists and technicians.

63. Following the decisions taken at ECE's tenth session, it might be asked if there were not some danger in developing that new aspect of ECE's activities to such an extent, perhaps at the expense of the place given to trade problems which had a more direct bearing on economic life. On reflection, however, there was no incompatibility between those two fields of activity, and the development of the exchange of technical experience would, he hoped, contribute to greater harmony in production. For that reason the French delegation thought that such co-operation should be encouraged as a basis of give and take, both in its present form and in new forms, such as, for example, the organization of study courses for specialists, technicians and engineers. France had been happy to welcome foreign specialists and wished to thank those countries which had received French specialists.

64. Thanks to the good offices of ECAFE, France had also been able to welcome technicians from the East and to share in the work of the refresher course centres in the member countries of the Commission by sending teaching staff and demonstration material. The French delegation felt that, generally speaking, it would be desirable to organize exchanges of specialists through a subcommission or a committee of a commission, under the joint auspices of the latter and the Technical Assistance Administration.

65. The activities he had just referred to marked a gratifying development in the life of ECE, but no further steps should be taken before the lessons taught by

³ Vol. 4, No. 1.

experience had been assimilated. Following the meetings of the Committee on Agricultural Problems and the Committee on the Development of Trade, a large number of sub-committees and working parties had been set up, and it was somewhat disappointing to find that participation in some of those bodies was not as general as the decisions taken in common had given reason to hope. Some countries seemed to be having difficulty in furnishing the technical and statistical information on which the work of the committees was based. That was the reason why the French delegation felt that at the present stage considerable reflection was desirable before any further groups were set up.

66. Before concluding, he would like to mention a task common to the three regional economic commissions—viz. the promotion of trade both among member countries and between member countries and the rest of the world. The French delegation congratulated ECE on the way it had encouraged enterprise in that direction. The question was whether the method of consultation by experts on trade could be applied on a world-wide scale under the auspices of the three regional commissions. Some countries which were not equipped to exploit the markets themselves or to establish relations with countries belonging to other parts of the world had appeared to be interested in such a prospect. On the other hand, the usefulness of inter-regional consultations by trade experts had seemed less evident to countries which had ample means of developing trade on their own initiative. France could no doubt be included in the latter category; yet France attached such importance to the general development of trade among countries throughout the world that it would not stand in the way of a scheme which might be useful to a number of countries. Hence France was ready to look into any really concrete practical suggestion which might be made with that end in view.

67. Mr. Said HASAN (Pakistan) observed that ECAFE should not hide its good works, which might be very useful to member countries. Although he thought that some of the Commission's achievements had not been up to expectation; that consultations had not always taken place with Governments; and that the Commission had published a number of data which had not been checked by the interested countries, he would refrain from going into details. The only achievement of statistical conferences had so far been limited to definitions, whereas member countries were in dire need of guidance and advice. He was aware of the existence of a number of methods of overcoming shortages of capital, and those very methods were the ones on which Asian countries required guidance from the Commission.

68. Mr. MYRDAL (Executive Secretary, Economic Commission for Europe) expressed his gratitude for all that had been said about ECE during the discussion. Many representatives had not spoken because the discussion of the regional commissions' reports had been shortened at the present session, but he felt that the shortening of the discussion was in itself evidence that the commissions were now accepted as stable organs of the Council. The sovereign States members of the regional commissions took the necessary measures for

international co-operation at the commissions' regular sessions. He reaffirmed his desire to follow the Council's directives, so that the secretariat of ECE might perform the services member States expected of it.

69. The PRESIDENT invited the Council to vote on the draft resolution submitted by the Economic Commission for Europe for the Council's action on the annual report of the Economic Commission for Europe (E/2706, part V, page 31).

The draft resolution was adopted unanimously.

70. The PRESIDENT invited the Council to vote on the draft resolution for action by the Economic and Social Council proposed in the annual report of the Economic Commission for Asia and the Far East (E/2712, part IV, page 27).

The draft resolution was adopted unanimously.

71. The PRESIDENT invited the Council to vote on the draft resolution for action by the Economic and Social Council proposed in the annual report of the Economic Commission for Latin America (E/2756, part III, section C.3).

The draft resolution was adopted unanimously.

72. The PRESIDENT pointed out that the resolutions, just adopted would be embodied in one resolution in the report of the Council and numbered A, B and C respectively.

AGENDA ITEM 4

General review of the development and co-ordination of the economic, social and human rights programmes and activities of the United Nations and the specialized agencies as a whole (E/2569, E/2659, E/2661 and Add.1, E/2662, E/2668 and Add.1, E/2676, E/2692, E/2696, E/2706, E/2707, E/2712, E/2717, E/2722, E/2724, E/2727, E/2728, E/2731, E/2733, E/2735, E/2745 and Add.1, E/2748, E/2749 and Add.1 and 2, E/2753 and Add.1 and 2, E/2756, E/2758, E/2768, E/2769, E/L.674)

73. The PRESIDENT recalled that the Council's intentions in placing item 4 on the agenda for the current session had been threefold: it had wished to review the development of international economic, social and human rights programmes in the broadest possible way; it had wished to reduce the number of separate and closely related items on its agenda pertaining to co-ordination and the specialized agencies; and it had felt that problems of co-ordination should, as far as possible, be considered with reference to the activities to be co-ordinated instead of being treated as something distinct and apart.

74. The complete documentation for item 4 comprised, first, the reports of the specialized agencies (including those of the Bank and the International Monetary Fund, which had been dealt with at the nineteenth session) and the reports of the Administrative Committee on Co-ordination (ACC); secondly, the reports of all the functional and regional commissions, in order that the widest possible conspectus of the work of the United Nations family as a whole might be obtained and any

problem of co-ordination or priorities affecting any United Nations organ raised, and also because the reports of all those organs must be referred to in connexion with the review of future programmes which the Council would no doubt wish to undertake; and, lastly, the Secretary-General's written introductory Statement on item 4 (E/2769), together with the oral statement on financial implications made by the Under-Secretary for Economic and Social Affairs at the opening of the session (E/L.674), which raised certain matters calling for the Council's attention from the point of view of co-ordination and priorities.

75. He suggested that the Council should first hold a general debate covering the whole field, using all the documents he had mentioned as a background. Thereafter it might wish to concentrate upon some of the general issues he had indicated. Although the representatives of the specialized agencies would not all be expected to present their reports formally, as in the past, he hoped that they would take part in the discussions in plenary session as and when they felt it appropriate to do so. If any of them wished to make general observations about

their agencies' reports, that would of course be quite in order.

76. The establishment of a Co-ordination Committee made it possible for the Council to concentrate in plenary session on general issues and questions of policy. Without prejudice to the decisions that might be taken at the end of the debate, he suggested that the two ACC reports should be referred *in toto* to the Co-ordination Committee for detailed examination. The Co-ordination Committee would also presumably be entrusted with the task of carrying out the review of work programmes. Since the Council had also, under item 14, to examine the commissions' work programmes from the point of view of their financial implications, both aspects of the question might be considered by the Co-ordination Committee in conjunction. While the Council would give general consideration, in plenary session, to the specialized agencies' report, any specific issues or any proposed recommendations to an agency should as far as possible not be discussed in plenary session, but be taken up by the Co-ordination Committee for detailed study.

The meeting rose at 6 p.m.