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President : Mr. M. KLUSAK (Czechoslovakia).

Present :

Representatives of the following States: Belgium, Cameroon, Canada, Czechoslovakia, Dahomey, France, Gabon, Guatemala, India, Iran, Kuwait, Libya, Mexico, Morocco, Pakistan, Panama, Peru, Philippines, Romania, Sweden, Turkey, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela.

Observers for the following Member States: Argentina, Australia, Central African Republic, China, Greece, Indonesia, Israel, Italy, Japan, South Africa, United Arab Republic, Yugoslavia.

Observer for the following non-member State: Federal Republic of Germany.

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

The representative of the International Atomic Energy Agency.

AGENDA ITEM 2

General discussion of international economic and social policy (E/4332, E/4343, E/4352 and Corr.1 and Add.1, E/4353 and Add.1 and Add.1/Corr.1, E/4361, E/4362 and Corr.1, E/4363 and Add.1-2, E/4370, E/4378, E/4392, E/4396 and Add.1-3 and Add.1/Corr.1; E/CN.11/L.184, E/CN.11/L.185/Rev.1; E/CN.12/767, E/CN.12/768; E/CN.14/370, E/CN.14/397; E/ECE/656) (*continued*)

1. Mr. JENKS (International Labour Organisation) said that the magnitude of the responsibilities of the interna-

tional community had been brought into sharper focus by current events in western, central and southern Africa, in South-East Asia and in the Middle East. The United Nations system existed for the twofold purpose of maintaining international peace and security and promoting social progress and better standards of life in larger freedom. Those were neither separable nor even complementary objectives. As the ILO Constitution proclaimed, there could be no universal and lasting peace without social justice; conversely, there could be no social justice without a solid peace, for which neither peace-keeping nor peace-building was a substitute. The ILO looked to the United Nations to keep the peace and offered its unreserved co-operation in building the peace throughout the world. Although the immediate political problems were not its concern, it would discharge in full its responsibility to play a leading part in implementing the basic concepts of justice and humanity.

2. Three fundamental principles held the key to a better future for all mankind—the principle of tolerance and good-neighbourliness, the principle of the dignity and worth of the human person, and the principle of the economic and social advancement of all peoples.

3. Without the principle of tolerance and good-neighbourliness, there could be no solution to the economic and social problems of any of the troubled areas of the world. The ILO could help to resolve those problems only if invited to do so by the parties directly concerned. It would then gladly play its full part in any efforts to assist the troubled areas of the world to enjoy in freedom economic prosperity and social justice. The principle of the dignity and worth of the human person implied that all such efforts must be governed by the paramount obligation to respect human rights and fundamental freedoms, while the principle of the economic and social advancement of all peoples implied a renewed determination to grapple firmly on a world-wide basis with the problem of economic stability and growth and the problem of the equitable distribution and enjoyment of the world's productive resources. Those twin preoccupations were at the heart of the ILO's programme. Its human resources development programme was designed to deal with the most vital element in economic growth: the human factor. Its conditions of life and work programme was designed as a major contribution to the solution within nations of the urgent problem of the equitable distribution and enjoyment of the world's productive resources. Its social institutions programme was designed as a contribution to the processes of institutional development, without which neither of the two foregoing problems could be peacefully resolved.

4. As the ILO's current activities were described in the report before the Council (E/4345) he would confine himself to a few points of exceptional importance.

5. Human resources development as a major factor in economic growth remained the most urgent preoccupation of the ILO. Without trained skills, wisely deployed, positive social achievement would inevitably lag behind the exciting possibilities opened up by scientific and technological progress. During the past twelve months the ILO had taken two major steps forward at the regional level. The Ottawa Plan of Human Resources Development, adopted unanimously by its Eighth American Regional Conference in September 1966, recommended the formulation by each country in the Americas of concrete plans and programmes for the employment and development of its human resources, fully integrated with policies and plans for over-all economic and social development and education; it also defined the manner in which the ILO could assist in the implementation of those plans and programmes, and provided a common framework for the action with respect to human resources that was essential if industrialization and economic growth were to be intensified. The Asian Manpower Plan, launched by the ILO Asian Advisory Committee at Singapore in December 1966, was designed to provide a similar framework for using Asia's unparalleled human resources to meet the area's human needs. The solid spadework necessary to convert those plans into reality was now being undertaken. Those were but the first of a number of similar steps being contemplated with the object of developing a world programme for human resources development in connexion with the fiftieth anniversary of the ILO in 1969. Such a programme could play a vital part in making the second United Nations Development Decade a far greater success than the first.

6. In that work, the incidence of rapid population growth on opportunities for training and employment would be one of the ILO's primary concerns. The International Labour Conference, at its recent session, had unanimously requested the International Labour Office to undertake a comprehensive study of that subject with particular reference to developing countries, to co-operate closely in the matter with the United Nations and other international organizations, and to submit proposals for further action within the ILO's sphere of competence. That mandate would enable the ILO to play a vigorous part in a concerted United Nations programme.

7. Where human rights were concerned, the outstanding event of the past year had been the unanimous approval by the General Assembly of the United Nations Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights. The Governing Body of the ILO had unanimously welcomed the adoption of the Covenants and had pledged the organization's full co-operation in respect of the rights falling within its sphere of competence. That position had subsequently been unanimously endorsed by the International Labour Conference, which had invited the member States of the ILO to consider early ratification of or accession to the Covenants and had urged them to ratify as soon as possible the conventions in the field of human rights already adopted by the

International Labour Conference. The record of ratifications of those latter conventions was impressive. For instance, the Forced Labour Convention of 1930 had received ninety-nine ratifications, the Abolition of Forced Labour Convention of 1957, seventy-eight, and the Freedom of Association and Protection of the Right to Organize Convention of 1948, seventy-five. It was hoped that the number of ratifications would show a further increase during International Human Rights Year when the ILO's contribution to the promotion of human rights would be the main theme of the Director-General's report to the International Labour Conference; he would appeal to all members of the Council for their assistance in the ILO's efforts. The International Labour Conference had also invited the International Labour Office to undertake a comparative study of the Covenants and the relevant international labour conventions and recommendations with a view to determining how best the ILO could assist in further promoting the protection of fundamental human rights. The value of the Covenants would, of course, primarily depend on observance of the highest standards of thoroughness and objectivity in applying the implementation procedures for which they provided. The ILO would be glad to co-operate fully to that end on the basis of the principles governing all its human rights activities—firm adherence to accepted international obligations and standards, scrupulous thoroughness, the strictest objectivity, a sympathetic understanding of what lay beyond the letter of the law, and the highest standards of tact and courtesy in the evaluation of difficult and delicate problems.

8. It was in the context of those broad principles and policies that the ILO envisaged the problems of co-ordination. As in the past, it would seek to strengthen the permanent foundations of the common effort, to promote a fuller sense of community, and to build the institutional structure of a solid world order. That was the spirit in which it approached the question of the proposed joint inspection unit. There were, however, certain principles the importance of which the ILO wished to emphasize to the Council. They were that the joint inspection unit should be completely independent—its only loyalty should be to the United Nations system as a whole and to the whole of its membership, and that it should operate with complete integrity. The ILO had nothing to hide or to fear, but it had a clear responsibility to ensure that the inspection system operated in such a way as to provide effective protection against control or interference by any one Government in the performance of functions for which each organization was responsible to its whole membership in accordance with the procedures established by its constitution. If that fundamental condition was fulfilled, the ILO's full co-operation was assured. The Governing Body of the ILO, while reserving its position in the event of any substantial changes being made in the arrangements envisaged at present, had already specifically so decided. With a joint inspection unit of complete independence, unimpeachable integrity and proven competence, it would assuredly be possible to establish a relationship of mutual confidence, which would be of lasting benefit to the whole United Nations system and would afford an invaluable further guarantee of the

independence, integrity and competence of all of its parts.

9. The same spirit governed the ILO's approach to the question of a further general review of the programmes of the United Nations family. Its resources always fell far short of its responsibilities. Every man-hour devoted to co-ordination was diverted from potentially productive work. Care must therefore be taken to strike a reasonable balance between the measure of co-ordination necessary to ensure that current programmes constituted a reasonable whole, corresponding to the most urgent of current needs, and the insidious operation of "Parkinson's law". It was for that reason that the Governing Body of the ILO had endorsed the hope expressed by its International Organizations Committee that the general review, by concentrating on immediate practical problems under current consideration, would avoid the need to call for information not readily available, thus imposing no appreciable additional burden on the financial and staffing resources of the United Nations family; and that the co-operation of the members of the Administrative Committee on Co-ordination (ACC) would enable the Committee for Programme and Co-ordination to identify practical problems to the solution of which a useful contribution could be made. The term "legislation" was sometimes used in discussing co-ordination. The essence of legislation, in his understanding as a former lawyer, was that it was binding on those subject to it. So far as the ILO was concerned, there was no such thing as legislation by the General Assembly or the Economic and Social Council, still less by any inferior body. The decisions of the ILO on recommendations made to it by the General Assembly were taken by the Governing Body and the International Labour Conference, in which the representatives of employers and workers enjoyed equal status with those of Governments. Every such recommendation received respectful and sympathetic consideration but the decision rested with the ILO and was taken in the light of its unique composition, structure, traditions and responsibilities.

10. There was much talk, also, of a clear and comprehensive picture. There was, however, no such thing as a clear and comprehensive picture of all the complex details of a constantly changing world. The most that could reasonably be hoped for was a clear and comprehensive picture of the matters representing immediate priorities for action at any particular time. What the ILO needed in order to co-operate effectively with the Council in the matter was a precise identification of the immediate practical problems for which the Council was seeking a remedy. Once those problems had been identified, the ILO would do its best to supply the relevant facts and make businesslike proposals for action. On the other hand, it was not prepared to devote resources made available by its member States for the welfare of mankind to creating academic, rather than resolving practical, problems.

11. Immense progress had been made in the co-ordination of international activities during the past twenty years. That progress had largely been achieved by reaching a

general consensus through a working partnership between the Council and ACC. In the present grave situation, the same procedure must be followed with a view to building even more solidly for the future. As he himself had pointed out in 1947, in order to secure concrete results it was necessary to start with a clear conception of the immediate goal, and that could be obtained only by breaking down the problems awaiting attention into well-defined subjects of relatively limited scope. Further, it was not possible to deal effectively with more than a limited number of subjects simultaneously, if only because the legislative and administrative action necessary to implement international decisions concerning any significant sector of social policy made important calls on ministerial, parliamentary, and departmental time. Those considerations were no less true today and were no less applicable to the problem of co-ordination than to the substance of social policy, despite the world changes that were confronting the United Nations family with a challenge of unprecedented magnitude and urgency. Precisely because of the magnitude and urgency of the challenge, past experience must be fully mobilized. There had been major developments in the process of co-ordination in recent years: the appraisals, the growing authority of the International Civil Service Advisory Board, the increasing role given to the Resident Representatives, the merger of the Expanded Programme of Technical Assistance and the Special Fund into the United Nations Development Programme, the arrangement of regular meetings between ACC and the Committee for Programme and Co-ordination, and the measure of agreement now reached concerning the joint inspection unit. That process of pragmatic development must be expected to continue; and the ILO was proud to have played a full and positive part in all of the developments in question. It would continue to play such a part. But future achievements depended entirely on the maintenance of a climate of mutual confidence, on respect for the established constitutional relationships between the United Nations and the specialized agencies, and on preservation of the highest sense of public responsibility in all quarters.

12. Mr. GREGH (France) said that the Council's decision to concentrate the general discussion on three main subjects—development planning, food aid and the development and utilization of human resources—had been a sound one in that its approach to those problems needed to be brought up to date and defined. Those three matters were as decisive for the development of the underprivileged countries as international trade and industrialization.

13. Where planning problems were concerned, today's general acceptance of the need for economic development had led to two types of action: the institution of new observation techniques (such as national accounting) and the establishment of the development plan as the essential tool for action. In his view, as in that of the Secretary-General, the plan should be a set of consistent medium-term forecasts, drawn up within a national or multinational framework and furnished with specific means of execution.

14. The forecasts must be consistent; otherwise, incompatibility between objectives might lead to imbalances, calling for agonizing policy reappraisals. They must also be medium-term. In France, as in most Member States, development plans covered four-year periods; a lesser period would be too short to carry out changes in production structures, while a longer one would be affected by lack of precise data, entailing the risk of too speedy action in the face of future uncertainties. Obviously, the forecasts must be established within a national framework, since political, administrative and financial institutions were essentially national in character. Lastly, a plan must be provided with specific means for putting it into effect in the form of the instruments now available to Governments in all contemporary economies. They must, however, be used early enough to be effective and, in that regard, observation tools were needed for early discovery of discrepancies between the desired and the actual course of development.

15. In that connexion, he would associate himself with the conclusions submitted in the documents prepared by the Committee for Development Planning, which rightly stressed that the establishment of economic budgets was indispensable for the sound execution of plans. France itself had for more than ten years endeavoured to exercise a systematic check on the execution of plans by the preparation of annual economic budgets.

16. There was a new development which had to be taken into account in national planning—the progressive integration of national economies in a regional framework. That development had to be taken into account, because a number of external factors were exercising a growing influence on decisions to be taken at the national level on such matters as the elimination of customs barriers within a region, the implementation of a common agricultural, fiscal and power policy, etc.

17. That situation served to make national planning even more delicate and even more indispensable: more delicate because national development aims were more at the mercy of accidental external circumstances, and more indispensable because of the imperative need for each country to define its development aims realistically in order better to meet increased foreign competition.

18. The question arose whether that process should be extended by attempting to integrate individual national plans within regional programming. At the present time, an attempt was being made to co-ordinate medium-term plans within the European Economic Community; however, the economic difficulties now facing some countries of the Community made it plain that they were not yet in a position fully to concert their economic policy, despite the fact that all the countries concerned were very similar with respect to level of development, institutional, social and political machinery, training for public and private employment, etc. Moreover, the community programming effort was based on market machinery which to some extent served to palliate inadequate and erroneous forecasts, and had been preceded by extensive contacts between businessmen as well as by exchanges of information at the administrative level.

19. When it was realized that many of the factors he had just mentioned were often lacking in the developing countries, it was evident that those countries should approach regional programming with the greatest caution. The first steps in that direction might be made at the level of economic policy, by instituting regional customs unions that should initially be relatively limited in scope, and at the institutional level, by a better utilization of existing organs under the regional economic commissions rather than by the creation of new bodies. As a start, national development plans might be examined from the regional standpoint with a view to detecting and eliminating inconsistencies in, for example, export and import forecasts. Such attempts would gradually pave the way for full-scale regional programming, which, by making the production of the individual countries more complementary, would in time reduce the sensitivity of the whole region to external factors, such as fluctuations in raw material prices.

20. Obviously, the establishment of a world development plan would have to be approached with even greater caution. The FAO Indicative Plan illustrated the difficulties and risks inherent in such an enterprise. The effort made in that Plan to assess and evaluate world requirements and resources in agriculture and particularly in food production undoubtedly corresponded to a need. On the basis of a progressive improvement in knowledge and data interpretation, the Plan could help to identify trends and evaluate the results to be expected from various carefully defined hypotheses, thus constituting a reasoned basis for national agricultural policies. Experience showed, however, that it was impossible to assemble sufficiently accurate data or to formulate hypotheses that were sufficiently substantiated to serve as a basis for a true plan.

21. It therefore seemed to him that the developing economies should adopt as a priority aim the preparation or improvement of national plans; they should seek to improve the internal consistency of such plans and co-ordinate them more closely with national accounting systems and economic budgets. Accordingly, technical assistance in support of national planning must be intensified and perhaps given in a slightly different form than in the past, by speeding up the local training of administrative staff, not only of high-level staff but also of medium-level staff capable of undertaking the collection and initial processing of statistical data.

22. With regard to the problem of agriculture and nutrition in the developing countries, repeated climatic disasters had led to a speedier absorption of the available world grain stocks; serious divergencies had appeared between food production trends and demographic trends in areas of the world where the balance was already precarious. Those factors accounted for the special emphasis now being placed on food aid.

23. In that regard, it was essential for the Council to have reliable information on the problem and to exercise great caution in any recommendations it might formulate. The studies now in progress by various bodies ought to be continued and encouraged. There were still too many unknown factors relating, for instance, to the development of agricultural production in scarcity areas, demographic

trends, and even the applications of science to food production. On those and other matters it was possible to draw up hypotheses with some measure of probability, but not yet with sufficient reliability to enable long-term choices to be made, particularly by countries in a position to provide food aid. The Council's first task should therefore be to invite the bodies concerned to pursue the existing studies further.

24. Secondly, attention must be drawn to the important changes that had taken place during the past few years in concepts relating to production and trade in agricultural products. Such matters could no longer be approached from a narrowly commercial angle; account must be taken of the necessary solidarity between all the peoples and Governments of the world. For some years past, his own Government had been drawing attention to the absurd and scandalous situation in which, on the one hand, production was being limited and on the other, needs remained unsatisfied. It had suggested that the position should be remedied by setting up an international trading organization, which would have served to meet the needs of each country while taking account of its means. That proposal had at the time been deemed an ambitious one; however, it was plain that, should the present pessimistic forecasts of food needs during the coming years prove accurate, some such method of action would have to be adopted.

25. The change in international outlook he had mentioned was illustrated by the new agricultural policy of the United States. Since the previous year, the satisfying of world needs had been included among the objectives of United States production on the same footing as the satisfying of internal and foreign trade needs.

26. Thirdly, he noted with satisfaction the growing response of the international community to the request for food aid. A recent striking example of that response had been the decisions recently taken by a number of developed countries within the framework of GATT. As a result, most of the countries concerned would be including a new element in their aid programmes, without necessarily changing their general trend. Transfers of grain would be made in addition to transfers of capital and technical assistance. The matter would be discussed by the International Wheat Conference, which had opened in Rome to negotiate a new international agreement on wheat. It was to be hoped that its discussions would lead to arrangements compatible with the commitments undertaken by the developed countries in food aid.

27. Essential though food aid had become during the past few years, it could be no more than one of the elements in development assistance as a whole; its limitations must therefore be realized. Such aid had economic and political limitations, imposed by the need to avoid establishing a relationship of dependency between those receiving and those furnishing food aid. Likewise, food needs would not necessarily remain equally great in the future for all developing countries, and other economic development needs which it was no less essential to satisfy would also continue to grow. Lastly, account must be taken of the available aid resources, actual and probable, during the coming years in order to avoid

increasing the inequality in the distribution of the aid burden among developed countries.

28. To sum up, increased food aid would unquestionably continue to be required on a large scale for many years to come. It must, however, be considered as a transitional measure, pending long-term action to expand agriculture in the under-developed areas in order to solve the problem of hunger and malnutrition. In that regard, it had come to be realized that prolonged stagnation in the agricultural sector was liable to endanger the economy as a whole. That fact was corroborated by discussions in the regional economic commissions for Africa, Asia and the Far East, and Latin America, as well as by the increased number of projects being undertaken by international organizations in the agricultural sphere and the shifts in certain national plans and aid programmes.

29. Rural development clearly depended on increased productivity by the farmer, and it was tempting to imagine that the use in developing countries of techniques and equipment found valuable in the developed countries should lead to substantially increased productivity. The results so far obtained were not, however, entirely conclusive. The use of such means was undoubtedly indispensable for expanding agriculture. Applied research and supplies of fertilizers, pesticides and agricultural equipment were essential. But knowledge and goods had no value in themselves and would be ineffective so long as the farmers in the developing areas remained unconvinced of their usefulness and unskilled in handling them.

30. The third main subject for general discussion, the mobilization of human resources, was dealt with in a voluminous report before the Council (E/4353 and Add.1 and Add.1/Corr.1). Because of the late circulation of that document, the many French national administrations concerned had been unable to study the contents in detail and, consequently, his delegation would be obliged to reserve its position on the recommendations it contained. In the circumstances, he would merely comment on a few aspects of the problem as it affected the developing areas, and particularly on the question of training, as one of the most important and urgent.

31. The training of national cadres was one of the most solid guarantees of political, economic and intellectual independence. An élite alone would not suffice to ensure that independence; if the peoples of the uncommitted world were to be able to manage their own affairs at every level and in every sector of their national life, their citizens must be trained. In other words, apart from the regular programmes of schooling for children and young people, systematic, concerted and planned measures should be taken to provide training, and particularly vocational training. Such measures should not be limited to making the population literate and, above all, should not be regarded as a preliminary to the diffusion and transmission of knowledge and techniques, since those processes could now be greatly facilitated by audio-visual methods, the use of which should be given every encouragement.

32. However, the rural population still constituted a high proportion of the total in the developing countries, a

situation which would persist during the next ten years. Large-scale efforts at various levels would therefore be necessary to improve its present condition. General and vocational training for the agricultural population in the developing regions was an absolute necessity, and the United Nations, through its specialized agencies, had drawn up projects whose systematic and consistent execution was highly desirable. Without, however, awaiting the result of that effort, it would be possible to achieve valuable results by mobilizing unemployed or underemployed manpower in the rural areas. Attempts of the kind made in Morocco and Tunisia during the past few years had been attended by success. The experiments made in those countries had shown that lack of capital and technicians need not necessarily condemn men to idleness and Governments to inaction.

33. Lastly, production of the report before the Council had necessitated reference to some thirty international organizations. In view of the varied aspects of the matter, that was quite natural. Moreover, the mobilization of human resources could plainly be effected only by persistent and co-ordinated efforts over a very long period of time. For instance, the training of teachers to enable the economy to switch from the traditional to a modern pattern could be considered only in terms of a whole generation. In other words, the specialized agencies must, without delay, proceed to plan and co-ordinate their action relating to human resources on a medium-term basis.

34. The progress in communications, the multiplication of contacts among peoples and the diffusion of new techniques had made the modern world more acutely aware of the privations inflicted on some and the privileges reserved for others. The profound inequality in living conditions from country to country could undoubtedly give rise to disturbances and antagonisms. The efforts of the international community to improve the lot of the under-privileged were of benefit to all, to donors as well as to recipients. But, conversely, efforts to combat underdevelopment in the world could be effective only if carried out in a climate of peace and co-operation. That was the objective set for the Council by the United Nations Charter in proclaiming the need for economic and social progress and development—the essential prerequisites for the maintenance of peaceful and friendly relations based on the principle of equal rights for all peoples.

35. Mr. GOLDSCHMIDT (United States of America) said that the relationship between the world's achievement of the goals of the Economic and Social Council and the length of the agenda of the Security Council must spur Governments to get on with the job of economic and social development. The gap between the aspirations of the Development Decade and its accomplishments was not merely a matter of statistics. Neither the resources available nor the knowledge of how to use them had been commensurate with the task. The Decade had been an ambitious undertaking; some progress had, however, been made towards its goals, and it had provided knowledge and experience which would not otherwise have been obtained. Development was a task for many generations and the American people, not being particularly patient,

understood the impatience of others to accomplish the work quickly. The United States had, nevertheless, consistently and increasingly supported development work even before President Truman's Point Four speech had drawn the world's attention to the matter.

36. Much had been learnt since that time and the inter-relationship between trade and aid was now recognized. The Kennedy Round negotiations should accelerate the growth of the exports of the less developed countries. During those negotiations, the United States had removed duties from additional imports to the value of more than \$400 million from those countries so that imports to the total value of almost \$3 thousand million would in future enter the United States duty-free. During the negotiations, the United States had also reduced tariffs on imports to the value of a further \$500 million from the developing countries. Nearly \$450 million of those reductions and eliminations represented imports of manufactured and semi-manufactured products from developing countries. His Government was prepared to go further, as made clear by the President's statement at Punta del Este.

37. New ground was being broken in the discussion of generalized trade preferences to the developing countries, and the United States was ready to consider constructive proposals in that respect.

38. The further development of trade should help to increase the exchange resources of the developing countries and increase the flow of private capital from the developed to the less developed countries. The growth of private investment in the developing countries had too often been held back both by suspicion of the profit motive on the part of the developing countries and by suspicion of central economic planning on the part of private investors. However, those fears were giving way to a more pragmatic and less doctrinaire attitude. Private enterprise had begun to appreciate that effective economic planning was often essential to creating the conditions for growth, while many developing countries were beginning to realize that private investment was often the best and quickest way to promote rapid growth in many parts of their economy.

39. To provide continuity in the development process, the question of the resources available to the International Development Association (IDA) was now under consideration. President Johnson had proposed in his 1966 foreign aid message to the Congress that the United States should increase its contributions to multilateral lending institutions, particularly IDA, provided that the contributions were consistent with the United States balance-of-payments policy and that appropriate increases in contributions were made by other members of IDA. Efforts were continuing in that regard.

40. One outstanding lesson learnt in the first six years of the Decade was that progress in development depended upon people, on their health, their education and training, their interest and initiative and, above all, their drive and spirit. Economic and social development were not separate but interrelated goals.

41. Human rights were also interrelated with development. Although the reasons for United Nations

activities to promote human rights were primarily humanitarian and philosophical, the promotion of human rights had a direct relationship to general development. For only when all people were free to pursue their own goals and to develop their full human capacities, without discrimination of any kind, could they make the fullest contribution to the progress of their country.

42. The problem of ensuring that every individual had a chance to share in economic and social progress was not limited to the less developed countries. In the United States, a relatively high average income tended to mask the fact that a minority of the people did not share in the general prosperity and were very poor indeed. It was not being assumed in his country that as average incomes rose, the incomes and living standards of all would rise. Efforts were being made to close the gap between the poor minority and the majority. The purpose of the extensive "War on Poverty" was to help the poor to help themselves toward sharing more fully in the general economic and social progress and in the exercise of their human rights.

43. The world knew of the efforts made by the United States to ensure to all its citizens the constitutional right of equality before the law. That universal standard was fundamental to the enjoyment of civil liberties and of human rights. But the mere recognition of those rights was not sufficient to assure their enjoyment; positive action was needed to eliminate the basic social and economic causes of discrimination and to make equality a reality. The United States recognized that people who could not attain the minimum standards of health, education, housing and employment generally accepted in their culture were by that fact alone disadvantaged in the enjoyment of their rights.

44. The United States realized that its own problems—great as they seemed to its own citizens—were quite different from the problems of a country only beginning its own economic development. Much of the experience gained in teaching new skills and in bringing the whole population into the mainstream of society should, however, prove useful to other countries. His own country's struggle with the problems of poverty and discrimination had made his countrymen acutely aware of the difficulties of other countries in solving their own.

45. He wished to comment on four aspects of development: education and training, food aid and protein programmes, population, and regional planning and development. Those aspects had not been listed in order of priority, since they all had an equal degree of priority.

46. Facilities and programmes for education and training must be expanded. Experience indicated, however, that there must be greater emphasis on the kind of training that had a foreseeable effect on national progress and economic development, and therefore the most positive effects on the personal growth and development of the person being trained. It was useless to devote limited resources to educating people for jobs which did not and probably would not exist. Nor would it meet the requirements of social progress to encourage men and women to spend years of study in a particular field if there was

little likelihood of their using the training in their home countries.

47. The supply of food must be increased. The growing gap in world food production had been discussed in the Council in the past, but not enough had been done during the previous year to change the situation. The gap between food production and needs in developing countries was widening. Population growth was continuing to outstrip increases in world food production, and unless programmes to increase the food production and hold down population growth were intensified, there might be famine in many parts of the world during the coming decade.

48. The United States would both share its own food-producing capacity and assist the development of agriculture in other countries. It had now reduced its carry-over stock of wheat to a manageable level. However, United States food-aid shipments in past years had been made only partially from accumulated stocks, the greater part having come from each year's current production. The stabilization of United States stocks did not, therefore, mean that its supplies of food to the world would be reduced. On the contrary, its programmes were based on the assumption that total overseas demand for its food products would continue to increase. The 1967 wheat harvest was expected to be the largest in its history. But the staggering problem of meeting food needs could not be solved by means of United States production alone. FAO had estimated that, by 1975, the deficit in food grain production in the developing countries might total 42 million tons, a deficit greater than the 1967 total wheat crop expected in the United States. By 1985, the deficit might exceed 80 million tons—an amount greater than the total wheat capacity that could be foreseen for the United States in 1985 even if all reserve acreage were brought back into production and technological improvement continued at the present rate.

49. The potential to meet the world food problem lay largely with the developing countries themselves. The developed countries could help most effectively by sharing their own agricultural knowledge and by assisting the less developed countries to build the fertilizer plants, the transport and storage systems, and other facilities essential to greater agricultural production. The United States had been giving and would continue to give such assistance. Almost \$700 million of the funds to be provided under its economic assistance programmes for the coming year would be spent on programmes to support the developing countries' efforts to increase their food production. But not nearly enough was being done by the world community as a whole or by the developing countries themselves to forestall tragedy.

50. The Secretary-General's progress report on multilateral food aid (E/4352 and Corr.1 and Add.1) would help all countries to co-operate more closely in finding ways to increase multilateral world food aid and to ensure that it served as an incentive to, not as a substitute for, agricultural development. The report substantiated the view that food aid could help to tide countries over until they had increased their own food production, but that it could not be a permanent solution.

51. Few development problems so clearly illustrated the interrelationships in the development process as did the problem of food, which called for action relating to industry and the infrastructure as well as to agriculture. His country's outstanding agricultural productivity was the result of large investments in research and education, seeds and fertilizer, in rural electrification and water supply and transport. The world food problem was a problem for the whole United Nations family and for its development programme. To meet it, UNIDO as well as FAO must be more active.

52. The important report on protein by the Advisory Committee on the Application of Science and Technology to Development (E/4343) emphasized that the problem affected not only the quantity of food but also its nature and quality. Of all the vicious circles that had to be broken in the process of development, none seemed more disheartening than that disclosed by the report. Whole generations of children who had not received enough protein in their pre-school years would suffer permanent physical and mental damage. Not only would the present generation of children not have the opportunity to lead a full life, but their handicaps would increase the delay in developing the productivity their countries needed to prevent such damage to succeeding generations.

53. The Committee's conclusions about the urgency of the protein problem and the need for accelerated action to increase protein supplies were substantiated by a report on the world food problem by the President's Science Advisory Committee just issued in the United States. For many years his country had supported United Nations projects to improve protein supplies, for example, by supplying substantial amounts of non-fat dry milk for UNICEF programmes. It intended to expand both multilateral and bilateral programmes and, wherever possible, the latter would be co-ordinated with United Nations agencies.

54. The United States was undertaking new research on ways of improving the world supply of protein and had launched programmes to provide incentives for private industry to develop, test, and market low-cost protein foods. It was continuing research on the development and processing of fish protein concentrates for human use, which was a good example of the importance of intensive exploitation of the resources of the sea.

55. Accelerated action must be taken in the immediate future to meet the world protein shortage through existing bilateral and multilateral programmes. Increased attention must also be given to the problem by the developing countries in their own economic planning. The Advisory Committee's report should be followed up by the Secretary-General, in consultation with the specialized agencies, with a view to finding the most effective means of implementing its recommendations.

56. The question of world food needs could not be separated from the population problem. Family planning led to an extension of individual freedom, which led to economic gains for the nation as a whole, as economic resources were freed for such purposes as education and better nutrition. The United States regarded family plan-

ning as a matter of individual choice, fundamental to the concept of individual liberty. It was prepared to offer assistance in family planning, through bilateral or multilateral programmes, on request. It believed that the United Nations might usefully devote more of its own development resources to such planning, in accordance with the wishes of the recipient country. The United States Government applauded the Secretary-General's decision to establish a trust fund to help lay the groundwork for an expanded population programme and was prepared to give sympathetic consideration to the possibility of contributing up to \$500,000 to the fund, to establish a United Nations field staff to help countries identify and prepare action requests to UNDP and interested bilateral donors, as appropriate. It hoped that other Governments as well as private organizations would also contribute to the fund. His Government expected its contribution to be fully spent over a period not exceeding eighteen months. Its plans were subject to legislative approval.

57. Regional planning and development programmes must be encouraged. The Secretary-General's report on the development and utilization of human resources stressed the essential need not only for co-ordination between different agencies of the United Nations and between local and national Governments, but also among developing countries themselves. Indeed, some of the most important UNDP projects had brought countries together for planning, for training, and for attacking their resources problems. The fostering of multi-national programmes had been one of the most fruitful activities of the regional commissions.

58. In May 1967, at the Water for Peace Conference in Washington, the President of the United States had stressed his desire to assist in the development of regional water centres. The staff of the Economic Commission for Asia and the Far East was already considering the question, as was the Economic Commission for Africa.

59. The United States was willing to help with regard to aspects of development where the need was recognized and where other countries were prepared to join in finding constructive solutions. That was only possible because its own economy was sound. A resurgence of economic activity in the United States in the second half of 1967 was now clearly foreseen, and the country was taking appropriate measures to allow a healthy growth while avoiding the danger of inflation.

60. The inflationary pressures which had affected the United States economy in 1966 had led his Government to take a series of monetary and fiscal measures to restrain the growth of over-all demand which were bound to produce a substantial slowing down of economic growth. As a result, the gross national product, which had increased by 5.5 per cent in 1966, had remained virtually unchanged in the first quarter of 1967. With the lessening of inflationary pressures, the fiscal and monetary measures taken to hold down demand had been eased, and the Government had pursued more expansionary fiscal and monetary policies since the beginning of the year. The evidence showed that the Government had succeeded in its aim of controlling inflationary tendencies

while avoiding the opposite danger of falling into recession. It was anticipated that economic activity would be more vigorous in the second half of 1967 and into 1968. That was important to the problem of world development, because the United States government policies on trade and aid were made possible by its own economic health.

61. As President Johnson had said, "In the long run, the wealthy nations cannot survive as islands of abundance in a world of hunger, sickness, and despair". It was in the light of that idea that the United States was pledged to approach the problems of the future, as it worked with others to build a better world for all.

62. Mr. AHMAD (Pakistan) said that the current political situation served to highlight the disappointments of the Development Decade and the urgent need for progress in the economic and social fields. The existing situation was both intolerable and unnecessary.

63. In a number of resolutions, the Council had pointed out that the rate of growth of the national income of most developing countries had fallen considerably below the modest target of 5 per cent per annum, that consequently the already wide gap between the standards of living in the developed and developing countries had widened still further, that agricultural output in the developing countries had been disappointing, that the pace of diversification of the economies of those countries had slowed down and that the goal of self-sustaining growth thus remained as distant as ever.

64. The responsibility for carrying out development programmes and implementing growth plans rested primarily with the developing countries themselves and required the mobilization of domestic resources, the introduction of institutional reforms, the creation of efficient administrative machinery and indeed a transformation of society and its entire range of values. It also required a modernization of traditional occupations such as agriculture and old-established manufacturing activities as well as the establishment of new and sophisticated industries. Although considerable progress had been made in many directions, it had not always been even or steady. Until recently, development had mistakenly been regarded as synonymous with the setting up of new industries. Agriculture, the mainstay of the bulk of the population and the basis for growth, had remained relatively neglected. There were, however, signs that that imbalance in development strategy was being corrected.

65. The development of human resources and skills had unfortunately been neglected. A wide variety of skills at various levels was required for the management of a modern industrial society and their creation sometimes lagged behind industrial development with the result that industries set up at a high cost in terms of real resources had been inefficiently operated. Those and other factors suggested that development strategies and procedures needed to be further streamlined in the developing countries.

66. The challenge of development could not, however, be met by the effort of one set of partners in what was a co-operative enterprise. Success demanded a whole set of policies and measures from the developed world, and its

failure in that respect was perhaps greater, if only because the sacrifice involved was easier to make.

67. The success of the Development Decade largely depended on the flow of adequate assistance from the developed world. The modest target of 1 per cent of the gross national product of the developed countries had not, however, been attained in any single year and no serious effort had apparently been made to reach it. The flow of assistance, which had constituted 0.84 per cent of the gross national product of developed countries in 1961, had in fact declined to 0.70 per cent in 1965. The developing countries would have obtained nearly 45 per cent more by way of foreign assistance, if the target had been attained. The inadequate flow of external resources had been stressed by the President of the World Bank in a recent statement.

68. The current crisis affected not only the volume of aid, but also the terms on which it was being provided. Grants, which once had formed a sizeable proportion of aid, were disappearing, while much aid was being provided at hard rates and with short maturity periods. The difficulties were increased when credits were tied to projects or to sources of procurement, with a consequent impact on prices. That situation had led to the growing indebtedness of recipient countries, so that the debt explosion posed as great a threat to their economies as the population explosion.

69. The developing countries were seriously concerned at the inordinate delay in the replenishment of IDA resources on an adequate scale. While the debate on the matter continued, the developing countries were being starved of the resources which were most valuable and best adapted to their requirements. The Council should express its profound concern on that important issue and should strongly urge the early replenishment of IDA funds on the required scale.

70. It was generally recognized that private foreign investment played a key role in the development programmes of the developing countries, which should provide a climate favourable to such investment. However, it was equally important that the developed countries should encourage private investment by offering positive incentives. It was noteworthy that the crisis in development concerned not only foreign assistance but the entire relationship between the developed and the developing countries. Indeed, the flow of funds from the developed countries had declined in relation to their resources, and existing trading patterns were preventing the developing countries from increasing their foreign exchange earnings through larger exports. Their traditional primary exports continued to be subject to wide fluctuations and exposed to the threat of synthetic substitutes, while various import restrictions were placed on their new semi-manufactures, by the developed countries. The situation was being further aggravated by the fact that heavy debt-servicing burdens pre-empted a sizeable proportion of their foreign exchange earnings. Moreover, there was growing apprehension that the focus of foreign aid policy might be shifting towards short-term political objectives and that there might be a gradual blurring of the criteria for assistance which might

well destroy the whole concept of foreign aid which had emerged in the nineteen-fifties.

71. The over-all performance of the developing countries would have been much better had the flow of assistance and trade developed on the improved lines envisaged in the concept of the Development Decade. That was evident from the experience of certain developing countries, such as his own, which had improved their institutional framework for development. During the first half of the Development Decade, Pakistan's growth rate had averaged 5.5 per cent, its exports had increased at an average annual rate of 7 per cent and industrial production had risen by 14 per cent per annum. Agricultural production was increasing at a rate substantially higher than that of its population, and domestic savings amounted to almost 12 per cent of its gross national product. Its Third Plan was designed to raise the rate of growth to 6.5 per cent, although the reduced availability of foreign assistance was proving a limiting factor.

72. In view of the failure of the first Development Decade, it was imperative that the international community should assume firmer commitments with respect to the next Decade. For that reason, his delegation wholeheartedly supported the idea that the United Nations should adopt a "charter" for development, not as an empty slogan but as a reflection of a general realization by the world community that the development of the under-developed countries was in the interest of the world as a whole. The targets to be achieved during the second Decade should be specified as clearly as possible and stated in terms of minimum rates of growth as well as in terms of per capita food consumption, standards of health and education, and employment. Means for the achievement of the objectives of the Decade should be specified, safeguards provided against failure, and the responsibilities of the developing and developed countries alike clearly defined. Specifically, the developing countries must recognize that they were primarily responsible for their development and must be prepared to make the sacrifices implicit in the mobilization of domestic savings and the implementation of the institutional reforms required for development; those suffering from over-population must also be prepared to formulate and implement effective family planning programmes. The developed countries, for their part, should undertake, individually and collectively, to provide a minimum proportion of their gross national product, which should in no case be less than 1 per cent, for the development of the less developed countries and to abandon their restrictive trade policies against imports from the developing countries. Such commitments should take the form of specific pledges, and the performance of the developing and developed countries should be evaluated annually as a means of exercising effective moral pressure on all countries. If, for any reason, a developed country was unable to provide the full amount of economic aid pledged under the charter for development, it might even be required to make up the shortfall in future years.

73. The terms on which aid was provided were of crucial importance; tied credits prevented the borrowing coun-

tries from obtaining supplies on a competitive international basis and there was little justification for the argument that the higher costs of goods supplied under tied credits should be passed on to the borrower. In such cases, the difference between the world price and the price actually charged by the suppliers in the creditor country should be borne by the latter as a legitimate charge for promoting exports which were not otherwise competitive.

74. Assistance sometimes took the form of suppliers' credits, and as the period of maturity of such credits was short, they placed a serious debt-servicing burden on the borrowing country. For that reason, consideration might be given to the introduction of institutional arrangements for converting such short-term credits into long-term credits. For example, on maturity, such credit could be taken over by an international credit agency and the period of repayment extended. An arrangement of that nature would considerably soften the otherwise hard character of the suppliers' credits. The developing countries could also be assisted by the establishment of a market intelligence service providing information on the prevailing prices of development goods. Such information would help them in their negotiation of prices of the goods they purchased under tied credits; such a service might perhaps be provided by an international agency such as IBRD.

75. Referring to the problem of multilateral food aid, he said that while there was no reason, given proper planning and effort, why optimum food grain production could not be achieved by the developing countries, the crux of the problem lay in the measures to be taken to cover their food deficits in the meantime. A combination of multilateral and bilateral food aid was a possible answer, and further possibilities were offered for a breakthrough in agriculture by recent technological advances. Pakistan, for example, through the successful introduction of improved varieties of seeds and increased use of fertilizers, pesticides and irrigation, hoped to achieve self-sufficiency in food grains within three years. In any event, the building up of food stocks, as recommended by the Secretary-General, was certainly a long-overdue insurance against emergencies, and his delegation suggested that the location of such stocks should be planned on a regional basis.

76. With respect to trade and development, he noted that events during the past three years had indicated that the policies of the developed countries had yet to respond to the recommendations of the United Nations Conference on Trade and Development; in certain fields there was even evidence of a movement away from rather than towards their implementation. Moreover, while not underestimating the progress made during the Kennedy Round negotiations, his delegation agreed with the Secretary-General that the developing countries could only feel disappointment that the benefits for them were likely to be much less than those for the developed countries. It hoped that the question of preferences by developed countries to developing countries would be solved satisfactorily during the second United Nations Conference on Trade and Development and that an agreement would be reached on an effective scheme of preferences by all

developed countries to all developing countries on a non-discriminatory and non-reciprocal basis.

77. In conclusion, he referred to the vigorous experiment in regional co-operation in which Iran, Turkey and Pakistan were engaged; their association had been possible because of the political goodwill and close ties between them.

78. Mr. LABOUISSÉ (Executive Director, United Nations Children's Fund) thanked the United Kingdom representative for the remarks he had made at the 1481st meeting concerning UNICEF's ability to respond promptly to the emergency needs of children; that had always been and still was an important aspect of its work. During the past year there had been two major requests for that type of aid. The first had been received from India, to which UNICEF had made a special allocation of \$1.4 million for emergency feeding and related assistance in the drought-affected areas of Bihar and Uttar Pradesh, and the second from the Middle East. Emergency assistance of various kinds was being provided for that area in an amount of over \$500,000; the target for the area might be \$1 million, depending on developments.

79. For the past several years, UNICEF had been devoting the bulk of its resources to the long-range needs of children in the developing countries so as to prepare them to live useful lives and thereby to contribute to the economic and social development of their countries. However, the basic humanitarian impulse to help children in need was still an important motivation for UNICEF aid and was probably the strongest reason for the voluntary support it received, particularly from private individuals whose contributions now accounted for over 20 per cent of its total annual income.

80. He stressed the important relationship between programmes to benefit children and the economic and social development of the countries in which they lived, since the level of development of a country determined the conditions in which children were born, lived and grew up, and since national development itself greatly depended on the quality of the younger generation.

81. In its efforts to support development, UNICEF had increasingly come to follow the "country approach", since its resources could be most effectively used to support key programmes on behalf of children and young people which had recognized priority within the development efforts of individual countries. In order to keep up with changing requirements, its field representatives endeavoured to work out national priorities in agreement with each country in the light of local conditions and to prepare a strategy for the development of the necessary permanent national services. Since, however, UNICEF's resources were extremely limited in relation to total needs, its role was primarily that of a catalytic agent providing support for pilot projects which, through their demonstrated success, attracted additional resources and thus expanded into wider undertakings on a national scale.

82. By authorization of both the General Assembly and the Economic and Social Council, UNICEF was prepared to supply assistance in any field likely to benefit children

for which there was a recognized need in accordance with the priorities established by the country concerned. Of the main allocations approved for 1967, for example, 52 per cent were for health, 13 per cent for nutrition, 5 per cent for welfare and 24 per cent for education. The amount allocated for education was considerably larger than in previous years, and although the percentage earmarked for health activities had declined, its actual dollar value had increased significantly. Those allocations also included assistance of the usual UNICEF type for family planning programmes which were part of regular health programmes. About one-third of UNICEF funds were being used for training, which was provided as far as possible within the environment in which the students would continue to live. Moreover, emphasis was being placed on the training of medium-level or lower-level personnel who would be responsible at the local or operational level for providing the leadership necessary to the success of programmes.

83. Referring to the question of co-ordination, he said it was gratifying that UNICEF had been commended on a number of occasions on the way in which it had co-ordinated its assistance with that of other specialized agencies. Co-ordination at the policy level was achieved through the preparation for each project of a detailed plan of operations with the country concerned and with the other participating specialized agencies; regardless of the nature of the project, UNICEF always consulted the technical agency involved. In the case of the United Nations Development Programme (UNDP), UNICEF's field staff had been instructed to keep the Resident Representatives fully informed of its activities so that those Representatives could provide useful guidance on the priorities being established by Governments in their development efforts, and so that the Governments, in their turn, could appreciate the relative importance and urgency of specific UNICEF programmes. UNICEF was glad to see that that relationship had now been clearly set forth in the new principles for co-ordination contained in the Secretary-General's report on co-ordination at the country level (E/4336).

84. At the headquarters level, UNICEF had developed a number of arrangements for inter-agency co-ordination. For example, representatives of FAO, UNESCO and WHO had assigned advisers to UNICEF headquarters in New York. Similar, although less formal, arrangements had been made with the United Nations Commission for Social Development. There had always been consultations between UNDP and UNICEF on projects of mutual interest, and senior level inter-secretariat meetings were now being held more frequently. In addition, the governing bodies of both FAO and WHO had established, together with UNICEF's Executive Board, joint policy committees consisting of five representatives from each organization to consider policy questions of mutual interest. Inter-secretariat meetings at the senior level were also held with UNESCO for the same purpose. A protein advisory group consisting of representatives of FAO, WHO and UNICEF had been established in New York, and UNICEF had been glad to participate in the work on protein of the Advisory Committee on the Application of Science and Technology to Development.

85. Generally speaking, co-ordination of UNICEF's work with that of other members of the United Nations family had been good and was being further improved. However, the co-ordinated policies of the specialized agencies did not remain static, and UNICEF was glad to note a very significant and welcome change, namely, the increasing appreciation by all agencies and Governments of the importance of human resource development at the earliest stages of life.

86. Referring to UNICEF's need for additional funds, he said that for some years the level of its annual allocations had varied between \$30 million and \$35 million. In 1966, impressed not only by the magnitude of children's needs but also by the many practical possibilities of larger and better projects to help meet those needs, he had proposed

to the Executive Board an income target of \$50 million to be reached by the end of the present decade. The Executive Board had warmly supported his proposal, which had subsequently been noted with approval by the Economic and Social Council and the General Assembly. In 1967, his proposed allocation of \$50 million to meet agreed outlays for the coming year had been approved by the Executive Board. In making that allocation, however, UNICEF had taken a calculated risk that income would increase fast enough to sustain that new level of expenditure. Despite encouraging signs, there was no assurance that its income goal would be met and he therefore appealed to members of the Council to do everything in their power to support UNICEF's efforts.

The meeting rose at 1.10 p.m.