



ECONOMIC AND SOCIAL COUNCIL

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at 3.25 p.m.

Resumed Forty-third Session

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President: Mr. Milan KLUSÁK (Czechoslovakia).

Present:

Representatives of the following States, members of the Council: Belgium, Cameroon, Canada, Czechoslovakia, Dahomey, France, Gabon, India, Iran, Kuwait, Libya, Mexico, 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: Algeria, Austria, Barbados, Brazil, Bulgaria, China, Cuba, Denmark, Greece, Hungary, Ireland, Israel, Italy, Japan, Saudi Arabia, Spain, Trinidad and Tobago, Ukrainian Soviet Socialist Republic, Yugoslavia.

Observer for the following non-member State: Switzerland.

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

AGENDA ITEM 1

Report of the Trade and Development Board (concluded) (E/4434, E/4437/Rev.1)

1. Sir Edward WARNER (United Kingdom) said that his delegation had studied with interest the report of the Trade and Development Board on its fifth session (see E/4434). It congratulated the Board on the way in which it was preparing for the second session of UNCTAD. He hoped that the Conference would be the occasion for genuine efforts on the part of both developed and developing countries to reach a common understanding of the problems which faced them all. Nothing would be gained by an unco-operative confrontation between those two groups of countries. His delegation was grateful to the Secretary-General of

UNCTAD for having drawn attention (1508th meeting) to the importance of replenishing the resources of IDA, which was the subject of resolution 37 (V) of the Trade and Development Board. The United Kingdom was fully prepared to contribute its share towards the replenishment of those resources at a substantially increased level. The Secretary-General of UNCTAD had referred to the need for agricultural modernization to be accompanied by increased industrialization to absorb agricultural labour. It should, however, be remembered that modern factories employed relatively little, and in some cases remarkably little, labour.

2. In conclusion, he said he welcomed the proposed establishment of the joint UNCTAD/GATT International Trade Centre (see E/4437/Rev.1) and the forthcoming United Nations Conference on Cocoa.

3. Mr. PEREZ GUERERRO (Venezuela) said that exceptionally extensive preparations had been made for the second session of UNCTAD. In particular, the ministerial meeting of the group of seventy-seven developing countries at Algiers had made it possible for the countries of the under-developed world to concert the stand they would take at the New Delhi Conference, to which they would not come as beggars. The success of the second session of UNCTAD, which would have to make a completely objective study of results of the United Nations Development Decade and adopt specific steps in preparation for the future, depended on a willingness to regard development as a joint venture. To that end, it was essential to draw up a development strategy to provide a frame of reference for future activities. Planning—a field in which the socialist countries had led the way—should be carried out, not only at the national level but also at the sub-regional, regional and at the world level, in the form of flexible schemes for certain sectors. After expressing his satisfaction at the establishment of the joint UNCTAD/GATT International Trade Centre, he pointed out that vocational training, to which all agencies in the United Nations family, both old and new, should be able to contribute, was as important a problem as the financing of development. He was convinced that the necessary resources existed for the latter purpose. They must, however, be channelled into development work and the best possible use must be made of them.

4. Mr. SHAHI (Pakistan) thanked the Secretary-General of UNCTAD for stressing the need to work out a global strategy for co-ordinating the activities of the developed and the developing countries. His delegation was glad that the Trade and Development Board had succeeded in reaching a consensus on the aims of the second session of UNCTAD. He hoped that that consensus would result in a fruitful dialogue and in the adoption of measures of immediate benefit to the developing countries. From that standpoint, the draft-

ing of the recent Charter of Algiers^{1/} and the proposed establishment of the joint UNCTAD/GATT International Trade Centre were encouraging developments.

5. Mr. CUHRUK (Turkey) said that gratifying progress had been made at the fifth session of the Trade and Development Board. Some of the problems on which a negotiated settlement was feasible were thus already known. That applied, in particular, to primary commodities, exports of manufactures and semi-manufactures from the developing countries, preferences, supplementary financing, regional co-operation and the expansion of trade between developing countries. The provisional agenda of the second session of UNCTAD might, admittedly, be criticized as being over-loaded, but it could be justified in view of the particular atmosphere and general outlook which prevailed at UNCTAD meetings.

6. Mr. ZAKHAROV (Union of Soviet Socialist Republics) said he had listened with great interest to the statement made by the Secretary-General of UNCTAD (1508th meeting), from which it appeared that the second session of UNCTAD, to be held at New Delhi, would be a forum for the discussion of outstanding issues affecting trade between the developing countries, the developed market economies and the socialist countries. That approach was more realistic than the concept of a world divided between an impoverished south and a wealthy north. It was to be hoped that, on that basis, the New Delhi Conference would achieve a wide measure of agreement on the means of overcoming the economic backwardness of the developing countries, a backwardness caused by colonialist and neo-colonialist exploitation.

7. Ever since the establishment of UNCTAD, the USSR had stressed the importance of that body being genuinely universal with respect both to its membership and the problems it considered. It must contribute to the development of trade, particularly of East/West trade, and, in that connexion, must seek to eliminate the discriminatory measures and economic boycotts which continued to hamper progress towards equal international co-operation. There was still a lot to be done in that field. The USSR delegation hoped that the second session of the Conference would make its contribution to the solution of those problems. Unfortunately, the problems of elimination of discrimination and economic boycotts had not been touched upon in the statement made by the Secretary-General of UNCTAD although they deserved the most serious attention. The USSR delegation was convinced that failure to solve those problems was impeding the economic progress of the developing countries.

8. Since the Second Committee of the General Assembly would shortly consider questions relating to UNCTAD, the Council should accept the Indian representative's proposal that it should take note of the report of the Trade and Development Board on its fifth session (see E/4434).

9. Mr. GOLDSCHMIDT (United States of America) said he had found the lucid statement made by the Secretary-General of UNCTAD (1508th meeting) of

great interest. The general atmosphere that had characterized preparations for the New Delhi Conference, now only a few months away, was a source of satisfaction. Although the Trade and Development Board had not found it possible to limit the provisional agenda of the second session of the Conference, a wide measure of agreement had been reached on the problems that were ripe for study.

10. His delegation was grateful to the Secretary-General of UNCTAD for having drawn attention to the measures which would enable the developing countries to help themselves and was gratified by the unanimous agreement to make the Conference a dialogue rather than a confrontation. It approved in principle the proposed establishment of the joint UNCTAD/GATT International Trade Centre, which met the concern for co-ordination consistently displayed by the Council. It looked forward to examining the details on that subject in the document just distributed to the Council (see E/4437/Rev.1).

11. Substantial progress had been made in some areas since the fifth session of the Trade and Development Board, particularly with respect to consultations on cocoa. The United States had also pursued with other developed countries the idea, first put forward by President Johnson at the meeting of American chiefs of State, held at Punta del Este in April 1967, of granting temporary non-reciprocal preference to developing countries, and his delegation hoped to be able to submit the general outlines of such a scheme to the New Delhi Conference.

12. In conclusion, he supported the Indian representative's proposal that the Council should take note of the report of the Trade and Development Board.

13. The PRESIDENT proposed that the Council should adopt the following draft resolution, which was on the same lines as that adopted the previous year in similar circumstances:

"The Economic and Social Council,

"Having considered the annual report of the Trade and Development Board,

"1. Transmits that report to the General Assembly;

"2. Draws the attention of the General Assembly to the comments and observations on the subject contained in the report of the Economic and Social Council on its resumed forty-third session.^{2/n}

14. Mr. MUZIK (Czechoslovakia) proposed that the following words should be added at the end of operative paragraph 2: "and also to the statement made by the Secretary-General of the United Nations Conference on Trade and Development".

The draft resolution, as amended, was adopted.

15. The PRESIDENT proposed that the Council should authorize him, in consultation with the Vice-Presidents and the Secretariat, to draw up the report on the resumed forty-third session.

It was so decided.

^{1/} See Official Records of the General Assembly, Twenty-second Session, Annexes, agenda item 38, document A/C.2/237.

^{2/} Ibid., Twenty-second Session, Supplement No. 3A (A/6703/Add.1).

AGENDA ITEM 2

External financing of economic development of the developing countries: promotion of private foreign investment in developing countries (E/4293 and Corr.1 and Add.1 and 2)

16. The PRESIDENT recalled that the Council, at its forty-third session (1506th meeting), had decided to postpone until its resumed session a decision on the draft resolution submitted by Dahomey (E/AC.6/L.369), pending receipt of additional information on the terms of reference of the panel on foreign investment mentioned in operative paragraph 2 (a) of the draft resolution. The Council now had that information before it (E/4293/Add.2) as well as a note by the Secretary-General on the financial implications of the draft resolution (E/AC.6/L.369/Add.1).

17. Mr. ZOLLNER (Dahomey), supported by Mr. VARELA (Panama) and Mr. VIAUD (France), said that, as certain delegations had interesting suggestions to make, he would like to consult them in order to produce a text which would correspond more closely to the objective sought and which would be likely to command unanimous support. He therefore proposed that the consideration of the draft resolution should be postponed until the second part of the resumed session.

18. Mr. POZHARSKY (Union of Soviet Socialist Republics) asked whether delegations at the second part of the resumed session would have before them the Secretariat's study on the promotion of private foreign investment in developing countries which for the moment existed only in summary form.

19. Mr. DE SEYNES (Under-Secretary for Economic and Social Affairs) said that the study had not yet been published; the services responsible for it were overwhelmed with work and it was not possible for the moment to say when it would be published. He nevertheless gave the assurance that the summary and the conclusions (see E/4293 and Corr.1) contained the crux of the study.

20. Mr. ATTIGA (Libya) supported the suggestion made by the representative of Dahomey that consideration of the draft resolution should be postponed.

21. The PRESIDENT concluded from the opinions expressed by delegations that consideration of the draft resolution submitted by Dahomey should be postponed until the second part of the resumed session.

It was so decided.

AGENDA ITEM 10

Calendar of conferences and meetings for 1968 (E/4436)

22. The PRESIDENT pointed out that the Secretary-General in his note (E/4436) drew the Council's attention to a request by the Ad Hoc Working Group of Experts, which had been set up under resolution 2 (XXIII) of the Commission on Human Rights^{3/} and

^{3/} See Official Records of the Economic and Social Council, Forty-second Session, Supplement No. 6 (E/4322 and Corr.1), para. 268.

entrusted by Council resolution 1216 (XLII) with the additional task of examining allegations of infringements of trade union rights in the Republic of South Africa, for a week of additional meetings in January 1968. Those meetings would have the financial implications indicated in the note mentioned above.

23. Mr. VIAUD (France) said it was difficult for his delegation to appreciate whether the extension of the session of the experts was justified, but, in any case, it was awkward to modify a calendar which was becoming tighter and tighter. However, without approving the request submitted by the Ad Hoc Working Group of Experts, the French delegation would not object to it.

24. Mr. GOLDSCHMIDT (United States of America) said he attached to the work of the experts all the importance it deserved but nevertheless regretted the tendency of certain subsidiary bodies to request an extension of their meetings. That tendency caused extra expense and upset the calendar. The terms of the Council decision concerning the need for subsidiary organs not to exceed the time allotted to them should be applied.

25. Mr. SHAHI (Pakistan) felt that the request of the Ad Hoc Working Group of Experts was perfectly justified in view of the importance of its work and hoped that the Council would endorse it.

26. Mr. ZOLLNER (Dahomey) regretted that the request involved readjustments in the calendar but noted that it was the Council itself which had given the additional task to the Ad Hoc Working Group of Experts. The request was therefore justified and his delegation supported it.

27. Sir Edward WARNER (United Kingdom) shared the views expressed by the United States and French delegations.

28. Mr. ATTIGA (Libya) also considered that, in view of the importance of the experts' work, their request was justified. The Council should try to give them the maximum amount of time to complete their task.

29. Mr. CHADHA (India) agreed.

30. Sir Edward WARNER (United Kingdom) pointed out that no date had yet been fixed for the meetings of the Enlarged Committee for Programme and Co-ordination and would like to know what arrangements the Secretariat intended to make.

31. Mr. KASSUM (Secretary of the Council) replied that that question would be considered at the second part of the resumed session; the Secretariat would have more information at that time.

32. The PRESIDENT considered that, in view of the statements made by the various delegations, the request of the Ad Hoc Working group of Experts contained in document E/4436 could be adopted.

It was so decided.

The meeting rose at 4.45 p.m.