## **UNITED NATIONS**



Present:

## **ECONOMIC AND SOCIAL COUNCIL**

Monday, 5 July 1965 at 3.15 p.m.

1369th meeting

## Thirty-ninth session

PALAIS DES NATIONS, GENEVA

OFFICIAL RECORDS

CONTENTS	
Agenda items 2, 3 and 5:	Page
United Nations Development Decade	
World economic trends	
Review and reappraisal of the Council's role and functions	
General debate	29
President: Mr. A. MATSUI (Japan)	

Representatives of the following States, members of the Council: Algeria, Argentina, Austria, Canada, Chile, Czechoslovakia, Ecuador, France, Gabon, Iraq, Japan, Luxembourg, Pakistan, Peru, Romania, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland. United States of America.

Representatives of the following States, additional members of the sessional committees: Denmark, Ghana, India, Iran, Madagascar, Mexico, United Arab Republic, United Republic of Tanzania.

Observers for the following Member States: Australia, Brazil, Bulgaria, Ceylon, China, Greece, Israel, Italy, Malawi, Portugal, Sweden, Venezuela, Yugoslavia, Zambia.

Observers for the following non-member States: Holy See, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Civil Aviation Organization, International Bank for Reconstruction and Development, International Monetary Fund, World Health Organization, Universal Postal Union, International Telecommunication Union, World Meteorological Organization, Inter-Governmental Maritime Consultative Organization.

The representative of the International Atomic Energy Agency.

United Nations Development Decade (E/4033, E/4068, E/4071 and Corr.1)

World economic trends (E/4046 and Corr.1 and Add.1 and 2, Add.3 and Corr.1, Add.4-6, E/4047 and Add.1-3, E/4059; E/L.1076)

Review and reappraisal of the Council's role and functions (E/4040, E/4052 and Add.1-3)

## GENERAL DEBATE

1. The SECRETARY-GENERAL pointed out that for the current year part I of the World Economic Survey,

1964, (E/4046 and Corr.1 and Add.1 and 2, Add.3 and Corr.1, Add.4-6) was devoted to development planning; in it, the Secretariat analysed the hopes, attempts and experiences of national planners in the various countries. 2. An appraisal of the world situation at mid-point in the United Nations Development Decade showed that, first, the gap of per capita incomes between rich and poor nations was continuing to widen; second, limitations in resources continued to be pushed back by the progress of science and technology; and third, the limitations which remained were due to the inability of the world community to organize itself with enough courage, purpose and coherence to wipe out the most glaring disparities and create a world society in which both the fruits of expansion and program and the burdens of responsibility would be more equally shared.

- 3. The current situation provided new reasons for hope as well as for concern. The population problem was perhaps the most preoccupying question; up to the present little had been done beyond trying to ascertain its evolution in general terms in fact, beyond evaluating the shadow it cast on development efforts and even that had not yet been done effectively enough. Yet, there seemed to be a powerful movement afoot throughout the world to bring about a better understanding of what the problems and possibilities were in that respect, and the new attitudes were very encouraging.
- 4. Laudable efforts had been made by WHO and FAO, particularly in the Freedom from Hunger Campaign. Those efforts should contribute to the advancement of public health and nutrition. However, in view of the wide disparities which still existed between industrialized countries as compared with developing ones in the number of doctors per thousand inhabitants and in the per capita protein intake, there was no room for complacency.
- 5. Progress in education was also encouraging. While little headway had been made in the problem of literacy among growing populations, there was not only more awareness everywhere about the need for better education facilities but also a more systematic effort to establish schools, to re-examine what education was and what it should be and to broaden access to it. But the encouraging trend in education was something offset by the lack of progress towards solving related problems. The younger generation certainly received more attention today than it had a few years ago. Social and economic experts now agreed that youth should be viewed as the world's most important resource, in the development of which much public investment was warranted. While it was true that more people, and more young persons in particular, crossed national frontiers and met more people of other countries, nevertheless not enough had been done to

make use of youth as an agent for the promotion of international understanding and development. He looked forward to the time when most young people — and their parents or employers — would consider that one or two years of work for the cause of development either in a far away country or in a depressed area of their own country was a normal part of their education.

- 6. It was regrettable that the problems created by the migration of country people towards big cities were not the object of as much attention. There was so far little insight into the determinants and consequences of urban migrations, not to speak of the means of dealing with them. It would seem unwise to delay much longer the launching of a more effective programme, both for housing and urban development, at the national as well as at the international level. The proposed work programmes of the Social Commission and the Committee on Housing, Building and Planning reflected that pre-occupation.
- 7. In the economic field, a very important step forward had been taken with the United Nations Conference on Trade and Development. The nature and implications of the problems of international trade had now been identified and a new willingness to face them squarely opened the road towards their solution, despite the difficulties which that Conference had revealed. What was required now was a vigorous follow-up, and that task was being tackled by the Trade and Development Board, which could be expected to make a considerable contribution in the years ahead.
- 8. International aid had stopped growing, and there were few setbacks which could be worse than that loss of momentum, if it were to persist. Beyond the failure to meet the objective of transferring to the poorer countries 1 per cent of the national income of the richer ones loomed the danger of thwarting the chances of many developing countries to achieve self-sustaining growth within a reasonable time.
- 9. Differences among the various schools of thought regarding international liquidity had now become less marked. The seriousness of the discussions which were taking place about the foundation of the international monetary system and the forward-looking character of some of the various plans suggested for broadening the basis of international credit proceeded from the conviction widely shared nowadays that, in the present state of international monetary relations, it was not possible to sustain the higher levels of economic activity and intercourse which were sought everywhere. That readiness to seek improvements in the collective ability to meet the challenge of modern times was very heartening.
- 10. Another heartening trend was the progress of regional schemes for economic co-operation and development financing. The increasingly active support given to developing countries by the regional economic commissions and other regional bodies in that connexion was most gratifying and deserving of encouragement. With respect to development financing, in particular, he considered that the establishment of regional development banks, far from representing a departure from the strengthening of world-wide financial relations, signifi-

cantly contributed to the diversification of investments and the multilateralization of aid. It was to be hoped that, through regional development banks in less developed areas, more resources from within and outside the areas concerned could be mobilized for multi-national projects and for undertakings which could not be meaningful within a purely national market.

- 11. Special emphasis had been placed in recent years on industrial development, and there seemed to be general agreement that efforts to promote it should be intensified. An encouraging start had been made in that respect, and the United Nations was doing everything possible to gain momentum in that field. There again, however, questions of attitude were involved, and whether or not industrialization of developing countries could fully benefit from progress in science and technology during the coming years would depend to a great extent on the ability of governments, investors and entrepreneurs throughout the world to dispose of a vexing paradox in a truly international spirit. The paradox was that, while more technology was needed for a better world, fewer nations could develop that technology. Advancement in all fields under present-day conditions was the fruit of research activities which had become so costly and which required such an accumulation of public or private capital, prior to any immediately productive investment, that only the Great Powers could afford to pursue them. The risks of the technological gap which were beginning to disturb small and medium-sized developed countries were no less serious for the developing countries, where the need for initial access to modern technology available abroad tended to overshadow concern for future autonomous technological development. When more advanced methods and processes were imported from other countries fears of foreign domination were liable to be aroused, and it would not be possible to escape from that prospect unless ways could be devised of inspiring all concerned with a new international spirit.
- 12. Perhaps it was unrealistic to expect that before the end of the decade significant progress would be made in the internationalization of research and its application. But it could be hoped that with the help of the new Advisory Committee on the Application of Science and Technology to Development, a major advance would be made in the transfer and adaptation of research and technology.
- 13. While nations were still moving very slowly towards realizing their interdependence, they seemed to recognize increasingly the inter-relationship of their activities. At present it was no longer a question of economic and social development but simply one of development and its different aspects. The inter-relationship among the different problems in the economic and social fields was now evident enough to sustain an urge to comprehend their changing pattern and a desire to ensure that the solutions sought were mutually compatible and coherent. That new spirit was reflected in the role which planning had recently come to play in the world. Governments were now conscious of the fact that the problem of development required a comprehensive approach and that its solution called for a forward-looking effort and a

strategy integrating the resources of all sectors. That was a momentous change of attitude.

- 14. Feeling that it was necessary to analyse and submit for reflection the experience accumulated in that field in the various countries, he had made a special effort to strengthen the ability of the Secretariat to keep in touch with the planners of the various countries, to keep informed of what they were doing and to answer their requests for information or advice, requests which were steadily increasing in number, significance and complexity, since national efforts always had to be defined and deployed in the changing context of the world economy.
- 15. That new awareness and those new requirements threw into relief the central position which the Economic and Social Council was called upon to occupy. He was gratified to note that his suggestion of the previous year that a review of the Council's functions and machinery should be undertaken had been taken up in the agenda. The dynamism of the General Assembly should not adversely affect that of the Council; quite the contrary, as it was incumbent upon the Council to prepare the ground for the General Assembly's discussions and decisions on major economic and social questions. Indeed, a glance at the broad range and variety of social and economic problems covered by the Council's agenda clearly showed the special place which that body occupied in an apparatus designed to promote and sustain an effort of international co-operation which must touch on all aspects and combine the action of the numerous centres of initiative with which the world community had equipped itself.
- 16. At its third session, the Special Committee on Co-ordination had considered that a distinction might be made between the various roles of the Council as a governing body, a co-ordinator and a forum for discussion and formulation of broad international economic and social policy (E/4068). All three roles were very important, and the last was not the least deserving of consideration in the context of the Development Decade.
- 17. Attempts to translate the aspirations of the Decade into practical endeavour had not yet crystallized. In that connexion the major elements of a broad co-operative effort of the organizations of the United Nations family should be determined with greater accuracy. The share of the United Nations would include a series of projects intended to cast more light on the bearing of demographic factors on the process of development. Ranking high among the priority projects would also be the study of the phenomenon of urbanization in its social, technical and economic aspects, the evaluation of the experience gained with urban communities as focal points of development and the investigation of the problems of low-cost housing. Work on industrial development and international trade, on the measurement of capital flows and development financing was being intensified. respect to development planning, the Secretariat would carry further and increase the scale of its research and operational activities with the benefit of the advice of high-level experts; on the basis of Council resolution 1035 (XXXVII), he intended to convene a small consultative group of outstanding and independent experts, specialists in the field of development planning, who

- would advise him particularly as to how the Organization's activities could be developed so as to serve governments better.
- 18. Beyond concerted action in priority areas of work on the part of international agencies, the United Nations Development Decade might be conceived as the closest thing there could be to the kind of perspective planning a world community of sovereign States might wish to give itself. The Council could help the General Assembly not only to provide the general orientation and guideposts for all that could be done within the framework of the Decade, but also to prepare the ground for future undertakings, while pursuing the current ones.
- 19. The organizations of the United Nations family should concentrate on achieving a better correlation and articulation of their work programmes, with the benefit of the experience acquired, and they should try to translate broad objectives into specific and well-defined targets. That would involve the adoption of methods, the setting up of mechanisms for appraising actual trends and performance, with a view to adapting international action to the needs revealed by such appraisals. It would also presuppose tentative projections of the possible expansion and reorientation of the Organization's programmes and of the attendant costs.
- 20. Despite the difficulty of the task, the international community which the United Nations represented could, if a beginning were made early enough, be ready for more coherent and effective action in the economic and social fields by the end of the current decade. If properly conducted and sustained, the Secretariat's efforts during the next few years might enable it not only to improve upon its record for the first half of the decade, but also to lay the groundwork systematically for the next period.
- 21. In conclusion, he expressed the conviction that the circumstances which had led to placing on the same agenda the review of world economic trends, the review of the progress so far made during the Decade and the review and reappraisal of the role and functions of the Council lent special importance to the discussions in which the Council was about to engage. The examination of national planning efforts and of the ways in which the Council might best play its part and organize its work were mutually related matters. Aware of the importance of such activities designed to lessen the tensions between North and South which, as he had often said, were intrinsically more serious than those still obtaining between East and West, he had proposed to the General Assembly at a time of financial crisis within a budget which he had wanted to keep as modest as possible, sizable increases in the resources needed for work in the economic and social fields. He hoped that the current political, constitutional and financial difficulties would not prevent governments from providing the Organization with the means of discharging its responsibilities in those fields and of sustaining and intensifying United Nations action towards the objectives of the Development Decade.
- 22. The PRESIDENT thanked the Secretary-General for his important statement, which stressed the magnitude of the task before the Council.

- 23. Mr. JEANNENEY (France) said that the scope of the questions the Council would be required to examine and the extent of the responsibilities it would have to assume were made evident by the presence of the Secretary-General who, in his statement, had indicated the direction in which solutions might be sought.
- 24. He proposed, in connexion with the examination of items 2, 3 and 5 of the agenda, to analyse the economic and social situation of his country and the basis of its economic and financial policy, and at the same time to make some observations upon the situation of the countries of the Third World.
- 25. A salient feature of the economic situation in France was that, after five years of uninterrupted growth at the rate of 8 per cent per year, industrial production had levelled off since last year and that had been accompanied by a slowing-down of the general rise in prices — which had fallen from 4 or 5 per cent per year to 2.5 per cent. There had also been some recovery in the balance of trade which was again more or less even, after having shown a deficit of 1,400 million francs in the second quarter of 1964. It was not only a question of an ordinary cyclical phase in economic activity but also — and that was what gave the situation its special character — of an attempt to effect a cure after fifty years of almost uninterrupted inflation. That attempt, which had commenced at the end of 1958, had included the adoption of a policy of budgetary austerity and of measures for the liberalization of trade, accompanied by carefully considered development planning. Those measures had resulted, on the one hand, in balance of payment surpluses which had made it possible to pay off earlier debts to the amount of \$2,000 million and to reconstitute the foreign currency reserves which were necessary for the free operation of international trade; on the other hand, there had been a 34 per cent increase in the volume of national production from 1959 to 1964, an extremely high rate of 6.1 per cent per year which it would be difficult to repeat in the future. Nevertheless, a persistent rise in prices and nominal incomes had outstripped the increase in production. The fact that the fight against inflation had not been completely successful was to be attributed to inadequate resistance to the temptations of inflation, to the political and social conveniences of full employment, and to the charm of monetary illusions. The efforts made had nevertheless created an awareness of the long-term dangers of inflation, which falsified economic calculations, and of the demands of a balanced development that would last. It had been realised that intentions to save should have been matched by decisions to invest, that economic structures should have been rapidly adapted to facilitate the progress in production without which it was impossible to satisfy the ardent and legitimate desire of the modern man for greater well-being — and that to achieve that aim, a rigorous discipline should have been imposed. It had become clear, for example, that the permanent temptation to stimulate consumption in order to accelerate growth should have been resisted since that was a dangerous method while there was a lack of production capacity; first of all selective investments should have been used as a remedy for the bottlenecks which provoked price rocketing. That policy of austerity had received concrete form

- in the options of the Fifth Plan approved by Parliament, the aim of which was to increase gross national production by 5 per cent per year, to readjust the distribution of incomes for the benefit of the under-privileged categories, to give priority to collective services and to continue aid to the developing countries.
- 26. He called attention to the fact that although national, such a policy was not for that reason egoistic, for, apart from the fact that prosperity was contagious because it led to an enduring expansion of international trade, such a policy contributed not only to the prosperity of France but to that of other developed countries, and also to that of the developing countries whose situation was causing particular anxiety, as the Secretary-General had emphasized in his statement.
- 27. It was noted, in fact, that in the countries of the Third World, production of foodstuffs was regressing in terms of absolute as well as relative value and obviously gifts of food by rich countries could not be considered as anything but an expedient. Industrialization was proceeding very slowly and sometimes was costing so much that its benefits were compromised. It was observed, too, that after an improvement in 1963-1964, the terms of trade were deteriorating again; that was particularly disquieting at a moment when industrialized countries were enjoying a boom.
- 28. Nevertheless there was no call for discouragement in such a situation. France was firmly resolved to contribute, within the limit of its possibilities and in collaboration with all peoples of goodwill, to the solution of those issues. The conditions needed for development were first of all the creation of the peaceful atmosphere that was essential to sustained effort and to the establishment of a healthy prosperity quite unlike the precarious prosperity which periods of war or of tension had sometimes brought to the countries of the Third World that had stayed aside. That must be followed by the progress and dissemination of science and technology — which did not mean merely the transmission of the knowledge acquired but also, and above all, the development of the scientific mind with all that that implied of intellectual rigour, taste for experiment, respect for facts and dislike of verbalism. Technical knowledge was certainly the only means to increase the productivity of all and bridge the gap between the developed and the developing countries. It was also certain that technical skills must be adapted to the capacities of the various countries. In addition the cost must not be high so as not to lay too heavy a burden on the budgets; development should be compatible in size with the markets of the respective countries and finally it should be directed less towards the economy of human labour than towards the better utilization of manpower. For that purpose, it was essential to establish close collaboration with the élite of the countries of the Third World who would be more capable of appreciating the services which machinery should render taking into account the conditions in each country.
- 29. It was essential that the two conditions referred to should be fulfilled but it was equally necessary, subsequently, to take economic measures. International trade was certainly necessary to development because it

specialized and encouraged innovation and stimulated competition, but its dangers should not be underestimated. If a country had only one product to offer, it might cause the subjugation of that country, make its future precarious and not lead it on to real development which implied diversity of activity. On the other hand, though a certain regional protectionism might be necessary, it was essential to leave adequate possibilities of real competition between countries at more or less the same stage of development.

- 30. It was well-known that there could be no truly stimulating international trade without monetary freedom, and for that reason a certain degree of currency convertibility was indispensable. He considered that the operation of international trade required sufficiently strict internal policies. International trade could, of course, be facilitated by international arrangements and benefit from the institution of currency areas. To those who feared that adherence to a currency area would encroach upon the independence of a country, he replied that a country could adhere to a currency area and keep its independence on condition that it was free to leave that area at any time, and in that connexion he cited the case of the franc area.
- 31. With regard to the prices of raw materials, France had always been in favour of some organization of markets. There was no doubt that excessive fluctuation of prices discouraged producers, but the danger to the countries of the Third World of an unconsidered policy of revalorisation of the prices of raw materials should not be underestimated in view of the double elasticity of production and consumption. Preferences in favour of the countries of the Third World were justified if they brought about diversification provided always that they did not lead to excessive specialization. It was necessary to adopt some guiding principles and to avoid any systematic theories, since every case was a special one.
- 32. It was evident that external aid was necessary for the development of the countries of the Third World — but the difficulties involved were equally evident. Forms of aid which were more spectacular than effective were to be avoided: those which in the long run were found to be very expensive for the beneficiaries owing to the recurrent expenditure entailed, and from which no suitable lesson could be learned. Loans were as necessary as gifts, but beneficiary countries must know from the outset what their obligations were. It should be a constant rule that such assistance must be a part of the national development policy of the beneficiary country. It was there that the plans referred to by the Secretary-General became useful, but such plans should not be theoretical; they should be translated into appropriate action. In such matters the delicate nature of the part played by technical assistance in planning should be stressed, for it was above all a question of national policy implying freedom and independence of choice and also the will to be oneself. Thus, assistance should not consist in making plans, but in enabling the responsible authorities of a country to prepare plans for the carrying out of which that country would be responsible. On the other hand, it was the duty of those who gave aid to keep themselves informed

concerning the use to which it would be put in order to determine to what extent such aid would be effective, and it would also be their duty to refuse the aid if they considered that it would not have the desired results.

- 33. Development was a noble and universal ambition which called for effort and not laziness, for time and not destructive impatience, for efficacy and not waste. If the Development Decade was to be a success, all the nations and all the organizations concerned would have to join forces. The role of the Economic and Social Council should be at all times to encourage the organs of the United Nations to use methods of efficacy and economy, to compare ideas for the purpose of promoting clear thinking, to take and to provide a long-term and over-all view of the problems in a field such as that of development where everything was interdependent. That was a task which could only be accomplished by a body like the Council, with its general competence. For that reason, the French Government had been authorized by Parliament to ratify the amendment to the Charter broadening the composition of the Council so that it would have a wider audience and the greater moral authority necessary for the successful accomplishment of that task.
- 34. Lord CARADON (United Kingdom) thought that it was the Economic and Social Council which now offered the greatest opportunities for achieving new successes in international endeavour. The historic task of the Trusteeship Council was practically ended, since eleven out of fourteen Trust Territories had been given their independence, thanks in great measure to the leading part played by the United Kingdom. By contrast, it was impossible to expect that the work of the Security Council, which had to act within the narrow limits set by existing rivalries and deep-seated antagonisms inherited from the past, could be completed during the current millennium. The work of the Economic and Social Council offered a field of unlimited opportunity. The work of all three bodies was complementary and interrelated. Freedom was of little value unless accompanied by security, and neither freedom nor security were worthwhile if they led only to the slavery of poverty and social injustice. As the Secretary-General had stated earlier and had repeated at the present session, the existing division of the world into rich and poor countries was much more real and much more explosive than the division of the world on ideological grounds. The end of colonialism and the maintenance of peace were not an end but a beginning. Political progress without economic and social progress would be a mockery; for that reason the work of the Council was of primordial importance.
- 35. The report of the Secretary-General on the "United Nations Development Decade at Mid-Point" (E/4071 and Corr.1) gave a brilliant account of the problems confronting the world. It deserved to be widely distributed in all parts of the world. After describing the progressive impoverishment of more than half the world, the report stated the stark facts: that it was the poorest economies which grew most slowly, that growth in many of the developing countries was slowing down and that the gap between the per capita incomes of the developing countries and those of the developed countries was widening. The

report, moreover, stressed that the demographic explosion, the over-crowding of towns, the increase of unemployment and the deterioration of sanitary conditions added to the difficulties of the developing countries and made their prospects more daunting still. Those facts gave a sense of urgency to the work of the Council.

36. In reading the remainder of the report, however, one could not fail to be impressed by the extent of the efforts already made, the variety of methods which had been evolved and the value of the experience gained. But, at the same time, when compared with the extent and urgency of the needs, one could not help recognizing that the progress achieved hitherto remained pathetically inadequate.

37. Of all that had been done during the first half of the Development Decade, nothing appeared more hopeful than the results of the United Nations Conference on Trade and Development, held in 1964, which had led to a unanimous decision by the General Assembly (resolution 1995 (XIX)) to establish a new organization to deal with trade and development. It was, of course, too soon to assess the full consequences of that decision, but it was impossible to suppose for a moment that the new organization could detract in any way from the importance of the work of the Economic and Social Council. Far from hampering or complicating the work of the Council, the creation of the new organization was a landmark on the road along which all members of the United Nations wished to travel. The only matter for regret was that that step had not been taken long before.

38. His own experience of economic and social development was much more practical than theoretical. He had not acquired it in the developed countries but in countries struggling to make a start in development, in Arabia, in Africa, and in the West Indies, as well as in Cyprus. He had recently had the opportunity of working for the United Nations Special Fund in East, North and West Africa and had been able to see for himself some of the clear benefits which flowed from multilateral aid. At the twentieth anniversary of the establishment of the United Nations in San Francisco, he had said that the servants of the United Nations and its specialized agencies who worked on those practical tasks would be ashamed to pursue a narrow nationalism. They made mistakes, their efforts sometimes failed, their organization was often inadequate. But it was the motive that mattered. The need was not for theoretical discussions but for practical achievement. As the Secretary-General had urged, it was necessary to translate broad objectives into specific targets. The immediate task for the Council was to select the practical programmes which could be put into effect most quickly and to identify the fields where genuine progress could be made.

39. In his message to the President of the General Assembly, on the occasion of the San Francisco anniversary celebrations, the Prime Minister of the United Kingdom had reaffirmed that his Government regarded support for the United Nations as the cornerstone of its foreign policy. As Permanent Representative of the United Kingdom to the United Nations he had received the clearest instructions from his Government to seek new

means of attaining the purposes of the Charter; to seize every opportunity to support, strengthen and, if necessary, reform the United Nations, and to take a constructive part both in the maintenance of peace and in the economic development of the new nations. In execution of that policy, he had informed the Secretary-General of a voluntary and unconditional United Kingdom contribution of \$10 million to help the United Nations overcome its financial difficulties and bring about a solution of the controversies which had delayed the work of the General Assembly much too long. The United Kingdom was also the first to contribute each quarter to the cost of the United Nations Cyprus peacekeeping operation, and, in a sphere with which the Council was more directly concerned, it had increased its contribution to the Special Fund and EPTA, UNICEF and the Programme of the United Nations High Commissioner for Refugees. The United Kingdom also intended to make a financial contribution to the United Nations Training and Research Institute. Taking the activities of the United Nations as a whole, the United Kingdom was the second largest financial contributor. The financial difficulties and economic problems with which the British Government had been faced had not prevented it from substantially increasing its voluntary contributions. High amongst its objects was the purpose of being able to sustain and increase its efforts in the whole field of overseas aid.

40. At the present time there were five areas of practical endeavour which seemed to offer the greatest opportunities for international action. The first was human rights, and, in a sense, the aim of all international organizations was, surely, to ensure the freedom of the individual in the widest sense. He had said in the general debate at the nineteenth session of the General Assembly (1316th plenary meeting) that his Government was determined not only to oppose racial discrimination in the United Kingdom, but also to take a full part in the negotiation of effective covenants to give international effect to the Universal Declaration of Human Rights. The United Kingdom welcomed the decision taken by the General Assembly (resolution 1961 (XVIII)) to designate 1968 as International Year for Human Rights, and supported the proposal by the Commission on Human Rights for an international conference on human rights. It also considered that the seminars conducted by the United Nations under the Programme of Advisory Services in the Field of Human Rights had amply demonstrated their usefulness. His Government was ready to act as host for such a seminar in the United Kingdom. But, though indispensable, those activities were still insufficient. The British Government thought that they should be made more effective. In that connexion it was encouraging that the proposal for a United Nations High Commissioner for Human Rights was now inscribed on the agenda of the Commission for Human Rights. The British Government supported that proposal which it thought would do much to encourage and improve performance in the field of human rights, in accordance with the Charter.

41. The second priority subject was the vast population problem which dominated all political and economic life, for population growth might obstruct all economic

and social progress. New schools and new hospitals were constantly being built, but even before construction was completed, they were much too small to meet the constant pressure of population growth. As the President of the United States had very rightly said at San Francisco in June 1965, it was necessary to face forthrightly the multiplying problems of a multiplying population. He was glad that the Secretary-General had placed particular emphasis on that subject and had pointed the way to further action and welcomed the coming meeting of the World Population Conference at Belgrade; he had also specially referred to the fact that as a result of the decision taken by ECAFE, United Nations activities had been extended to include family planning. If there was too much delay in tackling that problem, all achievements in the political, economic and social fields might be reduced to nothing.

- 42. In the third place, investment capital was the life blood of development. Those countries which could attract capital went forward; the others stagnated. A tribute should be paid to the work of IBRD which since its foundation, had committed funds to the value of nearly \$9,000 million for development purposes. The activities of IBRD did not consist solely of granting loans, and it was taking an increasing interest in education and in agricultural development; particular mention should be made of the stimulus to realistic planning which economic surveys have provided in various countries. Attention should also be drawn to the role of the Bank's affiliates, namely IDA and IFC, which were trying to stimulate and facilitate development both in public and private enterprise. The United Kingdom's contributions to IBRD and to IDA were second only to that of the United States of America.
- 43. As to the regional development banks, whose constructive role had been referred to by the Secretary-General, his country had announced a contribution of £7 million to the Inter-American Development Bank and it was prepared to grant financial assistance in the form of loans to the African Development Bank. Moreover, his country had announced its intention to make interest-free loans to certain developing countries.
- 44. The fourth question was that of the best means of stimulating industrial development in developing countries. On that subject, his Government had two main proposals to put forward. The first, as an immediate step, was to expand and strengthen the functions of the Centre for Industrial Development in the Secretariat, with additional funds provided from the regular budget. The second and still more important proposal would be to establish a new voluntary fund to cover the cost of operational action by the United Nations in industrial development. It was not necessary to take any final decision yet with regard to the question of organization. It might well be that the United Nations Development Programme would have a vital contribution to make to industrial development and it would be quite wrong to think that industrial development could be undertaken independently of programmes of over-all development. For the time being at least, speedy action should be taken to strengthen the existing organization. He thought that his proposal for new organizational arrangements

including a new voluntary fund offered the best prospect of more effective action. If the fund was established, his Government was prepared to contribute to it financially.

- 45. Lastly, one subject of over-riding importance was the proposal for the establishment of the United Nations Development Programme. In resolution 1020 (XXXVII) the Council had already made recommendations on that subject which would have to be approved by the General Assembly, and it could be said that among the disadvantages of the suspension of the nineteenth session of the General Assembly, possibly the most serious of all was the delay of one year which would have to intervene before the inauguration of the Development Programme. He wished to express his full admiration of the work accomplished by EPTA and the Special Fund. That was a positive work and the fact that it was continuing and expanding year by year was the best answer to the critics of the United Nations and to the pessimists who said that its work was being curtailed. Nevertheless, the case for merging the two Programmes into a single development programme which would embody the best features of both was overwhelming: the need for a single comprehensive development programme would become greater as its operations extended into new fields opened up by scientific and technical progress. Attention should also be paid to greater effectiveness and to the constant need to act in full co-operation with the governments of the developing countries and in accordance with their wishes. In the past, those governments had often found it difficult to understand the exact functions and limitations of the various bodies created to help them. His Government attached great importance to the role of the resident representatives and would submit proposals on that subject. It believed that a single development programme would undoubtedly be one of the most effective means of achieving the purposes of the Development Decade.
- 46. In any case, there was a need for early action, for the difficulties and dangers besetting the world were not less but much greater than they had ever been. He had often put first the danger of race conflict but the danger arising from the poverty of more than half the world was scarcely less. Above all, it must not be forgotten that millions of young men and women in countries threatened by starvation were not prepared to accept the wretched existence of their fathers. There was not much time left, and the Council should approach its work with a full realization of the extent of those needs and dangers.
- 47. Mr. MALITZA (Romania) said that the decision to study the three agenda items together was fully justified since they all related to the need to speed up the development of the vast majority of mankind. The examination of the results achieved during the first half of the United Nations Development Decade would make it possible to lay down guidelines for subsequent action. In that connexion, the Secretary-General's statement had been realistic and constructive particularly in so far as it emphasized the importance of the problems of the education and training of young people problems to which Romania had always given paramount importance.
- 48. Little satisfaction could be drawn from the results obtained in the first half of the Development Decade; in

Asia, the production of foodstuffs had risen less rapidly than the population; in Latin American countries, the growth rate of production had been lower than during the years 1950-1960 and per capita income had risen at a rate of only 1 per cent per year. Moreover, primary products were still subject to violent fluctuations and the growth rate of the exports of developing countries had fallen off in 1964, and at the present time was still slowing down. In general, the balance of payments of developing countries had deteriorated steadily. There were, therefore, few reasons for optimism and increasing grounds for anxiety.

- 49. The fact that it had not yet been possible to improve the living conditions of two-thirds of mankind was a consequence, not so much of a lack of resources, but of the policy practised by certain countries. The indispensable condition of economic development was that the developing countries should enjoy full respect for their independence and their national sovereignty on a footing of equality with other countries. One of the reasons why mankind had not yet been able to solve the problems confronting it was the armaments race, which swallowed up vast quantities of resources. International efforts to speed up the rate of development remained ineffective because force was still the determining factor in international relations. That state of affairs was extremely prejudicial to the United Nations and to the very idea of co-operation.
- 50. Nevertheless, certain positive results had been obtained: for example, the notions of industrialization and planning were now universally accepted, as indicated in part I of the *World Economic Survey for 1964*, which dealt with development planning.
- 51. The introduction of planning methods into countries in various stages of development might be facilitated if all countries made available the experience they had acquired in that field. The Romanian delegation would support any steps taken by the United Nations to facilitate the communication and an understanding of the results obtained by planning methods in various countries. It was important, however, to stress that there was no universally applicable solution, no recipe that could be applied equally in all the various countries: a plan could only become an instrument for transforming the conditions prevailing in a given country, if it had the conscious and enthusiastic support of the whole population, if it was adapted to that country's means and corresponded to its needs.
- 52. The Romanian delegation considered that some of the conclusions of the Survey should be revised and subjected to further analysis, particularly those of chapter 2 concerning the additional resources necessary for the realization of planned increases in investment. Greater importance should be attached to internal social sources of investment finance, and internal development possibilities should be stressed emphasizing that the allocation of resources to industrialization did not necessarily affect the level of individual consumption.
- 53. Romania was ready to respond to the interest certain countries had shown in the experience it had gained of industrialization and planning. The development of Romanian industry, which had proceeded at the annual growth rate of 14.4%, had been accompanied by a

steady rise of wages and incomes. The total industrial production of Romania today was ten times greater than it had been in 1938. Continued industrialization and the scientific organization of agriculture, together with scientific research, development, education, the training of skilled personnel and the raising of living standards, would make it possible within five years to increase total industrial production by 65 per cent and to raise the national income at an average rate of 7 per cent per year. During the period in question, the volume of Romania's foreign trade had been multiplied by 2.3 per cent.

- 54. Two recent world conferences had outlined the ways in which it would be possible to speed up development: the United Nations Conference on Trade and Development had laid bare the defects of the existing system of international trade and had emphasized the direct connexion between development and trade.
- 55. One important fact of economic development, however, had to some extent been overlooked, namely, the human factor, which was usually dealt with from a demographic standpoint or from the standpoint of employment. Nowadays education and vocational training were regarded as essential factors of development. Some authorities had estimated that two-fifths of the actual growth of production obtained in recent years could, as a rule, be attributed to those two factors.
- 56. The Advisory Committee on the Application of Science and Technology to Development had rightly stressed that, in the last analysis, the industrial capacity of a country was determined by the number and distribution of persons with special qualifications. While not neglecting other factors — social conditions, housing, health problems — nor underestimating the importance of investment, a concerted international campaign for human development should be launched. Sixty per cent of the children of school age still attended no educational establishment of any sort; that was a field in which UNESCO played the leading role. The ILO was active in promoting the training of qualified workers in the various countries for the productive and administrative sectors. To supplement these efforts, an increasing number of persons should be given access to more advanced forms of training in science and technology. It might prove very useful if ILO and UNESCO prepared a report on the present world situation as regards the training of persons, showing the correlation between such training and economic development.
- 57. Recourse could be had to cheaper methods than the holding of great international conferences in order to draw the attention of public opinion and of governments to the importance of trade: for example, the extraordinary sessions of the Council, as provided under its rules of procedure. It should be realized that, in the last analysis, man was the source of all development. The creation under the watchword of bringing science to the people of a single programme which would extend campaigns against illiteracy to cover national training programmes for highly qualified workers would be extremely valuable not only for economic development, but also for peace and international understanding.

The meeting rose at 6.10 p.m.