



ECONOMIC AND SOCIAL COUNCIL

Thirty-ninth session

OFFICIAL RECORDS

Thursday, 8 July 1965

at 3.15 p.m.

PALAIS DES NATIONS, GENEVA

CONTENTS

Agenda items 2, 3, 4, 5 and 35:	<i>Page</i>
United Nations Development Decade	
World economic trends	
General review of the development, co-ordination and concentration of the economic, social and human rights programmes and activities of the United Nations, the specialized agencies and the International Atomic Energy Agency as a whole	
Review and reappraisal of the Council's role and functions	
Work programme of the United Nations in the economic, social and human rights fields	
General debate (<i>continued</i>)	75

General review of the development, co-ordination and concentration of the economic, social and human rights programmes and activities of the United Nations, the specialized agencies and the International Atomic Energy Agency as a whole (E/3991, E/4022, E/4027, E/4029, E/4030, E/4034, E/4035, E/4036 and Corr.1, E/4037 and Add.1, E/4039, E/4041 and Add.1, E/4044 and Add.1 and 2, E/4050, E/4062 and Corr.1 and Add.1, E/4076)

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

Work programme of the United Nations in the economic, social and human rights fields (E/4070)

President : Mr. A. MATSUI (Japan)

Present :

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, China, Greece, Israel, Italy, Malawi, Philippines, Poland, Tunisia, Yugoslavia.

Observers for the following non-member States: Federal Republic of Germany, Holy See.

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, World Health Organization, Universal Postal Union, World Meteorological Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEMS 2, 3, 4, 5 AND 35

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/ECE/572, E/L.1076, E/L.1079/Rev.1)

GENERAL DEBATE (*continued*)

1. Mr. ALI (Pakistan) said he had listened with keen interest to the Secretary-General's statement at the 1373rd meeting describing how the activities of the United Nations and its associated organizations were being co-ordinated with a view to achieving the objectives which the General Assembly had set for the United Nations Development Decade. There was conclusive evidence that the economic growth of the developing countries had reached nothing like the annual rate of 5 per cent recommended by the General Assembly in resolution 1710 (XVI). The information contained in the voluminous documentation submitted to the Council for the agenda items under consideration showed that the responsibility for the failure to achieve that rate did not lie with the agencies of the United Nations, which had done their best within the limits of their resources. An annual economic growth rate of 5 per cent could be achieved only by concerted national action supplemented by aid from friendly countries and international financial institutions.

2. Apart from IBRD, IMF and IDA, the organizations of the United Nations system could supply aid mainly in the form of technical co-operation, which the developing countries, including Pakistan, greatly valued. Experience showed that receiving countries could not derive full benefit from technical assistance provided on a multi-lateral or bilateral basis unless they had previously organized economic and planning services. As the Chairman of his country's delegation had suggested at the 1370th meeting, one of the great services which the United Nations could render to the developing countries would be to help them set up services to draw up and implement plans and to co-ordinate their execution. Instead of having a large planning service in the United Nations Secretariat, it would be preferable to set up a body of experts whose services would be made available to the developing countries as the need arose.

3. His delegation welcomed the progress made by the regional planning institutes in Asia and Latin America the Economic Development Institute which was operating under the auspices of IBRD and the United Nations Institute for Training and Research. The African Institute for Economic Development and planning was still in its infancy, and any attempt to appraise the results of its work would be premature.

4. The United Nations Centre for Industrial Development was doing impressive work. The Council would remember that it was the Pakistan delegation which had proposed the establishment of a specialized agency on industrial development ten years before, a proposal which had resulted in the creation of the Committee for Industrial Development and subsequently of the Centre for Industrial Development within the United Nations Secretariat. His delegation considered that the time had now come to set up a specialized agency for industrial development. If the reaction to that suggestion was favourable, his delegation would be prepared to submit a draft resolution with that end in view, in association with any like-minded delegations. If that suggestion was generally regarded as premature, his delegation would support the United Kingdom representative's proposal at the 1369th meeting that the Centre for Industrial Development should be developed and strengthened by the appropriation of additional funds from the regular budget. The other suggestion by the United Kingdom representative, which was that the cost of operating the Centre might be financed from a new voluntary fund, had far-reaching implications and should therefore be carefully studied.

5. Although his delegation was sympathetically disposed towards the possibility of a world campaign against hunger, disease and ignorance, it was in general agreement with the views of ACC and of the Secretary-General, as reproduced in paragraphs 4 and 17 of the note prepared by the Secretary-General pursuant to Economic and Social Council resolution 1038 (XXXVII) (E/4034). A campaign against hunger, disease and ignorance should, of course, form part of national development programmes, and an international effort to help the various countries organize and carry out such programmes was in progress. The non-governmental organizations rightly maintained that those programmes could not prove really effective unless the governments of the countries concerned accepted full responsibility for their execution.

6. His delegation had found the Secretary-General's report on the co-ordination of international assistance in cases of natural disaster (E/4036 and Corr.1) of great interest. Pakistan, and more particularly East Pakistan, had had experience of the appalling damage which could be caused by cyclones, floods and tidal waves, and knew that the developing countries were ill-equipped to face such sudden and overwhelming catastrophes. It was therefore necessary to supplement national relief measures by international assistance and to co-ordinate the aid provided by different countries and institutions. His delegation agreed with the Secretary-General that the Council should urge countries which had not yet done so to set up suitable planning machinery, to prepare comprehensive disaster relief plans and to recommend that

United Nations resident representatives should be suitably associated with such work [see E/4836, para. 18 (i)]. Donor governments and United Nations agencies should be able to take speedy action through permanent machinery already set up in the stricken countries.

7. The measures adopted by the Secretary-General to ensure effective co-ordination between the various United Nations agencies were to be commended. The World Food Programme being undertaken jointly by the United Nations and FAO, and UNESCO's programme for universal literacy had had a considerable impact despite the inadequacy of the resources made available at both the national and the international level. The ACC had made a valuable contribution, and he greatly appreciated the work done by all the specialized agencies and by the Department of Economic and Social Affairs of the United Nations.

8. Even a developing country like Pakistan, whose resources were modest in relation to its needs, had to ensure that any new projects in its territory were undertaken in such a way that all parts of the country shared in the benefits. It seemed similarly desirable that regional projects should be allocated as equitably as possible among the various countries. His delegation was not, however, submitting a formal proposal for the installation of a United Nations centre in Pakistan, which had, in fact, offered to accommodate the WMO Regional Centre of the World Weather Watch at Karachi and hoped that offer would be taken into consideration.

9. His delegation approved as a whole the work programme of the United Nations in the economic, social and human rights fields as set out in document E/4070. It would discuss that programme in greater detail when the item was taken up by the Co-ordination Committee; for the moment, it merely wished to say that the Council and the General Assembly should adopt no decision on specific points without a full knowledge of the financial implications. It was sometimes difficult to establish an order of priorities, and the solution of the problem then lay in finding the funds to finance measures approved. It must be recognized that the funds so required were quite small in comparison with the practical effects of the measures for both the advanced and the developing countries.

10. In his statement, the Secretary-General had stressed the desirability of evaluating the efficacy of various United Nations programmes. His delegation fully shared that view, particularly as it had set that process in motion ten years earlier, when it had submitted to the Council a draft resolution recommending an evaluation of EPTA on the basis of the reports of the Governments of Member States. The chairman of the Pakistan delegation had in fact been appointed Chairman of the committee which had considered the very large body of documentation submitted to it, but in view of the complicated nature of the subject, the attempted evaluation had not yielded positive results. His delegation therefore welcomed the Secretary-General's new suggestion and would sympathetically follow his efforts to achieve better results. It hoped that, at the next summer session,

he would report to the Council on the outcome of the new attempt.

11. Mr. SEN (Director-General, Food and Agriculture Organization of the United Nations) said that the problem of the lag in world food production in the face of an accelerating population growth had found dramatic expression in the declaration issued by the World Food Congress held in Washington in 1963. That declaration had asked for speedy and decisive action by all developing countries to bring about a planned and integrated use of resources, to adapt their institutions to the requirements of economic and social progress and, more specifically, to secure the most effective administrative machinery, to give incentives for increased production and to reform, where required, unjust and obsolete structures and systems of land tenure.

12. The Congress had further urged that international co-operation should be strengthened in order to awaken world opinion and that wholehearted support should be given to the Freedom from Hunger Campaign. The FAO believed it was essential for the people to be directly involved. The results so far achieved had far surpassed the most sanguine expectations. The Campaign national committees had already raised more than \$220 million and, in addition, had spread a knowledge of the facts of hunger and under-nourishment.

13. With regard to the idea of launching a world campaign against ignorance, poverty and disease, FAO shared without reservations the conclusions contained in the Secretary-General's note. The FAO Council had decided to make the Campaign against Hunger a permanent feature of FAO's programme of work. The Young World Mobilization Appeal, which would begin in October 1965, would mark the twentieth anniversary of FAO. Young people needed leadership to help them to translate abstract ideals into meaningful action.

14. The Secretary-General had said at the 1369th meeting that international aid had stopped growing. The adverse climate for international aid was no doubt attributable to the serious balance of payments problems being experienced by some of the major donors, by the resulting limitation of credit and by the feeling in developed countries that foreign aid was largely mis-spent. Nevertheless, it was certainly true that, without foreign aid, the developing countries could not have achieved what they had achieved. The experience of the past five years had shown that some of the fears about the receptivity and maturity of the developing countries were unfounded. Of course, there were negative factors too, but if more rationally planned foreign aid were available, the positive factors would outweigh the negative.

15. Intensified co-operation among the developing countries was similarly a positive gain for the cause of development. If the disorder in world markets was not to continue, there must be increasing co-operation among the developing countries themselves.

16. In order to avoid the possibility of a breakdown in the world food supply situation, drastic steps must be taken to raise agricultural productivity in the developing countries. At the United Nations Conference on the

Application of Science and Technology for the Benefit of the Less Developed Areas, particular emphasis had been laid on the ways in which FAO could assist in the exploration and utilization of fisheries resources and encourage economic growth in that sector. The problems of deep sea fisheries called for special attention from FAO. In accordance with the recommendations made at the twelfth session of the FAO Conference, he would propose to the thirteenth session of the Conference the establishment of a permanent committee on fisheries and the creation of a department of fisheries in FAO which would co-ordinate international work in that field.

17. At a session of the FAO Council, he had formally announced that 1966 would be designated "International Rice Year" under the auspices of the Freedom from Hunger Campaign. For hundreds of millions of people, especially in Asia, the rice supply was the major pre-occupation, and most of the rice-eaters were among the poorest of the world's population. Such a concerted effort could provide the opportunity for a fresh look at centuries-old problems and could lead to a greater awareness among the rice-consuming countries of each other's problems and of the measures required for their solution.

18. The activities of FAO in the field of assistance to member States would not by themselves be adequate without increasing investments in the developing countries. In that connexion the new FAO/IBRD Co-operative Programme had forged a close and extremely valuable link between the technical experience and competence of FAO and the financial resources of IBRD. Since April 1964, sixty missions had been initiated, of which fifty had been practically completed. A sizable loan had recently been made to Pakistan. Similar co-operation had been established with the Inter-American Development Bank. The President of that Bank and he (Mr. Sen) had come to the conclusion that it was necessary to put that co-operation on a continuing basis. FAO also intended to co-operate with the new African Development Bank and the proposed Asian Development Bank.

19. Food, as capital for economic and social development, was no less important than financial investment. The World Food Programme established under the joint auspices of the United Nations and FAO was the final outcome of all the efforts made in that field. The Programme had proved its effectiveness and should be placed on a permanent basis. Targets should be established in order to avoid any interruption in the Programme's development and to enable Governments to make their pledges at the appropriate time. The United Nations/FAO Inter-Governmental Committee of the World Food Programme and the FAO Council had suggested that the Programme should be continued on an "open-ended" basis for as long as multilateral food aid was found necessary. It was to be hoped that the Council would support those recommendations. In any case, the efforts so far made were not enough, and a great intensification of activity would be necessary during the second half of the Development Decade.

20. During the past few years, both the size and scope of FAO's work had undergone a revolutionary transformation. FAO was now an operational body with

world-wide activities. It was grateful to the Special Fund and to EPTA for the funds which they had made available to it and which had permitted that rapid growth. The operational programmes now constituted an essential part of the organization's activities, as the regular programme and the field programmes were complementary to each other. While the FAO's regular budget was \$20 million, expenditure on Special Fund projects in 1965 was expected to be \$25 million. Consequently, FAO continued to press for full reimbursement of executing agency costs for the carrying out of those projects. It welcomed the recent decision of the Governing Council of the Special Fund to apply a rate of 11 per cent of total project costs, but considered that that decision did not go far enough to meet the minimum agency costs of FAO. The Economic and Social Council would have an opportunity to study that problem, and he hoped that the proper decisions would be reached after consideration of all the relevant factors.

21. Mr. RAHNEMA (Iran) said that the Secretary-General's statement at the 1369th meeting had given a clear account of recent change in economic thinking throughout the world. Ideas which had seemed unpalatable only ten years before were now generally accepted, so much so that the representatives of certain advanced countries had been able to incorporate in their statements ideas dear to the developing countries. It might therefore be said that a turning point had been reached in the evolution of economic thought, resulting from the changes which had modified the relationship of world forces during the past twenty years and also from the identity of views among developing countries on the major economic problems.

22. No really striking change had, however, occurred in the mechanisms of the international economy, which had remained unfavourable to the developing countries. As the Secretary-General's report entitled "The United Nations Development Decade at Mid-Point" (E/4071 and Corr.1) showed, the most pressing problems of under-development were far from being solved and might even be said to be growing steadily more acute, since the gap between per capita income in the under-privileged areas and the advanced countries was increasing at the disturbing rate of \$95 per annum. The infant mortality rate in the under-privileged areas was ten to twenty times higher than in rich countries, and poverty was likely to increase during the second half of the Decade.

23. Despite that alarming situation, the Secretary-General affirmed that there was no need to despair, and the Managing Director of the Special Fund had even expressed at the 1370th meeting his belief that there could be a great surge forward in the coming five years towards the desired goal, which was to free the world from want by the end of the century. Although he was quite optimistic so far as national efforts were concerned, because he knew that the under-privileged peoples were firmly resolved to combat the tyranny of under-development, he could not share that optimism with regard to the international effort until certain essential conditions had been fulfilled, such as the establishment of the most suitable social and economic machinery to achieve the objectives of development.

24. At the national level, a radical transformation of social and economic institutions, whether initiated by an enlightened ruling class or through revolutionary action by the under-privileged classes, was clearly a condition of accelerated growth. That problem was examined in detail in 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) and more particularly in chapter 3 on policies for institutional reform. In that connexion it was interesting to note that the Secretary-General had compared the situation under review with the internal development of the advanced countries, where revolutionary institutional changes had likewise provided the impetus for development. There was general agreement on the need to reform out of date institutions. The United Nations Conference on Trade and Development had reaffirmed that principle in its Final Act,¹ and the Iranian delegation in the Drafting Committee of the Conference had stressed the need to make it clear that it was the prime responsibility of the developing countries to carry out the necessary institutional reforms in accordance with their national character and the aspirations of their peoples.

25. The alarming situation of international trade was, however, creating serious obstacles to the development plans of the growing countries; it was accentuating their dependence on world markets, subjecting their development to fluctuations in the prices of raw materials, causing a steady deterioration in the terms of trade and discouraging the diversification of economic activities which was essential for economic independence. That situation was responsible for a burden of debt which lay heavily on the economy of those countries; the public debt of thirty-seven of them had risen from \$7,000 million in 1955 to \$18,000 million in 1962 and absorbed 13 per cent of their export earnings.

26. After having overcome internal structural obstacles by carrying out the necessary reforms, the developing countries thus encountered other structural obstacles of an international character, which prevented them from taking advantage of the immense new opportunities held out by international co-operation; at the same time, they were unable to use the machinery by means of which they had overcome domestic structural obstacles.

27. That situation was likely to lead to a deterioration of economic and political relations throughout the world, and he had therefore been very interested in the lucid analysis made by the Managing Director of the Special Fund of the factors which might provide a basis for a reconciliation of the interests involved, a reconciliation which would be conducive to a rational organization of the world market and would lead to an expanding world economy whose advantages would be shared by all nations. Unfortunately, the Managing Director of the Special Fund was not speaking on behalf of the world's major financial interests, and in a crisis the first solutions that came to mind were not always the most enlightened: there was, for example a "British" and a "Portuguese"

¹ United Nations publication, Sales No: 64.II.B.11.

solution to the problem of decolonization, and with regard to what might be called economic decolonization, the world was still at the stage reached in 1900.

28. In place of the realistic attitude which the peoples of the developing countries had expected of the advanced countries, they had merely received advice in generous profusion, so that the Secretary-General had been compelled to state that, at mid-point in the Development Decade, the economy of the least favoured countries was developing very slowly, that per capita income in the developing countries might at best increase by \$5 per annum, and that between 1955 and 1962 the only increase recorded was in the interest payable on the debts contracted by those countries.

29. More than any other organ of the United Nations, the Council was aware of the tragic setting in which the vast majority of people had to live out their lives. It realized that in the historic enterprise of liberation on a world scale, the developing countries were making a dignified effort to assume their share of the responsibility by refusing charity and simply asking the advanced countries to understand their problems. As the Iranian Minister for Economic Affairs had said at the United Nations Conference on Trade and Development in 1964, what was expected of the advanced countries was merely to transfer to the international scene the social and economic justice which they had sought and had often succeeded in establishing at home. What would happen if the advanced countries rejected that vision of common interests, if the peoples, freed from domestic feudal servitude, but increasingly in debt, were to fall back into isolation and, taking refuge in self-sufficiency and distrust, were to forego all the benefits offered by a system of international co-operation? Everything must be done to prevent the world from splitting up into two irrevocably hostile camps. The United Nations and in particular, the Economic and Social Council and the United Nations Conference on Trade and Development, as well as the specialized agencies, must redouble their efforts to create a current of opinion favourable to the great principles of development and promote a clearer and broader vision of the common interest among those who wielded influence in the world.

30. The co-ordination of policies among developing countries, which was dealt with in chapter 1 of part I of the *World Economic Survey 1964*, seemed to be a particularly sound step in that direction. At the United Nations Conference on Trade and Development in 1964, the Iranian delegation had taken an active part in the efforts to promote concerted action by the seventy-seven developing countries. Iran was also co-operating fully in the activities of ECAFE which was doing constructive work by providing opportunities for a fruitful exchange of ideas among the countries of the region, and it was to be hoped that the project for setting up a regional development bank would be adopted. On the subject of regional co-operation, he drew the Council's attention to the co-operative undertaking, entitled "Economic Co-operation for Development", in which Iran, Pakistan and Turkey were associated and whose secretariat had been established at Teheran in April 1965.

31. Lastly, the problem of training and of universal literacy was of vital importance for the development of the under-privileged countries. At the first stage of growth, the human potential of the developing countries represented their most important and surest asset, and the training of industrial workers and technicians was a means of helping the peoples to speed up their development and to meet the immediate danger of over-population, by using their human potential as a source of energy in the attainment of the objectives of economic growth. Iran was proud of having launched an energetic literacy campaign with the "army of knowledge", composed of young men of military age and set up on the Shah's personal initiative. He hoped that all the problems raised by universal literacy would be carefully considered by the World Congress of Ministers of Education on the Eradication of Illiteracy, to be held in Teheran in September 1965 under the auspices of UNESCO. The Council would be well advised to recommend that Ministers of Education in all countries should make every effort to attend the Congress in person and thus give it the full international importance which it merited.

32. In conclusion, he warmly supported any proposal for developing and strengthening the Centre for Industrial Development, with a view to making it an active United Nations organ. He also supported the United Kingdom suggestion for the establishment of a new fund to meet the costs of United Nations operations in the field of industrial development and he hoped that, at its twentieth session, the General Assembly would approve the Council's recommendations in resolution 1020 (XXXVII) for the establishment of a new United Nations development programme.

33. Mr. RIDGE (Universal Postal Union) introducing UPU's report (E/4030) said that, since its beginnings, UPU had been dedicated to the idea of improving postal services throughout the world and that had included the developing countries. It was indeed of paramount importance that the postal services should be equal to the tasks demanded of them.

34. The year 1964 had been marked by the fifteenth Universal Postal Congress, held at Vienna. The main task of that sovereign organ of UPU was to review all the agreements concluded by UPU and also to consider UPU's general policy in matters within its competence. The Congress was therefore the chief expression of the Union's activities and attitude. In 1964 UPU had 125 members—30 per cent more than at the time of the Ottawa Congress in 1957. Most of the members had attended the fifteenth Universal Postal Congress, and thirty-five African countries had been represented. The Congress had thus marked a turning point in UPU's history.

35. The collaboration which had been set up between the younger countries and the more developed countries had given a new impetus to the Union's activities. The personal contacts made possible by the Congress were immensely valuable, for they enabled the poorer countries to become aware of the possibilities offered by the various technical assistance schemes for building up their postal services. Moreover, the developed countries recognized

their enormous need for technical assistance, advice and, above all, training. Technical assistance had for the first time been formally laid down as a function of the Union. The Congress had also recognized that the greatest stumbling block in the developing countries at present was the absence of trained organizing and supervising cadres. It had therefore set up a Training Committee composed of nine countries, to help the International Bureau to co-ordinate the training assistance given to the different countries. That Committee had undertaken to compile data on existing needs and resources and to examine the possibility of establishing a special fund within the Union for the purpose of helping member States to set up training establishments. In the field of technical assistance, UPU hoped to double its effort in 1965-66. In that connexion he thanked the United Nations officials for their help and advice in launching the programmes. However, it should be noted that bilateral technical assistance had been continued and expanded, and had not been simply replaced by the United Nations programmes.

36. The Congress had also decided to enlarge the membership of the Executive Council from twenty to twenty-seven and to lay greater stress on the study of basic problems such as the form of postal services and the organization best adapted to the needs of developing countries.

37. With regard to UPU's relations with the United Nations, the Congress had formally accepted the principle of correspondence between membership of the United Nations and of UPU, it being provided that any Member of the United Nations could accede to UPU merely by unilateral declaration.

38. The Union also maintained very useful relations with the other specialized agencies. In addition, contacts had been established in 1964 between the Union and the Council on Customs Co-operation. A joint working party had been set up, following a decision of the Congress to study the possibility of simplifying customs formalities.

39. Mention should also be made of the visits of resident representatives to the headquarters of UPU at Berne. The UPU attached great importance to the advice and assistance which the resident representatives could give it regarding the postal service in each country.

40. Two coloured films about UPU had been made in 1964. The first concerned the origin and the work of UPU and the contribution made to it by numerous countries. The second was a documentary film about the fifteenth Universal Postal Congress. Those two films would help to maintain the essential unity of the postal services throughout the world.

41. Mr. DAVIES (Secretary-General, World Meteorological Organization) said that, as usual, the report of WMO for 1964 (E/4027) covered the whole wide range of the organization's activities. Special importance attached to the new world weather system which was being planned by WMO and to which the name "World Weather Watch" had been given. The WMO had taken a number of measures in response to the resolutions adopted in recent years by the United Nations General Assembly on

the subject of international co-operation in the peaceful uses of outer space. Those resolutions had provided a tremendous stimulus and a constant source of encouragement to WMO. A further report on the decisions taken by the WMO Executive Committee would be communicated later in the year to the United Nations Committee on the Peaceful Uses of Outer Space.

42. All countries would benefit from the improved meteorological facilities which would result in due course from meteorological satellites and World Weather Watch. The United Nations technical co-operation programmes had proved very useful in that connexion. Artificial satellites were already providing photographs of the cloud systems covering the earth. WMO had recently conducted at Tokyo an inter-regional training seminar on the interpretation of satellite data, under WMO's participation in EPTA. However, several countries, especially the developing countries, would need substantial assistance if they were to play their full role in World Weather Watch. For that purpose, WMO had introduced its own relatively modest development fund. A maximum expenditure of \$1,500,000 for the three-year period 1965-1967 had been approved. Every effort should be made to ensure that the help needed in the implementation of the World Weather Watch would become available from United Nations technical co-operation sources. In that way, all countries would be able to benefit fully from the advantages of that programme.

43. The World Weather Watch involved in the first place a complete reappraisal of the existing world weather system. Use would be made of new equipment (artificial satellites, high-speed electronic computers). It was planned to set up three world meteorological centres at Melbourne, Moscow and Washington, the two latter being already in operation. All meteorological data would be fed into the world centres by a telecommunications system. The data would then be transmitted to regional centres and thence to national centres in all the countries of the world. In that connexion, attention should be drawn to the offer just made by the Pakistan representative concerning the establishment of a regional centre at Karachi. Inasmuch as a deficiency in a single regional centre or telecommunications hub would adversely affect the whole complex operation of the World Weather Watch, it was important that countries having the responsibility for the operation of a regional facility should receive assistance for that purpose.

44. The activities of world, regional and national centres would be based on a global system for observing the earth's atmosphere. That would of course require a global telecommunications system for the interchange of data. The World Weather Watch would provide data not only for immediate operational purposes but also for scientific research. Thanks to a recent satellite development, known as automatic picture transmission, pictures were received at once.

45. Accordingly, WMO, through the medium of the World Weather Watch, would be making a significant contribution to the aims of the Development Decade. In conclusion, it should also be recalled that WMO supplied assistance through EPTA and the Special Fund.

46. Mr. HILL (International Chamber of Commerce), speaking at the invitation of the President, said that the biennial Congress of the International Chamber of Commerce (ICC), held at New Delhi in February 1965 on the theme of international co-operation as the key to economic progress, had been attended by over a thousand business leaders and experts in trade, industry and finance from some fifty countries at various stages of economic development, and by observers from the United Nations and the principal inter-governmental and non-governmental organizations. That very important Congress symbolized the response of the business world to the appeal of the United Nations when it designated 1965 as International Co-operation Year. The Congress had made it possible to examine some of the main problems raised at the United Nations Conference on Trade and Development.

47. The ICC's position regarding the main world economic problems was defined in the statements submitted by that body (E/C.2/632 and E/C.2/633). The idea of partnership, i.e. co-operation in a common cause in the interest of all and on the basis of shared responsibilities, had for a number of years dominated the ICC's approach to development problems. That approach was explained, first, by the very structure of the ICC, which was far from being a club of highly industrialized countries, since fifty-four out of its seventy-five member countries were developing countries and, second, by the fact that the members of the ICC were business men. All the members of the ICC approached economic problems with a broadly similar realism, regardless of the stage of development of the countries to which they belonged. Co-operation came naturally to them, as had been shown by the Conference of Business Leaders organized at Karachi in December 1960.

48. With regard to international trade, the ICC's main concern remained the search for practical means of promoting world trade, in particular exports from developing countries to developed countries. The Congress had laid special stress on the need to broaden the markets for the products of less developed countries, to establish closer links between producers and purchasers in order to adjust supply to demand, and to examine closely the possibility of setting up an international system of compensatory financing. The ICC intended to co-operate with the Trade and Development Board on the question of preferential tariffs; it was following closely the progress of the negotiations in GATT and remained at that body's disposal for any advice that might be required to bring about a genuine liberalization in all sectors of international trade. The ICC was also endeavouring to counteract as far as possible the tendency of certain countries to adopt restrictive commercial practices in order to solve balance-of-payments problems.

49. The question of international investments was another major concern of the ICC, which saw in the expansion of private investment the key to balanced economic growth. The ICC Congress had laid great stress on the importance of establishing a really efficient private sector in the developing countries and of associating business men in the formulation of legislative measures and policies relating to trade and industry. In addition,

the ICC was studying the possibility of encouraging the flow of private investment by setting up a multilateral system of guarantees against non-commercial risks. In that connexion, it was prepared to give its assistance to IBRD and wholeheartedly supported the International Convention on the Settlement of Investment Disputes between States and Nationals of Other States drawn up by IBRD.

50. Regarding the setting up of an adequate transport and communication infrastructure, the Congress had given particular attention to the need to associate private capital and private economic circles with the formulation and implementation of projects. The ICC had carried out a preliminary study of the problems involved in infrastructure investment (brochure No. 236).

51. One of the innovations of the Congress had been the discussion which had taken place between business leaders and jurists on the problem of establishing legislation and a judicial system adapted to the needs and economic structures of the modern world.

52. The Congress had furthermore expressed itself in favour of a re-examination of the existing taxation systems, within the framework of modern economic development policies. In a special study (brochure No. 235), the ICC's Commission on tax questions proposed *inter alia* fresh measures for the elimination of double taxation.

53. The list which he had given of the ICC's activities was far from complete, since it did not cover the achievements of its fifty or so commissions, committees and working groups. The setting up of the Trade and Development Board with its wide scope of activities was bound to have great repercussions on the ICC, and its technical organs had been instructed to follow closely the work of the Board and its subsidiary organs and to give them every possible assistance.

54. Mr. BARTON (World Federation of Trade Unions), speaking at the invitation of the President, said that the World Federation of Trade Unions (WFTU) naturally assessed economic trends in terms of their effects on the position of workers. The most important changes that had occurred over the last few years had been the application of scientific and technical discoveries with a view to increasing production, and the growing internationalization of economic life. In his statement at the 1369th meeting, the Secretary-General had spoken of the risk of foreign domination resulting from the complexity of new techniques and the immense resources required to apply them. That was particularly true when large production cartels were not subject to any form of democratic public control but were in the hands of a few private groups. The problem affected both the developed and the developing countries.

55. One of the characteristic features of the past year had been the conflicts between Governments in the European Economic Community and the European Free Trade Association and between those groups and the United States of America. Those conflicts reflected above all the struggles between private monopolies wishing to secure privileged positions on the international market.

The flows of capital between developed countries and particularly those originating in the United States merely increased the power of those international companies by enabling them to take important economic decisions often affecting millions of people and shifting production from one country to another.

56. That trend toward the internationalization of economic life had been speeded up over the last few years, and the struggle for markets had been accompanied by growing pressures to reduce production costs and particularly wage bills. Workers were faced with a false dilemma between inflation or austerity; appeals were made to their sense of responsibility to persuade them to accept so-called "incomes policies" which, in fact, were no more than measures to limit wages. In that connexion it was curious to note that in part II of the *World Economic Survey, 1964* (E/4047 and Add.1-3) only one form of income was considered—namely wages—while profits and annuities were not even mentioned.

57. The introduction of new techniques (automation, mechanization of production, etc.) often meant unemployment or demotion for the worker, who had to find another job. Those were increasingly acute problems and had led unions to put forward new claims, particularly as regarded security of employment, regrading and resettlement allowances. The generalized application of new techniques in the interest of private firms had also created serious problems with regard to the employment of elderly workers and even more of young people leaving school. The rapid changes taking place had frequently led to unemployment and the emergence of depressed areas.

58. It was as a reaction against that trend that the unions were striving to secure basic changes in the sphere of economic policy. First and foremost, they were seeking to bring about the adoption of more democratic economic policies, and were opposed to any concentration of monopolies or their integration at the international level. Their action was designed to prevent employers from exercising unilateral control over decisions affecting business concerns, to secure freely negotiated collective agreements covering working conditions and remuneration as a whole, to prevent the domination of the economy by monopolies, to permit of the nationalization and democratic management of key industries, to promote the adoption in existing public sectors of policies in keeping with the interests of the majority of the population, and to encourage regional development and State control of all important decisions concerning investment and production. Such action was based on the principle that participation by workers and their organizations in the solution of economic problems arose from their right to have a say in economic decisions. That was particularly true of planning which, in WFTU's view, was scarcely possible if decisions concerning investment, levels of employment and marketing were left to the large private concerns.

59. The example of the developing countries illustrated the harmful effects which foreign domination might have

on a country's market. In one year commodity prices had fallen by a further 5 per cent; the rate of growth of some countries, particularly in Latin America, had slowed down and inflation had made its appearance in many developing countries. It was therefore clear that the policies imposed on those countries from outside, chiefly through IMF, had not solved their problems.

60. One of the positive results with regard to the developing countries was the recent increase in trade between them, and in their trade with the socialist countries. Even trade between developing countries, however, often reflected the activities of subsidiaries of large international firms. That was why WFTU had supported the efforts made by some trade unions in developing countries to encourage economic co-operation between those countries without interference from monopolies, to nationalize the assets of foreign monopolies and to widen the public sector of the economy. Some progress had been recorded in certain developing countries but those countries had met with strong opposition from international financial circles. If their economic development was to be autonomous, countries must have the full support of workers, their unions and the peasantry. Such a result could be achieved only through planned industrialization with the participation of the trade unions, and agrarian reform designed to free the peasantry from the grip of large foreign and local landowners and money lenders.

61. The WFTU thought that the Council could help developing countries by extending its activities in those fields. With regard to industrialization, a specialized agency should be set up as a matter of urgency. The Council should speed up its activities in the sphere of agrarian reform in co-operation with the competent specialized agencies, particularly FAO and the ILO. In the sphere of trade, the United Nations should concentrate on strengthening the Conference on Trade and Development and the Trade and Development Board and take steps to develop trade on the basis of the Principles adopted at the 1964 Conference.

62. In the socialist countries, the past year had seen a further increase in production and the more rapid application of modern technical and scientific processes aimed at development. As the meeting of trade union representatives from countries members of the Council for Mutual Economic Aid and Yugoslavia showed, workers and their organizations in those countries played a constructive part in the formulation of economic decisions.

63. The Sixth World Trade Union Congress would be held at Warsaw in October 1965 and would consider, *inter alia*, the question of the role of trade unions in economic development, the improvement of the position of workers and their effective participation in the public control of modern economic life. The WFTU believed that the surveys submitted to the Board should examine the level at which key economic decisions were actually taken, particularly with regard to production, investments and marketing.

The meeting rose at 5.55 p.m.