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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, 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: Brazil, Ceylon, China, Ireland, Italy, Malawi, Yugoslavia.

Observers for the following non-member States: Federal Republic of Germany, 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 Bank for Reconstruction and Development, World Health Organization, Universal Postal Union, Inter-Governmental Maritime Consultative Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEMS 2, 3 AND 5

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 (*continued*)

1. Mr. GMOSEK (Austria) said that his Government attached the utmost importance to the work of the Council

since that body was fulfilling an historic mission at the international level by endeavouring to alleviate the sufferings of one section of humanity and ensure the dignity of its existence. Its achievements to date held great promise for the future.

2. Austria was a small country both geographically and in terms of the part it could play on the international scene. Despite the ravages of two wars and five periods of occupation, however, Austria had made a spectacular recovery and regained a modest place in the family of nations. It had striven to do everything it could to assist less favoured countries, basing its assistance on the principle of permanent neutrality and giving evidence of a constant desire to negotiate and co-operate. Despite the smallness of its territory, Austria was in a position to render great service to the United Nations.

3. The Austrian delegation wished to express its appreciation of 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 particularly chapter 3 setting out targets and policy in relation to production and manpower. It considered, however, that the *Survey* should have dwelt more fully on the programmes of developing countries in the fields of education and training.

4. Generally speaking, the targets set for the United Nations Development Decade had encouraged the adoption of additional measures and specific decisions. During the first half of the Decade, Austria had consolidated its links with the developing countries in the sphere of cultural relations and technical assistance. For instance, a technical training school had been set up in Teheran in co-operation with the Government of Iran, while an agricultural and stock-breeding school had been established in Tanzania and various teaching establishments founded in Guatemala in collaboration with that country.

5. Austria was at present passing through a transition period. After having benefited from assistance it was now in a position to give it. In Austria, greater facilities were being afforded to students from developing countries; during the first half of 1963-1964, such students had accounted for 20 per cent of those enrolled at the universities. Austria was also trying to promote the social integration of foreign students and had likewise provided a number of technical training establishments for them.

6. As the *World Economic Survey, 1964*, showed, trade between Austria and the developing countries still represented a very modest percentage of the over-all volume although Austria had trade relations with all countries. It should be noted, however, that in 1964 Austria had adopted certain measures to liberalize trade, including the abolition or reduction of duties on certain

commodities. In the case of manufactured goods, only fourteen groups were still subject to quantitative restrictions on 1 October 1964. Customs duties had been reduced on a whole series of imports from developing countries. The number of commercial attachés' posts had been increased. Austria had also signed part IV of the General Agreement on Tariffs and Trade and was supporting all measures designed to promote greater participation by the young countries in international trade. Austria would shortly be taking part in the meetings of the bodies of the United Nations Conference on Trade and Development which were to deal with primary commodities and manufactured goods and it hoped to be able to make a useful contribution.

7. With regard to organization, the Austrian delegation thought that certain changes should be made in the role and functions of the Council. Although the Council's contribution was admittedly very useful, it was desirable to widen its scope and make it more efficient, particularly by avoiding the proliferation of its subordinate bodies. To that end, the simplest and most direct solutions should be sought; in particular the functioning of technical assistance should be improved by reducing staff and appointing experts for shorter periods.

8. Mr. AKWEI (Ghana) said that at the mid-point of the Development Decade and the International Co-operation Year, the time was particularly appropriate for a review of the efforts made in the field of development. He recalled the objectives of the Decade, as set forth in General Assembly resolution 1710 (XVI). The progress achieved so far towards the achievement of those targets was particularly disappointing. Not only had the annual rate of growth of the developing countries failed to increase by more than 4.5 per cent, but it had fallen to about 4 per cent, as the Secretary-General had pointed out in his report entitled "The United Nations Development Decade at Mid-Point (E/4071 and Corr.1). The gap in per capita income between the developing and the advanced countries, instead of being closed, was steadily widening and was now of the order of 1:14.

9. One of the measures proposed by the Secretary-General in an earlier report entitled *The United Nations Development Decade: Proposals for Action* (E/3613),¹ related to the study, development and systematic utilization of the physical and human resources of the developing countries, and one of the targets set by the General Assembly in resolution 1715 (XVI) was the immediate increase in the resources of the two main pre-investment organs of the United Nations (the Special Fund and EPTA) to \$150 million, and a subsequent increase rate of \$25 million a year had been suggested. It had been anticipated that the two institutions would thus have about \$300 million available at the end of the Decade, or one-fifth of the total pre-investment fund regarded as the minimum necessary to ensure the success of the Decade. Yet now, half way through the Decade, EPTA and the Special Fund combined did not as yet even have \$150 million. Ghana was aware of the efforts made by the United Nations and the specialized agencies in the

matter of pre-investment and of the importance of the many projects brought to a successful conclusion by both the Special Fund and EPTA. Nevertheless, what had been accomplished fell far short of the hopes raised by the Development Decade, largely due to the fact that it had been impossible to reach the financial target set. Clearly, the solution of the problem lay in an increase in government contributions, and in that respect his delegation supported the suggestion of the Governing Council of the Special Fund that the target of annual pledges should be raised to the level of \$200 million with effect from 1966 (see E/4072, para. 61).

10. The exploitation and efficient utilization of human resources called for adequate measures in the fields of agriculture, public health and housing. In agriculture, the main problem was that of feeding the steadily growing population of the developing countries. It had been estimated that to achieve the minimum annual growth rate of 5 per cent, the target of the Development Decade, the agricultural production of the developing countries would have to be raised from 4 to 4.5 per cent per year. According to the statistics, however, the growth rate of agricultural output barely exceeded 3 per cent. That was a tragic situation, and, as the Secretary-General had pointed out in his report (E/4071 and Corr.1), if the present trend continued, the number of starving and jobless people would by 1970 be considerably higher than the present figure.

11. Whatever the causes of that state of affairs, a very substantial increase in agricultural production was obviously an urgent requirement, if the targets set were to be achieved in the second half of the Decade. To that end, modern agricultural techniques would have to be applied on a large scale, but, realizing what a long time it took and how difficult it was to bring about a change in farming methods, his delegation considered that the solution of the problem possibly lay in the establishment of large State farms, particularly in countries which still possessed vast stretches of virgin land. The World Food Programme and the Freedom from Hunger Campaign, too, would have to be expanded.

12. In public health also results were disappointing, since the number of doctors per inhabitant now stood at 1 per 43,000 in the developing countries, whereas the Decade had set a target of 1 per 10,000 and the corresponding figure in the advanced countries was 1 per 1,000. The result was a progressive deterioration of the health level in the developing countries and a higher death rate.

13. It had been proposed that scientific and technological research should be re-orientated, more attention being given to the problems peculiar to the developing countries; too little effort had been made in that direction, partly owing to the vast expenditure entailed by the armaments race. Research had been concerned with new sources of energy, the use of nuclear energy for water desalination, the exploration of underground water for household, agricultural and industrial needs, the manufacture of synthetic products to replace certain basic commodities and the like. Although some of those lines of research had benefited the developing countries, others, particularly those relating to synthetic products, had had a totally

¹ United Nations publication, Sales No.: 62.II.B.2.

negative effect. In general, the results obtained had not been commensurate to the needs of the developing countries. Nor had the United Nations Conference on the Application of Science and Technology for the Benefit of the less Developed Areas, held in 1963, brought about any noticeable improvements, largely because the Advisory Committee on the Application of Science and Technology to Development, set up by the Council to give effect to the Conference's decisions still lacked the staff and resources necessary for vigorous large-scale action.

14. At the beginning of the Decade, it had been estimated that if the developing countries' terms of trade could be improved by 10 per cent and their share of world trade raised to 28 per cent, the resources required to accelerate their growth rate and the foreign exchange needed to maintain the growth rate set would then be available. Incidentally, that merely meant a return to the situation obtaining in the developing countries about 1955. In order to reach those targets, directives had been formulated recommending in particular that negotiations should be undertaken to facilitate the expansion of trade between the advanced and the developing countries not necessarily on a reciprocal basis. In point of fact, the terms of trade of the developing countries had steadily deteriorated, and their share of international trade had declined from 33 to 20 per cent. The reason for that deterioration was that no concerted effort had been made to apply the directives set forth at the time of the recent United Nations Conference on Trade and Development. Clearly, if the world community wished to attain the targets it had set itself, it would have to apply the recommendations formulated in the Final Act of the Conference without delay.²

15. He fully agreed with the French representative who had said at the 1369th meeting that international trade was essential for the advancement of the developing countries, which would have to diversify their foreign trade if they did not wish to fall under foreign domination.

16. In 1955, the external debt servicing of the developing countries accounted for 8 per cent of the assistance received against 30 per cent in 1964; if that trend continued, it was to be feared that in ten years' time, the figure would be around 90 per cent. The gap between the creditor and the debtor countries was thus being further enlarged. It was essential that the flow of capital towards the developing countries should be increased and that such capital should be provided on acceptable terms. In that connexion, it had been estimated that if the advanced countries made 1 per cent of their aggregate income available to the developing countries, the latter would be able to raise their growth rate to a level half-way between the current rate and the target rate set for the Decade. There was no need to stress the fact that the advanced countries had done very little in that direction: not only had there been no progress towards the utilization of resources released by disarmament, but it was only with great reluctance that the advanced countries had adopted some of the measures recommended to stimulate the flow of capital towards the developing countries. It had also been proposed that the activities of IDA and the Special

Fund should be extended, and that a United Nations development fund and regional development banks should be established. So far, only one regional development bank, that of Africa, had been created. In his delegation's view, the assertion that existing institutions (IBRD, IMF, IDA and IFC) were sufficient to ensure the implementation of investment projects was totally unfounded, first, because they did not have sufficient resources and secondly because they were not truly international institutions, since an important part of the world was not represented in them. His delegation accordingly asked Member States to give very serious consideration to the proposal for setting up a specialized agency for industrial development and a development fund.

17. With regard to human rights, it was clear that if the inhuman acts and the forms of slavery occurring in the Republic of South Africa and in the Portuguese African territories continued, despite United Nations resolutions and the awakened conscience of mankind, a conflagration of the African Continent, which might spread to the rest of the world, was to be feared. In that respect the responsibilities of Member States were clear: they ought to apply conscientiously all the resolutions of the United Nations and the specialized agencies in order to exert pressure on Portugal and South Africa to induce them to abandon their out of date policy. It was not sufficient for a country like the United Kingdom to disapprove of the situation prevailing in those areas, but then to vote against the adoption of a simple ILO resolution condemning Portugal for practising forced labour in its African territories: the actions of Member States should accord with their declarations if they desired to put an end to colonialism and to ensure respect for human rights throughout the world.

18. The developing countries had been recommended to prepare proper development plans enabling them to mobilize national resources and use outside aid efficiently. It was encouraging to note that for some years past nearly all the developing countries had begun to draw up national economic and social development plans, thus showing an awareness of the problems confronting them and a determination to solve those problems. However, it was not sufficient to identify the problems and to draw up plans for their solution; the plans still had to be carried out. Chapter 6 of part I of the *World Economic Survey, 1964*, showed that progress in that field had been rather disappointing. Most countries had been unable to achieve the growth rate for agricultural production which they had set themselves, and although they had on the whole succeeded in increasing industrial production as planned, the shortage of infrastructure and industrial equipment had hampered industrial expansion in several countries. Similarly, the inflow of foreign capital and export earnings had failed to reach the levels anticipated.

19. The objective of the Decade, under which a growth rate of 5 per cent was to be achieved in the developing countries by 1970, derived from Article 55 of the United Nations Charter. That objective, as the Secretary-General had pointed out in document E/3613, was perfectly realizable, if the advanced as well as the developing countries made the necessary efforts. The measures proposed by the Secretary-General had been adopted by the world community, and it was therefore a sacred duty to

² United Nations publication, Sales No.: 64.II.B.11.

apply them: no Member of the Organization should oppose the establishment of a United Nations development fund, the expansion of the activities of the Special Fund or the creation of a specialized agency for industrial development. His delegation supported the recommendation formulated by the Secretary-General in document E/4071 and Corr.1 that during the second half of the Development Decade, more emphasis should be placed on the utilization of international or multilateral institutions in the field of development. In order to avoid the temptations and suspicions to which all forms of bilateral aid gave rise, particularly in a political context, all assistance to the developing countries should be channelled through the United Nations.

20. He emphasized the value of the Secretary-General's statement at the 1369th meeting, of document E/4071 and Corr.1 and of the *World Economic Survey, 1964*. With regard to the reorientation of international assistance, he drew attention to the fact that such reorientation would require a reappraisal of the role and functions of the Council. The very inadequate progress achieved in connexion with the Development Decade made such a reappraisal particularly necessary. Precisely for that reason, his delegation considered that the task could be undertaken only by the General Assembly. Any debate on the subject in the Council itself could only be of an informal and preliminary character. In the past, the Council had engaged in too many technical discussions, which had enabled it to do little more than skim the surface; the Council should recognize the limits of its powers and co-operate more closely with specialized bodies such as the Trade and Development Board, which had the technical competence required to render the Council's work more efficient. He hoped that the review and reappraisal of the Council's role and functions would enable the Council to be reorganized in the light of current realities, with the aim of accelerating the economic growth of the developing countries.

21. Mr. TRIVEDI (India) said that the current session was indeed important as it was taking place at the mid-point of the Development Decade. He was glad that the Secretary-General had devoted part I of the *World Economic Survey, 1964*, to the problems encountered and policies pursued during the Development Decade. The current session was also important in that it was being held during International Co-operation Year. He wished to place particular emphasis on that point, not so much because the idea of an international co-operation year had been put forward by the late Prime Minister of India, Mr. Nehru, in his speech at the sixteenth session of the General Assembly, as because of the underlying spirit of the celebrations of International Co-operation Year, which despite all the conflicts and tensions in the present-day world was bound to prevail in the years to come. It was not appropriate to bring in the bogey of tensions and the excuse of conflicts in discussing subjects of international relationship, whether the latter related to trade or transport, development or disarmament, human rights or health services. In his statement on items 2 and 3 of the agenda, he would confine himself to some of the issues related to the United Nations Development Decade and world economic trends. First of all, he would like to

review the economic situation in India which was one of the poorest of the developing countries and which, in its efforts to plan its development, was faced with very serious problems.

22. The Indian economy had been under considerable pressure for some time. During the third five-year plan, it had been necessary to increase investments considerably, and the country had also had to incur a substantial increase in defence expenditure to deal with the Chinese invasion of Indian territory. The measures taken to forestall an increase in prices had not produced the results expected; and, although exports had increased and aid utilization was better, the foreign exchange position remained extremely difficult chiefly because of the need to import large quantities of food grain and the heavy burden of servicing external debt.

23. During the past year, however, the Indian economy had shown some welcome improvement. It was probable that in 1964-1965 the national income would be 6 to 7 per cent higher than that of the previous year. Unfortunately, the increase in national income was partly offset by an annual population increase of 2 per cent. In a predominantly agricultural country such as India, it was agricultural output which set the pace for economic growth. After remaining at a standstill for three years, food output was expected to be about 9 per cent higher and sugar output 20 per cent higher; but domestic output was still inadequate and — as in the past year — it would still be necessary to import about 6 million tons of food grains to prevent pressure on prices. The rate of growth of industrial production had slackened somewhat, due unfortunately to the lack of foreign exchange availabilities and consequent restrictions on imports of raw materials. The stagnant agricultural output and the sizable increase in expenditure on development had caused some inflationary pressures on the economy. The general index of wholesale prices had risen by 9 per cent in each of the past two years. Every effort was being made, by concerted measures, to strengthen financial and monetary disciplines, increase output and regulate the distribution of essential commodities.

24. The balance of payments was still a delicate problem in a country which was trying to develop its economy. In India, despite vigorous efforts to promote exports, there had been large deficits in the balance of payments which could only be covered by drawing upon reserves and by appealing for assistance from friendly countries and international financial institutions. That was a problem which all the developing countries were facing, but its dimensions assumed clearer proportions in a country such as India which had a population of nearly 500 million inhabitants; and it was therefore easy to understand why the terms of assistance should be relaxed. As had been stressed at the United Nations Conference on Trade and Development, assistance to the developing countries, to be really effective, must be of a long-term nature, and the repayment of loans must not absorb the greater part of export earnings, as was too often the case.

25. After reviewing the difficulties encountered by his country in its efforts to develop its economy, he referred to the advances made — namely, a steady though small

upward trend in agricultural output and a striking advance in industrial production. The main objectives of the fourth five-year plan were the rapid development of the agricultural sector and an increase in the country's machinery-making capacity.

26. Part II of the *World Economic Survey, 1964* (E/4047 and Add.1-3) showed that the tendencies noticed in India conformed to the general trend in developing countries in 1964, but that most of the long-term problems of those economies had not yet been solved; and they might not be solved even in 1965 owing to the deterioration in the terms of trade and the probable slackening of agricultural output.

27. In many ways, 1964 had been a better year for the developing countries than the preceding ones; but, taken as a whole, the period did not suggest that the modest objectives of the Development Decade were being achieved. Growth in the developing countries as a whole had slowed down from an average rate of 4.5 per cent in 1955/1960 to 4 per cent in 1960/1963. In the corresponding periods, however, the rate of growth of the advanced market economies had risen from 3.4 per cent to 4.4 per cent. Thus, the gap between the per capita incomes of the two groups of countries had widened, with the average per capita income of the developed countries increasing by \$100 between 1960 and 1962 while that of the developing countries had risen barely by \$5. To achieve the objectives of the Development Decade, Member States had been called upon to intensify their efforts to mobilize their resources for the acceleration of economic growth. But factors such as population growth—in India the population was increasing by ten millions every year—and the unfavourable international economic environment seemed to nullify their efforts. It had been repeated again and again that the development of the poorer countries of the world could not take place unless they were able to sell their products on world markets and to import the necessary goods and services to build up their infrastructure, industry, agriculture, etc. But they would not be able to do that unless measures were evolved to secure adequate prices for primary product exports and to enable the developing countries to gain access to the markets of the developed countries and diversify their exports. The discussions at the United Nations Conference on Trade and Development had shown that there was still a long way to go before that objective was reached.

28. It was clear that, despite the efforts they were making, the developing countries could not achieve a substantially high rate of growth unless they received outside assistance. The annual flow of international assistance to the developing countries had been considerable in the earlier years of the Development Decade; but, as the Secretary-General had pointed out, it had since then virtually ceased to increase. The Secretary-General's report (E/4033) on the activities of the United Nations family of organizations for the attainment of the objectives of the United Nations Development Decade made somewhat sad reading. The unfortunate fact was that present efforts could not be increased appreciably because of the lack of the necessary resources. To give one illustration, the General Assembly had set a target of \$150 million for

contributions to the Special Fund and EPTA for 1962, hoping that they would reach the level of \$300 million by the end of the Development Decade. But contributions had not reached the target of \$150 million even by the end of 1965. Though his was a poor country, its contribution to the Special Fund and EPTA had been substantially higher than those of many affluent States. Similarly, in the field of agriculture, FAO had formulated some extremely interesting programmes of agricultural development planning, and the World Food Programme had taken useful initiatives on the use of food surpluses as an instrument of economic development. Nevertheless, with the funds at its disposal, FAO would not be able to fulfil more than a relatively small proportion of its obligations to Member Governments; but those were efforts which needed to be supported strongly if one of the modest but essential objectives of the Development Decade was to be attained.

29. Again, the United Nations Conference on Trade and Development had shown what needed to be done if the trade of the developing countries was to act as an instrument of their development. In 1964 the Conference had adopted many recommendations on that subject, but no steps had yet been taken towards their implementation. The GATT and IBRD had also taken initiatives which should contribute to the expansion of the trade of the developing countries, but much remained to be done in order to obtain really positive results.

30. Should it be concluded that the family of nations could not support activities which would lead to a modest 5 per cent increase in the national income of the developing countries? Or should the nations once again affirm their resolute decision to take the necessary steps and act accordingly to attain the objectives of the Development Decade? The answer was not in doubt, and it was to be hoped that the Council's deliberations would lead to some bold and fruitful initiatives. Everyone was agreed that the proposed programme of action was within the limits of existing possibilities; but what was required was a keener realization of the urgency of international action.

31. Failure to take positive measures would mean not only failure on the part of developing countries to give the necessary stimulus to their economies but would also mean a sad waste of all the organizational efforts made by the international community to come to their assistance. The Secretary-General had stated at the 1369th meeting his intention of convening a small consultative group of experts in the field of development planning. He welcomed that initiative which would give fresh impetus to the work that would have to be undertaken if the target was to be reached and the hopes and expectations of the nations were not to be disappointed.

32. Mr. MAIER (International Confederation of Free Trade Unions), speaking at the invitation of the President, said that the *World Economic Survey, 1964*, and more particularly part I, contained information of interest not only to governments, but also to trade unions, whose main concern was the continuous improvement of the working people's well-being. The ICFTU noted with great satisfaction that planning for economic and social development in conformity with the specific conditions

and requirements of each developing country had now been generally recognized as essential for their economic growth and social advancement. A steadily increasing number of industrially advanced countries also had recourse to planning. However, economic planning and programming were meaningless, if their objectives were imposed upon the working population by unilateral and totalitarian measures. What was required was democratic planning and programming with the active participation of trade unions in the drawing up and implementation of programmes. It was regrettable that the relevant documentation submitted made no reference to the vital role of the trade unions. In fact, trade unions were the only organized force in a position to mobilize on a large scale the voluntary co-operation of the working population. At its 48th (1964) session, the International Labour Conference had, moreover, adopted a resolution setting forth the principle of democratic decision-making in programming and planning for economic and social development.

33. Social advancement had a decisive influence on economic development, sometimes setting the pace for it. It was therefore a matter of concern that in many countries minimum living standards had frequently fallen behind economic development. In order to ensure an equitable distribution of income, comprising a periodic adjustment of wages to the pace of national economic expansion and to increases in the cost of living, workers' organizations had to be closely associated with economic planning. The prerequisite of an income policy was the common acceptance of certain economic and social objectives and a recognition of the role of trade unions in over-all economic planning. Such a policy would have to deal with all categories of income without exception.

34. With regard to the goals and achievements of the United Nations Development Decade, he recalled that ICFTU had taken the lead in proposing systematic measures for the stabilization of international markets for primary products and in recommending at the World Economic Conference of Free Trade Unions that the industrialized countries should devote at least 1 per cent of their national income to assistance for the developing countries. Unfortunately, most advanced countries had not yet reached that target, and it seemed on the contrary that international aid had ceased to grow.

35. In many developing countries industrial development was seen as the magic key to progress and prosperity,

but it was becoming increasingly apparent that the majority of planners had greatly over-estimated the immediate employment-creating effect of industrial development. It was regrettable that a number of the development plans analysed by the Secretariat did not lay down explicit targets and policies for employment since the employment situation in most of the developing countries had markedly deteriorated owing to population pressure and rural migration. To counter that trend, immediate measures for rural development, such as the promotion of the co-operative movement were required. A much higher proportion of the development effort would have to be devoted to improving agricultural productivity so as to ensure that industrial workers, who were much less numerous, were not the only ones to benefit. Very high priority should be given to the creation of an increasing number of employment opportunities, so as to reduce unemployment and under-employment as much as possible. The adoption of labour-intensive methods of production would certainly contribute to that end.

36. For that purpose, ICFTU was submitting four proposals. First, the means of stimulating capital investment by tax reductions or other general subsidies must be designed in such a way as not to discourage the employment of labour. Secondly, governments should encourage the establishment of small and medium-scale consumer goods industries, which at existing levels of technology, were labour-intensive. Thirdly, organizations giving technical assistance should make every effort to find labour-intensive methods of production, without reducing efficiency. Lastly, public investment resources should, as far as possible, be used to finance labour-intensive projects. Massive efforts were needed to establish facilities for technical and vocational training.

37. Free and democratic trade unions represented a means for establishing voluntary co-operation between the government and the working population on which any economic and social development essentially depended. The existence of free trade unions and of an independent co-operative movement provided the most effective guarantee for the fair distribution of the burdens and benefits resulting from economic development.

The meeting rose at 5 p.m.