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President: Mr. SCHEYVEN (Belgium).

In the absence of the President, Mr. Maramis (Indonesia), Vice-President, took the Chair.

Report of the Council Committee on Non-Governmental Organizations on applications for hearings (E/4727)

1. The PRESIDENT called the Council's attention to the report of the Council Committee on Non-Governmental Organizations (E/4727), in which that committee recommended that certain organizations should be heard in connexion with certain agenda items. If there were no objections, he would take it that the Council approved that recommendation.

It was so decided.

AGENDA ITEM 2

General discussion of international economic and social policy (E/4638, E/4674, E/4679, E/4687 and Add.1-3, E/4688, E/4695, E/4701; E/CN.11/878, E/CN.12/825 and Add.1; E/CN.14/435; E/ECE/741) (*continued*)

2. Mr. LABOUISSSE (Executive Director, United Nations Children's Fund) reminded the Council that, in its resolution 1348 (XLV), it had recognized and approved the dual nature of UNICEF's activities: namely, the latter's contribution to the long-range economic and social functions of the United Nations system and its responsiveness to the emergency needs of mothers and children.

3. He welcomed the progress which had been made in considering the broad outline of economic and social policies and their relationship to the strategy for the Second United Nations Development Decade. The importance of the human factor in development was increasingly

recognized, although there was still some uncertainty as between ends and means. Emphasis was still laid on increasing the rate of economic growth, which was sometimes said to be the main objective of the Second Development Decade. It was undoubtedly desirable to increase the gross national product and to set goals for growth in the industrial and agricultural sectors. However, an increase in the gross national product growth rate was only one of the means to the main end: improvement of the quality of life. Other necessary means included more equitable distribution of the fruits of economic growth, effective land reform and fiscal reforms.

4. At least 40 per cent of the population of the developing countries were under fifteen years of age. Since those were the people who, in the coming decades, would develop or fail to develop their countries, it was vital to protect them from the hazards of childhood and to prepare them for useful lives. UNICEF could assist in that process by continuing to provide material and financial support to those parts of a country's development programme which were concerned with children and youth. With technical guidance from the specialized agencies, UNICEF provided supplies and equipment which the agencies could not provide. Similarly, the payment by UNICEF of stipends for the training of personnel at the local level continued to be of great value as a contribution to the development process. By the end of 1968, over 430,000 persons had received some type of training through UNICEF-assisted programmes.

5. The capacity of developing countries to make effective use of such assistance was steadily increasing. UNICEF could administer at least double the funds currently available. Greater aid from UNICEF would not entail a proportionate increase in expenditure by the agencies, for it would often be merely an extension of a broad programme already approved. In education, for example, UNICEF had begun with aid in training teacher trainers; in some countries, it had now reached the stage of assisting in training elementary school teachers. It would be highly desirable and administratively feasible for UNICEF to help to equip the schools to which those teachers were sent, in other words, to give the teachers the tools which they needed and which they had been taught to use.

6. In addition to its supply function, experience had proved that UNICEF could be helpful to Governments in preparing programmes to improve the situation of the young. Several members of the UNICEF Executive Board had urged the Secretariat to play a more active role in that direction. The aim was not to create a specialized sector for children and youth, but to include in national

development plans coherent and comprehensive measures beneficial to the young. In practical terms, it was not suggested that Governments should allocate more resources to children's programmes, but that UNICEF should assist Governments in tapping unused resources, particularly at the local level.

7. An increasingly frequent approach to such problems was the comprehensive project—included, wherever possible, in a larger development scheme. Several such projects, which involved the co-operation of more than one ministry and the technical co-operation of more than one specialized agency, had been approved by the Executive Board. Two Governments had stated that, much as they appreciated the supplies, equipment and funds to be made available for training local personnel over the next three or four years, they felt that UNICEF had already made its greatest contribution in helping them to develop a comprehensive programme of that kind.

8. The first victims of the population explosion were the children. The Executive Board had not authorized him to advise Governments on the control of population growth, but it had authorized him to extend UNICEF's traditional forms of assistance to programmes of family planning provided that they formed part of mother and child health services. UNICEF allocated some \$12 million a year to the improvement of basic health services; since 1966 it had further allocated some \$3.3 million for the family planning component, mainly in the form of transport for doctors and nurses and equipment for health centres. Mother and child health services in developing countries should be expanded as rapidly as possible, both to meet normal requirements and, where government policy permitted, to assist in family planning.

9. UNICEF was still gravely concerned at the serious and widespread child malnutrition which prevailed. Much time and energy had been devoted to the search for and development of protein-rich foods. Although substantial progress had been made, much remained to be done to ensure adequate production and availability of alternative food mixes for those in need; it was to be hoped that the Protein Advisory Group would be able to speed up progress in that direction in the next few months.

10. Co-ordination was built into the UNICEF assistance programmes. Almost every project was a joint venture of a Government, a specialized agency and UNICEF. Representatives of three specialized agencies were attached to UNICEF headquarters, standing policy committees were maintained with two more agencies, and there were frequent inter-secretariat consultations with others. At the field level, UNICEF was represented in some countries by the resident representative; in all cases, its field officers were instructed to keep in close touch with the resident representative.

11. In accordance with understandings reached in the summer of 1968 between the chief of the Federal Military Government of Nigeria, the International Committee

of the Red Cross and UNICEF, the latter had provided substantial relief assistance to children and mothers on both sides of the fighting lines in Nigeria. Nearly \$3 million emergency aid had been financed with funds raised largely through UNICEF's national committees, and donations of some \$16.5 million had been received in kind. A very substantial part of that total had already been used for the relief of children. Some problems had recently arisen concerning the distribution of relief supplies; discussions on those problems were still in progress. He could, however, assure the Council that UNICEF would do everything possible within its limited resources to carry out the tasks entrusted to it, in Nigeria as elsewhere.

12. Mr. NESTERENKO (Union of Soviet Socialist Republics) said that, although the *World Economic Survey, 1968* (E/4687 and Add.1-3) showed that the world production growth rate, industrial and agricultural output, investments, employment and international trade had all increased, the over-all picture was far from bright. The year had been characterized in the West by inflation and monetary crises, further assaults by monopolies on the working people's interests, and increased military expenditure. The economic and technological gap between developed and developing countries had widened, and there was growing discord between the developing countries and the imperialist Powers over the latter's neo-colonialist policy.

13. In analysing the world economic situation, a clear distinction should be made between the socialist and the capitalist systems. Over the past ten years, the countries members of CMEA had almost doubled their national income and now accounted for about one-third of the world's industrial output; they had achieved a level at which they should be able to make further rapid all-round progress. CMEA had recently drawn up a long-term programme of economic integration for the socialist countries which would raise their economic co-operation to a new level.

14. He gave a brief account of the USSR's economic achievements during 1968. Economic growth had remained rapid and stable. Industrial output had increased by 8 per cent, and had more than doubled since 1960. The reform of industrial organization had continued, and planning had been placed on a more scientific basis. Despite bad weather, agricultural output had been increased by mechanization, electrification and the use of chemicals. Real *per capita* income had increased by 6 per cent during the year, making a total increase of 20 per cent for the first three years of the current five-year plan. Better housing had been provided for some 11 million people during the year.

15. Although the USSR based its economic programmes on its own resources and efforts, it participated in a world-wide system of economic relations and in the international division of labour, which it regarded as a means

of strengthening international peace and friendship and as a basis for building socialism and communism.

16. In its economic relations with the developing countries, the USSR pursued a policy diametrically opposed to that of bourgeois civilization, which had enslaved millions in colonial countries for the benefit of the exploiting classes in a few selected nations. USSR policy was to help the developing countries to strengthen their economic independence. It was at present engaged in economic and technical co-operation with over seventy developing countries. Its trade with the developing countries had increased by 35 per cent between 1963 and 1967.

17. The USSR was willing to continue to expand its economic and technical co-operation with Western developed countries, but progress in that direction was still hindered by the discriminatory trade policies pursued by some of those countries. ECE could help to remedy that situation; by executing projects concerned with energy, transport and health, it could create an atmosphere more favourable to the solution of political problems, for example, through the convening of the European conference on problems of security and co-operation proposed by the Warsaw Treaty countries. The expansion of international economic activity was also hindered by the Western countries' economic instability, recurrent monetary crises and inflation, which were inherent in the capitalist system and in large measure the consequence of their heavy military expenditure. The claim made by one representative that the exploitation of man by man was no longer the chief vice of capitalist society was disproved by the ever-increasing number of strikes in the developed capitalist countries. The measures taken by those countries to check inflation achieved that end at the expense of the workers' interests. It was the duty of the Council, in virtue of Article 55 of the Charter, to defend the interests of the working people in such circumstances.

18. Although the *World Economic Survey* recorded an increase in the gross national product of developing countries, the progress they had made was far from adequate and the improvement in their economic situation had clearly been due to transitory influences. The *per capita* growth rate of their gross national product had remained virtually unchanged owing to the increase in their population. Their dependent position in the world capitalist division of labour had not changed either. Big monopolies still held key positions in the economy of those countries and largely controlled the direction of their economic development. In spite of some industrialization, their economies were still based on agriculture and extractive industry, while their imports consisted mainly of manufactures. The former colonial Powers accounted for more than three-quarters of the developing countries' foreign trade and extorted huge profits from them. The predominantly feudal and semi-feudal character of land tenure systems in the developing countries, outmoded techniques and the over-population of rural areas kept their agriculture in a state of stagnation and forced them to import foodstuffs. The expansion in their foreign trade

in 1968 had been largely nullified by unfavourable terms of trade; their external debt repayments absorbed two-thirds of the inflow of public capital and increased their dependence on the imperialist Powers.

19. Nevertheless, the developing countries were beginning to realize that economic progress could be made through the mobilization of their own resources, drastic social and economic reform, comprehensive development of the public sector, current and long-term planning and the application of science and technology. One of the Council's urgent tasks was to provide the developing countries with the fruits of advanced social and economic experience. The Council should also work out measures to counteract the policy of neo-colonialism, to protect developing countries from economic domination by foreign monopolies and exploitation by imperialist Powers, and to secure equitable conditions for them in the system of world economic relations. The work begun by UNCTAD on the principles of international economic relations should be continued, and the regional economic commissions given more active roles as centres for the promotion of regional co-operation.

20. Everyone recognized the potential benefits of science and technology, although one representative had warned that disoriented, ungoverned technological momentum could endanger mankind. That might apply to capitalist countries, where scientific and technical progress served only to enrich a minority and to increase the exploitation of the majority; it did not apply to socialist countries, where such progress was used to benefit the whole population. Be that as it might, the developing countries were denied the opportunity to apply scientific advances to the solution of their economic problems. International co-operation in matters of science and technology was vital to ensure that the progress made benefited all mankind.

21. It had become fashionable in the United Nations to emphasize the population problem. Some claimed that the world's population had already passed its optimum level, and that it grew more quickly than its means of subsistence. The solution to the problem of population growth should be sought, not in medicine, but in drastic social and economic reform: first and foremost, in the redistribution of national wealth and the liquidation of economic backwardness in the developing countries. Demographic methods alone would not resolve the problem; the proper function of the United Nations and the specialized agencies was to assist Governments in applying whatever policy they saw fit to pursue in the matter of population.

22. The Secretary-General, in the statement read out at the 1603rd meeting, had rightly emphasized the increasing importance of the role of youth in political affairs. Youth had an important part to play in the struggle of the working people to protect their interests, in national independence movements, and in campaigns for peace, social progress and national equality. Young people also

had a great contribution to make to economic development, especially in developing countries, in many of which they formed the majority of the population. The Council and the General Assembly should draw up a resolution or a declaration proclaiming the rights of youth in political, economic and social affairs. Such a document should affirm the rights of youth and its organizations to free political activity in defence of peace, democracy and social progress and against imperialism, neo-colonialism, neo-nazism and racism; it should also state that youth had a right to employment, education and social security. As a first step, the Council might adopt a resolution instructing the Commission for Social Development and the Commission on Human Rights to draft such a declaration.

23. Under Articles 58, 63 and 64 of the Charter, the Economic and Social Council was the principal United Nations organ directly responsible for co-ordinating the activities of the United Nations family in the social, economic, scientific and technical fields. There was a tendency manifest among the executive heads of some of the agencies in ACC to try to channel that function of the Council to ACC and thus empower the latter body to determine the substantive policy of the United Nations in those fields. That tendency was evident from paragraph 16 of ACC's thirty-fifth report (E/4668 and Add.1). The ACC thesis was unconstitutional. The Council's co-ordinating activities were a prerequisite for the successful functioning of the United Nations. The principal co-ordinating and policy-making organ was, and must remain, the Economic and Social Council, as a representative body reflecting the points of view of all Member States. The executive heads of the United Nations Secretariat and the specialized agencies could not assume functions outside their competence without violating the Charter. His delegation strongly objected to any attempt to bypass the Council and to deprive it of the functions assigned to it by the Charter. It would regard any such action as an attempt by the executive heads to evade the control of the United Nations legislative organs and to place themselves above the States Members of the United Nations. His delegation would consider any proposal designed to enhance the Council's co-ordinating role and to place that important aspect of United Nations activities on a proper footing.

24. The main obstacles to social and economic progress were militarism, imperialist wars and neo-colonialism. The creation of a healthy international political climate would pave the way for international economic co-operation. The continuing aggression against the people of Viet-Nam seriously hindered economic development in Asia and the Far East. However, the formation of the revolutionary provisional government in the Republic of Viet-Nam should create favourable conditions for a just and peaceful settlement of the Viet-Nam problem. Israel's refusal to comply with the Security Council resolutions on the liquidation of the consequences of the aggression against the Arab countries and its continuing acts of provocation were obstructing international co-operation in the Middle-East. Another obstacle to broader international economic

relations was the Western countries' policy of ignoring the German Democratic Republic. The Soviet Union, for its part, would continue to apply a policy designed to ensure peace and to create favourable conditions for economic co-operation on the basis of mutual advantage and equal partnership among all the countries of the world, irrespective of their social system and level of development. The principle of peaceful co-existence would determine his delegation's approach to the items on the Council's agenda.

25. Mr. MOPOLO-DADET (Congo, Brazzaville) said that, at a time when a spacecraft was on its way to the moon, it was anachronistic that the Council should be faced with so many economic and social problems on earth. While three men were travelling through outer space, other men were living in sub-human conditions.

26. The Secretary-General's statement had laid down some useful guidelines for the Council's discussions. His delegation, in common with those of many other developing countries, attached particular importance to the orientation of United Nations economic and social policy.

27. It was gratifying to note that the developing countries had made considerable progress in recent years and that many research efforts were now coming to fruition. Nevertheless, in many such countries, the prerequisites for rapid economic development were far from satisfied. In fact, the developing countries were lagging ever further behind the developed countries and there were indications that, in future years, the gap would attain terrifying proportions. It was difficult, therefore, for developing countries to be other than pessimistic.

28. Although the United Nations was launching its Second Development Decade, the 1970s would be the first such decade for the most developing countries, for in the 1960s those countries had been taken up with their liberation from colonialism.

29. He greatly appreciated the efforts made by the specialized agencies in the past but he realized, as the executive heads had recognized in their statements, that a great deal remained to be done. A general feeling of frustration was observable in many developing countries, especially since the virtual failure of the second session of the United Nations Conference on Trade and Development. Africa wished to escape from the world of theory into one of practice. It needed revolutionary forms of development which, it was to be hoped, would be included in the global strategy of development.

30. External aid, however munificent, would be of significance only if it was freed from imperialistic manoeuvres and was matched by an immense effort on the part of the developing countries themselves. Aid had all too often been wasted by the developing countries through ignorance of how best to use it. His country, which was engaged in national reconstruction and the

establishment of scientific socialism, was intensely interested in African integration, both regional and sub-regional. In a move towards an African common market, it had joined a customs union with its neighbours.

31. United Nations activities in Africa had been too disparate in the past and should be more closely co-ordinated. The United Nations had bestowed upon Africa an instrument, ECA, through which development could be co-ordinated. It should be candidly recognized that the African countries had not always been capable of making effective use of that instrument. Recently, however, some resolutions had been adopted to strengthen the powers of the Executive Director of ECA and his staff so that better use might be made of United Nations aid to African countries. The African States wished to be masters of their own development, and it was primarily for them to decide how to use the United Nations system for the development of Africa. Restructured regional economic commissions could produce an "open window" to Africa and the other developing regions. The choice facing the developing countries, in Africa as elsewhere, was between a static and a dynamic way of life; if the latter were chosen, there were greater opportunities than ever before in history. His country, for its part, had no doubt as to which it would choose.

32. Mr. GALLARDO MORENO (Mexico) said that the resolutions adopted by the Council and the General Assembly concerning preparations for the Second United Nations Development Decade had identified the problems and indicated solutions to them. The Council's task now should be to discuss ways of giving effect to those resolutions.

33. The Secretary-General's statement had provided a full and useful survey of the situation. It was generally realized that development was the responsibility of each individual country, and that planning and structural reforms were needed to improve the distribution of wealth in each country. The developing countries were acting on that realization, and there seemed little justification for the criticism that they made inadequate use of the resources supplied to them. In many developing countries, including his own, internal savings and external financing, coupled with political and economic stability, had made productive investment possible without neglect of investments which were not immediately productive, such as those made in the social sector. Mexico had maintained the same exchange rate with the United States dollar for fourteen years. The assertion that Latin America was set on an inflationary course was unjustified; the fact was that the developing countries, including those in Latin America, were suffering from the consequences of inflation and balance of payments difficulties in the developed countries. The gap between developed and developing economies was continually widening, and the urgently needed remedies could not be applied without the extensive and immediate collaboration of the developed countries.

34. The Council should submit to the General Assembly specific and practical proposals such as the developing countries had already made before various bodies. They had, for example, made such proposals on international trade at the second session of the United Nations Conference on Trade and Development, although with little result. For many developing countries, the terms of international trade were increasingly unfavourable; the country producing raw materials was at a disadvantage compared with the country which processed them. Trade should be one of the sources of income of the developing countries; they would all prefer fair and stable prices to external financing, which was increasingly expensive.

35. The case for the developing countries had been well expressed by the representative of Norway (1607th meeting), who had deplored the paucity of results achieved by the Conference, particularly with regard to preferences. That representative had pointed out that the temporary problems of the rich countries should not be used as an excuse for curtailing aid programmes and had suggested that the Second United Nations Development Decade should begin by assessing the experience gained in the first. Like the United Kingdom representative (1604th meeting), he had warned the Council against theoretical speculation on political and practical matters. It had been particularly interesting to learn that, as a part of its contribution to the Second Development Decade, Norway proposed to levy a special development tax. It was to be hoped that other countries would follow Norway's lead in adopting specific practical measures to make international co-operation the means of improving the human condition.

36. Mr. JERBI (Libya) said that it was increasingly recognized that international co-operation was the only way to maintain peace in the world, and that the efforts of the developing countries to raise their level of living should be supplemented by constructive international action, including the establishment of an international trade system consistent with the requirements of accelerated development. Nevertheless, the imbalance of trade persisted, frustrating all attempts at development. The share of the developing countries in the world total of manufactured products had fallen from 6.6 per cent in 1955 to 5.8 per cent in 1965. Exports of primary commodities were expanding only slowly, but the demand for imports of manufactured goods was growing apace. The problem of deterioration in the terms of trade affecting primary commodity exports was now fairly well understood; some progress had already been made towards resolving it, and it was feasible to do more in that direction. A real effort must be made to resolve such problems as that of the restrictions applied by developed countries to imports of manufactures and semi-manufactures from the developing countries. At its fourth and fifth sessions, the Committee for Development Planning had suggested a number of measures to remedy the situation (E/4682, paras. 44 to 65), including a gradual reduction in the production of high-cost agricultural products by developed countries and the gradual elimination of discriminatory protection against imports from devel-

oping countries. The Committee also indicated that preferences should be granted in 1970 to most of the manufactured and semi-manufactured products originating in developing countries.

37. Owing to the inadequate flow of international financial resources, the developing countries were faced with serious problems. Financial co-operation lagged behind development requirements and hampered economic and social planning. Indeed, the flow of financial resources to developing countries had fallen from 0.87 per cent of the gross national product of the developed countries in 1961 to 0.62 per cent in 1966. The terms of aid were also inadequate; in particular, the time allowed for repayment of loans was too short. The United Nations Conference on Trade and Development, in its decision 27 (II),¹ had recommended that each economically advanced country should endeavour to provide annually to developing countries financial resource transfers of a minimum net amount of 1 per cent of its gross national product. As recommended by the Committee for Development Planning, the attainment of that target should be a matter of first priority; the General Assembly had recommended in its resolution 2415 (XXIII) that that target should be reached by 1972. As pointed out by the Panel on Foreign Investment in Developing Countries in the report on its meeting held in Amsterdam in February 1969,² a massive increase in the rate of capital flow from all sources would be needed if a satisfactory economic growth rate was to be achieved in the developing countries. However, it must not be forgotten that the developing countries were responsible for utilizing their domestic resources properly, *inter alia* in order to prove that they could make an effective use of aid.

38. The less developed countries should have their due share in the application of science and technology to economic and social progress. The transfer of capital, technical assistance and science and technology to those countries would help to attain the goals of the Second United Nations Development Decade, and it was disappointing that the Trade and Development Board had been unable to reach agreement concerning UNCTAD's contribution to the Second Development Decade in the fields of international trade, financial resources for development and the transfer of science and technology. It was to be hoped that, at its resumed ninth session, the Board would remove that obstacle to the planning for the decade.

39. One of the main targets set for the first United Nations Development Decade by General Assembly resolution 1710 (XVI) had been a 5 per cent minimum annual rate of growth of aggregate national income in the developing countries. Irrespective of the decade's success or

failure in attaining that and other goals, it was significant that the developing and developed countries had made a united approach to the problems of development.

40. Little progress had been made at the three sessions so far held by the Preparatory Committee for the Second United Nations Development Decade. His delegation was prepared to accept the target of approximately 6 per cent suggested by that committee at its second session for the annual average rate of growth to be achieved in the developing countries during the decade (see E/4624 and Add.1), although it agreed with IBRD that each country must set its own growth target. In any event, the targets suggested could be regarded as satisfactory only for the transitional period required to establish the conditions for accelerated development, since they would result in only a negligible annual increase in the average *per capita* income of the less developed countries, particularly in view of the expected increase in the rate of population growth. The average annual increase in *per capita* income in the developed countries was some \$60; in the developing countries it was less than \$2. Therefore any target for over-all growth should be set in terms of national *per capita* income.

41. It had been estimated that nearly one-half the capital invested in the less developed countries was required to keep up with the increase in population. The need for national efforts to control the population increase was as great as the need for international co-operation in accelerated development; his delegation therefore welcomed the efforts of the United Nations system to resolve the population problem. Mankind was faced with the critical task of raising levels of living, reducing poverty and eliminating social injustice. All the means needed to attain those goals were available, and it was to be hoped that the challenge would be met by a collective effort on the part of mankind as a whole.

42. Mr. LÓPEZ HERRARTE (Guatemala) said that the first United Nations Development Decade had been marked by significant progress in Guatemala and in the other member countries of the Central American Common Market. A favourable growth rate had been achieved, economic development had been more adequately planned, important tax reforms had been applied, and both public and private investment levels had risen. The most important achievement was a considerable advance in health, education and social welfare. Those achievements were due in no small measure to the effective assistance of the United Nations and the specialized agencies.

43. However, the process of economic integration of Central America on the one hand and the Guatemalan economy on the other were currently affected by the balance of payments deficit of the region as a whole and of each country individually. The prices of exports on the international market were falling, while the cost of necessary imports was rising. It was to be regretted that the developed nations which were members of the Inter-

¹ See *Proceedings of the United Nations Conference on Trade and Development, Second Session*, vol. I: *Report and Annexes* (United Nations publication, Sales No.: E.68.II.D.14), p. 38.

² United Nations publication, Sales No.: E.69.II.D.12, part one, para. 2.

national Coffee Agreement were encouraging the fall in prices instead of helping to restrain it. The terms of capital inflow were also unsatisfactory; an increase in outside investments was useless if the recipient countries were obliged to pay interest at rates which would lay a burden on future generations. If the developed market-economy countries increased their contributions to IDA, IBRD and IDA would be able to make joint loans at reduced interest rates.

44. He appealed to the developed countries to give urgent consideration to recommendation A.IV.18 of the first session of the United Nations Conference on Trade and Development for the establishment of a system of supplementary financing.³ The study requested of IBRD had been made,⁴ but the proposal had been pursued no further. A revival of the project to coincide with the beginning of the Second United Nations Development Decade would be an effective contribution to sustained development.

45. It was to be hoped that, during that decade, the developed countries would open their markets to products from the developing countries, and would succeed in submitting to the UNCTAD Special Committee on Prefer-

ences, by November 1969, a plan for non-reciprocal preferences in accordance with Conference resolution 21 (II).⁵ If the developing countries could find markets for their products, one of the basic problems of development would be resolved; if the Central American countries could increase their exports at reasonable prices during the first part of the coming decade, they would be able to go forward to more satisfactory development. Guatemala possessed the political will and the labour force; all it needed was the opportunity to increase its exports not only to the market-economy countries, but also to the socialist countries, with which it hoped soon to establish a significant flow of trade.

46. It was also to be hoped that the Second Development Decade would see a marked increase in private investment. Guatemala would continue to welcome private capital from abroad, provided that it was invested on a basis of mutual advantage and respect. His delegation hoped that all the plans and projects referred to during the Council's session would be successfully completed, to the benefit of the developing countries. The developed countries could not prosper fully unless those nations which required their aid and co-operation were able to share the fruits of human progress with them.

The meeting rose at 12.30 p.m.

³ See *Proceedings of the United Nations Conference on Trade and Development*, vol. I: *Final Act and Report* (United Nations publication, Sales No.: 64.II.B.11), p. 52.

⁴ See IBRD, *Supplementary Financial Measures*, Washington D.C., 1965.

⁵ See *Proceedings of the United Nations Conference on Trade and Development, Second Session*, vol. I: *Report and Annexes* (United Nations publication, Sales No.: E.68.II.D.14), p. 38.