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AGENDA ITEM 2

General discussion of international economic and social policy (*continued*) (E/4942, E/4984, chap. III; E/5004, E/5005, E/5007, E/5009, E/5010, E/5016, E/C.2/726)

1. The PRESIDENT recalled that the Council Committee on Non-Governmental Organizations had submitted recommendations concerning the applications for hearings made by organizations of Category I, and that the Council had taken a decision on certain of those recommendations at its 1776th meeting.

2. He wished to point out that one of the most active international bodies was the International Student Movement for the United Nations. As the Movement was not one of the organizations in consultative status Category I, the Council could not hear it, although its voice resounded throughout the world. It might perhaps be well to correct that situation one day.

3. Mr. HEYER (International Confederation of Free Trade Unions), speaking at the invitation of the President, said that one of the main topics considered by the Economic Conference of ICFTU, which had met at Geneva in June, had been the consideration of the policies and objectives of trade unions during the Second United Nations Development Decade. ICFTU, which had stressed the need for a global development strategy which would integrate and co-ordinate the efforts of all Governments and international bodies, found that concept in the

Strategy adopted by the General Assembly in its resolution 2626 (XXV). The very fact that the main Powers had signed such a document was in itself a result which would have seemed impossible ten years earlier. The trade unions had noted with some disappointment, however, the reservations made by a number of important countries with respect to such points as the assistance rate of 1 per cent of the GNP and the assistance for the adaptation of industrial structures. On the other hand, there was reason for satisfaction in the fact that development was no longer conceived solely in terms of economic growth and that the Strategy was giving the desired consideration to human development. The key factor in balanced development was the raising of the levels of living of the workers, since regular increases in wages and security of employment provided the main stimulus for development.

4. In view of those considerations, the free trade union movement was asking Governments to recognize the role of the trade unions in economic and social development by consulting them and inviting them to participate in the taking of decisions at the national and international levels. In the case of decisions which might affect the fate of entire nations, it was dangerous to rely upon the judgement of technocrats, who in the last analysis were not accountable to anybody.

5. ICFTU had noted with profound regret that development plans did not, in general, contain any explicit objectives or policies for employment, except occasionally with respect to increasing the number of non-agricultural jobs. It pointed out to Governments that one of the most effective means of combating unemployment was the adoption of immediate measures for rural development: the encouragement of co-operatives, vocational training and fundamental education. A high degree of planning was necessary in order to co-ordinate development in the traditional rural sector with that in the modern sector.

6. ICFTU thought that the creation of employment should be given the highest priority. To that end, it recommended that Governments should encourage the establishment of industries with a high labour coefficient; that organizations providing technical assistance should seek production methods with a high labour coefficient; that resources intended for public investment should be used for projects requiring a large labour force; that adequate and well-designed facilities for technical and vocational training should be provided in the light of the future requirements envisaged in the over-all plans; that projects which were prestige operations should be abandoned; and that consideration should be given to ways and means of reducing the external debt of the developing countries. Moreover, the free trade unions recommended that, in order to find a solution for the problems of

international trade in commodities, manufactures and semi-manufactures, every effort should be made to conclude the negotiations now in progress in UNCTAD with a view to establishing a system of generalized preferences and bringing about an immediate reduction in customs tariffs, sector by sector.

7. The free trade unions were seriously concerned about the way in which stabilization policies had been put into effect in the industrialized countries. Unemployment in those countries was in general higher than at any time since the war and the rise in prices was the highest for many decades; often, the two trends existed side by side. Full employment policies had been sacrificed because of the failure to recognize the true nature and causes of inflation, which were the policy of the monopolies, oligopolies and international corporations, the increases in prices on the international markets and the sectoral differences in the increase of productivity. In the face of those excessively restrictive stabilization policies, the recent Conference of Free Trade Unions had taken the view that emphasis should be placed on stimulating supply and on increasing those capacities of production which could be utilized immediately. The reconversion of low-demand sectors should be vigorously continued -- the best example being the housing sector, for which public and private action should be intensified and co-ordinated with a view to reducing speculation. Progress should be made in the international co-ordination of stabilization policies and it would be necessary to seek a better division of labour. Monetary policy should be co-ordinated as a matter of high priority and objectives with respect to balance of payments should be pursued in such a way as to encourage balanced internal development. Monetary policies should also ensure orderly adjustments in the rates of exchange when that was necessary. For the purpose of preventing wage "explosions", encouragement should be given to free collective bargaining, the bargaining autonomy of the trade unions should be strengthened, negotiated increases should be encouraged before the middle of the expansion phase of production in order to shorten wage lags, contracts should be made more flexible and their re-negotiation should be permitted when the economic situation changed. Information should be provided about the movement of profits, productivity and production costs, and consideration should be given to the introduction of systems tying wages to the consumer price index. In addition, a central role should be assigned to an active labour policy that was not limited to declared market requirements; that would reduce the need to resort to the traditional measures for regulating demand.

8. The free trade union movement also advocated control of the conditions governing mergers and concentrations of corporations. International collaboration should be established with a view to combating the price discriminations practised by multinational corporations. The phenomenal development of the power of those corporations represented a challenge to Governments: they were able to speculate on exports and imports by fixing artificial prices for transfers between the main corporation and its foreign affiliates and by means of various other manipulations, all

of which might have serious repercussions on the implementation of government policies with respect to balance of payments, industrial development, labour and the like. In many countries, by playing on the need for foreign investment, they had brought about competition between Governments, which tried by every possible means -- including restrictions on trade union freedom -- to attract the establishment of enterprises. Instead of resorting to such competition, Governments should co-operate fully with a view to developing co-ordinated regional policies to attract investments. For that reason, the ICFTU proposed to ask the international and regional institutions of the United Nations, GATT, the ILO and OECD to work out an international agreement setting forth a code of conduct for multinational corporations and constitutional provisions for the implementation of that code and for trade union participation in a procedure for the submission of complaints. The trade union movement was aware of the major problems of the day and had already drawn up its policy to deal with those problems. It urged Governments and the Economic and Social Council to give due consideration to the voice of the workers, who were prepared to make the necessary efforts to bring about a world of economic and social equality based on solidarity.

9. Mr. EKLUND (Director-General, International Atomic Energy Agency) said that one of the main aims of IAEA was to foster the use of modern technology for economic development. The target for contributions to IAEA's technical assistance programme in 1972 would be 50 per cent greater than the 1970 target, but unfortunately that increase would be partly absorbed by inflation. It was encouraging to note that the annual targets were being more nearly achieved than in previous years. Special contributions to the assistance programmes had also increased, as had the number of UNCTAD Special Fund projects which the Agency was carrying out. Side by side with the considerable increase in development aid administered by the Agency, the latter had been able to reduce the administrative staff required.

10. IAEA had often drawn attention to the difficulty of setting quantitative targets for the use of nuclear energy in the developing countries, because the share of nuclear energy in total energy production depended on economic and technical factors which varied from country to country and from case to case. An estimated total could be given but it would be a mistake to regard that figure as a target. The same problem arose with regard to the other uses of nuclear energy, which was not an end in itself but an alternative way of reaching a desired economic or social objective. IAEA would nevertheless endeavour to co-operate in providing information and forecasts required for an over-all evaluation. He hoped that it would be possible to avoid setting up new elaborate machinery and preparing voluminous documents for the purpose of the evaluation, which was the normal function of each agency.

11. On the question of the organization of the Council's work, IAEA had often suggested that science and technology might best be dealt with by a single committee comprised of a small number of high-level experts entrusted

with the task of advising the Secretary-General. Such a committee should make full use of the expertise and assistance available in the scientific advisory committees and the secretariats of the various agencies.

12. Turning to IAEA's annual report (E/4974), he drew particular attention to the addendum to the report (E/4974/Add.1), which was a booklet entitled *Nuclear Techniques and the Green Revolution*. The booklet gave an explanation of the contribution which nuclear techniques were making to that process, which had such potential for the agriculture and the economies of the developing countries; it should be read in conjunction with the ACC report on the subject (E/5012 [part II]).

13. In order to reduce the number of IAEA documents, the Agency's Board of Governors had decided that the Agency should henceforth publish a single annual report on its programme covering the period 1 July to 30 June for submission to the IAEA General Conference, the United Nations General Assembly and the Economic and Social Council. He would be glad to supplement, in his address, the information submitted to the Council. Another, possibly better, course would be to submit the Agency's annual report to the Council at its autumn session, i.e. shortly before it was considered by the General Assembly.

14. Certain new developments that had taken place since the publication of the annual report for 1970/71 were worthy of mention. Firstly, the Safeguards Committee had completed its work, in which some fifty countries had participated in a spirit of remarkable co-operation. The Board had endorsed the Committee's recommendations and negotiations were now proceeding with some thirty States for the agreements that they must conclude with IAEA under article III of the Treaty on the Non-Proliferation of Nuclear Weapons. Two agreements with Finland and Austria had already been approved by the Board. For most of the sixty-five non-nuclear weapon States that had already ratified the Treaty, the deadline for the conclusion of such agreements was the end of February 1972. He reminded Member States of their obligations under paragraph 4 of article III.

15. The expectations aroused by article IV of the Treaty had not yet been fulfilled, for, apart from technical assistance and the International Nuclear Information System, no expansion had been possible during the previous two years in any of the Agency's activities to promote the peaceful uses of atomic energy. The Board of Governors had expressed the hope that the Fourth International Conference on the Peaceful Uses of Atomic Energy, to be held at Geneva in September, would give new impetus to the Agency's promotional work.

16. Problems relating to the environment were of deep concern to the world community. In that context, the role of nuclear energy, which was a growing part of modern society, should be considered from various points of view. Firstly, the radiation from artificial sources to which man was exposed was minute compared with the dose that he received from nature; as far as artificial sources of radiation were concerned, radiation from medical uses and from nuclear tests was much greater than that arising from the

use of nuclear energy for the production of electricity. Moreover, in comparison with other technologies and other industries, nuclear energy presented very minor environmental problems of pollution etc. In 1970, the Agency had submitted to the Council a booklet entitled *Nuclear Energy and the Environment*,¹ in which it had been pointed out that electricity production would probably be eight times greater in the year 2000 than in 1970 and that about one half of it would be accounted for by nuclear energy. Nuclear energy appeared to provide the best way of meeting the increasing demand for electricity during the next few decades and it was also the energy form which was least likely to cause further harm to the environment. That was the conclusion of an international symposium held at United Nations Headquarters in August 1970 under the auspices of the Agency.

17. It was something of a paradox that nuclear energy had been attacked in recent years with regard to its effects on the environment, whereas, on the contrary, it provided the possibility of reducing pollution, since there was no waste from the combustion of products and the nuclear industry had always attached the greatest importance to the need to control radio-activity carefully. Admittedly, there was the problem of isolating nuclear wastes containing certain long-lived radio-active isotopes. The 1970 symposium had recommended that IAEA should become a central repository of information on radio-activity released by the civil use of nuclear energy, and IAEA was taking steps to set up an international register for that purpose. The Agency's activities with regard to the disposal of radio-active waste into the sea had recently been recognized by the Inter-governmental Working Group on Marine Pollution, a body of the United Nations Conference on the Human Environment.

18. IAEA had the central responsibility which it had taken very seriously for setting standards of safety for the protection of health, life and property. In recent years, those standards had been jointly compiled with WHO. A number of those standards had been sponsored by other specialized agencies, such as the ILO and IMCO. All questions relating to the effect of radiation on man's food resources were dealt with internationally by the Joint FAO/IAEA Division of Atomic Energy in Food and Agriculture. The Agency was working in close co-operation with the United Nations, OECD and EEC. There was a strengthening of co-operation with the United Nations Scientific Committee on the Effects of Atomic Radiation. It was taking an active part in preparations for the United Nations Conference on the Human Environment. The Agency was also preparing, in co-operation with WHO, a study of the questions relating to the environment and safety that arose out of the development and production of nuclear energy. The study should help to allay the anxiety felt by those who lacked the expert knowledge to place the role of nuclear energy in its correct perspective with regard to the environment. Increasing co-operation between WHO, FAO, the ILO and IAEA in the matter of radiation

¹ Document INFCIRC/139/Add.1, transmitted to the Council under the symbol E/4821/Add.1.

environmental questions had led to a virtual integration of many programmes. A substantial part of IAEA's technical assistance programme was designed to help developing countries to introduce nuclear energy with maximum safety and minimum impact on the environment. Altogether, the Agency spent approximately 7 per cent of its budget each year on activities relating to the environment, apart from the complementary activities of WHO, ILO, etc. In that light, the Board of Governors had concluded in its report that, with regard to the impact of nuclear energy on the environment, it was clear that no new international machinery was required. Moreover, nuclear techniques were being increasingly used as a means of combating the impact of other technologies and other industries on the environment, for example, to measure pollution of the atmosphere, to follow the movement of sewage in rivers and in the sea and to determine the effects of food additives and chemical pesticides. It might perhaps be useful to consider the publication, under the auspices of the United Nations, of an authoritative annual report on the state of the environment, which might have greater practical effect than new institutional machinery.

19. In conclusion, he repeated that nuclear energy had come of age and that it was a welcome alternative to traditional fossil fuels whose cost was rising and whose long-term supply prospects were sometimes uncertain. That fact would certainly be emphasized at the Fourth International Conference on the Peaceful Uses of Atomic Energy.

20. Mr. di MARTINO (Observer for the European Economic Community), speaking at the invitation of the President, said that EEC was keenly interested in the work of the Economic and Social Council.

21. Certain facts demonstrated the importance of the Communities' contribution to the International Development Strategy. First and foremost, the third Convention of Association between the European Economic Community and the African and Malagasy States associated with that Community (Yaoundé, July 1969) – known as the "Second Yaoundé Convention" – had come into force on 1 January 1971. The Community and the associated States subscribed to the philosophy of international co-operation which underlay the International Development Strategy. Their association combined with different sectors of co-operation: trade, finance and technical co-operation. Upon the entry into force of the new Convention, the Community and the associated States had again made due allowance for the interests of other developing countries by partially suspending the common customs tariffs on a number of tropical products of special interest to those countries.

22. At the world level, the Community had implemented its offer of generalized preferences on 1 July 1971. It had thus become the first economic grouping to apply such a system, in pursuance of the UNCTAD recommendations enshrined in the Second Development Decade. The Community's offer with regard to generalized preferences held out tariff advantages with regard both to manufactures and semi-manufactures and to processed agricultural products

from the developing countries. In the case of those latter countries, tariff reductions were envisaged for a certain number of such products included in a positive list. With regard to manufactures and semi-manufactures, it should be noted that the Community's offer was based on three essential elements: freedom from tariffs, the placing of a ceiling on preferential imports and the inclusion, without exception, of all manufactures and semi-manufactures. It also covered textiles, which were of great importance to some of the developing countries of Asia.

23. On the whole, the system of preferences applied by the Community was particularly advantageous. The over-all ceiling for the first year of application in respect of preferential imports of semi-manufactures and manufactures from the beneficiary countries amounted to about one thousand million dollars, a sum which corresponded initially to twice the annual imports from those countries into the Community. Moreover, the ceilings would be raised each year and might even be revised later to afford even more favourable arrangements.

24. The importance of the decision taken by the Community regarding the implementation of preferences should be stressed, since it represented a decisive turning point in international trade relations, which had previously been based on the dual principle of most-favoured-nation treatment and the reciprocity of concessions.

25. With regard to commodities of special interest to the developing countries, the Community had tried consciously to pursue a balanced policy in respect of prices and access to markets, in accordance with resolution 73 (X) of the Trade and Development Board and with the statement made by the French representative on behalf of the Community at the time the International Development Strategy was adopted.² The Community hoped that another fundamental element of the problem, namely, the economic diversification of the developing countries, would gain the immediate attention of the international community and become the subject of concerted action in the interests of the countries of the third world.

26. He hoped that co-ordinated action on the part of all the industrialized and all the developing countries would enable the international community, during the decade, to achieve the growth targets established in 1970.

27. Mr. POISSON (Niger) noted that during the past ten years wealth had followed an upward curve in the developed countries. Unfortunately, the same could not be said of the developing countries, some of which were in a state of desperate stagnation while others were even regressing. Thanks to the United Nations, it had been realized during the last ten years that the developing countries – and particularly the more backward of them – had to be given a chance to make full use of their natural and human resources. Despite its modest scale – 4 per cent per annum – the target fixed had none the less aroused tremendous hopes among the peoples of the third world. Unfortunately, it had not been attained.

² See *Official Records of the General Assembly, Twenty-fifth Session, Second Committee*, 1314th meeting.

28. The Strategy for the Second Development Decade, adopted in October 1970, had similarly been born in an atmosphere of contradiction. If the results of the Second Decade were to exceed those achieved during the First Decade, the rich countries would have to understand that they could no longer ignore their human, political and economic duties to the less-favoured countries.

29. As to the new orientation envisaged for the Economic and Social Council, he was convinced that the Council should remain the chief United Nations body in the economic and social fields. It offered delegations a chance of studying the work of the specialized agencies and of synthesizing them. Moreover, its co-ordinating role was extremely important. His delegation would therefore support any initiative designed to strengthen the Council's authority, particularly if it led to the creation of *ad hoc* bodies, whether permanent or not, which were likely to contribute to a better understanding of the problems in hand. As to the broadening of the Council's membership, it would be only fair for the countries of the third world to gain wider representation in view of their number and the state of their economic and social development. With regard to working methods, his delegation was open to all suggestions provided that they increased the efficiency of the Council's work and did away with the few shortcomings that had been noted, especially with regard to the distribution of documents in the various working languages.

30. Turning to the question of economic growth in Africa, he said he wished to comment on the summary of the study on economic conditions in Africa, 1970 (E/5004). At first sight, that document gave a comforting impression: the general trend of economic developments in Africa seemed satisfactory and the figures appeared to indicate a substantial improvement in growth during 1970. Unfortunately, however, that was merely an illusion, since the sectors which had evolved most rapidly and which affected only a minute part of the African continent were essentially the mining, manufacturing, building and power production industries, along with transport and tourism. Yet those were sectors which required foreign capital in order to develop, and nobody was blind to the rules which governed such investment. Extremely favourable fiscal regulations were often accompanied by an impressive list of arrangements for transfers, high profit rates and guarantees. That situation raised serious problems for some countries which were not rich enough to attract investors. The problem was how to offset the effects of the industrialized countries' monetary and economic crisis on the African countries' purchases of capital goods, on their currencies and on the value of their primary products. It seemed nonsensical that owing to international trade regulations those countries should have to bear the backlash of social changes within the developed countries.

31. With reference to social problems within Africa, he drew particular attention to unemployment which, especially in the Sahelian area, was a seasonal affair. Outside the rainy season, almost 90 per cent of the active population had to seek work; it was not difficult to imagine the tragic social problem such a situation created. The

Economic and Social Council should take account of it and try to combat that social scourge.

32. It was encouraging that the Committee on Planning and Development had at last made a basic distinction between the developing countries. For almost ten years some countries of the third world had been asking that they should be recognized as falling within a special category among the developing countries, since they were quite unable to benefit from the advantages and other preferences granted to them, for instance, in the field of trade. Investments even on the most favourable terms, might produce only negligible results. It was therefore a question of justice that urgent safeguard measures should be taken on behalf of such countries.

33. At the opening of the Second Development Decade, the peoples of the third world were turning expectantly to the better-endowed countries in the hope that they would do all that was required so that every individual on earth might one day enjoy a better life.

34. Mr. SAYAH (Tunisia) said he was aware of the fact that the African development strategy during the Second Decade, as established by the first meeting of the Conference of Ministers (Tunis, February 1971), would require an enormous effort by all the African countries but he was convinced that, so long as there was a firm will to act and co-operate within ECA, that effort would be made despite the specific handicaps in Africa to which the Executive Secretary of ECA had referred (1777th meeting).

35. Tunisia had endorsed the objectives of the International Development Strategy; its faith in international co-operation was total and, quite apart from considerations of economic growth in quantitative terms, it hoped that the Second Decade would favour the emergence of a more equitable and more rational international economic order. At the same time, Tunisia was very conscious of the fact that the essential responsibility for its development rested with the country itself. Since its independence, it had set itself to that task and had begun well during the First Development Decade. Nevertheless, at the end of that Decade, Tunisia had had to make some major adjustments to its development plan, notably in agriculture, which remained the key sector of the Tunisian economy. In fact, the results of the re-appraisal of national development objectives were already making themselves felt, particularly in the field of agriculture. Thanks to the achievements of that sector, GDP would probably increase by about 9 per cent in the current year and thus make it possible to recoup the arrears of the past two years. If those efforts continued, it would still be possible to reach the target set by the four-year plan of an average 6.5 per cent rate. Tunisia was thus making a genuine effort to achieve the growth rate specified in the Development Strategy. Domestic savings, for example, had reached a rate of 17 per cent of the GDP. Nevertheless, however intensively domestic resources were mobilized, only an increase in external aid geared to requirements could help Tunisia to overcome the complex and difficult problems of under-development. The most distressing feature of that phenomenon, wherever it prevailed, was the imbalance between the rate of economic

growth and that of population growth. The population growth rate, which was nearly 3 per cent in Tunisia, had impelled the country to undertake a pilot experiment in family planning.

36. Another serious problem which Tunisia had to face was that of under-development. A sustained effort, involving an expenditure of about 33 per cent of the national budget, had been made in education but, economically speaking, that effort would hardly be worth while unless the training given resulted in full employment. Consequently, during the coming decade, greater emphasis would be laid on technical education and vocational training.

37. At the present time, marked as it was by ever-increasing economic interdependence, the developing countries, even more than the others, were vulnerable to the effects of the international economic situation. Over the past year, two economic phenomena had weighed heavily on the efforts of the developing countries. In the first place, there were the monetary problems bedeviling a large number of developed countries which, aggravated by the persistence of inflationary trends, had produced a very disquieting situation for the developing countries. That situation was likely to impair the terms of trade still further and to nullify the anticipated effects of export promotion. It was all the more disturbing in that the development growth curve of the third world countries was a function of the expansion curve in the wealthy countries. In the second place, it should be mentioned that there was still a serious threat of trade war hanging over the prospects for the expansion of world trade. It was not only that the developing countries' share of world trade was far from satisfactory, it was also obvious that those countries would be the ones to suffer the greatest damage in the event of a disruption in trade or even of any falling off in trade expansion. In that connexion, he deplored the fact that major decisions concerning world trade continued to be taken and elaborated outside the United Nations system. The international community should, as a matter of priority, consider means of normalizing the situation, possibly by strengthening the terms of reference of UNCTAD.

38. Tunisia was determined to create appropriate conditions for an expansion of its trade so as to increase its export earnings and thus acquire the capital goods it needed. Nevertheless, in view of its limited resources, it was still dependent upon external aid. However, the volume of aid granted to the developing countries tended to diminish and external aid remained very costly. Aid should be supplied in the form of grants or of interest-free public loans so as to reduce the constantly increasing burden of debt servicing. Moreover, in order to protect the developing countries against unforeseeable collapses in their foreign currency reserves, IBRD should, in co-operation with IMF prepare a supplementary financing mechanism.

39. In connexion with external aid, he welcomed the introduction of the generalized system of preferences applied by EEC since 1 July 1971. The preferential treatment granted to the developing countries was a valuable supplement to external aid in that it helped to

stimulate the developing countries' exports and, consequently, to increase their foreign currency resources.

40. As for the question of ways of improving the Council's work, he thought that the real problem was that of enlarging the composition of the Council. It was essential to take account of the political and economic realities of the present-day world. It was for that reason that Tunisia had associated itself with other countries in proposing that, as an interim measure, the composition of the sessional committees of the Council should be enlarged until such time as the General Assembly decided to amend the Charter and enlarge the composition of the Council itself (see E/L.1421/Rev.1). It would then be necessary to deal with the question of strengthening the Council so as to make it as effective a body as possible for the promotion of co-operation between the rich and poor nations.

41. In his delegation's view, an intergovernmental body for scientific and technological questions could be established under the auspices of the Economic and Social Council, if its enlargement was given favourable consideration by the General Assembly. If that primary condition was not fulfilled, it would then become necessary to reconsider the question and draw the appropriate conclusions, particularly with respect to the need to have recourse to the larger forum of the General Assembly. Once it had settled the question of the relations between that committee for science and technology, the Council and the General Assembly, the Council should work out its terms of reference. In that connexion, he stressed that there could be no question of encroaching upon the mandate of the group recently set up by the Trade and Development Board to study the transfer of technology.

42. Pursuant to General Assembly resolution 2641 (XXV), the Council would have to decide on the machinery for appraising progress and reviewing the objectives of the International Development Strategy. The responsibility for the over-all appraisal rested with the General Assembly, but it was the duty of the Council to do everything in its power to assist in that task. Appraisal and review had a bearing not only upon aid and international trade but also upon education, science and social welfare, which likewise contributed to the advancement and harmonious progress of society. The international community had recognized the need for an integrated concept of economic and social development and the Council would be ill-advised to overlook that concept when studying the question of the system of appraisal.

43. In conclusion, his delegation hoped that, in its report to the Assembly, the Council would be able to submit proposals for positive and specific action with respect not only to the problems which had just been discussed but also to other important items on its agenda.

44. Mr. GROS ESPIELL (Uruguay) noted with satisfaction that all the documents submitted in connexion with agenda item 2, in particular the *World Economic Survey, 1969-1970* (E/4942), and the statements by the representatives of IMF, IBRD, UNCTAD, FAO, the ILO and the regional economic commissions had underlined the social and human aspects of development. Economic growth,

although essential for social progress, was meaningless unless accompanied by a policy for solving employment problems and ensuring an equitable distribution of income among and within nations. The objective of development should be man and the satisfaction of his needs in every sphere.

45. A review of the world economic situation in relation to the prospects and possibilities of the Second Development Decade showed that those possibilities, though excellent from the theoretical, scientific and technological angles, were seriously threatened by adverse factors which must be eliminated. He referred, in that connexion, to the senseless and increasingly costly arms race, violence which was often the outcome of wretched living conditions

discriminatory practices in international trade, and obstacles to the developing countries' exports. It was essential that the question of the protection of the environment, which would be dealt with at the Stockholm conference and on which the survival of mankind would depend, should be co-ordinated with the joint development effort, for it was unthinkable that measures taken in the ecological field should be allowed to retard the progress of the developing countries.

46. Referring to the results achieved in the developing countries in the First Development Decade, he said that considerable progress, and in particular an increase in the GNP of many of those countries, the negative aspects remained significant: the increase in *per capita* income had been negligible; malnutrition continued to be rife; the housing situation had deteriorated; and there had been a considerable increase in the absolute number of illiterates. The co-operation of the developed market-economy countries had also left something to be desired. The *World Economic Survey, 1969-1970* showed that the total value of transfers of capital from those countries to the third world had tended to diminish, and that the share of the United States of America had fallen from 50 per cent in 1960 to 40 per cent in 1968-1969, while the shares of France and the United Kingdom had dropped even more sharply. Moreover, the developed countries had continued to impose all kinds of restrictions on imports of processed and semi-processed agricultural products, textiles and many primary commodities from the temperate zone. Those restrictions particularly affected the developing countries' exports. Unless mankind pooled its resources in the Second Development Decade, with a view to remedying that situation, it would take most of the developing countries several decades to reach a minimum level of prosperity.

47. With regard, more especially, to the development of the Latin American economies in the last decade, the Executive Secretary of ECLA, had rightly drawn attention in his statement (1777th meeting) to the existence, side by side with economic and above all social stagnation, of positive factors for change, the former in the traditional or primitive sectors of the Latin American economy and society and the latter in the modern sector. As the Executive Secretary had pointed out, in order to create the necessary conditions for sustained economic growth and in particular to deal with unemployment, the Latin American countries should begin by tackling their serious foreign

trade problems, securing adequate scientific and technical co-operation and restoring their external financial situation to a healthy state. It was to be hoped that the third session of UNCTAD would provide the necessary impetus for such action. In that connexion, he noted the importance which the Latin American countries attached to the generalized system of preferences and to discussions between EEC and Latin America.

48. His delegation would like to draw the Council's attention to a few points in the *World Economic Survey, 1969-1970* concerning Uruguay. Firstly, in its view, the subjective, partial and unsubstantiated appraisal in the first column of page 11 was irrelevant. Moreover, the statistical data only went up to 1968; they should be completed with figures for 1969-1970. For instance, the increase in Uruguay's GDP had risen from 0.4 per cent in 1968 to 5.3 per cent in 1969 and found its level at 5 per cent in 1970, the country having, according to ECLA, reactivated its development process in 1969-1970. Secondly, the rate of inflation of consumer prices, which had reached a maximum of 135.9 per cent in 1967, had fallen to 65.4 per cent in 1968, 20.9 per cent in 1969 and 17.6 per cent in 1970. That showed that Uruguay was doing and would continue to do its utmost to emerge from economic stagnation and improve the social conditions for its inhabitants, which were already outstanding among developing countries. But without the necessary international co-operation, it could not hope to attain a growth rate which would enable it to double its GNP in ten years.

49. Turning to another question, he said that his delegation wished to make known its views on the role of the Economic and Social Council and its future activities. It noted that, for various reasons, the Council had not achieved the major objectives arising out of Articles 62 *et seq.* of the Charter and that important measures such as the establishment of UNCTAD and UNIDO had been taken outside the Council's sphere. The work of those bodies, which were more representative and more dynamic, had given rise to a new progressive international law under which the Council's competence was necessarily limited to co-ordination, appraisal and, where appropriate, formal approval of their work, all initiative remaining with the bodies themselves. Nevertheless, his delegation would support any move to make the Council more representative and to increase its membership, regardless of any decisions that might be taken on other questions.

50. Lastly, his delegation welcomed the decision to ask the United Nations High Commissioner for Refugees to make a statement on the situation of the refugees of East Pakistan, a distressing question of which the Council must take note.

51. Mr. SHAIH (Pakistan) said that the world economic situation was discouraging. In 1970, agricultural output in the developing countries had increased by only 2.5 per cent of the 1960-1968 average, while industrial production had fallen below the decade average of 7 per cent. The development performance of different regions and individual countries had varied significantly but in almost all

sectors there was a further widening of the economic gap between developed and developing countries.

52. The obstacles facing developing countries were generally known: unrestricted population growth, the decline in the real value of foreign aid, and the increasingly unfavourable terms of trade. Equally well known were the methods proposed for their removal: increasing the flow of financial assistance to developing countries (particularly official assistance), increasing the developing countries' exports to the developed countries (especially of manufactures), and mobilizing their domestic savings for investment. Provision was made in the Strategy for the Second Development Decade for the attainment of each of those goals.

53. Perhaps the greatest oversight in past planning had been the failure to distribute the benefits of economic growth equitably among all the regions of a country and among the various sectors of society. Insufficient attention had been paid to the effects of economic growth on such factors as the pattern of income distribution and the living conditions of the poor. That situation had led to frustration, tensions and political upheavals.

54. Although there was a unified approach in the Strategy for the Second Development Decade towards economic development and social development, social aims were not clearly specified or associated with positive indicators. He therefore welcomed the fact that IBRD was fully alive to that problem and was seeking to direct its loans in such a way as to enable the developing countries to improve their employment situation and the distribution of income.

55. In the past two decades, the objective of Pakistan's economic policy had been to achieve the maximum possible growth through private enterprise. The results had been encouraging, both in agriculture and in industry. But today, the masses were demanding a larger share in economic progress: the workers wanted higher wages to cushion them against the rise in prices, small farmers thought that they had been overlooked; rural areas considered that progress was concentrated in urban zones, and some regions felt neglected. His country had to take note of those imbalances, in the interests of its stability. For that reason, the annual budget announced on 26 June provided for higher allocations for less developed areas like East Pakistan. A programme of austerity and social justice comprising tax measures affecting the relatively affluent sectors of society had been adopted. Incentives had been provided for small and middle level investors and businessmen, and programmes had been introduced for student welfare, for increased research in agriculture and for providing housing for persons with small incomes.

56. Pakistan was striving to attain the annual growth rate target of 6 per cent set for the Second Development Decade, but there were two crucial factors that were outside its control: the increase in exports of manufactures and the increase in external aid. He hoped that a generalized system of preferences would provide a stimulus for the developing countries' exports of manufactures and welcomed the commitments announced by the Norwegian and Japanese representatives (1779th meeting). There had been a hardening of the conditions of foreign aid, which had led

to a steep rise in the debt servicing liabilities of the developing countries. There was also a tendency for aid to be made subject to political conditions. Some aid-giving countries were trying to bring pressure to bear on Pakistan to influence what was essentially a domestic political situation. In that connexion, he quoted a recent declaration by the President of Pakistan, in which he had stated categorically that aid of that kind was not acceptable to his country.

57. In connexion with the appraisal of the progress of the Second Development Decade, both the Secretary-General's report (E/5040) and the report of the Committee for Development Planning (E/4990) underlined that review of progress at the national level would provide the basis for over-all evaluation. His delegation shared that view, although it believed that appraisals by outside bodies such as the IBRD, would be useful.

58. Opinions differed on the subject of the Council's role in over-all appraisal. The developing countries placed greater confidence in UNCTAD for solving various international economic issues and considered that UNCTAD's sectoral reviews should not be subject to revision by the Council. On the other hand, most developed countries and some developing countries considered that, under the Charter, responsibility for the over-all appraisal lay with the Council. In his view, the developing countries should have recourse to all the appropriate bodies; but those countries were unwilling to entrust the Council with additional responsibilities until its methods of work had been improved. It was necessary to expand the Council's membership. In that connexion, he drew attention to the proposals made by his delegation at the fiftieth session, and included in document E/L.1421/Rev.1. At the present session, some delegations had requested that no decision should be taken on the question of arrangements for the review and appraisal of results before the Group of 77 met at Lima. His delegation was willing to await the results of that meeting, especially with regard to the question of creating a standing committee for review and appraisal. Furthermore, that would give the developed countries more time to indicate their reactions to the proposal to increase the membership of the Council to fifty-four. With regard to the establishment of a science and technology committee, his delegation was in consultation with the other sponsors of the amendment in document E/L.1421/Rev.1 with a view to determining the best method of dealing with that question at the current session.

59. With regard to natural disasters, the recent tragedies in Peru and East Pakistan had further demonstrated the need for the co-ordination of international assistance by a central United Nations body. He was therefore pleased to note that in his report (E/4994) the Secretary-General had recommended the establishment of an office for that purpose.

60. At the twenty-fifth session of the General Assembly, his delegation had stressed the need for immediately available logistic equipment.³ Countries which were in a

³ *Ibid.*, Twenty-fifth Session, Plenary Meetings, 1906th meeting.

position to provide such equipment would inform the Secretary-General of the nature and location of that equipment, so that it could be used immediately in the event of a disaster. Countries stricken by natural disasters would not then have to request that such equipment be made available to them on a bilateral basis, and delays and political obstacles would thus be eliminated. The Secretariat should give information at a later date concerning the equipment which countries would place at the Secretary-General's disposal.

61. Mr. TERENCE (Inter-Parliamentary Union), speaking at the invitation of the President, expressed the hope that co-operation between the Inter-Parliamentary Union and the Economic and Social Council, which had tended to lapse for some years, would be re-established. In the course of a conversation which he had had with the Secretary-General in New York, it had been agreed that the Union should redouble its efforts to help the United Nations to become better known in parliamentary circles and to obtain their support; in addition, the activities of the Union should be brought to the knowledge of United Nations bodies.

62. The purpose of the Inter-Parliamentary Union, which had national groups in sixty-seven countries, was to promote international co-operation and peace at the parliamentary level. It was interested in a number of topics on the agenda for the present session, notably the Development Decade, the implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples and assistance in cases of natural disaster.

63. So far as the Development Decade was concerned, the Union's Economic and Social Committee had adopted the draft resolution to be submitted to the fifty-ninth Inter-Parliamentary Conference to be held in Paris in September 1971 (E/C.2/729, annex). When the draft resolution had been adopted, the sixty-seven national groups in the Union would make representations in their Parliaments and to their Governments with a view to the effective application of the principal measures envisaged in the Strategy — the transfer of financial resources, the implementation of the generalized system of preferences, aid in science and technology, an increase in contributions to UNDP, preparations for the third session of the United Nations Conference on Trade and Development and the economic and social legislation which should be enacted by the developing countries. In addition, the Inter-Parliamentary Union, in co-operation with the United Nations and UNDP, proposed to institute a programme of technical co-operation to assist parliaments in the developing countries, at their request, to strengthen their infrastructure.

64. The Inter-Parliamentary Union would thus be giving practical help to the United Nations by providing it with a basis of support in parliaments. Moreover, its contribution would be on a continuing basis. He would keep the members of the Union informed of the progress achieved and submit the results of the appraisal to them in 1973, so that the Inter-Parliamentary Conference could consider them and make the necessary recommendations.

65. Mr. ANTOINE (Haiti) said that the discussion on the Second Development Decade had inspired the developing countries with the hope that their economic and social situation would be better understood, but it had at the same time made evident the complete lack of understanding on the part of the developed countries and the inadequacy of the aid they provided. Despite the great efforts made by the United Nations, and UNDP in particular, to deal with the problems of under-development, the difficulties still prevailed.

66. Haiti was doing all it could to emerge from its chronic state of under-development. Since the beginning of the First Decade, a National Development and Planning Council had been made responsible for planning the major work on the infrastructure that was indispensable for national growth. Planning activities had been directed towards certain key sectors such as transport, electric power and agriculture. As part of those activities, the Haitian Government had built the Peligre hydro-electric power station and the François Duvalier international airport, which had cost \$10 million and was to be opened on 22 July. UNDP and FAO were making studies of the agricultural sector, which provided Haiti with 75 per cent of its national resources but was under threat of damage from hurricanes.

67. He hoped that the developed countries would co-ordinate their efforts on the basis of a clearer understanding of the problem of under-development. He welcomed the statements made in that connexion at the 1775th meeting by the representative of France, who had rightly underlined the contribution which the industrialized countries could make, not only in terms of financial and technical assistance, but also by facilitating the expansion of exports from the third world. The French representative had also pointed out that aid "should be stabilized at a reasonable level so as to provide the developing countries with a relatively constant and predictable flow of resources which would enable them to prepare realistic development plans" (1775th meeting, para. 28).

68. He also hoped that the state of the world economy would improve as a result of a reduction in the military expenditure of the developed countries, the enormous burden of which had been stressed by the representative of Greece (1775th meeting).

69. In his report to the twenty-fifth session of the General Assembly,⁴ the Secretary-General had drawn special attention to the gap between the developed and the developing countries as regards opportunities and levels of living, and to the state of crisis prevailing in international co-operation. The Secretary-General had also pointed out that over and above economic and social development there were two vitally important objectives: the protection of human dignity and the construction of a society that respected and promoted spiritual and cultural values.

70. It was clear from the statements made at the present session of the Council that a solution had to be found during the Second Development Decade to the problem of

⁴ *Ibid.*, Twenty-fifth Session, Supplement No. 1A (A/8001/Add.1).

under-development, if all countries, rich and poor alike, were not to perish.

71. Mr. PATHIMARAJAH (Ceylon) referred to the mandate originally given to the Economic and Social Council by Article 55 of the Charter and said that the Council had a history of twenty-five years of ineffectiveness and failure. It was for that reason that the developing countries had recently turned to other organizations, which had already enabled them to achieve the positive results referred to by the Brazilian representative at the 1776th meeting. The developing countries unreservedly supported recently created bodies such as UNCTAD, UNDP and UNIDO, and were resolved to foster their growth and protect their means of action. They would certainly support an improvement in the working of the Economic and Social Council, but on the clear understanding that the improvement would not take place at the expense of the other bodies to which he had referred.

72. In the social field, the older organizations had also become conscious of their responsibilities to the third world. The ILO, for instance, was resolutely attacking the problem of unemployment. In Ceylon, where the problem was particularly acute, the ILO was endeavouring, through the Comprehensive Employment Strategy Mission ("Dudley Seers mission"), to support the efforts made by the Government. The Government's task in the social sector was greatly complicated by the serious economic situation; half the foreign-exchange earnings from primary commodity exports had to be used for servicing the debt, and in the last few years falling commodity prices had led to a disastrous slump in export earnings which neither the aid received nor the loans obtained were sufficient to offset. Moreover, with the aid of WHO, another organization whose increasing dynamism was worthy of mention, Ceylon had succeeded in eliminating endemic diseases and doubling life expectancy, thereby increasing the pressure of population on available resources. That was further proof, if indeed proof was required, that economic development and social development had to go hand in hand if the unfortunate consequences of more rapid growth in one sector than in another were to be avoided.

73. The Strategy for the Second Development Decade, which had been discussed at length, had now become a reality. But a declaration of intent was not sufficient: the developing countries wanted action. His delegation agreed that some machinery for appraising the progress that had been made must eventually be set up, but it believed that it was premature to do so, as the Preparatory Committee established by the Group of 77 for the Ministerial Meeting to be held at Lima in October 1971 was currently reviewing the objectives of the Strategy, which might be given prominence in the documents adopted at Lima. The question of appraisal had been the main concern of those attending the Council of Ministers for Asian Economic Co-operation (Kabul, 1970), which had examined practical arrangements for economic co-operation instituted in the Asian region in the different sectors of infrastructure development. The developing countries were as anxious to ensure an equitable sharing of benefits within their own

group as between the developing and the developed countries, since all the developing countries had not reached the same stage of industrialization and economic transformation.

74. The UNCTAD/GATT International Trade Centre had made an important contribution to export promotion, which was vital to the developing countries. To attain the objectives of the Strategy, it was not enough to lower tariff barriers; provision must also be made for the transfer of modern marketing techniques, the adoption of a joint marketing strategy at the regional level and the conclusion of commodity agreements.

75. The criteria in the case of industrial development were not the same in the developing as in the developed countries. In the third world, industrial development was primarily a question of identifying the natural resources which could be usefully exploited. Moreover, as those countries were not short of labour, there was no need for automation, and the factor of prime concern for any item of production should be the cost-benefit ratio.

76. With regard to science and technology, the resources now awaiting development were no longer limited to the earth itself but were also to be found on the sea-bed and in outer space. It was undoubtedly desirable to await the final conclusions of the special committees entrusted with the task of studying the possibilities of exploiting the common heritage of mankind before deciding whether the use of science and technology in those new areas would be in the best interests of mankind as a whole and of the underprivileged in particular.

77. In the Second Development Decade, mankind had been given a new opportunity to establish a balance between rich and poor; he hoped that the opportunity would not again be missed.

78. Mr. ZAROUG (Sudan) said that at the end of a disappointing decade, the international community was divided between bitterness and hope. The persistence of an inequitable economic system, which kept the developing countries in a state of poverty and economic dependence and gave rise to fears of the emergence of a technological colonialism, certainly justified bitterness and disappointment. In view of that situation, efforts must be redoubled to bring about the structural changes needed in the system, and the fact that such a course had been resolved upon for the 1970s was a ground for hope.

79. The International Development Strategy for the Second Decade represented only a series of measures whose implementation was a purely moral obligation; that in itself was a limitation. Though the planned objectives fell short of the developing countries' aspirations, adoption of the Strategy had been an act of courage, and if Governments ensured the achievement of those objectives, to which they had individually and collectively committed themselves, it would stand out in history as one of the most constructive decisions ever adopted by an international organization or conference. His delegation, like others, attached the greatest importance to the machinery for the review and appraisal of progress in the implementation of the Strategy;

to be really effective, the appraisal should be the responsibility of a sufficiently representative intergovernmental committee.

80. Despite their endeavours, the developing countries could not play their proper part in world economic life for a number of reasons of which the most important were: their declining share in the world export trade, the slowing-down in the flow of capital from the developed countries, the unfavourable trend in the terms of trade and the sharp drop in their export earnings from all the products of vital importance to them, especially cotton, sugar, rubber and copper. In view of the role of primary commodities as a source of external income for all the developing regions, it was necessary to emphasize the need for measures to maximize their consumption, diversify their utilization, secure for their producers an equitable return and, last but not least, bring to a satisfactory conclusion the negotiation of commodity agreements.

81. The African countries, like all the developing countries, knew that they had to make structural changes in their economies to ensure the mobilization and use of their own resources. They were aware that they had to strengthen the institutions concerned with the formulation and implementation of their economic development plans. The adoption of his country's five-year plan had coincided with the beginning of the Second Development Decade. After quoting certain figures, he said that they showed that the targets of the plan were in some ways more ambitious than those of the International Strategy, but his country was resolved, with the help of United Nations organs, other international organizations and all friendly countries, to make every effort to ensure that it was a success.

82. In addition, he was compelled to mention the difficulties of a quite different order which might adversely affect development efforts in certain areas. In the Middle East, for example, the Israeli aggression had led to the closure of the Suez Canal, as a result of which international trade had been severely restricted over the past four years.

83. Much had been said about the adaptability of United Nations organs in the face of a constantly changing world situation. The primary requisite for their proper functioning and for the success of international action was that those organs should really be universal in character. Short of that, however, rationalization of the machinery for international action was the least that should be done. In particular, the central role of the Economic and Social Council, as a principal organ of the United Nations, should be strengthened to enable it to act with the full authority conferred upon it by the Charter in the exercise of its functions, especially in discharging its responsibilities for the review and appraisal of progress in the implementation of the International Development Strategy.

84. Mr. KRISHNAN (Observer for India), speaking under rule 75 of the rules of procedure, said that to reach the modest target of a 6 per cent growth rate during the Second Development Decade, the developing countries would have to mobilize their savings, ensure the efficient use of their resources and rapidly expand their exports of manu-

factures, and the flow of international assistance would have to be increased. He welcomed the decision of EEC to give preferential treatment to imports from developing countries. So that the introduction of the generalized system of preferences might bring satisfactory results, he would like to see an effort made to remove non-tariff and other barriers which adversely affected the developing countries' export trade. In regard to aid, he hoped not only that international assistance would reach the minimum target of 1 per cent of the GNP of the countries providing aid, but that those countries would take into account the real net value of their assistance in the context of the inflationary trends of their economies.

85. His delegation welcomed the satisfactory decisions that had been reached on the role that UNCTAD and UNIDO were expected to play in the transfer of technology. It expected a great deal from the programme of national and international action that UNCTAD was to prepare in that connexion. Effective machinery for the appraisal of progress in implementing Development Strategy during the Second Development Decade was indispensable, but his delegation thought that the task could be assigned to some existing United Nations organ, if necessary by restructuring it suitably.

86. Describing the progress achieved by his country in economic and social development in recent years, he pointed out that India had reached the targets fixed in its fourth five-year plan for over-all economic growth. The production of food grains had continued to develop at a most satisfactory rate, thanks to the "green revolution". Local production was tending to replace imports. Exports had increased and were becoming more and more diversified. The average span of life, which had been only 32 years fifteen years ago, was today 52.

87. He then referred to the tragic events in East Bengal, which had resulted in an influx of refugees from that area into India. Refugees were still arriving and their number had reached 6.3 million by the end of June. The provision of food, shelter and medical care for those refugees imposed an additional tax burden of 30 per cent on the people of India. His Government appreciated what the world community was doing to help India to carry the additional burden. Yet relief could only be regarded as a temporary palliative. The real and truly humanitarian solution, as the international community had recognized, was to stop the flow of refugees and help them to return home in conditions which would assure them full freedom and security and give them confidence and faith for the future.

88. His delegation was grateful to the representatives of Yugoslavia and New Zealand for their initiative (1773rd meeting) in asking for a discussion of that matter during the current session of the Council, and wished to express its thanks to the delegations of the Soviet Union, the United Kingdom, Hungary, Norway and other countries which had supported that initiative. It awaited with interest the statement which the United Nations High Commissioner for Refugees was expected to make to the Council the following week.

89. Mr. SHAHI (Pakistan) said he noted that the Observer for India, in referring to the tragedy that had befallen East Pakistan, referred to that area as "East Bengal"; his refusal to use its official name seemed fully to confirm that India's purpose was to dismember Pakistan.

90. The Pakistan Government had spared no effort to encourage the refugees to return to their country, in conditions of complete security. Pakistan had invited the United Nations High Commissioner for Refugees to help in securing their repatriation. It had set up camps along the frontier to receive refugees who wanted to come back, and had provided them with supplies, medical care and transport facilities to return home. A general amnesty had been declared, covering even political refugees and deserters from the army, so as to remove any apprehension that might be felt by refugees who wanted to come back to East Pakistan. It would be useful if India would co-operate with those efforts and allow the President of Pakistan's appeal to the refugees to return to their country and former situation to be heard.

91. Miss HARELI (Observer for Israel), speaking under rule 75 of the rules of procedure, said she agreed with those speakers who deplored the suffering and waste caused by the state of war in the Middle East but she wished categorically to reject the assertion made by the representative of Lebanon (1780th meeting) that this was due to the attacks constantly launched by Israel against its Arab neighbours. If there was a state of war in the Middle East, it was because a dozen Arab States, Members of the United Nations, denied Israel, another Member of the United Nations, the right even to exist. Nevertheless, the Government of Israel had not given up hope of arriving at a just and lasting peace with its neighbours. Its firm intention was to work for such a solution within the competent organs of the United Nations and by public statements and patient diplomatic efforts.

92. As regards co-operation in the economic and social field in the Middle East, her delegation regretted the absence of a regional economic commission in that area. If such a commission were in existence and working in a climate of true peace, it could at least help to direct the

efforts and resources of all the Middle East countries to improving the lot of their peoples. The Government of Israel was ready to co-operate in the economic and social spheres with its close neighbours, as it was already co-operating, within the limits of its modest resources, with the majority of developing countries in all continents.

93. She was likewise obliged to reject categorically the completely unwarranted remarks about her country made just previously by the representative of the Sudan.

94. Mr. NESTERENKO (Union of Soviet Socialist Republics) said he noted that Israel complained that its right to exist was not recognized. In fact, Israel rejected every proposal made to it to settle the conflict, even those emanating from its friends. Israel was occupying Arab countries and persecuting the Arab population in its territory. The USSR delegation had repeatedly expressed its opinion on the matter and he did not think it necessary to state his Government's views once again during the present debate.

95. The PRESIDENT, in accordance with rule 75 of the rules of procedure, invited the observer for Israel to exercise her right of reply a second time.

96. Miss HARELI (Observer for Israel) said that in the short time allotted, she could not reply to all the questions raised by the representative of Lebanon, but those subjects were extensively documented. Furthermore, Israel was a free and open country which anyone could visit to see for himself.

97. Mr. ZAROUG (Sudan) said that the observer for Israel had not thought fit to reply to the comments he had made on the closing of the Suez Canal to international trade for four years.

98. Mr. GHORRA (Lebanon) said that since Israel was a country open to all, the Council should decide to send a commission there.

The meeting rose at 7.30 p.m.