



Fourteenth session
Agenda items 30 and 12

ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED COUNTRIES

REPORT OF THE ECONOMIC AND SOCIAL COUNCIL (Chapters II, III, IV and V)

Report of the Second Committee

Rapporteur: Mrs. Nonny WRIGHT (Denmark)

1. The General Assembly, at its 803rd plenary meeting on 22 September 1959, allocated the following items of its agenda to the Second Committee:

Item 30. "Economic development of under-developed countries:

- (a) Report by the Secretary-General on measures taken by the Governments of Member States to further the economic development of under-developed countries in accordance with General Assembly resolution 1316 (XIII);
- (b) Progress in the field of financing the economic development of under-developed countries."

Item 12. "Report of the Economic and Social Council (Chapters II, III, IV and V)."

2. The Second Committee dealt with part B of chapter III of the report of the Economic and Social Council under agenda items 29, Progress and operations of the Special Fund, and 31, Programmes of technical assistance, and its reports (A/4245 and A/4287 respectively) were considered by the General Assembly at its 841st plenary meeting on 20 November 1959.

3. The Committee had agreed at its 582nd meeting to have a single general debate on items 30 and 12 which would be followed by the discussion of the various draft resolutions submitted. The present report, therefore deals with item 30, "Economic development of under-developed countries", and with item 12, "Report of the Economic and Social Council" (chapters II; III, part A; IV and V).

4. The Committee considered these items during thirty-four meetings held on 28 October, 2 November and from 5 November to 4 December 1959 (605th, 609th and 612th to 643rd meetings). The first eighteen meetings were devoted to the general debate, in which sixty-seven delegations took part, following an introductory statement by the Under-Secretary for Economic and Social Affairs (A/C.2/L.422).

5. The Committee had before it the report of the Economic and Social Council;^{1/} an analytical summary prepared by the Secretary-General of various suggested means of accelerating economic growth in less developed countries through international action, which had been transmitted to the General Assembly by the Economic and Social Council (A/4211); and a report by the Secretary-General on measures taken by the Governments of Member States to further the economic development of under-developed countries in accordance with General Assembly resolution 1316 (XIII) (A/4220, Corr.1, (English only), Corr.2, (French and Russian only), Corr. 3, (Spanish only), and A/4220/Add.1 and 2).

6. The following draft resolutions were received by the Committee:

- (a) Draft resolution submitted by Denmark, Greece, Italy, Japan, the Netherlands, Norway, the Philippines, the Sudan and Sweden (A/C.2/L.440 and Add.1) on the "International Development Association".

Amendments to the above draft resolution submitted by Uruguay (A/C.2/L.444 and Rev.1 and 2).

- (b) Draft resolution submitted by Bulgaria, Czechoslovakia and Poland (A/C.2/L.429 and Rev.1 and Corr.1 (Spanish only), and Rev.2 and Rev.2/Corr.1 (French and Spanish only)) on "The Strengthening and Development of the World Market and the Improvement of the Trade Conditions of the Economically Less Developed Countries".

Amendments to the above draft resolution or to the revised draft resolution were submitted by Liberia (A/C.2/L.445), by the United Kingdom of Great Britain and Northern Ireland (A/C.2/L.447 and Rev.1) and by India (A/C.2/L.448 and Rev.1), and an oral amendment by New Zealand (see A/C.2/SR.634).

- (c) Draft resolution submitted by Argentina, Chile, France and Greece (A/C.2/L.436 and Rev.1 and 2) on "Development of International Trade and International Commodity Problems".

Amendments to the second revised text of the above draft resolution submitted by the Netherlands (A/C.2/L.449) and by Ecuador (A/C.2/L.450).

^{1/} Official Records of the General Assembly, Fourteenth Session, Supplement No. 3 (A/4143).

- (d) Draft resolution submitted by Brazil, Burma, Cambodia, Ceylon, Ethiopia, Ghana, Indonesia, Pakistan, the United Arab Republic and Yugoslavia (A/C.2/L.437 and Add.1-2, L.437/Rev.1/Add.1 and Corr.1) on "International Measures to Assist in Offsetting Fluctuations in Commodity Prices".

Amendment to the above draft resolution submitted by Uruguay (A/C.2/L.451).

- (e) Draft resolution submitted by Afghanistan, Bolivia, Burma, Cambodia, Ceylon, Chile, Costa Rica, Cuba, Ecuador, El Salvador, Ethiopia, the Federation of Malaya, Ghana, Greece, Guatemala, Guinea, Haiti, Honduras, Iceland, India, Indonesia, Iran, Iraq, Jordan, Laos, Lebanon, Liberia, Libya, Mexico, Morocco, Nepal, the Netherlands, Norway, Pakistan, Panama, Paraguay, the Philippines, Saudi Arabia, the Sudan, Thailand, Tunisia, Turkey, the United Arab Republic, Uruguay, Venezuela, Yemen and Yugoslavia (A/C.2/L.431 and Add.1) on a "United Nations Capital Development Fund".
- (f) Draft resolution submitted by Albania, Czechoslovakia and Romania (A/C.2/L.432 and Add.1 and Rev.1 and 2 of which Uruguay also was a sponsor) on "Possibilities of International Co-operation in the Field of the Development of the Petroleum Industry in the Under-Developed Countries".

Amendments to the original text of the above draft resolution submitted by Uruguay (A/C.2/L.443).

- (g) Draft resolution submitted by Bolivia, Cuba, Mexico and Venezuela (A/C.2/L.435 and Add.1 and 2, and Rev.1) on "Agrarian Reform".
- (h) Draft resolution submitted by Ceylon, the Federation of Malaya, Haiti, Iran, Liberia, Mexico, Thailand, Tunisia, Turkey and the United States of America (A/C.2/L.438) on "Industrial Development, Banks and Corporations".
- (i) Draft resolution submitted by Austria, Bolivia, Burma, Cambodia, Ceylon, Costa Rica, Cuba, Denmark, Ghana, Greece, Guatemala, Haiti, Honduras, Iceland, India, Indonesia, Iraq, Jordan, Laos, Lebanon, Liberia, Libya, Mexico, Morocco, Nepal, Norway, the Netherlands, Panama, the Philippines, Saudi Arabia, Sweden, Thailand, Tunisia, the United Arab Republic, Uruguay, Venezuela, Yemen and Yugoslavia (A/C.2/L.439 and Add.1-4) on "World Economic Development".
- (j) Draft resolution submitted by Bulgaria and Czechoslovakia (A/C.2/L.441 and Rev.1) on "Development of Scientific and Technical Co-operation and Exchange of Experience".

Amendment to the above draft resolution submitted by Australia (A/C.2/L.452), and oral amendment submitted by the representative of the United Kingdom (see A/C.2/SR.639).

- (k) Draft resolution submitted by Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Uruguay and Venezuela (A/C.2/L.442 and Corr.1) on a "Latin American Common Market".
- (l) Draft resolution submitted by Bolivia, Brazil, Burma, Ceylon, Colombia, Costa Rica, Cuba, El Salvador, the Federation of Malaya, France, Ghana, Haiti, India, Indonesia, Iraq, Italy, Jordan, Lebanon, Libya, Mexico, Morocco, the Netherlands, Nicaragua, Pakistan, Panama, Saudi Arabia, the Sudan, Tunisia, the United Arab Republic, Uruguay, Venezuela, Yemen and Yugoslavia (A/C.2/L.434 and Rev.1) on a "Commission for Industrial Development".

Amendments to the above draft resolution submitted by Afghanistan, Argentina, Chile, Guatemala, Liberia and Spain (A/C.2/L.446), by Canada (A/C.2/L.454) and by Ireland (A/C.2/L.456).

I

7. The draft resolution submitted by Denmark, Greece, Italy, the Netherlands, Norway, the Philippines, Sudan and Sweden (A/C.2/L.440) and also by Japan who became a sponsor subsequently (A/C.2/L.440/Add.1) was received by the Committee at its 624th meeting. By it, the General Assembly would, in the preamble, (1) express its mindfulness of the determination of the United Nations, as expressed in its Charter, to promote social progress and better standards of life in larger freedom, and for these ends, to employ international machinery for the promotion of economic and social advancement of all peoples; and (2) recall the General Assembly's interest in new forms of international financing for the purpose of accelerating the economic development of under-developed countries. In the operative part, the Assembly would: (1) welcome the decision in principle taken at the recent annual meeting of the Board of Governors of the International Bank for Reconstruction and Development to establish an International Development Association as an affiliate of the Bank; (2) express the belief that the new affiliate of the International Bank would provide under-developed countries with types of financing not hitherto available from a multilateral agency, and which while stimulating economic development, would tend to ease their balance of payments position; (3) express the hope that adequate provisions will be made and appropriate procedures adopted for a close working relationship and effective co-ordination and consultations between the International Development Association and the United Nations; and (4) request the Secretary-General to transmit to the President of the International Bank, for communication to the Executive Directors of the Bank, the records of the debates of the General Assembly on that subject at its present session.

8. The Committee considered this draft resolution at its 627th and 628th meetings.

9. Uruguay submitted an amendment (A/C.2/L.444) by which the following words would be added at the end of operative paragraph 3: "and the appropriate specialized agencies".

10. At the 628th meeting the representative of Uruguay revised his amendment to leave operative paragraph 3 unchanged and to insert a new operative paragraph immediately after it, reading as follows (A/C.2/L.444/Rev.1): "Also calls

attention to the desirability of establishing appropriate relations between the International Development Association and the existing specialized agencies, as suitable;".

11. The representative of Argentina suggested that the word "believes" in operative paragraph 2 should be replaced by "expresses the hope"; and the representative of Belgium that the words "a multilateral agency" be replaced by "multilateral agencies".

12. The sponsors accepted the amendment by Uruguay and the suggestions by Argentina and Belgium, the amendment by Uruguay having been slightly modified (A/C.2/L.444/Rev.2) to read as follows: "Calls attention to the desirability of appropriate relations between the International Development Association and the specialized agencies and the International Atomic Energy Agency, as suitable;".

13. The sponsors also accepted a proposal by Argentina that the necessary changes should be made so that operative paragraph 1 might become the final preambular paragraph, i.e. by changing the word "welcomes" to "welcoming".

14. The Committee then adopted the joint draft resolution (A/C.2/L.440 and Add.1), as amended, by 57 votes to none, with 11 abstentions.

15. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution I as set forth in paragraph 114 of the present report.

II

16. The draft resolution submitted by Bulgaria, Czechoslovakia and Poland (A/C.2/L.429) was received by the Committee at the 613th meeting. By it, the General Assembly would, in the preamble: (1) be guided by the principles set forth in the United Nations Charter and basing itself in particular upon the tasks of extending international economic co-operation and of bringing about the full employment of the population and conditions for economic and social progress and development; (2) consider that world trade was the natural and reliable basis for the development of peaceful communion between States; and (3) express its desire to promote the development and extension of the single world market, the easing of conditions for the exchange of goods and the creation of the stability and welfare essential for the peaceful and friendly relations between nations.

17. The draft resolution contained two operative parts; under part A, the General Assembly would: (1) recommend that all countries Members of the United Nations should, individually or jointly, make efforts towards the development and extension of the world market by means of promotion and expansion of trade among all countries, regardless of their social or political system; (2) express itself in favour of the creation within the United Nations of a single universal international trade organization, open to all interested countries, as also of the establishment of regional trade organizations which would include all the countries in the different regions of the world, since that would constitute a contribution towards the extension of international trade and the consolidation of the world market; (3) request the Secretary-General to prepare a report on possible measures for the strengthening and development of the world market, taking into account the exchange of views at the present session and also any observations on this matter which Governments may wish to submit; and (4) decide to include the question of the strengthening and development of a world market in the agenda of its fifteenth session. Under part B, the General Assembly would: (1) consider that it would be useful to work out, within the United Nations, measures to promote the stabilization of the commodities markets and the development of trade between the highly developed and less developed countries on

a mutually beneficial basis, in particular through the extension of the practice of concluding long-term trade and payments agreements and also international commodity agreements; and (2) recommend that the industrially developed and the economically less developed countries should encourage by means of reciprocal agreements the export of machinery and industrial equipment to the less developed countries on the basis of medium-term or long-term credits at low interest rates, which the recipient countries could repay with counterpart deliveries of raw materials, the products of their industries or other kinds of reimbursement which they have at their disposal.

18. Amendments to this draft resolution were submitted by Liberia (A/C.2/L.445) by which operative paragraphs 2, 3 and 4 of part A were replaced by the following:

"2. Requests the Secretary-General to prepare a report on the possibility of the creation within the United Nations of a single universal trade organization, open to all interested countries;

"3. Invites the Secretary-General to submit this report to the Economic and Social Council at its thirtieth session and to the General Assembly at its fifteenth session."

19. Amendments to this draft resolution were also submitted by the United Kingdom of Great Britain and Northern Ireland (A/C.2/L.447) as follows:

(a) In the first preambular paragraph, the words "and basing itself in particular upon the tasks of extending" were deleted and replaced by "and wishing to extend"; and the words "of bringing about full employment of the population and conditions for" were replaced by "to bring about full employment and to foster";

(b) In the second preambular paragraph, the words "the natural and reliable basis for" were replaced by "a natural and reliable factor in";

(c) In the third preambular paragraph, the words "of the single world market, the easing of conditions for the exchange of goods and the creation of" were replaced by "of trade to ease the exchange of goods and to create", and the words "for the peaceful" by "for peaceful".

(d) All the operative paragraphs of parts A and B were deleted and replaced with the following:

"Part A

"1. Recommends that all States Members of the United Nations should individually and jointly continue their efforts to promote and extend trade between all States regardless of their economic systems;

"2. Reaffirms its belief that international organizations concerned with the regulation and development of international trade have consistently contributed to the extension of multilateral world commerce and have facilitated in an indispensable manner the freeing of channels of trade between all types of economy;

"3. Requests the Secretary-General to take the views of Member Governments on this subject expressed at the present session fully into consideration when preparing the World Economic Survey, 1960, for consideration at the 30th session of ECOSOC and the 15th session of the General Assembly.

"Part B

"1. Considers that the United Nations and the specialized agencies concerned are doing useful work in promoting the stabilization of the commodity markets and the development of reciprocally beneficial multilateral trade.

"2. Recommends that the industrially developed and the economically less-developed countries should encourage by means of freely negotiated credit arrangements the export of machinery and industrial equipment to the less-developed countries on mutually acceptable terms."

20. India also submitted amendments (A/C.2/L.448) to this draft resolution by which:

- (a) The word "single" was deleted from the third preambular paragraph;
- (b) Paragraph 2, part A was revised to read as follows:

"Considers that it would be desirable for the United Nations to work out measures to promote the participation in a universal international trade organization by all interested countries, since this would constitute a contribution towards the extension of international trade and the development of the world market";

(c) Paragraph 1, part B, the words "and non-discriminatory" were inserted after the words "mutually beneficial", and the words "and payments" were deleted;

(d) Paragraph 2, part B, the words "reciprocal agreements" were replaced by "mutually beneficial and non-discriminatory arrangements"; the words "counterpart deliveries" were replaced by "exports"; and the phrase "and which do not restrict their freedom to buy and sell in the best market" was added at the end of the paragraph.

21. The sponsors then submitted a revised text of the draft resolution (A/C.2/L.429/Rev.1) at the 630th meeting, in which the amendments submitted by Liberia (A/C.2/L.445), and certain of the amendments submitted by the United Kingdom (A/C.2/L.447) and India (A/C.2/L.448) had been incorporated. In the revised text, the words "the single world market" in the third preambular paragraph were replaced by the word "trade", so that the paragraph read as follows:

"Desiring to promote the development and extension of trade, to ease the exchange of goods and to create the stability and welfare essential for peaceful and friendly relations between nations;"

and the operative parts of the draft resolution read as follows:

"Part A

"1. Recommends that all States Members of the United Nations should, individually and jointly, make efforts to promote and extend trade between all countries, regardless of their economic systems;

"2. Reaffirms its belief that international organizations concerned with the regulation and development of international trade should consistently contribute to the extension of multilateral world commerce, and should take every possible step to expand trade between countries having different economic systems;

"3. Requests the Secretary-General to prepare a report on the possibility of establishing, within the framework of the United Nations, a single world trade organization, open to all interested countries;

"4. Requests the Secretary-General to submit this report to the Economic and Social Council at its thirtieth session and to the General Assembly at its fifteenth session.

"Part B

"1. Considers that the United Nations and the specialized agencies concerned should expand the useful work which they are doing in promoting

the stabilization of the commodity markets and the development of reciprocally beneficial multilateral trade;

"2. Considers that it would be desirable to work out, within the United Nations, measures to promote the stabilization of the commodity markets and the development of trade between the highly-developed and the less-developed countries on a reciprocally beneficial and non-discriminatory basis, in particular through the extension of the practice of concluding long-term trade and international commodity agreements;

"3. Recommends that the industrially developed and the economically less-developed countries should encourage, by means of freely negotiated credit arrangements on a reciprocally beneficial and non-discriminatory basis, the export of machinery and industrial equipment to the less-developed countries, consideration being given in that connexion to the granting to under-developed countries of medium-term or long-term credits at low interest rates, which the recipient countries could repay with exports of raw materials, the products of their industries, or other kinds of reimbursement which they have at their disposal."

22. The United Kingdom then submitted revised amendments (A/C.2/L.447/Rev.1) by which:

(a) The title was amended to read "The extension and expansion of reciprocally beneficial world trade among all types of economies";

(b) Part A, operative paragraph 1 was reworded to read:

"1. Recommends that all States Members of the United Nations should individually and jointly continue their efforts to promote and extend mutually beneficial trade between all States regardless of their economic systems";

(c) In part A, operative paragraph 2, the word "consistently" was replaced by "continue to"; "take every possible step to expand" by "facilitate the expansion of", and "between countries with different economic systems" by "among all types of economies";

(d) Part A, operative paragraphs 3 and 4 were deleted and replaced by:

"3. Requests the Secretary-General to take the views of Member Governments on this subject expressed at the present session fully into consideration when preparing the World Economic Survey, 1959 for consideration at the thirtieth session of the Economic and Social Council and the fifteenth session of the General Assembly.";

(e) In part B, operative paragraph 2, the words "in particular through the extension of the practice of concluding long-term trade and international commodity agreements" were deleted;

(f) In part B, operative paragraph 3, the words "continue to" were inserted between the words "should" and "encourage"; the words "by means of freely negotiated credit arrangements on a reciprocally beneficial and non-discriminatory basis" were deleted; and the following words were inserted after the words "to the less-developed countries": "including where appropriate by the provision of credit on mutually acceptable terms both in its grant and in its reimbursement"; and the remainder of the paragraph was deleted.

23. India also submitted revised amendments (A/C.2/L.448/Rev.1) by which:

(a) Paragraph 3, part A, was replaced by the following text:

"Requests the Secretary-General to prepare a report on the possibility of extending arrangements for international trade co-operation so as to encourage wider participation by Member States, irrespective of their economic systems or stages of development;"; and

(b) Paragraph 3, part B, was replaced by the following text:

"Recommends that the industrially developed and the economically less developed countries should continue to encourage, by means of freely negotiated credit arrangements the export of machinery and industrial equipment to the less developed countries, without any restriction on the freedom of these countries to buy and sell in the best market."

24. When the Committee resumed discussion of the three-Power draft resolution at its 634th meeting, the sponsors indicated that the following changes were acceptable:

(a) Part A, operative paragraph 1 would be revised to read:

"Recommends that all States Members of the United Nations should, individually and jointly, continue their efforts to promote and extend mutually beneficial trade between all States regardless of their economic systems;";

(b) Part A, operative paragraph 2: replace the word "consistently" by "continue to"; the words "take every possible step to expand" by "facilitate the expansion of"; and the words "between countries with different economic systems" by "between States regardless of their economic systems";

(c) Part A, operative paragraph 3: delete the final clause beginning with the words "establishing, within the framework" and replace it by the following: "extending arrangements for international trade co-operation so as to encourage wider participation by Member States, irrespective of their economic systems or stages of development, taking fully into consideration all the views expressed and proposals submitted at the present session on this subject;"

25. The representative of the United Kingdom then withdraw his delegation's amendments (A/C.2/L.447/Rev.1) except the amendment which would delete the words "in particular through the extension of the practice of concluding long-term trade and international commodity agreements" in part B, operative paragraph 2.

26. The representative of Iraq proposed that the first part of operative paragraph 3, part A, should be modified as follows: "Requests the Secretary-General to prepare a report on the ways and means of promoting the expansion of international trade co-operation so as to encourage..."

27. The representative of New Zealand proposed that operative paragraph 2, part B, should be amended as follows:

(a) Insert the words "and other appropriate forums" after the words "within the United Nations";

(b) Re-word the last phrase beginning with "in particular through" as follows: "where appropriate through the practice of concluding long-term agreements, international commodity agreements and study groups".

28. At the 635th meeting, a second revised text of the three-Power draft resolution (A/C.2/L.429/Rev.2 and Corr.1 (French and Spanish only)) was circulated. It incorporated certain amendments made by the United Kingdom (part A, operative paragraphs 2, 3 and 4)(A/C.2/L.447/Rev.1), Iraq (part A, operative paragraph 3), India (part A, operative paragraph 3 and part B, operative paragraph 3) (A/C.2/L.448/Rev.1) and New Zealand (part B, operative paragraph 2).

29. Part A, operative paragraph 3, now read as follows:

"3. Requests the Secretary-General, taking fully into consideration all the views expressed and proposals submitted at the present session on this subject, to prepare a report on the ways and means of promoting wider trade co-operation among States, irrespective of their economic systems and stages of development, including, inter alia, consideration of all the arrangements for such co-operation;"

Part B, operative paragraph 2, had been further modified to read:

"2. Considers that it would be desirable to work out, within the United Nations and other appropriate forums, measures to promote the stabilization of the commodity markets and the development of trade between the highly developed and the less developed countries on a reciprocally beneficial and non-discriminatory basis, including, where appropriate, short, medium or long-term trade agreements, international commodity agreements and international study groups;"

30. The Committee then voted on the revised three-Power draft resolution (A/C.2/L.429/Rev.2 and Corr.1 (French and Spanish only)) as follows:

(a) Operative paragraph 2, part B, which was voted upon separately at the request of the representative of the United States of America, was adopted by 70 votes to none, with 3 abstentions.

(b) The draft resolution as a whole was adopted by 72 votes to none, with 1 abstention.

31. The Committee therefore recommends to the General Assembly the adoption of draft resolution II as set forth in paragraph 114 of the present report.

III

32. The draft resolution submitted by Argentina, Chile, France and Greece (A/C.2/L.436) was received by the Committee at its 624th meeting. The text of the draft resolution read as follows:

"The General Assembly,

"Recalling its resolution 1324 (XIII) of 12 December 1958 and noting Economic and Social Council resolution 726 (XXVIII) of 27 July 1959,

"Convinced that economic and social progress throughout the world, especially in the under-developed areas, depends largely on a steady increase in international trade,

"Bearing in mind that exports of a small number of products constitute the main source of revenue for many countries, particularly in the under-developed areas,

"Considering that excessive fluctuations in commodity prices affect the volume of export receipts and the budgetary resources of many countries, and in the case of the under-developed countries are likely to hamper the sound and stable development of the economy,

"Convinced that a policy of economic assistance to the under-developed countries will not be fully effective unless the excessive instability of commodity prices is remedied, and that to seek a solution to this problem, should be one of the main concerns of all Member States,

"Noting the approval by the Economic and Social Council of the programme of work of the Commission on International Commodity Trade, and in particular the detailed study of national and international measures to deal with fluctuations in primary commodity markets,

"Noting further that the Contracting Parties to the General Agreement on Tariffs and Trade have undertaken a study of the problem of long-term expansion of trade and in particular of the exports of countries producing primary commodities,

"Considering, however, that the procedures of multilateral financial assistance do not always enable countries that have suffered from a sharp and sudden drop in the prices of the raw materials they export to restore the deficit in their balance of payments rapidly without thereby hampering the execution of their development programmes,

"1. Appeals anew to the Governments of Member States to continue their efforts to solve the problems relating to commodity production and trade,

in particular by the negotiation of agreements between the principal producers and the principal consumers of the same product and by participation in international study groups;

"2. Takes note with appreciation of Economic and Social Council resolution 726 (XXVIII) approving the report and programme of work submitted by the Commission on International Commodity Trade;

"3. Invites the Governments of Member States to extend the greatest possible assistance to the Commission on International Commodity Trade so that it may carry out its programme of work quickly and effectively;

"4. Further invites the Governments of Member States:

"(a) To contribute to the greatest possible extent, either unilaterally or in the competent international organizations, to the progressive abolition of discrimination, quantitative limitations and other restrictive practices likely to hamper the development of international trade, particularly with respect to commodities;

"(b) To take account in formulating their economic and financial policy of the effect that it may have on the exports of the primary producing countries;

"5. Requests the Commission on International Commodity Trade to give particular attention, in carrying out its programme of work, to the study of the most suitable means of giving temporary assistance to countries encountering serious payment difficulties as a result of a sharp and sudden drop in the prices of their raw material exports, with a view to enabling them to take the necessary measures without thereby interrupting or delaying the execution of their economic development programmes."

33. The Committee considered the four-Power draft resolution at its 627th, 630th, 631st and 632nd meetings.

34. At its 631st meeting the Committee received a revised text (A/C.2/L.436/Rev.1) of the draft resolution which differed from the original text as follows:

(a) The third preambular paragraph was revised to read as follows:

"Bearing in mind that exports of a relatively small number of primary commodities constitute the main source of revenue for many countries, particularly in the under-developed areas,";

(b) The words "a solution" in the fifth preambular paragraph was changed to "solutions";

(c) The last phrase of the eighth preambular paragraph reading "without thereby hampering the execution of their development programmes" was revised to read "and at the same time to carry out their development programmes,";

(d) The last part of operative paragraph 1 beginning with the words "in particular by" was replaced by the phrase "including where appropriate the negotiation of agreements between the principal producers and the principal consumers of the same product or the participation in international study groups;"

(e) The following clause was added at the end of operative paragraph 2: "and expresses the hope that the Commission in the course of its studies will give careful attention to the types of comprehensive commodities schemes referred to in part I, chapter 3, of the World Economic Survey 1958;"

(f) A new operative paragraph 4, reading as follows, was inserted:

"Recommends that the regional economic commissions, the specialized agencies concerned, especially the Food and Agriculture Organization of the United Nations, the Contracting Parties to the General Agreement on Tariffs and Trade and the study groups dealing specifically with commodity problems give particular attention to the problems of countries dependent to a high degree on the export of a small number of primary commodities;"

(g) Operative paragraph 4 was renumbered 5, and revised to read as follows:

"Urges the Governments of Member States:

"(a) To contribute to the greatest possible extent, either unilaterally or in the competent international organizations, to the progressive abolition of discrimination, quantitative limitations and other restrictive practices which are no longer justified by balance of payments difficulties and are likely to hamper the sound development of international commodity trade;

"(b) To take account in formulating their economic and financial policy of the effect that it may have on the export possibilities of the primary producing countries;"

(h) The last part of operative paragraph 5, now renumbered 6, beginning with the words "the most suitable means" was revised to read: "means for giving temporary assistance to countries encountering serious payment difficulties as a result of a sharp and sudden drop in the prices of their raw material exports,

with a view to enabling them to take the necessary measures and at the same time continue to carry out their economic development programmes."

35. Various oral suggestions having been made at the 631st meeting, the sponsors accepted the following changes:

(a) In the third preambular paragraph, replace the words "revenue for" by the words "foreign exchange earnings of";

(b) In the fifth preambular paragraph, replace the words "will not be fully effective unless the excessive instability of commodity prices is remedied" by the words "will be more effective if the excessive instability of commodity markets is remedied";

(c) In the sixth preambular paragraph, replace the words "and in particular" by the word "including";

(d) In operative paragraph 1, insert the words "in their mutual interest" after the words "the principal producers and the principal consumers";

(e) In operative paragraph 3, replace the words "so that it may" by the words "in order to help it";

(f) In operative paragraph 5(a), insert the word "such" before "discrimination"; replace the words "which are no longer" by the words "as are no longer"; and the words "are likely to hamper" by "which hinder";

(g) In operative paragraph 5(b), delete the words "and financial" and replace the word "possibilities" by "opportunities".

36. The revised text of the draft resolution was circulated as document A/C.2/L.436/Rev.2.

37. At the 632nd meeting, the sponsors accepted an amendment submitted by the Netherlands (A/C.2/L.449) whereby the words "participation in existing international commodity agreements or" would be inserted in operative paragraph 1 after the word "appropriate".

38. The representative of Italy suggested, and the sponsors accepted, the deletion of the words "by balance of payments difficulties" in operative paragraph 5(a).

39. The representative of Australia then proposed that the words "by balance of payments difficulties" be restored to the text of operative paragraph 5(a).

/...

40. With respect to the last part of operative paragraph 5(a) beginning with the words "such discrimination", Ecuador proposed (A/C.2/L.450) that it should be replaced by the following clause: "all such discrimination, quantitative limitations and other restrictive practices as are prejudicial to the sound development of international commodity trade;".

41. The Committee then voted on the revised draft resolution as amended (A/C.2/L.436/Rev.2) and the amendments to it as follows:

(a) The amendment by Ecuador (A/C.2/L.450) was adopted by 37 votes to 14, with 21 abstentions;

(b) The amendment by Ecuador having been adopted, there was no vote on the amendment by Australia (see paragraph 39 above);

(c) The seventh preambular paragraph, on which a separate vote had been requested by Romania, was adopted by 55 votes to none, with 15 abstentions;

(d) The eighth preambular paragraph, on which a separate vote had been requested by the United States, was adopted by 56 votes to none, with 13 abstentions;

(e) Operative paragraph 1, on which a separate vote had been requested by the United States, was adopted by 70 votes to none, with 2 abstentions;

(f) Operative paragraph 5(a), as amended, was adopted by 53 votes to none, with 17 abstentions;

(g) The resolution as a whole, as amended, was adopted by 72 votes to none, with 1 abstention.

42. The Committee therefore recommends to the General Assembly the adoption of draft resolution III as set forth in paragraph 114 of the present report.

IV

43. The draft resolution by Brazil, Ceylon, Ethiopia, Indonesia, Pakistan and Yugoslavia (A/C.2/L.437), and also by Burma, Cambodia and the United Arab Republic (A/C.2/L.437/Add.1-2), was received by the Committee at its 624th meeting. By it, the General Assembly would, in the preamble, (1) recall its resolution 1324 (XIII) and Economic and Social Council resolution 726 (XXVIII); (2) bear in mind the responsibilities laid upon Member States by the Preamble, Article 1(3), Article 13(1) and Article 55 of the Charter of the United Nations to promote international co-operation in the economic field, higher standards of living, full employment, and conditions of economic and social progress; (3) take into account the harmful potentialities of the widening gap between the levels of per capita income in developed and under-developed countries; (4) indicate that it had examined the report of the Economic and Social Council on International Commodity Problems and the report of the Commission on International Commodity Trade on its seventh session, particularly paragraph 62 thereof relating to compensatory financing; (5) commend the work programme drawn up by the Commission on International Commodity Trade at its seventh session and approved by the Economic and Social Council; (6) consider the necessity of devising means to combat large fluctuations in commodity prices viewed in the context of a general fall in the price levels of primary commodities, the rising price levels of manufactured goods, and the resulting decline in the terms of trade against the under-developed countries; (7) consider that such fluctuations hamper world trade; (8) consider further the repercussions of adverse trade balance on the capacity of the under-developed countries to contribute to their own development, and (9) recognize the imperative necessity of urgent and effective measures to enable the under-developed countries to initiate and sustain their development programmes at adequate levels.

44. In the operative part, the Assembly would: (1) request the Secretary-General to appoint a group of (not more than seven) experts to examine, in order to assist the Economic and Social Council and the Commission on International Commodity Trade in their consideration of commodity problems, the feasibility of establishing a machinery within the United Nations designed to assist in offsetting the effects of large fluctuations in commodity prices on balances of payments, with especial

reference to compensatory financing, and to submit its report and recommendations to the Commission on International Commodity Trade at its eighth session and the Economic and Social Council for comment and transmission to the General Assembly; and (2) Further request the Secretary-General to invite the International Monetary Fund and the Food and Agriculture Organization of the United Nations to participate in the work of the group of experts in a consultative capacity.

45. The Committee considered this draft resolution at its 627th, 631st and 634th meetings. A statement prepared by the Secretary-General on the financial implications of the joint draft resolution (A/C.2/L.437/Add.3) was before the Committee.

46. At its 631st meeting, Pakistan, on behalf of the sponsors, revised operative paragraph 1 to read as follows:

"1. Requests the Secretary-General to appoint a group of (not more than seven) experts to assist the Commission on International Commodity Trade in their consideration of commodity problems by examining the feasibility of establishing machinery within the framework of the United Nations designed to assist in offsetting the effects of large fluctuations in commodity prices on balances of payments, with especial reference to compensatory financing, and to submit its report and recommendations to the Commission on International Commodity Trade at its eighth session and requests the Economic and Social Council to comment on and transmit this report to the General Assembly;"

47. Ghana joined the sponsors of the revised draft resolution which was circulated as A/C.2/L.437/Rev.1.

48. At its 634th meeting, Uruguay introduced an amendment (A/C.2/L.451) to the ten-Power draft resolution (A/C.2/L.437/Rev.1), replacing operative paragraphs 1 and 2 by the following text:

"1. Declares that it considers it urgently necessary to study the possibility of establishing some system or machinery within the United Nations designed to assist in offsetting the effects of large fluctuations in commodity prices and their consequences on balances of payments, with especial reference to compensatory financing;

"2. Declares further that it considers it desirable to this end:

"(a) that the Commission on International Commodity Trade should seek the advice of internationally qualified 'experts' - not more than one for each commodity - and shall inform the Secretary-General of their appointment so that he may take any necessary action;

"(b) that that Commission should submit the reports and recommendations of the experts, together with its own report, to the Economic and Social Council for transmission by the latter, with its conclusions, to the General Assembly;

"(c) that the Secretary-General should invite the International Monetary Fund and the Food and Agriculture Organization of the United Nations to participate in the work of the group of experts in a consultative capacity."

49. Following clarifications by several of the sponsors, Uruguay withdrew the foregoing amendment.

50. Pakistan, on behalf of the sponsors, accepted the following further changes (A/C.2/L.437/Rev.1/Corr.1) to the text of the revised joint draft resolution:

(a) Sixth preambular paragraph: Replace the words "viewed in the context of" by "when accompanied by";

(b) Operative paragraph 1: Replace the words "at its eighth session" by "by its ninth session"; and the word "especial" by "special".

51. The Committee then adopted the revised ten-Power draft amendment (A/C.2/L.437/Rev.1), as amended, by 60 votes to none, with 11 abstentions.

52. The Committee therefore recommends to the General Assembly the adoption of draft resolution IV as set forth in paragraph 114 of the present report.

V

53. The draft resolution by Afghanistan, Bolivia, Burma, Cambodia, Ceylon, Chile, Costa Rica, Cuba, Ecuador, El Salvador, Ethiopia, Federation of Malaya, Ghana, Greece, Guatemala, Haiti, Honduras, Iceland, India, Indonesia, Iran, Iraq, Jordan, Laos, Lebanon, Liberia, Libya, Mexico, Morocco, Nepal, Netherlands, Norway, Pakistan, Panama, Paraguay, Philippines, Saudi Arabia, Sudan, Thailand, Tunisia, Turkey, United Arab Republic, Uruguay, Venezuela, Yemen and Yugoslavia (A/C.2/L.431) and also by Guinea (A/C.2/L.431/Add.1) was received by the Committee at its 619th meeting. By it, the General Assembly would, in the preamble, (1) bear in mind the determination expressed in the preamble of the Charter to promote social progress and better standards of life in larger freedom and to employ international machinery for the promotion of economic and social advancement of all peoples; (2) consider the economic development of the under-developed countries as an essential condition for promoting world peace, stability and prosperity; (3) be mindful that the general problem of economic development of the under-developed countries concerns and is of paramount importance to both developed and under-developed countries; (4) consider the importance of using United Nations machinery for financially assisting the acceleration of the economic development of the under-developed countries, especially in the field of their economic and social infrastructure, which is basic to substantial expansion of production, and growth of their economies; (5) recognize that the flow of international capital and assistance has not been commensurate with the magnitude, diversity and urgency of the needs of the under-developed countries; (6) believe that improved economic conditions of highly developed countries would make it possible for them to provide additional contribution towards accelerating the economic development of under-developed countries; (7) bear in mind the previous resolutions of the General Assembly and of the Economic and Social Council on the establishment of a United Nations Capital Development Fund for financing the economic development of the under-developed countries.

54. In the operative part, the Assembly would: (1) call on Member States to give further consideration to General Assembly resolution 1317 (XIII) and section III of its resolution 1219 (XII) and resolution 740 (XXVIII) of the Economic and Social Council and reappraise their respective positions as regards

extending material support for the early establishment of a United Nations Capital Development Fund; (2) request the Secretary-General to examine, in consultation with Member States, ways and means of making further progress towards the early establishment of a United Nations Capital Development Fund; (3) invite the Secretary-General to report to the thirtieth session of the Economic and Social Council and the fifteenth session of the General Assembly.

55. After a short discussion, the Committee adopted the joint draft resolution (A/C.2/L.431) by 63 votes to none, with 12 abstentions.

56. The Committee, therefore, recommends to the General Assembly the adoption of draft resolution V as set forth in paragraph 114 of the present report.

VI

57. The draft resolution by Albania, Czechoslovakia and Romania (A/C.2/L.432) was received by the Committee at its 619th meeting. By it, the General Assembly would, in the preamble, (1) consider that in order to accelerate the economic development of the under-developed countries the most effective means had to be utilized and the efforts had to be focussed on the factors capable of giving a substantial stimulus to this development; (2) take into account that petroleum played today and would further play an important role in the world economy; (3) note that the discussions which had taken place during the symposium on the development of petroleum resources held in New Delhi under the auspices of the Economic Commission for Asia and the Far East, as well as those at the twenty-seventh and twenty-eighth sessions of the Economic and Social Council, showed the particular interest of numerous under-developed countries for the development of their petroleum industry, as well as for the obtaining and manufacturing of the equipment necessary to attain this aim; (4) note also that many countries were interested in the organization of a broad exchange of technical and economic information and in the training of scientific and technical personnel; (5) recall resolution 1319 (XIII) of the General Assembly and resolutions 711 B (XXVII) and 740 B (XXVIII) of the Economic and Social Council.

58. In the operative paragraph, the Assembly would request the Secretary-General: (a) to include the question of the development of the petroleum industry in the United Nations programmes for the development of under-developed countries (industrialization and power resources); (b) to prepare for the twenty-ninth session of the Economic and Social Council, the information mentioned in operative paragraph 1 of resolution 740 B (XXVIII) of the Economic and Social Council; (c) to convene during 1960, shortly after the twenty-ninth session of the Council, an ad hoc group of experts from the countries concerned, in order to study, on the basis of the relevant documents, such as the debates and the reports of the thirteenth and fourteenth sessions of the General Assembly, of the twenty-seventh, twenty-eighth and twenty-ninth sessions of the Council, the question of the development of the petroleum industry of the under-developed countries and the ways and means aiming at the fulfilment of this goal through a broader international co-operation, in particular: (i) the possibility of organizing a broad international co-operation for the training of personnel and

the exchange of information and experience in the field of the extraction and processing of petroleum; (ii) the possibility of obtaining and manufacturing petroleum equipment by under-developed countries possessing petroleum resources; and (d) to work out, on the basis of the documents and recommendations issued by the above-mentioned ad hoc group of experts, a survey on the "Possibilities of international co-operation in the field of the development of the petroleum industry in the under-developed countries" and to submit it to the fifteenth session of the General Assembly.

59. Uruguay proposed (A/C.2/L.443) that the following new preambular paragraph be inserted after the third paragraph: "Recalling General Assembly resolution 626 (VII) of 21 December 1952, which stated 'the need for encouraging the under-developed countries in the proper use and exploitation of their natural wealth and resources'" and that the following subordinate paragraph should be added at the end of operative sub-paragraph (c): "(iii) the possibility that under-developed countries may obtain assistance from international public capital - through existing agencies or through some new and special agency - in order to discover their possible petroleum wealth or deposits and commence their exploitation."

60. A statement of financial implications, prepared by the Secretary-General was issued as A/C.2/L.432/Add.1.

61. The Committee considered this joint draft resolution at its 621st, 633rd and 636th meetings.

62. At the 633rd meeting, the sponsors submitted a revised text (A/C.2/L.432/Rev.1) of which Uruguay was also a sponsor, embodying the amendments by Uruguay (A/C.2/L.443) and changing operative sub-paragraphs (b), (c) and (d) to read as follows: "(b) to study further on the basis of the information to be prepared under resolution 740 B (XXVIII) of the Economic and Social Council and other relevant United Nations documents and debates in the United Nations organs, the question of the development of the petroleum industry of the less developed countries and the possibilities of international co-operation and assistance through the United Nations, in this field; (c) to consult Member Governments on their interest and possibilities of such co-operation, including: (i) the possibility of organizing a broad international co-operation for the training of personnel and the exchange of information and experience in the field of the

extraction and processing of petroleum; (ii) the possibility of obtaining and manufacturing petroleum equipment by under-developed countries possessing petroleum resources; (iii) the possibility that under-developed countries may obtain assistance from international public capital - through existing agencies or through some new and special agency - in order to discover their possible petroleum wealth or deposits and commence their exploitation; (d) to prepare, on the basis of the above-mentioned study and consultation with Member Governments a preliminary survey on the 'Possibilities of international co-operation in the field of the development of the petroleum industry in the under-developed countries' and to submit it to the fifteenth session of the General Assembly."

63. In addition, the fifth preambular paragraph became the first preambular paragraph; the first Uruguayan amendment became the second preambular paragraph; and the word "particular" was deleted from the third (now fifth) preambular paragraph.

64. At the 636th meeting, the sponsors submitted a further revision of this draft resolution (A/C.2/L.432/Rev.2). Under this revision the third, fourth, fifth and sixth preambular paragraphs were changed to read as follows:

"Considering the importance to many under-developed nations of the effective development of their petroleum resources,

"Recognizing that the discussions which took place during the symposium on the development of petroleum resources held in New Delhi under the auspices of the Economic Commission for Asia and the Far East, as well as those at the twenty-seventh and twenty-eighth sessions of the Economic and Social Council, showed the interest of numerous under-developed countries in the development of their petroleum industry,

"Noting the action taken by the Economic and Social Council at its twenty-eighth session which invited the Secretary-General to make available particulars of the specific ways in which programmes under the auspices of the United Nations can assist in developing petroleum supplies,

"Recalling that the Secretary-General is authorized to include the question of the development of the petroleum industry in the United Nations programmes for the development of under-developed countries (industrialization and energy resources),"

65. The operative part of the draft resolution was changed to read as follows:

"1. Requests the Secretary-General to transmit to the Economic and Social Council for its consideration, the various views expressed on this subject, including those relating to financial aspects, during the fourteenth session of the General Assembly;

"2. Expresses the hope that the information to be provided to the Council by the Secretary-General will enable the Council as provided by its resolution 740 B (XXVIII) to determine what additional assistance to Governments is called for within the framework of the existing technical assistance and development activities of the United Nations and its specialized agencies."

66. The Committee then adopted the draft resolution, as revised, (A/C.2/L.432/Rev.2) by 54 votes to none, with 2 abstentions.

67. The Committee therefore recommends to the General Assembly the adoption of draft resolution VI as set forth in paragraph 114 of the present report.

VII

68. At its 635th meeting, the Committee began consideration of the draft resolution submitted by Bolivia, Cuba and Mexico (A/C.2/L.435) in its revised form of which Venezuela was also a sponsor (A/C.2/L.435/Rev.1). Under the revised draft resolution, the General Assembly would: (1) declare that it would continue to support Member States which are carrying out their agrarian reform in conformity with the resolutions of the General Assembly and the Economic and Social Council; (2) request the Secretary-General, the regional economic commissions, the Food and Agriculture Organization of the United Nations, and the other organs and agencies of the United Nations, in consultation with Member States: (i) to consider the best ways in which the United Nations can continue to give increasingly effective support to the land reform programmes put into operation by its Members; (ii) to report to the Economic and Social Council at its session in 1962 on the measures taken by the United Nations to assist Member States in carrying out their land reform programmes, and request the Council in turn to report to the General Assembly at its seventeenth session; (3) recommend that the International Bank for Reconstruction and Development give renewed attention to these programmes and, in conformity with operative paragraph 4 of resolution 826 (IX), "give sympathetic consideration to loan applications from under-developed countries for development projects which are designed to implement their programmes of agrarian reform, including projects designed to bring new lands under agricultural cultivation, and invites the Bank, consistent with its maintenance as a self-supporting entity, to consider making any such loans on terms of interest and amortization designed to place the smallest feasible burden on the borrowing countries"; (4) reiterate the hope that, in accordance with operative paragraph 5 of the same resolution, "high priority will be given by the Technical Assistance Board and the other organs and agencies concerned" to requests for United Nations technical assistance for the purpose of studying or carrying out land reform programmes"; (5) express the hope that the Special Fund, together with any new organs which may be set up by the United Nations or any of its agencies, will, in the spirit of this resolution and of earlier resolutions on the same subject, offer the greatest financial support possible, on the most favourable terms compatible with their resources, to projects connected with the

execution of agrarian reform programmes by countries members of such organizations; and (6) further request the Secretary-General, in consultation with Member States and the above-mentioned organizations, to examine the results of the land reform programmes in the under-developed countries in the light of the reports submitted by Members, and the effects which the programmes have had on the economic development of those countries, and to report to the General Assembly at its seventeenth session, making appropriate recommendations, and to the Economic and Social Council in 1962.

69. The sponsors made the following changes in the text of the draft resolution before discussion in the Committee began:

(a) Operative paragraph 1: revise the text to read:

"Declares that it will continue to support the programmes of agrarian reform which the Member States are carrying out in conformity with the Charter of the United Nations and the resolutions of the General Assembly and of the Economic and Social Council;"

(b) Operative paragraph 2 (b): insert after the words "land reform programmes" the following: "and to improve such assistance, including the relevant comments and analyses,"

(c) Operative paragraph 5: replace the words "financial support possible" by "possible assistance".

70. In the light of the discussion during which various suggestions were made, the sponsors agreed to the following additional modifications:

(a) Second preambular paragraph: insert, in sub-paragraph (a), the words "land distribution," after the words "to improve", so that the sub-paragraph would read as follows:

"(a) to improve land distribution, the combination of the factors of production, the mobility of labour and the technical skills of the rural population, thus raising the level of agricultural productivity,"

(b) Operative paragraph 2: insert, in the introductory clause, the words "in consultation with" before the words "the regional economic commissions" and change the words "in consultation with Member States" to read "as well as with Member States";

(c) Operative paragraph 2 (b): revise to read: "To report to the Economic and Social Council at its session in 1962 on possible improvements in such support,

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including the relevant comments and analyses, and requests the Council in turn to report to the General Assembly at its seventeenth session;"

(d) Operative paragraph 3: delete the quotation at the end of the paragraph and reword the opening clause as follows: "Recommends that the International Bank for Reconstruction and Development give renewed attention to these programmes, in conformity with operative paragraph 4 of resolution 826 (IX) of the General Assembly;"

(e) Operative paragraph 4: insert the words "Draws the attention of Member States to the possibility of requesting technical assistance in carrying out their agrarian reform programmes and" at the beginning of the paragraph and delete the words "by the Technical Assistance Board and other organs and agencies concerned";

(f) Operative paragraph 5: change the words "offer the greatest possible assistance" to "give as much assistance as possible";

(g) Operative paragraph 6: delete the phrase "making appropriate recommendations, and to the Economic and Social Council in 1962" and replace it by the following: "in accordance with the prospectus referred to in Economic and Social Council resolution 712 (XXVII) by formulating the appropriate recommendations and observations, and to the Economic and Social Council in 1962."

71. The representative of the Union of Soviet Socialist Republics proposed the deletion of the words "in accordance with the prospectus referred to in Economic and Social Council resolution 712 (XXVII)" in operative paragraph 6.

72. The Committee then voted on the revised draft resolution (A/C.2/L.435/Rev.1) as further modified (see paragraphs 69 and 70, above), and on the USSR amendment to it, as follows:

(a) The amendment by the USSR was rejected by 30 votes to 9, with 34 abstentions.

(b) The revised joint draft resolution, as further amended by the sponsors, was adopted by 72 votes to none, with 1 abstention.

73. The Committee therefore recommends to the General Assembly the adoption of draft resolution VII as set forth in paragraph 114 of the present report.

VIII

74. The draft resolution by Ceylon, Federation of Malaya, Haiti, Iran, Liberia, Mexico, Thailand, Tunisia, Turkey and the United States of America (A/C.2/L.438) was received by the Committee at its 624th meeting. By it, the General Assembly would, in the preamble: (1) recall General Assembly resolution 1318 (XIII); (2) take account of the need for mobilizing additional capital for the economic development of the under-developed countries; (3) note that the Thirteenth Annual Report of the International Bank revealed the useful role which development banks and corporations in the under-developed countries could play in mobilizing domestic savings as well as encouraging the flow of foreign capital, public and private, for industrial, mining and agricultural development; (4) note further the encouraging progress that had been made in a substantial number of under-developed countries by establishing and utilizing industrial development banks and corporations with the valuable help of the International Bank and a number of Member Governments in providing technical and financial assistance to many such industrial development banks and corporations.

75. In the operative part, the Assembly would: (1) invite Member Governments to consider the advantages of using and encouraging industrial development banks and development corporations in accelerating their economic development; (2) call upon Member Governments in countries with highly developed economies to co-operate with under-developed countries, as appropriate, in order to encourage the formation and sound growth of industrial development banks and corporations; (3) request the Secretary-General, in preparing his report for the Economic and Social Council at its twenty-ninth session, called for by General Assembly resolution 1318 (XIII), to take account of the role of industrial development banks and corporations.

76. The Committee considered the joint draft resolution at its 627th and 636th meetings.

77. At the 636th meeting, the Federation of Malaya stated, on behalf of the sponsors, that the following changes which had been suggested were acceptable:

(1) The phrase "development banks and corporations" should be replaced by "development banks and development corporations" in the title, the fourth preambular paragraph and in operative paragraphs 2 and 3;

...

(2) The words "Governments in" in operative paragraph 2 should be deleted, and the word "encourage" replaced by "assist".

78. The Committee then adopted the joint draft resolution (A/C.2/L.438), as amended, by 61 votes to none, with 9 abstentions.

79. The Committee therefore recommends to the General Assembly the adoption of draft resolution VIII as set forth in paragraph 114 of the present report.

IX

80. The draft resolution by Austria, Bolivia, Burma, Cambodia, Ceylon, Costa Rica, Cuba, Ghana, Greece, Guatemala, Haiti, Honduras, Iceland, India, Indonesia, Iraq, Jordan, Laos, Lebanon, Liberia, Libya, Mexico, Nepal, Norway, Netherlands, Panama, Philippines, Saudi Arabia, Sweden, Thailand, Tunisia, United Arab Republic, Uruguay, Venezuela and Yugoslavia (A/C.2/L.439) and by Morocco (A/C.2/L.439/Add.1), Yemen (A/C.2/L.439/Add.2), and Denmark (A/C.2/L.439/Add.4) was received by the Committee at its 624th meeting. By it the General Assembly would, in the preamble: (1) consider that the long-term progress of the world presented problems of resources, requirements and production methods, affecting nations in all stages of development and calling for international co-operation and action on the widest possible basis; (2) have regard to the increasing needs of a rapidly growing world population, and the rising social and economic expectations of all peoples; (3) recognize the urgent necessity of correcting economic and social imbalances existing in the world; (4) note that the growing pace of industrialization and the rapid advance of science and technology necessitated a fresh approach to the question of the demand for and supply of raw materials and other means of production; (5) express its belief that the social and economic needs of under-developed countries required a comprehensive approach to the economic problems of the entire world; (6) note with appreciation the various multilateral and bilateral efforts which had been made towards meeting some of the urgent needs of the under-developed countries; (7) note further that in terms of the Economic and Social Council resolution 741 (XXVIII) the Secretary-General is to report on the techniques of long-term projections.

81. In the operative part, the Assembly would: (1) express its belief that comprehensive, co-ordinated and continuing study of the above problems was necessary in order that suggestions for possible international action might be considered; (2) request the Secretary-General to arrange for a preliminary investigation into the methods and techniques to be employed in carrying out such a study; (3) further request the Secretary-General to report on the above to the thirtieth session of the Economic and Social Council and requests the Economic and Social Council to transmit the report with its comments to the fifteenth session of the General Assembly.

82. The Secretary-General's statement on the financial implications of the joint draft resolution was contained in A/C.2/L.439/Add.3.

83. India, on behalf of the sponsors, made the following verbal changes:

(1) First preambular paragraph: delete the words "on the widest possible basis" and insert the words "the widest" after "calling for";

(2) Second preambular paragraph: delete the words "of all peoples" and replace the words "the rising" by "its rising";

(3) Fifth preambular paragraph: delete the word "entire".

84. The Committee adopted the joint draft resolution (A/C.2/L.439) unanimously.

85. The Committee therefore recommends to the General Assembly the adoption of draft resolution IX as set forth in paragraph 114 of the present report.

86. The draft resolution submitted by Bulgaria and Czechoslovakia (A/C.2/L.441) was received by the Committee at its 626th meeting. By it, the General Assembly would, in the preamble, (1) recall its resolution 1301 (XIII) on measures aimed at the implementation and promotion of peaceful and neighbourly relations among States and its resolution 1260 (XIII) on co-ordination of results of scientific research, as well as resolution 727 A (XXVIII) of the Economic and Social Council on United Nations measures for promoting international exchange of scientific and technical experience, (2) express its awareness of the importance that international economic co-operation had for the strengthening of peaceful relations among nations, (3) recognize the particular importance of further promotion of mutual exchange of scientific and technical experience for economic development, constant rise of productivity and standards of living of the population in the entire world and particularly in the less developed countries which are in great need of such assistance, (4) appreciate the efforts taken and results achieved thus far in different forms of such exchange in the organs of the United Nations, especially the regional commissions, and in the specialized agencies, (5) bear in mind the role and activities of the United Nations Educational, Scientific and Cultural Organization in the field of scientific co-operation, and (6) bear further in mind the desirability of further intensified development of such co-operation, in particular in the field of applied science and industrial technology.

87. Under the operative part, the Assembly would: (1) recommend the Member States to increase the exchange of scientific and technical experience among themselves by way of bilateral and multilateral agreements or action and call especially upon the economically and technologically most advanced countries to render their help and support by all possible means to the less developed countries in acquiring scientific and technical knowledge that would make possible an accelerated development and increase in living standards; (2) call upon the Governments of Member States to take part, as far as their possibilities permit, in multilateral action undertaken to this end and to take initiatives in embarking upon exchange of scientific and technical experience also on a bilateral basis; (3) request the Secretary-General to clarify, in consultation with the Director-General of UNESCO, the possibilities of further useful and desirable expansion of international contacts as well as exchange of knowledge and experience in the field of applied science and technology through the United Nations and

the specialized agencies, including the development, within the United Nations framework, of appropriate machinery for technical co-operation and dissemination of industrial know-how; and (4) request the Secretary-General to report on this subject to the Economic and Social Council at its thirtieth session and to the General Assembly at its fifteenth session.

88. The Committee considered the joint draft resolution at its 638th and 639th meetings. Czechoslovakia, on behalf of the sponsors, reported the following changes:

(a) A reference to Economic and Social Council resolution 740 C (XXVIII) on economic development of the under-developed countries would be inserted at the end of the first preambular paragraph;

(b) The last part of operative paragraph 3 beginning with the words "through the United Nations .." should be modified to read "through the United Nations, the specialized agencies and the International Atomic Energy Agency, including the adequacy, within the United Nations framework, of machinery for technical co-operation and dissemination of industrial know-how;"

89. Australia (A/C.2/L.452) proposed that operative paragraphs 1, 2 and 3 should be replaced by the following text:

"1. Emphasizes the value of an increase in the international exchange of scientific and technical experience, where appropriate by way of bilateral and multilateral agreements, and calls especially upon the economically and technically most advanced countries to render their help and support by all possible means to the less developed countries in acquiring scientific and technical knowledge that would make possible an accelerated development and increase in living standards;"

"2. Recommends that the Governments of Member States encourage the further exchange of scientific and technical experience and support, as far as their possibilities permit, international action undertaken to this end;"

"3. Requests the Secretary-General to consider, in consultation with the Director-General of UNESCO, and in the light of the survey being prepared under resolution 1260 (XIII), the adequacy within the United Nations framework of existing machinery for technical co-operation and dissemination of scientific, technical and industrial know-how."

90. At the 639th meeting, the Committee received a revised text (A/C.2/L.441/Rev.1) of the joint draft resolution which embodied the amendments by Australia and the following further modifications: (1) Third preambular paragraph: insert

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the words "and of the importance of a" after "for economic development";

(2) Operative paragraph 1, as amended by Australia: Delete the following words: "where appropriate by way of bilateral and multilateral agreement"; "render their"; and "by all possible means to"; (3) Operative paragraph 2, as amended by Australia: Add the words "among countries" after "technical experience"; (4) Operative paragraph 3, as amended by Australia: Delete the words "the Director-General of" and insert after "UNESCO", the words "other appropriate specialized agencies and the IAEA". In addition, after the words "resolution 1260 (XIII)", insert the clause "the possibilities of further useful and desirable expansion of international contacts as well as exchange of knowledge and experience in the field of applied science and technology and".

91. The United Kingdom proposed that the word "thirtieth" in operative paragraph 4 should be replaced by "thirty-first" and the word "fifteenth" by "sixteenth".

92. The Committee adopted the amendment by the United Kingdom by 20 votes to 17, with 25 abstentions.

93. The Committee then adopted the revised joint resolution (A/C.2/L.441/Rev.1), as amended, unanimously.

94. The Committee, therefore, recommends the adoption of draft resolution X as set forth in paragraph 114 of the present report.

XI

95. The draft resolution submitted by Argentina, Brazil, Bolivia, Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Uruguay and Venezuela (A/C.2/L.442 and Corr.1) was received by the Committee at its 627th meeting. By it, the General Assembly would, in the preamble, (1) recall Economic and Social Council resolution 679 C (XXVI) in which the Council considered it desirable gradually and progressively to establish a Latin American regional market on multilateral and competitive bases, (2) take note of resolution 6 (II) of the Trade Committee of the Economic Commission for Latin America, whose report was adopted by the Commission at its eighth session in resolution 168 (VIII), in which it decided "to intensify efforts conducive to the increase of economic co-operation among the countries of the region, with a view to constituting a Latin American common market", and (3) consider that the Economic and Social Council at its twenty-eighth session had examined the report of the Economic Commission for Latin America and had expressed its appreciation of the part the Commission had played in preparing plans for the establishment of a common market in the region. In the operative part, the Assembly would:
- (1) Express its hope that the common market would be organized in such a way as to help to expand and diversify trade among the Latin American countries and between them and other regions of the world, and to accelerate their national and regional economic development, with a consequent rise in the level of living of their peoples; (2) Express its appreciation of the work to this end being carried out by the Economic Commission for Latin America, and (3) Recommend that the Commission should continue to assign high priority to work being done in this field.
96. The Committee considered this joint draft resolution at its 638th and 639th meetings.
97. At the 638th meeting, Argentina, on behalf of the sponsors, stated that in the third preambular paragraph the word "when" should be inserted after the opening words "Considering that", and the words "and expressed its appreciation" should be replaced by "appreciation was expressed".
98. At the 639th meeting, the Committee adopted the joint draft resolution (A/C.2/L.442 and Corr.1), as modified, by 61 votes to none, with 7 abstentions.
99. The Committee therefore recommends to the General Assembly the adoption of draft resolution XI as set forth in paragraph 114 of the present report.

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XII

100. The draft resolution by Bolivia, Brazil, Burma, Ceylon, Colombia, Costa Rica, Cuba, El Salvador, the Federation of Malaya, France, Ghana, Haiti, India, Indonesia, Iraq, Italy, Jordan, Lebanon, Libya, Mexico, Morocco, the Netherlands, Nicaragua, Pakistan, Panama, Saudi Arabia, Sudan, Tunisia, the United Arab Republic, Uruguay, Venezuela, Yemen, Yugoslavia (A/C.2/L.434) was received by the Committee at its 621st meeting. By it, the General Assembly would, in the preamble: (1) recall its resolutions 521 (VI) and 522 (VI) of 12 January 1952, 1033 (XI) of 26 February 1957, and Economic and Social Council resolutions 461 (XV) of 23 April 1953, 560 (XIX) of 7 April 1955, 597 A (XXI) of 4 May 1956, 618 (XXII) of 6 August 1956, 649 A (XXIII) of 2 May 1957, 674 A (XXV) of 1 May 1958, 709 (XXVII) of 17 April 1959; (2) express its mindfulness of the aim expressed in the Preamble of the Charter "to employ international machinery for the promotion of the economic and social advancement of all peoples" and of articles 55 and 56 of the Charter; (3) indicate that it was convinced that: (a) the high rate of growth of population in a certain number of under-developed countries had created a serious disequilibrium between the present level of production of those countries and the needs of their populations; (b) it was urgent to foster the industrial development of under-developed countries so that the rate of growth of their production might attain a permanently higher level which would overtake the rate of increase of their populations; (c) industrialization would enable the diversification of the economies of under-developed countries and assure a more balanced economic and social structure, and a high rate of economic development; (d) it was important to attain the self-sustaining stage of economic development which involved the maximum reinvestment of the increases of income; (4) recognize that instability in the foreign exchange earnings of the under-developed countries, due to fluctuations in world commodity prices and in general economic activity in the more advanced countries made it particularly important to encourage industrialization as an essential part of development programmes or plans; (5) express its confidence that the acceleration of the industrial development of under-developed countries by diversifying the economic structure of these countries would contribute to the achievement of an expanding world economy; (6) consider that the process of industrial development called for a wider

dissemination of advanced technological knowledge which was not available at present to the needed extent in the under-developed countries; and (7) indicate that it was convinced of the need to expand the means of providing advice and assistance by the United Nations to under-developed countries in the planning and execution of their industrial development, to accelerate the process of industrialization and to keep the General Assembly informed of the pace of their industrial growth.

101. In the operative part, the Assembly would recommend "that, in accordance with Article 68 of the Charter of the United Nations, the Economic and Social Council at its twenty-ninth session give consideration to the prompt establishment of a Commission for Industrial Development".

102. The Committee considered this joint draft resolution at its 640th, 641st and 642nd meetings.

103. Afghanistan, Argentina, Chile, Guatemala, Liberia and Spain proposed joint amendments (A/C.2/L.446) as follows:

(a) Add the following preambular paragraph between the sixth and seventh preambular paragraphs:

"Appreciating the activities of the United Nations regional economic commissions in the field of economic growth and industrialization in their respective regions,";

(b) Add the words "without prejudicing the activities of the regional economic commissions in this connexion" at the end of the operative paragraph.

104. At the 640th meeting, New Zealand proposed orally that the words "a Commission for Industrial Development" in the operative paragraph should be replaced by the words "appropriate institutional machinery".

105. Canada proposed (A/C.2/L.454) that the words "and taking into account the expression of views made during the discussion on this question at the fourteenth session of the General Assembly" should be added at the end of the operative paragraph and following the second six-Power amendment (A/C.2/L.446).

106. Portugal proposed orally that:

(a) sub-paragraphs (a) and (b) of the third preambular paragraph should be combined and revised to read as follows:

"the high rate of growth of population in a certain number of under-developed countries requires an acceleration of the industrial development of under-developed countries so that the rate of growth of their production may attain a permanently higher level which would overtake the rate of increase of their populations,";

(b) the words "advice and assistance" in the last preambular paragraph should be replaced by the words "advice, information and assistance".

107. At the 641st meeting, Ireland proposed (A/C.2/L.456) that: (1) the word "enable" in sub-paragraph (c) of the third preambular paragraph should be replaced by the word "promote"; and (2) the words "appropriate institutional machinery such as" should be inserted in the operative paragraph after the words "the prompt establishment of".

108. Yugoslavia proposed orally that the words "permanently higher level" in sub-paragraph (b) of the third preambular paragraph should be replaced by the words "steadily increasing level".

109. Brazil, on behalf of the sponsors, accepted the amendments and other proposals by the six Powers (A/C.2/L.446), Canada (A/C.2/L.454), Portugal and Yugoslavia, as well as the first oral proposal by Ireland.

110. Since Ireland had presented its second proposal as an amendment (A/C.2/L.456), New Zealand did not press its oral proposal.

111. The representative of Ceylon, on behalf of the sponsors, stated that the original text of the operative paragraph, as drafted, taken together with the amendment by Canada (A/C.2/L.454, accepted by the sponsors), reserved to the Economic and Social Council adequate freedom in its consideration of new machinery in the field of industrialization. On the suggestion of the representative of the Netherlands, the representative of Ireland, accepting this interpretation, withdrew his amendment on the understanding that his reasons for so doing would be indicated in the Committee's report on items 30 and 12.

112. The Committee then adopted the revised joint draft resolution (A/C.2/L.434/Rev.1) unanimously.

113. The Committee therefore recommends to the General Assembly the adoption of draft resolution XII as set forth in paragraph 114 of the present report.

Recommendations of the Second Committee

114. The Second Committee therefore recommends to the General Assembly the adoption of the following draft resolutions:

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DRAFT RESOLUTION I

International Development Association

The General Assembly,

Mindful of the determination of the United Nations, as expressed in its Charter, to promote social progress and better standards of life in larger freedom and, for these ends, to employ international machinery for the promotion of the economic and social advancement of all peoples,

Recalling the General Assembly's interest in new forms of international financing for the purpose of accelerating the economic development of under-developed countries,

Welcoming the decision in principle taken at the recent annual meeting of the Board of Governors of the International Bank for Reconstruction and Development to establish an International Development Association as an affiliate of the Bank,

1. Expresses the belief that the new affiliate of the International Bank for Reconstruction and Development will provide under-developed countries with types of financing not hitherto available from multilateral agencies, and which, while stimulating economic development, would tend to ease their balance of payments position;

2. Also expresses the hope that adequate provisions will be made and appropriate procedures adopted for a close working relationship and effective co-ordination and consultation between the International Development Association and the United Nations;

3. Calls attention to the desirability of appropriate relations between the International Development Association and the specialized agencies and the International Atomic Energy Agency, as suitable;

4. Requests the Secretary-General to transmit to the President of the International Bank for Reconstruction and Development, for communication to the Executive Directors of the Bank, the records of the debates of the General Assembly on this subject at its present session.

DRAFT RESOLUTION II

The strengthening and development of the world market
and the improvement of the trade conditions of the
economically less developed countries

The General Assembly,

Guided by the principles set forth in the Charter of the United Nations and wishing to extend international economic co-operation, to bring about full employment and to foster economic and social progress and development,

Considering that world trade is a natural and reliable factor in the development of peaceful communion between States,

Desiring to promote the development and extension of trade, to ease the exchange of goods and to create the stability and welfare essential for peaceful and friendly relations between nations,

I

1. Recommends that all States Members of the United Nations should, individually and jointly, continue their efforts to promote and extend mutually beneficial trade between all States, regardless of their economic systems;
2. Reaffirms its belief that international organizations concerned with the regulation and development of international trade should continue to contribute to the extension of multilateral world commerce and should facilitate the expansion of trade between States regardless of their economic systems;
3. Requests the Secretary-General, taking fully into consideration all the views expressed and proposals submitted on this subject at the present session of the General Assembly, to prepare a report on the ways and means of promoting wider trade co-operation among States, irrespective of their economic systems and stages of development, including, inter alia, the consideration of all the arrangements for such co-operation;
4. Requests the Secretary-General to submit this report to the Economic and Social Council at its thirtieth session and to the General Assembly at its fifteenth session;

II

1. Considers that the United Nations and the specialized agencies concerned should expand the useful work which they are doing in promoting the stabilization of the commodity markets and the development of reciprocally beneficial multilateral trade;

2. Considers that it would be desirable to work out, within the United Nations and other appropriate forums, measures to promote the stabilization of the commodity markets and the development of trade between the highly developed and the less developed countries on a reciprocally beneficial and non-discriminatory basis, including, where appropriate, short, medium or long-term trade agreements, international commodity agreements and international study groups;

3. Recommends that the industrially developed and the economically less developed countries should continue to encourage, by means of freely negotiated credit arrangements, the export of machinery and industrial equipment to the less developed countries, without any restriction on the freedom of these countries to buy and sell in the best market.

DRAFT RESOLUTION III

Development of international trade and
international commodity problems

The General Assembly,

Recalling its resolution 1324 (XIII) of 12 December 1958 and noting Economic and Social Council resolution 726 (XXVIII) of 24 July 1959,

Convinced that economic and social progress throughout the world, especially in the under-developed areas, depends largely on a steady increase in international trade,

Bearing in mind that exports of a relatively small number of primary commodities constitute the main source of foreign exchange earnings of many countries, particularly in the under-developed areas,

Considering that excessive fluctuations in commodity prices affect the volume of export receipts and the budgetary resources of many countries, and in the case of the under-developed countries are likely to hamper the sound and stable development of the economy,

Convinced that a policy of economic assistance to the under-developed countries will be more effective if the excessive instability of commodity markets is remedied, and that to seek solutions to this problem should be one of the main concerns of all Member States,

Noting the approval by the Economic and Social Council of the programme of work of the Commission on International Commodity Trade, including the detailed study of national and international measures to deal with fluctuations in primary commodity markets,

Noting further that the Contracting Parties to the General Agreement on Tariffs and Trade have undertaken a study of the problem of the long-term expansion of trade, and in particular of the exports of countries producing primary commodities,

Considering however that the procedures of multilateral financial assistance do not always enable countries that have suffered from a sharp and sudden drop in the prices of the raw materials they export to restore the deficit in their balance of payments rapidly and at the same time to carry out their development programmes,

/...

1. Appeals anew to the Governments of Member States to continue their efforts to solve the problems relating to commodity production and trade, including, where appropriate, participation in existing international commodity agreements or the negotiation of agreements between the principal producers and the principal consumers, in their mutual interest, of the same product, or participation in international study groups;

2. Takes note with appreciation of Economic and Social Council resolution 726 (XXVIII) approving the report and programme of work submitted by the Commission on International Commodity Trade, and expresses the hope that the Commission in the course of its studies will give careful attention to the types of comprehensive commodities schemes referred to in part I, chapter 3, of the World Economic Survey, 1958;^{2/}

3. Invites the Governments of Member States to extend the greatest possible assistance to the Commission on International Commodity Trade in order to help it carry out its programme of work quickly and effectively;

4. Recommends that the regional economic commissions, the specialized agencies concerned, especially the Food and Agriculture Organization of the United Nations, the Contracting Parties to the General Agreement on Tariffs and Trade and the study groups dealing specifically with commodity problems give particular attention to the problems of countries dependent to a high degree on the export of a small number of primary commodities;

5. Urges the Governments of Member States:

(a) To contribute to the greatest possible extent, either unilaterally or in the competent international organizations, to the progressive abolition of all such discrimination, quantitative limitations and other restrictive practices as are prejudicial to the sound development of international commodity trade;

(b) To take into account, in formulating their economic policy, the effect that it may have on the export opportunities of the primary producing countries;

^{2/} United Nations publication, Sales No. 59.II.C.1 (E/3244)..

6. Requests the Commission on International Commodity Trade to give particular attention, in carrying out its programme of work, to the study of means for giving temporary assistance to countries encountering serious payment difficulties as a result of a sharp and sudden drop in the prices of their raw material exports, with a view to enabling them to take the necessary measures and at the same time continue to carry out their economic development programmes.

DRAFT RESOLUTION IV

International measures to assist in offsetting
fluctuations in commodity prices

The General Assembly,

Recalling its resolution 1324 (XIII) of 12 December 1958 and Economic and Social Council resolution 726 (XXVIII) of 24 July 1959,

Bearing in mind the responsibilities laid upon Member States by the Preamble, Article 1, paragraph 3, Article 13, paragraph 1, and Article 55 of the Charter of the United Nations to promote international co-operation in the economic field, higher standards of living, full employment, and conditions of economic and social progress,

Taking into account the harmful potentialities of the widening gap between the levels of per capita income in developed and under-developed countries,

Having examined the report of the Economic and Social Council on international commodity problems and the report of the Commission on International Commodity Trade on its seventh session, particularly paragraph 62 thereof relating to compensatory financing,

Commending the work programme drawn up by the Commission on International Commodity Trade at its seventh session and approved by the Economic and Social Council,

Considering the necessity of devising means to combat large fluctuations in commodity prices when accompanied by a general fall in the price levels of primary commodities, the rising price levels of manufactured goods, and the resulting decline in the terms of trade against the under-developed countries,

Considering that such fluctuations hamper world trade,

Considering further the repercussions of adverse trade balances on the capacity of the under-developed countries to contribute to their own development,

Recognizing the imperative necessity of urgent and effective measures to enable the under-developed countries to initiate and sustain their development programmes at adequate levels,

1. Requests the Secretary-General to appoint a group of (not more than seven) experts to assist the Commission on International Commodity Trade in its

consideration of commodity problems by examining the feasibility of establishing machinery within the framework of the United Nations designed to assist in offsetting the effects of large fluctuations in commodity prices on balances of payments, with special reference to compensatory financing, and to submit its report and recommendations to the Commission on International Commodity Trade by its ninth session and requests the Economic and Social Council to comment on and transmit this report to the General Assembly;

2. Further requests the Secretary-General to invite the International Monetary Fund and the Food and Agriculture Organization of the United Nations to participate in the work of the group of experts in a consultative capacity.

DRAFT RESOLUTION V

United Nations Capital Development Fund

The General Assembly,

Bearing in mind the determination expressed in the Preamble of the Charter to promote social progress and better standards of life in larger freedom and to employ international machinery for the promotion of the economic and social advancement of all peoples,

Considering the economic development of the under-developed countries as an essential condition for promoting world peace, stability and prosperity,

Mindful that the general problem of economic development of the under-developed countries concerns, and is of paramount importance to, both developed and under-developed countries,

Considering the importance of using United Nations machinery for financially assisting the acceleration of the economic development of the under-developed countries, especially in the field of their economic and social infrastructure, which is basic to the substantial expansion of production, and to the growth of their economies,

Recognizing that the flow of international capital and assistance has not been commensurate with the magnitude, diversity and urgency of the needs of the under-developed countries,

Believing that improved economic conditions of highly developed countries will make it possible for them to provide an additional contribution towards accelerating the economic development of under-developed countries,

Bearing in mind the previous resolutions of the General Assembly and of the Economic and Social Council on the establishment of a United Nations Capital Development Fund for financing the economic development of the under-developed countries,

1. Calls on Member States to give further consideration to General Assembly resolutions 1317 (XIII) of 12 December 1958 and 1219 (XII), section III, of 14 December 1957 and Economic and Social Council resolution 740 (XXVIII) of 31 July 1959, and reappraise their respective positions as regards extending material support for the early establishment of a United Nations Capital Development Fund;

2. Requests the Secretary-General to examine, in consultation with the Governments of Member States, ways and means of making further progress towards the early establishment of a United Nations Capital Development Fund;

3. Invites the Secretary-General to report to the Economic and Social Council at its thirtieth session and to the General Assembly at its fifteenth session.

DRAFT RESOLUTION VI

Possibilities of international co-operation in the
field of the development of the petroleum industry
in the under-developed countries

The General Assembly,

Recalling its resolution 1319 (XIII) of 12 December 1958 and Economic and Social Council resolutions 711 B (XXVII) of 17 April 1959 and 740 B (XXVIII) of 31 July 1959,

Recalling further General Assembly resolution 626 (VII) of 21 December 1952, which stated "the need for encouraging the under-developed countries in the proper use and exploitation of their natural wealth and resources",

Considering the importance to many under-developed nations of the effective development of their petroleum resources,

Recognizing that the discussions which took place during the symposium on the development of petroleum resources held in New Delhi under the auspices of the Economic Commission for Asia and the Far East, as well as those at the twenty-seventh and twenty-eighth sessions of the Economic and Social Council, showed the interest of numerous under-developed countries in the development of their petroleum industry,

Noting the action taken by the Economic and Social Council, at its twenty-eighth session, in inviting the Secretary-General to make available particulars of the specific ways in which programmes under the auspices of the United Nations can assist in developing petroleum supplies,

Recalling that the Secretary-General is authorized to include the question of the development of the petroleum industry in the United Nations programmes for the development of under-developed countries (industrialization and energy resources),

1. Requests the Secretary-General to transmit to the Economic and Social Council for its consideration the various views expressed on this subject, including those relating to financial aspects, during the fourteenth session of the General Assembly;

2. Expresses the hope that the information to be provided to the Economic and Social Council by the Secretary-General will enable the Council, as provided by its resolution 740 B (XXVIII), to determine what additional assistance to Governments is called for within the framework of the existing technical assistance and development activities of the United Nations and the specialized agencies.

DRAFT RESOLUTION VII

Agrarian reform

The General Assembly,

Recalling its resolutions 401 (V) of 20 November 1950, 524 (VI) of 12 January 1952, 625 A (VII) of 21 December 1952 and 826 (IX) of 11 December 1954, and Economic and Social Council resolutions 370 (XIII) of 7 September 1951, 512 C (XVII) of 30 April 1954, 649 B (XXIII) of 2 May 1957 and 712 (XXVII) of 17 April 1959 on agrarian reform,

Recognizing the importance to certain under-developed countries of the transformation of their agrarian structure, in order:

(a) To improve land distribution, the combination of the factors of production, the mobility of labour and the technical skills of the rural population, thus raising the level of agricultural productivity,

(b) To secure a more satisfactory distribution of agricultural income and to raise levels of consumption and saving among rural inhabitants,

(c) To create and extend the domestic market for various industrial and agricultural products,

(d) To achieve the conditions necessary for industrial development, the diversification of agriculture and the balanced integration of industry with agriculture,

Noting that certain countries are at present carrying out different programmes of agrarian reform tending towards the achievement of the above objectives,

Recalling also operative paragraph 3 of Economic and Social Council resolution 712 (XXVII), which requests the Secretary-General "to prepare the report on the progress of land reform for the Council in 1962 along the lines of the prospectus contained in paragraph 57 of the report submitted at the present session, taking into consideration the sources of information listed in paragraphs 59 and 60 of the report and the views which Members may express in the Council and the General Assembly",

1. Declares that it will continue to support the programmes of agrarian reform which Member States are carrying out in conformity with the Charter of the United Nations and the resolutions of the General Assembly and of the Economic and Social Council;

2. Requests the Secretary-General, in consultation with the regional economic commissions, the Food and Agriculture Organization of the United Nations, and the other organs and agencies of the United Nations, as well as with the Governments of Member States:

(a) To consider the best ways in which the United Nations can continue to give increasingly effective support to the land reform programmes put into operation by its Members;

(b) To report to the Economic and Social Council at its session in 1962 on possible improvements in such support, including relevant comments and analyses and requests the Council in turn to report to the General Assembly at its seventeenth session;

3. Recommends that the International Bank for Reconstruction and Development give renewed attention to these programmes, in conformity with operative paragraph 4 of General Assembly resolution 826 (IX);

4. Draws the attention of Member States to the possibility of requesting technical assistance in carrying out their agrarian reform programmes and reiterates the hope that, in accordance with operative paragraph 5 of resolution 826 (IX), "high priority will be given to requests for United Nations technical assistance for the purpose of studying or carrying out land reform programmes";

5. Expresses the hope that the Special Fund, together with any new organs which may be set up by the United Nations or any of its agencies, will, in the spirit of the present resolution and of earlier resolutions on the same subject, give as much assistance as possible, on the most favourable terms compatible with their resources, to projects connected with the execution of agrarian reform programmes by countries members of such organizations;

6. Further requests the Secretary-General, in consultation with the Governments of Member States and the above-mentioned organizations, to examine the results of the land reform programmes in the under-developed countries in the

light of the reports submitted by Member States, and the effects which the programmes have had on the economic development of those countries, and to report to the General Assembly at its seventeenth session, in accordance with the prospectus referred to in Economic and Social Council resolution 712 (XXVII) by formulating the appropriate recommendations and observations, and to the Economic and Social Council in 1962.

DRAFT RESOLUTION VIII

Industrial development banks and development corporations

The General Assembly,

Recalling General Assembly resolution 1318 (XIII) of 12 December 1958,

Taking into account the need for mobilizing additional capital for the economic development of the under-developed countries,

Noting that the thirteenth annual report of the International Bank for Reconstruction and Development reveals the useful role which development banks and development corporations in the under-developed countries can play in mobilizing domestic savings as well as in encouraging the flow of foreign capital - public and private - for industrial, mining and agricultural development,

Noting further the encouraging progress that has been made in a substantial number of under-developed countries by establishing and utilizing industrial development banks and development corporations with the valuable help of the International Bank for Reconstruction and Development and a number of the Governments of Member States in providing technical and financial assistance to many such industrial development banks and development corporations,

1. Invites the Governments of Member States to consider the advantages of using and encouraging industrial development banks and development corporations in accelerating their economic development,
2. Calls upon Member countries with highly developed economies to co-operate with under-developed countries, as appropriate, in order to assist the formation and sound growth of industrial development banks and development corporations;
3. Requests the Secretary-General, in preparing his report for the Economic and Social Council at its twenty-ninth session requested by General Assembly resolution 1318 (XIII), to take account of the role of industrial development banks and development corporations.

DRAFT RESOLUTION IX

World economic development

The General Assembly,

Considering that the long-term progress of the world presents problems of resources, requirements and production methods, affecting nations in all stages of development and calling for the widest international co-operation and action,

Having regard to the increasing needs of a rapidly growing world population, and its rising social and economic expectations,

Recognizing the urgent necessity of correcting economic and social imbalances existing in the world,

Noting that the growing pace of industrialization and the rapid advance of science and technology necessitate a fresh approach to the question of the demand for, and the supply of, raw materials and other means of production,

Believing that the social and economic needs of under-developed countries require a comprehensive approach to the economic problems of the world,

Noting with appreciation the various multilateral and bilateral efforts which have been made towards meeting some of the urgent needs of the under-developed countries,

Noting further that, in terms of Economic and Social Council resolution 741 (XXVIII) of 31 July 1959, the Secretary-General is to report on the techniques of long-term projections,

1. Believes that a comprehensive, co-ordinated and continuing study of the above-mentioned problems is necessary in order that suggestions for possible international action may be considered;
2. Requests the Secretary-General to arrange for a preliminary investigation into the methods and techniques to be employed in carrying out such a study;
3. Further requests the Secretary-General to report on this matter to the Economic and Social Council at its thirtieth session and requests the Council to transmit the report, with its comments, to the General Assembly at its fifteenth session.

DRAFT RESOLUTION X

Development of scientific and technical co-operation
and exchange of experience

The General Assembly,

Recalling its resolution 1301 (XIII) of 10 December 1958 on measures aimed at the implementation and promotion of peaceful and neighbourly relations among States and its resolution 1260 (XIII) of 14 November 1958 on the co-ordination of results of scientific research, as well as Economic and Social Council resolutions 727 A (XXVIII) of 27 July 1959 and 740 C (XXVIII) of 31 July 1959 on United Nations measures for promoting the international exchange of scientific and technical experience and on the economic development of under-developed countries,

Being aware of the importance of international economic co-operation in the strengthening of peaceful relations among nations,

Recognizing the particular importance of further promotion of the mutual exchange of scientific and technical experience for economic development, and the importance of a constant rise of productivity and standards of living of the population in the entire world and particularly in the less developed countries which are in great need of such assistance,

Appreciating the efforts taken and the results achieved thus far in different forms of such exchange in the organs of the United Nations, especially the regional commissions, and in the specialized agencies,

Bearing in mind the role and activities of the United Nations Educational, Scientific and Cultural Organization in the field of scientific co-operation,

Bearing in mind also the desirability of further intensified development of such co-operation, particularly in the field of applied science and industrial technology,

1. Emphasizes the value of an increase in the international exchange of scientific and technical experience and calls especially upon the economically and technically most advanced countries to help and support the less developed countries in acquiring scientific and technical knowledge that would make possible an accelerated development and an increase in living standards;

2. Recommends that the Governments of Member States should encourage the further exchange of scientific and technical experience among countries and support, as far as their possibilities permit, international action undertaken to this end;

3. Requests the Secretary-General to consider, in consultation with the United Nations Educational, Scientific and Cultural Organization, other appropriate specialized agencies and the International Atomic Energy Agency, and in the light of the survey being prepared under General Assembly resolution 1260 (XIII), the possibilities of a further useful and desirable expansion of international contacts as well as an exchange of knowledge and experience in the field of applied science and technology, and the adequacy within the United Nations framework of existing machinery for technical co-operation and dissemination of scientific, technical and industrial know-how;

4. Requests the Secretary-General to report on this subject to the Economic and Social Council at its thirty-first session and to the General Assembly at its sixteenth session.

DRAFT RESOLUTION XI

Latin American common market

The General Assembly,

Recalling Economic and Social Council resolution 679 C (XXVI) of 10 July 1959, in which the Council considers it desirable gradually and progressively to establish a Latin American regional market on multilateral and competitive bases,

Taking note of resolution 6 (II) of the Trade Committee of the Economic Commission for Latin America, whose report was adopted by the Commission at its eighth session in resolution 168 (VIII), in which it decided "to intensify efforts conducive to the increase of economic co-operation among the countries of the region, with a view to constituting a Latin American common market",^{3/}

Considering that when the Economic and Social Council at its twenty-eighth session examined the report of the Economic Commission for Latin America, appreciation was expressed of the part the Commission had played in preparing plans for the establishment of a common market in the region,

1. Expresses its hope that the common market will be organized in such a way as to help to expand and diversify trade among the Latin American countries and between them and other regions of the world, and to accelerate their national

^{3/} According to the text of resolution 168 (VIII) the Latin American common market is to:

- (a) include all the Latin American countries which decide to participate in its formation;
- (b) remain open to the accession of other Latin American countries;
- (c) operate on competitive bases and comprise the largest possible number of products;
- (d) take into consideration the inequalities that exist among the Latin American countries in so far as their economic development is concerned;
- (e) be characterized by the progressive standardization of the customs tariffs and other instruments of trade policy of the Latin American countries, in their relations with other areas, due allowance being made for international commitments;
- (f) depend, for its realization, on the widest possible collaboration on the part of private enterprise;
- (g) promote increasing specialization in economic activities, in order to improve utilization of the production factors available in the region; and
- (h) contribute to the expansion and diversification of trade among the Latin American countries, and between them and the rest of the world.

and regional economic development, with a consequent rise in the level of living of their peoples;

2. Expresses its appreciation of the work to this end being carried out by the Economic Commission for Latin America;

3. Recommends that the Economic Commission for Latin America continue to assign high priority to the work being done in this field.

DRAFT RESOLUTION XII

Commission for Industrial Development

The General Assembly,

Recalling its resolutions 521 (VI) and 522 (VI) of 12 January 1952, 1033 (XI) of 26 February 1957, and Economic and Social Council resolutions 461 (XV) of 23 April 1953, 560 (XIX) of 7 April 1955, 597 A (XXI) of 4 May 1956, 618 (XXII) of 6 August 1956, 649 A (XXIII) of 2 May 1957, 674 A (XXV) of 1 May 1958, 709 (XXVII) of 17 April 1959,

Mindful of the aim expressed in the preamble of the Charter "to employ international machinery for the promotion of the economic and social advancement of all peoples" and of Articles 55 and 56 of the Charter,

Convinced that,

(a) the high rate of growth of population in a certain number of under-developed countries requires an acceleration of the industrial development of under-developed countries so that the rate of growth of their production may attain a steadily increasing level which would overtake the rate of increase in their populations,

(b) industrialization will promote the diversification of the economies of under-developed countries and assure a more balanced economic and social structure, and a high rate of economic development,

(c) it is important to attain the self-sustaining stage of economic development which involves the maximum reinvestment of the increases of income,

Recognizing that instability in the foreign exchange earnings of the under-developed countries, due to fluctuations in world commodity prices and in general economic activity in the more advanced countries makes it particularly important to encourage industrialization as an essential part of development programmes or plans,

Confident that the acceleration of the industrial development of under-developed countries by diversifying the economic structure of these countries will contribute to the achievement of an expanding world economy,

Considering that the process of industrial development calls for a wider dissemination of advanced technological knowledge which is not available at present to the needed extent in the under-developed countries,

Appreciating the activities of the United Nations regional economic commissions in the field of economic growth and industrialization in their respective regions,

Convinced of the need to expand the means of providing advice, information and assistance by the United Nations to under-developed countries in the planning and execution of their industrial development, to accelerate the process of industrialization and to keep the General Assembly informed of the pace of their industrial growth,

Recommends that, in accordance with Article 68 of the Charter of the United Nations, the Economic and Social Council at its twenty-ninth session give consideration to the prompt establishment of a Commission for Industrial Development, without prejudicing the activities of the regional economic commissions in this connexion, and taking into account the expression of views made during the discussion on this question at the fourteenth session of the General Assembly.
