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Agenda item 25

ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED COUNTRIES

Report of the Second Committee

Rapporteur: Mr. Omar HALIQ (Saudi Arabia)

1. The General Assembly, at its 380th plenary meeting held on 16 October 1952, decided to place on the agenda of its seventh session the following item:

"Economic development of under-developed countries:

"(a) Financing of economic development of under-developed countries:
report of the Economic and Social Council

"(b) Methods to increase world productivity: report of the
Economic and Social Council

"(c) Land reform: report of the Secretary-General

"(d) Technical assistance for the economic development of under-
developed countries".

It further decided, at its 382nd plenary meeting held on 17 October, to allocate the item to the Second Committee for consideration.

2. In connexion with its consideration of the item "Economic development of under-developed countries", the Second Committee agreed, at its 194th meeting, on 20 October 1952, to discuss simultaneously with this item chapter III of the report of the Economic and Social Council,^{1/} which was allocated to the Second Committee as a part of the item "Report of the Economic and Social Council (chapters II, III and VI (section I))" by the General Assembly at its plenary meeting referred to above.

^{1/} A/2172, Official Records of the General Assembly, Seventh Session, Supplement No. 3.

3. The General Assembly, in resolution 306 (IV) of 16 November 1949, recommended, inter alia, that the Economic and Social Council should include in its annual report a special chapter on the measures being taken to promote the economic development of the under-developed countries. In accordance with this request, the report of the Council to the General Assembly contains a chapter (chapter III) entitled "Economic development of under-developed countries", which also includes a section on technical assistance for economic development. The chapter describes the activities of the United Nations and the specialized agencies in the broad field of economic development during the period from the sixth session of the General Assembly to the end of the Council's fourteenth session. This chapter includes, inter alia, an account of action taken by the Council in response to General Assembly resolutions 520 (VI) on financing of economic development of under-developed countries, 521 (VI) on integrated economic development, 522 (VI) on methods to increase world productivity and 523 (VI) on integrated economic development and commercial agreements. The Council, in its resolution 433 B (XIV) of 22 July 1952, also recommended that the General Assembly should take certain action with respect to the Expanded Programme of Technical Assistance.

4. The Second Committee considered the item "Economic development of under-developed countries" during 46 meetings (See A/C.2/SR.195 - 240). The first fifteen meetings were devoted to a general debate on the subject, in which forty-six delegations, as well as representatives of the International Labour Organisation and of the Food and Agriculture Organization, took part. The Committee again discussed the several sub-items of item 25 when specific proposals were under consideration; in addition, sub-item 25 (b), "Methods to increase world productivity", was discussed at the 239th meeting although no proposal was before the Committee.

5. At the conclusion of the general debate, on 12 November 1952, the Committee had before it the following eleven specific proposals:

- (1) Technical assistance for the economic development of under-developed countries: a joint draft resolution on the Expanded Programme of Technical Assistance for the economic development of under-developed countries submitted by Brazil, Canada, Egypt, France, Pakistan, the Philippines, the United Kingdom and the United States of America (A/C.2/L.156, Corr.1 and Corr.2 (English Only)).

- (2) Financing of economic development of under-developed countries:
- (a) A draft resolution submitted by Chile (A/C.2/L.154 and Corr.1);
 - (b) A draft resolution submitted by Brazil (A/C.2/L.159);
 - (c) A joint draft resolution submitted by Egypt, Iraq, Lebanon and Saudi Arabia (A/C.2/L.161);
 - (d) A draft resolution submitted by Cuba (A/C.2/L.163);
 - (e) A draft resolution on financing of economic development through the establishment of fair and equitable international prices for primary commodities and through the execution of national programmes of integrated economic development submitted by Argentina (A/C.2/L.162, Corr. 1 (English only) and Corr. 2 (English only)).
- (3) Land reform:
- (a) A draft resolution submitted by Pakistan (A/C.2/L.158/Rev.1);
 - (b) A joint draft resolution on land reform and development of arid land and of water resources submitted by Egypt, India and Indonesia (A/C.2/L.160).
- (4) Migration and economic development: a draft resolution submitted by Uruguay (A/C.2/L.164);
- (5) A draft resolution on the "Right of each country to nationalize and freely exploit its natural wealth, as an essential factor of economic independence" submitted by Uruguay (A/C.2/L.165, Corr. 1 (French, Spanish and Russian only) and Corr. 2 (English only)).
- (6) Activities of regional economic commissions and economic development of under-developed countries: a draft resolution submitted by Chile (A/C.2/L.155).

6. The Second Committee agreed to group the specific proposals and amendments submitted and to consider them in the order listed in the preceding paragraph. They were grouped as follows: (1) technical assistance for economic development of under-developed countries; (2) financing of economic development of under-developed countries; (3) land reform; and the remaining proposals under (4) general aspects of economic development. Subsequently it proved more convenient to consider the draft resolution on migration and economic development under group (2).

Technical assistance for the economic development of under-developed countries

7. The Second Committee had before it a joint draft resolution on the Expanded Programme of Technical Assistance for the economic development of under-developed countries submitted by Brazil, Canada, Egypt, France, Pakistan, the Philippines, the United Kingdom and the United States of America (A/C.2/L.156, Corr. 1 and Corr. 2 (English only)). This proposal was considered by the Committee at its 209th to 212th meetings and both the Expanded Programme of Technical Assistance and the regular United Nations technical assistance programme were discussed at these meetings. Twenty-seven delegations, as well as the Executive Chairman of the Technical Assistance Board and the Director-General of the United Nations Technical Assistance Administration, took part in the discussion.

8. The proposal (a) noted with satisfaction the action taken by the Economic and Social Council in its resolution 433 A (XIV); (b) approved the financial arrangements made by the Council; (c) urged governments to contribute to the programme for the year 1953 towards the goal of \$25 million; (d) urged governments which have not paid their pledges for the first or second financial periods to make early payments. Four amendments to the draft resolution were submitted by Ecuador (A/C.2/L.167 and Corr. 2 (French and Spanish only)). The first two of these amendments, to the first and second paragraphs of the preamble of the joint draft resolution, were accepted by the sponsors at the 212th meeting. The second part of the fourth amendment proposed the addition of a new paragraph to the operative part of the draft resolution requesting the Council to present to the General Assembly at its next regular session proposals which would aim at the establishment of financial arrangements for a period of four years and envisaging a possible goal of \$40 million for 1954. The discussion on this part of the last amendment indicated a consensus of opinion that, while longer range planning was desirable for financing the Expanded Programme of Technical Assistance it would be better to leave the naming of an amount and the manner of the planning to the Council. After revision by Ecuador (A/C.2/L.167/Corr. 1), this part of the amendment was accepted by the sponsors at the 212th meeting. The third amendment by Ecuador, adding a new paragraph to the preamble of the draft resolution, was adopted by 46 votes to none, with 6 abstentions; the first part of the fourth amendment, which proposed the addition of a new paragraph to the operative part of the draft resolution concerning arrangements for negotiations by the Negotiating

Committee for Extra-Budgetary Funds with governments regarding their pledges to the Special Account for the year 1954, was adopted by 39 votes to none, with 13 abstentions. A roll-call vote was requested on the second paragraph of the preamble of the draft resolution, as amended, and it was adopted by 47 votes to none, with 5 abstentions (see A/C.2/SR.212). The joint draft resolution as a whole was adopted by 46 votes to none, with 5 abstentions. The text is reproduced as draft resolution I annexed to the present report.

Financing of economic development of under-developed countries

9. The Committee had before it the following six draft resolutions concerning the financing of economic development of under-developed countries:

- (1) A draft resolution submitted by Chile (A/C.2/L.154 and Corr. 1) (a) noted with appreciation that the Secretary-General had prepared a working paper (E/2234) on the establishment of a special fund for grants-in-aid and for low-interest, long-term loans to under-developed countries; (b) noted also that the Economic and Social Council had been unable to submit to the General Assembly at its seventh session a detailed plan for such a fund and that, under its resolution 416 A (XIV), it had established a committee to complete a draft of a detailed plan not later than 1 March 1953; (c) requested the Council to submit a detailed plan to the General Assembly at its eighth session, keeping in mind that it was necessary to give special attention to the problem of international financing of economic and social development through international co-operation within the framework of the United Nations; and (d) requested the Secretary-General to place before the committee appointed under Council resolution 416 A (XIV) the records of the discussion of the matter at the seventh session of the General Assembly.
- (2) A draft resolution submitted by Brazil (A/C.2/L.159) (a) approved the action taken by the Economic and Social Council in its resolution 416 C (XIV) concerning the question of the establishment of an international finance corporation; and (b) requested the Secretary-General to place at the disposal of the International Bank for Reconstruction and Development the records of the discussion of this matter at the seventh session of the General Assembly.

(3) A joint draft resolution submitted by Egypt, Iraq, Lebanon and Saudi Arabia (A/C.2/L.161) (a) requested the Secretary-General to include in an early future world economic report an analysis of the international flow of private capital; (b) requested the Economic and Social Council to give attention at an early session to the question of private foreign investment, particularly the adequacy of its flow into under-developed countries and the steps which might stimulate such flow; and (c) requested the International Bank for Reconstruction and Development to expedite its examination and preparation of a final report on the establishment of an international finance corporation in conformity with Economic and Social Council resolution 416 C (XIV) so that the Council could be informed during 1953.

(4) A draft resolution submitted by Cuba (A/C.2/L.163) (a) requested the Economic and Social Council to give effect during 1953 to the operative part of General Assembly resolution 520 (VI) concerning a special fund for grants-in-aid and for low-interest, long-term loans to under-developed countries and to submit to the Assembly at its eighth session all the materials concerning the establishment of such a fund, as well as concerning the establishment of the international finance corporation referred to in Council resolution 416 C (XIV); and (b) proposed the inclusion in the agenda of the eighth session of the Assembly of the items concerning the establishment of the special fund and of the international finance corporation with a view to ascertaining, inter alia, the desirability of convening a conference of the governments concerned regarding these matters.

(5) A draft resolution submitted by Argentina (A/C.2/L.162, Corr. 1 (English only) and Corr. 2 (English only)) contained recommendations to Member States concerning (a) those measures their governments adopt which affect the prices of primary commodities entering international trade; (b) the production of synthetic or substitute materials that unnecessarily affect the international demand for natural primary commodities; and (c) reductions in restrictions on imports of primary commodities. It also recommended that countries in the process of development should adopt and give effect to national programmes of integrated economic development conducive to the rational utilization of the

proceeds from their primary activities, to the absorption of their surplus active population and to the improvement of their living standards; in addition, it proposed (a) an expansion along specified lines of the study being prepared by the Secretary-General under Economic and Social Council resolution 427 (XIV) and the setting up of a small group of experts who, on their own responsibility, would prepare during 1953 a report on such practical measures as it might be advisable to adopt pursuant to recommendations in the draft resolution.

(6) A draft resolution submitted by Uruguay (A/C.2/L.164) (a) recommended that countries of immigration and emigration should conclude bilateral agreements with a view to the equipment, transfer and resettlement of groups of emigrants; and (b) requested the financial co-operation of the International Bank for Reconstruction and Development for this purpose.

10. The Committee agreed, at its 212th meeting, to consider as a group the first four proposals and amendments thereto. An amendment was submitted by Brazil (A/C.2/L.157) to the draft resolution by Chile (A/C.2/L.154 and Corr. 1). The Committee, at its 213th meeting, considered this group of proposals and agreed to establish a working group to attempt the drafting of a joint draft resolution embodying the substance of the four proposals and the amendment referred to above. The working group, presided over by the Chairman of the Committee, prepared a report (A/C.2/L.170 and Corr. 1 (French only)), in which it unanimously recommended a draft resolution consisting of three parts, A, B and C, dealing, respectively, with (a) the establishment of a special fund for grants-in-aid and long-term, low-interest loans for the economic development of under-developed countries; (b) the establishment of an international finance corporation; and (c) the stimulation of the international flow of private capital for the economic development of under-developed countries. The original draft resolutions and the amendment which had been referred to the working group (A/C.2/L.154 and Corr. 1, 157, 159, 161 and 163) were then withdrawn by the sponsors.

11. The draft resolution contained in the report of the working group was discussed at the Committee's 214th and 215th meetings. An amendment by Guatemala (A/C.2/L.172), proposing to add, at the end of the last paragraph of part C of the draft resolution (concerning steps which might be taken to stimulate the flow of

private capital to under-developed countries), the words "so that it may effectively contribute to the harmonious and adequate integration of their economies and to their economic and social development" was adopted by 44 votes to none, with 7 abstentions. Part A of the draft resolution was then adopted by 46 votes to none, with 5 abstentions; part B by 46 votes to none, with 5 abstentions; and part C, as amended, by 45 votes to none, with 6 abstentions. The text of the three parts is reproduced as draft resolution II annexed to the present report.

12. The draft resolution proposed by Argentina (A/C.2/L.162 and Corr. 1 (English only) and Corr. 2 (English only)) was considered by the Committee at its 214th to 222nd meetings. The following amendments were submitted: (a) jointly by Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua (A/C.2/L.169, subsequently modified as A/C.2/L.169/Rev.1), proposing the revision of the preamble and the addition of a new operative paragraph concerning international agreements relating to primary commodities; (b) by Greece (A/C.2/L.173), proposing a substitute for paragraph 4 (a), (containing recommendations to Member States concerning those measures their governments adopt which affect the prices of primary commodities entering international trade); (c) by Chile (A/C.2/L.174), proposing the addition of a new operative paragraph concerning the transmittal of the records of the discussion on the item to the group of experts provided for in the draft resolution; (d) by Indonesia (A/C.2/L.175), proposing the revision of the preamble and the addition of a new operative sub-paragraph containing recommendations concerning the problem of undue fluctuations of the terms of trade; and (e) by Brazil (A/C.2/L.177) proposing a revision of the preamble. A sub-amendment was submitted by Indonesia (A/C.2/L.176) to the joint amendment by Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua (A/C.2/L.169/Rev.1), proposing modifications in the new operative paragraph proposed by the sponsors of the joint draft amendment concerning international agreements relating to primary commodities. This sub-amendment was accepted by the sponsors at the 218th meeting of the Committee, after the representative of Indonesia had agreed to insert the word "multilateral" after the words "co-operate in establishing" in point 1 of the sub-amendment. At the same meeting, Argentina revised its original draft resolution by taking into account

(A/C.2/L.162/Rev.1) the following amendments, which were as a consequence withdrawn by the sponsors: the joint amendment by Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua (A/C.2/L.169/Rev.1) with the sub-amendment of Indonesia (A/C.2/L.176), and the amendments by Chile (A/C.2/L.174) and by Indonesia (A/C.2/L.175). A second revision by Argentina (A/C.2/L.162/Rev.2 and Corr.1 (Spanish only)) incorporated some of the amendments proposed by Brazil (A/C.2/L.177) which were then withdrawn at the 219th meeting of the Committee.

13. In addition to the amendment by Greece (A/C.2/L.173) which was still before the Committee, several new amendments were introduced to the second revised draft by Argentina: (a) by France (A/C.2/L.179), amending several sub-paragraphs of paragraph 4 (point 1 of the French amendment was withdrawn by the sponsor at the 219th meeting); (b) jointly by Denmark, Norway and Sweden (A/C.2/L.180), proposing the replacement of the paragraphs regarding the group of experts with a new operative paragraph which would provide for a study by the Economic and Social Council; (c) jointly by eleven sponsors, Australia, Belgium, Canada, Denmark, France, Greece, Netherlands, New Zealand, Norway, Sweden and the United Kingdom (A/C.2/L.181 and Corr.1), (i) modifying the preamble, (ii) revising the operative sub-paragraph regarding the prices of primary commodities entering international trade, (iii) deleting the operative sub-paragraphs regarding undue fluctuations of the terms of trade and the production of synthetic or substitute materials, and (iv) replacing the operative paragraph on international arrangements relating to primary commodities and adding a new operative paragraph requesting the Secretary-General to prepare a study concerning synthetic products; (d) by India (A/C.2/L.182) replacing the operative sub-paragraph regarding recommendations to governments of Member States concerning the production of synthetic or substitute materials with a new operative paragraph requesting the Secretary-General to prepare a study concerning synthetic products and modifying the operative paragraph regarding a

group of experts with respect to the disposition of their report; and (e) by Brazil (A/C.2/L.183) modifying the operative paragraph concerning international arrangements relating to primary commodities. In view of the eleven-Power joint amendment (A/C.2/L.181 and Corr.1), France and Greece withdrew their amendments (A/C.2/L.179 and A/C.2/L.173 respectively) at the 221st meeting of the Committee. At the same meeting, the representative of Argentina accepted the amendment proposed by India (A/C.2/L.182) and, at the 222nd meeting, accepted the first two points of the eleven-Power joint amendment (A/C.2/L.181 and Corr.1) transposing sub-paragraphs (a) and (b) in the third paragraph of the preamble, and replacing the words "that such measures should allow for" in sub-paragraph (b) of that paragraph by the words "that in formulating measures for financing economic development consideration should be given to". The representative of Argentina also accepted a verbal suggestion made by the representative of Indonesia at the 219th meeting to reword the latter part of sub-paragraph (d) of the fourth paragraph of the preamble to read: "and so hampers not only the acquisition of the necessary amounts of external means of payment, but also the formation of sufficient domestic savings". In view of the acceptance by Argentina of the amendment by India (A/C.2/L.182), the sponsors of the eleven-Power joint amendment withdrew point 12 of their amendment concerning a study of synthetic products. Point 9 of their amendment became unnecessary since it was identical with a part of the amendment by India.

14. The second text of the revised draft resolution by Argentina (A/C.2/L.162/Rev.2 and Corr.1 (Spanish only)) and the amendments thereto were voted upon at the 222nd meeting. In this connexion, the Committee had before it a statement of financial implications of this draft resolution submitted by the Secretary-General in accordance with rules 152 and 153 of the rules of procedure of the General Assembly (A/C.2/L.162/Add.1). This statement was supplemented by a verbal statement made at that meeting by the Principal Director of the Department of Economic Affairs. The eleven-Power joint amendment (A/C.2/L.181 and Corr.1) was voted upon point by point, with the following results:

Point 3 was rejected by 20 votes to 20, with 11 abstentions
Point 4 was rejected by 30 votes to 16, with 8 abstentions - (roll-call)
Point 5 was rejected by 31 votes to 15, with 8 abstentions - (roll-call)
Point 6 was rejected by 22 votes to 19, with 13 abstentions - (roll-call)
Point 7 was rejected by 32 votes to 16, with 7 abstentions - (roll-call)
Point 8 was rejected by 35 votes to 16, with 4 abstentions - (roll-call)
Point 11 was rejected by 29 votes to 16, with 10 abstentions - (roll-call)
(No vote was necessary on Point 10 as it was consequential to an amendment which was rejected.)

A roll-call vote was requested and taken on the amendment by Brazil (A/C.2/L.183); the amendment was adopted by 27 votes to 13, with 15 abstentions. The joint amendment by Denmark, Norway and Sweden (A/C.2/L.180) was rejected by 27 votes to 17, with 7 abstentions. The revised draft resolution by Argentina, as amended, was voted upon paragraph by paragraph with the following results:

The first paragraph of the preamble was adopted by 38 votes to none, with 14 abstentions.

The second paragraph of the preamble was adopted by 41 votes to none, with 13 abstentions.

Sub-paragraph (a) of the third paragraph of the preamble (sub-paragraph (b) in A/C.2/L.162/Rev.2) was adopted by 37 votes to none, with 17 abstentions.

Sub-paragraph (b) of the third paragraph of the preamble (sub-paragraph (a) in A/C.2/L.162/Rev.2 and incorporating point 2 of the eleven-Power joint amendment which was accepted by the sponsors) was adopted by 38 votes to none, with 16 abstentions.

Sub-paragraph (c) of the third paragraph of the preamble was adopted by 33 votes to 8, with 12 abstentions.

Sub-paragraph (d) of the third paragraph of the preamble was adopted by 36 votes to 5, with 11 abstentions.

Sub-paragraph (e) of the third paragraph of the preamble was adopted by 34 votes to none, with 17 abstentions.

Sub-paragraph (f) of the third paragraph of the preamble was adopted by 37 votes to 9, with 6 abstentions.

First operative paragraph:

Sub-paragraph (a) was adopted by 33 votes to 15, with 6 abstentions. (roll-call)

Sub-paragraph (b) was adopted by 36 votes to 2, with 15 abstentions.

Sub-paragraph (c) (sub-paragraph (d) in A/C.2/L.162/Rev.2) was adopted by 37 votes to none, with 18 abstentions. (roll-call)

Second operative paragraph:

Introductory part (as amended by Brazil (A/C.2/L.183)) - no vote was necessary since this introductory part had previously been adopted.

Sub-paragraph (a) was adopted by 29 votes to 14, with 11 abstentions.

Sub-paragraph (b) was adopted by 33 votes to 3, with 17 abstentions.

The third operative paragraph was adopted by 40 votes to none, with 14 abstentions.

The fourth operative paragraph was adopted by 43 votes to none, with 12 abstentions.

The fifth operative paragraph (point 2 of the amendment by India (A/C.2/L.182) which was accepted by the sponsor) was adopted by 36 votes to none, with 18 abstentions.

The sixth operative paragraph (as modified by point 4 of the amendment by India (A/C.2/L.182) which was accepted by the sponsor) was adopted by 32 votes to 10, with 10 abstentions.

The seventh operative paragraph was adopted by 30 votes to 3, with 17 abstentions.

The draft resolution as a whole, as amended, was adopted by a roll-call vote of 29 to 16, with 9 abstentions. The text is reproduced as draft resolution III annexed to the present report.

15. The draft resolution by Uruguay (A/C.2/L.164) on migration and economic development was considered by the Committee at its 223rd and 224th meetings. Amendments to the proposal were submitted (a) jointly by Belgium and France (A/C.2/L.168), (i) modifying the first operative paragraph so that it would recommend to Member States the conclusion not only of bilateral but also of multilateral agreements with a view to the equipment, transfer and resettlement of groups of emigrants, and (ii) replacing the second operative paragraph by a new paragraph in which co-operation for this purpose would be requested of all competent international agencies, and in particular of the International Bank for

Reconstruction and Development, in the form of financial or other assistance consistent with their constitutional provisions; (b) by Australia (A/C.2/L.171) modifying the preamble; and (c) by Greece (A/C.2/L.178), (i) modifying the preamble, (ii) adding the words "as part of general economic development" at the end of the first operative paragraph, and (iii) replacing the second operative paragraph with a new paragraph requesting the active co-operation of the Secretary-General, of the specialized agencies and of other international organizations, and in particular of the International Bank for Reconstruction and Development, for the transfer, equipment and training of emigrants, in the form of economic financial or administrative assistance consistent with their constitutional provisions. Uruguay revised its draft resolution to take into account these three amendments (A/C.2/L.164/Rev.1).

16. In the course of the discussion of the revised proposal at the 223rd meeting, verbal amendments were proposed by the representatives of China and Greece and an amendment was submitted by France (A/C.2/L.185). These were taken into account by Uruguay at the 224th meeting in a new draft of the last operative paragraph (A/C.2/L.164/Rev.1/Corr.1). An amendment by Haiti (A/C.2/L.184) adding the words "without racial or religious discrimination" in the preamble was adopted by the Committee by a roll-call vote of 21 to none, with 28 abstentions. The revised draft resolution by Uruguay (A/C.2/L.164/Rev.1 and Corr.1), as amended was voted upon with the following results:

The preamble and the first operative paragraph, as amended, were adopted by 28 votes to none, with 19 abstentions.

The second operative paragraph was adopted by 28 votes to none, with 21 abstentions.

The draft resolution as a whole, as amended, was adopted by a roll-call vote of 29 to none, with 20 abstentions.

The text is reproduced as draft resolution IV annexed to the present report.

Land reform

17. The Committee considered two proposals at its 224th to 230th meetings - (a) a draft resolution on land reform submitted by Pakistan (A/C.2/L.158/Rev.1) and (b) a draft resolution on land reform and development of arid land and of water resources submitted jointly by Egypt, India and Indonesia (A/C.2/L.160). In connexion with the question of land reform (sub-item 25 (a)), the Committee also had before it the progress report of the Secretary-General (A/2194 and Add.1 containing the text of the land reform questionnaire) submitted under General Assembly resolution 524 (VI); in the course of the discussion the Committee heard the Principal Director of the Department of Economic Affairs and the representative of the Food and Agriculture Organization.

18. An amendment by China (A/C.2/L.186), to both operative paragraphs of the draft resolution by Pakistan (A/C.2/L.158/Rev.1), was accepted by the sponsor at the 226th meeting. The representative of Pakistan also accepted a verbal suggestion made by the representative of Australia to insert the words "the feasibility of" before the words "financing of land reform" in the last operative paragraph, and a suggestion by the Rapporteur to insert the words "long-term" before the word "loans" in the same paragraph. A separate vote on this paragraph in its revised form was requested and taken at the 230th meeting; the paragraph was adopted by 42 votes to none, with 9 abstentions. The Committee adopted the draft resolution proposed by Pakistan as a whole, as amended, by 47 votes to none, with 5 abstentions. The text is reproduced as part A of draft resolution V annexed to the present report.

19. At the 225th meeting, Egypt, India and Indonesia submitted a revision of their joint proposal. This revision (A/C.2/L.160/Rev.1 and Corr.1 (Spanish only)) modified the original proposal on land reform and development of arid land and of water resources in such a manner as to confine it to land reform; it also deleted the last operative paragraph which had requested the Economic and Social Council to report to each session of the General Assembly on the progress made in the field covered by the draft resolution. The sponsors then accepted, at the 226th meeting, an amendment by the United States of America (A/C.2/L.187) proposing to add a new operative paragraph concerning assistance by the Secretary-General to Member Governments in publicizing the actions of the General Assembly and the

Economic and Social Council on the question of land reform. The joint draft resolution was then adopted, in its revised form, at the 230th meeting, by 52 votes to none, with no abstentions. The text is reproduced as part B of draft resolution V annexed to the present report.

General aspects of economic development

20. The Second Committee had before it the following two draft resolutions which it considered as proposals concerning general aspects of economic development:

(a) By Uruguay (A/C.2/L.165, Corr.1 (French, Spanish and Russian only), and Corr.2 (English only)) on the "Right of each country to nationalize and freely exploit its natural wealth, as an essential factor of economic independence";

(b) By Chile (A/C.2/L.155) on activities of regional economic commissions and economic development of under-developed countries.

21. The draft resolution by Uruguay proposed, in its operative part, to recommend that Member States should recognize the right of each country to nationalize and freely exploit its natural wealth, as an essential factor of economic independence. This draft resolution was considered by the Committee at its 231st to 238th meetings. An amendment by Bolivia (A/C.2/L.166) proposed to replace the operative part of the Uruguayan proposal with a recommendation that Member States "in deference to the right of each country to nationalize and exploit its natural wealth, should not use their governmental and administrative agencies as instruments of coercion or political or economic intervention". The sponsor of the draft resolution revised his proposal by replacing the words "Recommend that Member States should recognize" by the words "Recommend Member States respect" (A/C.2/L.165/Corr.3). The draft resolution was subsequently resubmitted jointly by Bolivia and Uruguay (A/C.2/L.165/Rev.1), Bolivia withdrawing its amendment (A/C.2/L.166). In its revised form the joint proposal recommended Member States "to maintain proper respect for the right of each country freely to use and exploit its natural wealth and resources as an indispensable factor in progress and economic development, and therefore to refrain from the use of any direct or indirect pressure such as might jeopardize, on the one hand, the execution of programmes of integrated economic development

or the economic stability of the under-developed countries, or, on the other hand, mutual understanding and economic co-operation between the nations of the world". An amendment by the United States of America (A/C.2/L.188) proposed to replace the operative paragraph of the draft resolution with the following four paragraphs:

"Bearing in mind the need to maintain mutual understanding and economic co-operation between the nations of the world,

"Recommends that Member States maintain proper respect for the right of each country freely to decide for itself whether its progress and economic development can best be furthered by having its natural wealth and resources developed by private initiative or by government enterprise or by both;

"Recommends further that when countries decide that it is beneficial to their progress and economic development that they should themselves use and exploit some or all of their natural wealth and resources, Member States should refrain from consequential action of a nature contrary to the principles of international law and practice, and to the provisions of international agreements;

"Recommends further that countries deciding to develop their natural wealth and resources should refrain from taking action, contrary to the applicable principles of international law and practice and to the provisions of international agreements, against the rights or interests of nationals of other Member States in the enterprise, skills, capital, arts or technology which they have supplied".

An amendment by India (A/C.2/L.189) proposed to substitute the following two paragraphs for the operative part:

"Recommends all Member States, in the exercise of their right freely to use and exploit their natural wealth and resources wherever deemed desirable by them for their own progress and economic development, to have due regard, consistently with their sovereignty, to the need for the maintenance of mutual confidence and economic co-operation among nations;

"Recommends further all Member States to refrain from acts, direct or indirect, designed to impede the exercise of the sovereignty of any State over its natural resources".

22. At the 236th meeting, the representative of Denmark proposed the adjournment of the debate under rule 115 of the rules of procedure. The sponsor of the motion explained that adjournment was desirable since the matter would be fully discussed in the Economic and Social Council and in the coming session of the General Assembly in connexion with the Human Rights Covenants, which contain a draft clause dealing with this matter. A motion by the representative of Saudi Arabia to adjourn the meeting was then carried. At the 237th meeting, a roll-call vote was requested and taken on the motion to adjourn the debate. The motion was rejected by 28 votes to 16, with 7 abstentions. A motion by Saudi Arabia to close the debate under rule 116 of the rules of procedure was adopted by 25 votes to 3, with 16 abstentions.

23. The United States amendment (A/C.2/L.188) was voted upon with the following results:

The second paragraph was adopted by 21 votes to 19, with 7 abstentions.

The third paragraph was adopted by 20 votes to 18, with 8 abstentions.

The fourth paragraph was rejected by a roll-call vote of 27 to 15, with 8 abstentions.

The first paragraph was then adopted by 34 votes to none, with 13 abstentions. The Indian amendment (A/C.2/L.189) was then accepted by the sponsors of the joint draft resolution.

The three adopted parts of the United States amendment were then put to a vote as a whole and rejected by a roll-call vote of 28 to 17, with 5 abstentions. A roll-call was then requested and taken on the joint draft resolution of Bolivia and Uruguay (A/C.2/L.165/Rev.1) in its revised form (incorporating the Indian amendment (A/C.2/L.189)). The joint draft resolution was adopted by 31 votes to 1, with 19 abstentions.

The text is reproduced as draft resolution VI annexed to the present report.

24. The draft resolution by Chile (A/C.2/L.155) on the activities of regional economic commissions and economic development of under-developed countries was considered by the Committee at its 239th and 240th meetings. The sponsor resubmitted the proposal in a revised form (A/C.2/L.155/Rev.1/Corr.1 (Spanish only) and Corr.2 (Spanish only)), incorporating amendments by the United States of America (A/C.2/L.190) as modified orally by the sponsor, by the United Kingdom (A/C.2/L.191), as modified orally by the sponsor, and by France (A/C.2/L.193).

The sponsor of the draft resolution also incorporated in the revised draft of his proposal an oral amendment made by the representative of the United States of America to the second of two amendments proposed by Ecuador (A/C.2/L.192), which the representative of Ecuador accepted. Several oral amendments were then made at the 240th meeting to the Chilean draft proposal in its revised form: an amendment by the representative of the United States of America to the preamble was accepted by the sponsor, and an amendment by the representative of Saudi Arabia as modified by the representative of India, was also accepted by the sponsor. The first of the two amendments by Ecuador (A/C.2/L.192), orally amended by the representative of France was also accepted by the sponsor. The Committee then adopted the Chilean revised draft resolution, as modified, by 37 votes to none, with 8 abstentions.

The text is reproduced as draft resolution VII annexed to the present report.

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

RESOLUTION I

Expanded Programme of Technical Assistance for the economic development of under-developed countries

The General Assembly,

Believing that the Expanded Programme of Technical Assistance has demonstrated its value as an effective international means of assisting in the economic development of under-developed countries,

Convinced that the expansion of the Programme and its continued progress can make an important contribution to the achievement of higher standards of living for the peoples of under-developed areas,

Recognizing that governments requesting technical assistance, on the one hand, and the participating organizations of the Technical Assistance Board, on the other hand, would be able more effectively to plan and administer their programmes in the future if they had information concerning the amounts of money to be pledged by contributing governments at an earlier date than has been possible in respect of the first three years of operation under the Expanded Programme,

1. Notes with satisfaction the action taken by the Economic and Social Council under resolution 433 A (XIV) of 11 June 1952;
2. Approves the financial arrangements set forth in the Annex hereto as agreed by the Economic and Social Council in paragraph 4 of its resolution 433 B (XIV) of 22 July 1952;
3. Urges governments to contribute to the programme for the year 1953 towards the goal of \$25 million suggested by the Economic and Social Council in resolution 433 B (XIV);
4. Urges governments which have not paid their pledges for the first or second financial periods to the Expanded Programme to make early payment to the Special Account;
5. Requests the Negotiating Committee for Extra-Budgetary Funds, appointed pursuant to the General Assembly's resolution of 25 October 1952, to undertake, in addition to already assigned tasks and as soon as convenient after the closing of the sixteenth session of the Economic and Social

Council, negotiations with governments regarding their pledges to the Special Account for the year 1954 towards the goal to be suggested by the Council at that session;

6. Requests the Council to study the feasibility of working out estimates for the programme on a basis longer than a one-year period, and to report thereon to the General Assembly at its eighth session.

ANNEX

Financial arrangements

(Agreed by the Economic and Social Council
under paragraph 4 of its resolution 433 B (XIV))

Contributions received for the third financial period shall be allocated as follows:

- (i) Fifty per cent of total pledges for 1953, up to but not exceeding \$10 million, shall be automatically available for allocation to the participating organizations in accordance with paragraph 8 (c)^{1/} of Council resolution 222 A (IX), as amended, out of the contributions received for the third financial period;
- (ii) The balance of contributions received shall be retained in the Special Account for further allocation, as provided in the resolution of the Technical Assistance Committee of 23 May 1952, approved by the Economic and Social Council on 11 June 1952, in resolution 433 A (XIV).

^{1/} Formerly paragraph 9 (c).

RESOLUTION II

Financing of economic development of under-developed countries

A

The General Assembly,

Having in mind the obligations assumed by the governments of Member States under Articles 55 and 56 of the Charter of the United Nations,

Recalling its resolutions 400 (V) of 20 November 1950 and 520 A (VI) of 12 January 1952,

Taking note of Economic and Social Council resolutions 294 C (XI) of 12 August 1950, 342 (XII) of 20 March 1951, 368 (XIII) of 22 August 1951 and 416 A (XIV) of 23 June 1952,

1. Notes with appreciation that the Secretary-General has prepared a working paper^{1/} setting out alternative approaches to the establishment of a special fund for grants-in-aid and low-interest, long-term loans to under-developed countries for the purpose of helping them, at their request, to accelerate their economic development and to finance non-self-liquidating projects which are basic to their economic development;
2. Notes also that, for reasons beyond its control, the Economic and Social Council was unable to submit to the General Assembly at its seventh session a detailed plan for establishing such a special fund but that the Council, by resolution 416 A (XIV), has established a committee for the purpose of drafting a detailed plan to be completed not later than 1 March 1953;
3. Requests the Council to submit to the General Assembly at its eighth session the detailed plan referred to in paragraphs 1 and 2 of General Assembly resolution 520 A (VI), including recommendations for a special fund for grants-in-aid and for low-interest, long-term loans, and to keep in mind that, especially in the present state of world tension, it is necessary to give special attention to the problem of international financing

^{1/} E/2234. This working paper is briefly described in paragraph 335 of the last report of the Economic and Social Council, Official Records of the General Assembly, Seventh Session, Supplement No. 3.

of economic and social development through international co-operation within the framework of the United Nations;

4. Requests the Secretary-General to place before the committee appointed under Council resolution 416 A (XIV) the records of the discussion on this subject at the fourteenth session of the Economic and Social Council as well as at the seventh session of the General Assembly;

5. Decides to include in the agenda of its eighth session an item concerning the establishment of a special fund, with a view to considering practical methods for establishing the fund as soon as circumstances permit.

B

The General Assembly,

Taking note with satisfaction of the preliminary report by the International Bank for Reconstruction and Development^{1/} which had been requested by the Economic and Social Council, in its resolution 368 (XIII) of 22 August 1951, to consider the potential contribution an international finance corporation could make to promote economic development through the financing of productive private enterprise in under-developed countries,

Recalling that the Economic and Social Council, in its resolution 416 C (XIV) of 23 June 1952, requested the International Bank for Reconstruction and Development to continue its examination of the proposal and, in the light of that further examination, to seek the views of its member governments on the desirability of establishing such a corporation, and to inform the Council during 1953 of the results of its further examination of the proposal and the action it has taken concerning it,

Considering that the questions relating to the establishment of an international finance corporation have been discussed by the Economic and Social Council at several sessions, and that consultations are in progress with a view to defining more clearly in what respects this proposal can be made practicable with the object of providing greater facilities for financing the development of under-developed countries,

1. Looks forward to the early completion of their tasks by the International Bank for Reconstruction and Development and the Economic and Social Council;
2. Requests the Secretary-General to place at the disposal of the International Bank the records of the discussion on this subject at the seventh session of the General Assembly;
3. Requests the Economic and Social Council to report to the General Assembly at its eighth session on the progress made in regard to the proposal for the establishment of an international finance corporation.

C

The General Assembly,

Considering:

- (a) The importance of stimulating the international flow of private capital for the economic development of under-developed countries,
- (b) The work already done in this field by the Economic and Social Council, by its regional commissions and by the specialized agencies, as well as the various studies on the question which have been prepared by the governments of various Member States, by the Secretary-General and by a number of non-governmental organizations,
- (c) That certain governments have taken action designed to stimulate the flow of private capital for economic development purposes,
- (d) That, despite the efforts already made in this regard, the flow of private capital is not yet adequate to cover the needs of the under-developed countries,

1. Requests the Secretary-General:

- (a) To include in an early future world economic report an analysis of the international flow of private capital, including the volume and direction of that flow as well as the types and the fields of application of such investment and any reasons for the continued inadequacy of such investment in under-developed countries, so as to facilitate the Council's efforts in its formulation of constructive proposals;

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(b) To prepare a memorandum for the Economic and Social Council summarizing the work done, the studies conducted and the action taken, as referred to in sub-paragraphs (b) and (c) of the preamble to the present resolution;

2. Requests the Economic and Social Council, in the course of its consideration of the question of financing economic development in the light of the analysis and of the memorandum referred to in paragraph 1 above, to give attention at an early session to the steps which the United Nations, the specialized agencies and the governments of Member States might take to stimulate the steady flow into under-developed countries of private capital in adequate amounts, so that it may effectively contribute to the harmonious and adequate integration of the economies of those countries and to their economic and social development.

RESOLUTION III

Financing of economic development through the establishment of fair and equitable international prices for primary commodities and through the execution of national programmes of integrated economic development

The General Assembly,

Taking into account the relevant passages of General Assembly resolutions 307 (IV), 403 (V), 404 (V), 521 (VI) and 523 (VI), of Economic and Social Council resolutions 341 (XII), 416 F (XIV) and 427 (XIV), as well as the suggestions of the group of experts appointed in pursuance of Council resolution 290 (XI),

Recognizing that the problem of financing the economic development of countries in the process of development is fundamental to the maintenance of the peace of mankind, and that, therefore, high priority should be given to the consideration of its practical solution in international economic relations,

Considering:

- (a) That the urgent and satisfactory solution of this problem requires the full utilization of all sources of financing, among which the ability to obtain adequate and stable proceeds from exports is one of the most important for all under-developed countries,
- (b) That, in formulating measures for financing economic development, consideration should be given to the influence on their economic development of the terms of trade of the countries supplying primary commodities,
- (c) That, without prejudice to the international and national measures already recommended for financing economic development, special attention should be given to the correction of maladjustments resulting from cyclical fluctuations in the prices of individual primary commodities and from secular movements in their value as a group in terms of manufactured goods,
- (d) That the economic prosperity of countries in the process of development is especially vulnerable to wide short-term fluctuations in the prices of primary commodities which affect their terms of trade, and that any deterioration in the terms of trade affects the economic development and monetary equilibrium of these countries and so hampers not only the acquisition of the necessary amounts of external means of payment but also the formation of sufficient domestic savings,

- (e) That the implementation of plans of integrated economic development contributes to the mitigation of the consequences of such fluctuations or of any deterioration in the terms of trade,
- (f) That in order to make such programmes possible it is necessary both for the highly industrialized nations and for the nations in the process of development to encourage the formation of appropriate domestic savings in the latter,

1. Recommends to Member States that:

- (a) Whenever governments adopt measures affecting the prices of primary commodities entering international trade, they should duly consider the effect of such measures on the terms of trade of countries in the process of development, in order to ensure that the prices of primary commodities are kept in an adequate, just and equitable relation to the prices of capital goods and other manufactured articles so as to permit the more satisfactory formation of domestic savings in the countries in the process of development and to facilitate the establishment of fair wage levels for the working populations of these countries with a view to reducing the existing disparity between their standards of living and those in the highly industrialized countries;
- (b) Without prejudice to the recommendation contained in sub-paragraph (a) above, their governments should give serious consideration to all other aspects of the problem of undue fluctuations in the terms of trade;
- (c) Their governments should intensify their efforts to reduce restrictions on imports of primary commodities;

2. Recommends that governments co-operate in establishing multilateral as well as bilateral international agreements or arrangements relating to individual primary commodities as well as to groups of primary commodities and manufactured goods, for the purpose of:

- (a) Ensuring the stability of the prices of the said commodities in keeping with an adequate, just and equitable relationship between these prices and those of capital goods and other manufactured articles;
- (b) Safeguarding the continuity of the economic and social progress of all countries, those producing as well as those consuming raw materials;

3. Recommends that the countries in the process of development should adopt and give effect to national programmes of integrated economic development conducive to the rational utilization of the proceeds of their primary activities, the absorption of their surplus active population and the improvement of their standards of living;
4. Requests the Secretary-General to include in the study being prepared in compliance with Economic and Social Council resolution 427 (XIV) an estimate of the financial repercussions which changes in the terms of trade between primary commodities and capital goods and other manufactured articles produce on the national incomes of countries in the process of development, and an analysis of the distribution of those incomes;
5. Further requests the Secretary-General to prepare, for submission to the Economic and Social Council and to the General Assembly, a study on the impact of important synthetic products on the demand for natural primary products entering international trade;
6. Further requests the Secretary-General to appoint a small group of experts of recognized authority on the subject to prepare, during 1953, a report on such practical measures as it may be advisable to adopt pursuant to the recommendations contained in paragraphs 1 (a), and 1 (b), 2 and 3 of the present resolution, the report to be issued on the responsibility of the group of experts and to be transmitted to the General Assembly together with the Economic and Social Council's views thereon;
7. Further requests the Secretary-General to place at the disposal of the group of experts mentioned in the preceding paragraph the records of the discussions on this item during the seventh session of the General Assembly.

RESOLUTION IV

Migration and economic development

The General Assembly,

Considering that the under-developed countries vary considerably in density of population,

Considering that in many of these and other countries, owing to the insufficiency of suitable land and of opportunities of employment, over-population is reflected in unemployment, under-employment, poverty and under-consumption,

Considering further, that, in many countries with vast areas of cultivable land, sparseness of population and inadequacy of capital have been factors retarding economic development,

Noting that the Director-General of the International Labour Office in his reports to the Economic and Social Council deals with the International Labour Organization's proposals for further action regarding methods of assisting European migration,

1. Recommends Member States and non-member States, classified variously as countries of emigration and of immigration, to conclude bilateral or multilateral agreements with a view to the equipment, transfer and resettlement of groups of emigrants, without racial or religious discrimination, as a part of their general economic development;
2. Requests the Secretary-General, the specialized agencies, particularly the International Bank for Reconstruction and Development, and other interested international organizations to continue their active co-operation in the equipment, transfer and technical training of groups of emigrants in the countries of emigration or immigration or both, by rendering such economic, financial or administrative assistance as is consistent with their respective constitutional provisions.

RESOLUTION V

Land reform

A

The General Assembly,

Taking note of the Secretary-General's progress report on land reform^{1/} prepared pursuant to General Assembly resolution 524 (VI) of 12 January 1952,

Noting with satisfaction the activities of the regional economic commissions and of the specialized agencies in promoting land reform and in preparing studies and analyses of the various aspects of land reform,

Recalling the belief expressed in General Assembly resolution 524 (VI) that rapid improvements in existing agrarian structures and land tenure systems in many under-developed countries require large-scale financial outlays,

Recalling also that General Assembly resolution 524 (VI) urged the governments of Member States to consider making funds available for projects of agrarian reform and invited the institutions providing international loans to 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 invited these institutions, consistent with their maintenance as self-supporting entities, to consider making any such loans on terms of interest and amortization designed to place the smallest feasible burden on the borrowing countries,

Recalling the terms of reference of a committee of experts to be set up under Economic and Social Council resolution 416 A (XIV) of 23 June 1952 to prepare a detailed plan for establishing a special fund for grants-in-aid and for low-interest, long-term loans to under-developed countries for the purpose of helping them, at their request, to accelerate their economic development and to finance non-self-liquidating projects which are basic to their economic development,

1. Recommends that governments include in their replies to the Secretary-General's questionnaire on land reform relevant information on

^{1/} A/2194.

the financial implications of their programmes of agrarian reform and their development projects designed to implement such programmes, on their capacity to finance such programmes internally and on the extent of financial assistance needed from outside, so as to enable the Secretary-General to consolidate, analyse and incorporate the information so received in his report to the Economic and Social Council under paragraph 8 of Economic and Social Council resolution 370 (XIII);

2. Requests the committee of experts to be set up under Economic and Social Council resolution 416 A (XIV) to consider the feasibility of financing programmes of agrarian reform and development projects designed to implement programmes of agrarian reform as one of the important fields of activity for the proposed special fund for grants-in-aid and for low-interest, long-term loans.

B

The General Assembly,

Recalling its resolutions 401 (V) and 524 (VI) and Economic and Social Council resolution 370 (XIII) on land reform in under-developed countries,

Taking note of the resolutions on land reform adopted by the Sixth Conference of the Food and Agriculture Organization,

Considering:

(a) That world food resources have increased less rapidly than world population so that in the world as a whole food consumption per capita is now less than it was fifteen years ago,

(b) That the lack of land and the defective agrarian structure in several geographical areas of the world are among the factors preventing a rapid increase in agricultural production in those areas and that these factors consequently render more difficult attempts to overcome food crises and to raise the general standard of living, especially in the under-developed countries,

Convinced:

(a) That expediting the process of bringing new lands under cultivation and the rapid improvement of the agrarian structure and present land tenure systems raise serious technical or financial problems in several geographical areas,

(b) That the isolated efforts of States Members of the United Nations to increase agricultural productivity and to bring new lands under cultivation would be more effective if they co-operated earnestly on a regional plane and if they took full advantage of available technical and financial assistance on the international plane,

(c) That the governments of Member States and the specialized agencies should, in accordance with the recommendations contained in Economic and Social Council resolution 451 A (XIV) of 28 July 1952, make greater efforts, on the national and international plane, to grant high priority to the production and distribution of food in order to ensure a more rapid increase in the availability thereof and, by so doing, to reduce the effects of food crises by combatting other natural and technical factors which lead to smaller harvests,

1. Recommends that the governments of Member States take every possible step, on the national plane and, if appropriate, on a regional plane, to expedite the carrying out of their land reform programmes and, where appropriate, to bring new lands under cultivation and to increase their agricultural productivity, especially of foodstuffs, by following the recommendations and resolutions adopted by the General Assembly and by the Economic and Social Council on those questions;

2. Invites the Secretary-General and the specialized agencies, in carrying out their studies and activities on the questions of land reform to place particular emphasis on:

(a) The speeding up, at the request of the interested governments and according to the circumstances prevailing in different countries or regions, of such practical measures to encourage the promotion and the carrying out of their land reform programmes as:

The convening of international and regional conferences on the development of natural resources, especially land resources, and on land administration,

The organization of seminars on problems connected with the welfare and economic and social progress of rural populations in a country or in countries of a geographical region, and

The setting up of regional centres for training experts in the several specialized fields relating to the improvement of agricultural structures;

(b) Practical measures of technical assistance so as to increase agricultural output, especially of foodstuffs, to prevent the loss of, or decrease in, harvests of those foodstuffs and to improve production methods, increase sales and encourage equitable distribution;

3. Reiterates paragraph 5 of General Assembly resolution 524 (VI) of 12 January 1952 which "urges the governments of Member States, in working out their fiscal policies, to give active consideration to making funds available for projects of agrarian reform and invites the institutions providing international loans to 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 these institutions, consistent with their maintenance as self-supporting entities, to consider making any such loans on terms of interest and amortization designed to place the smallest feasible burden on the borrowing countries";

4. Requests the Secretary-General to assist the governments of Member States at their request to give the widest possible publicity to the actions of the General Assembly and the Economic and Social Council with regard to the question of land reform among farm organizations and other interested persons or groups, in order to ensure that the policy recommendations of the United Nations shall be widely known and understood.

RESOLUTION VI

Right to exploit freely natural wealth
and resources

The General Assembly,

Bearing in mind the need for encouraging the under-developed countries in the proper use and exploitation of their natural wealth and resources,

Considering that the economic development of the under-developed countries is one of the fundamental requisites for the strengthening of universal peace,

Remembering that the right of peoples freely to use and exploit their natural wealth and resources is inherent in their sovereignty and is in accordance with the Purposes and Principles of the Charter of the United Nations,

1. Recommends all Member States, in the exercise of their right freely to use and exploit their natural wealth and resources wherever deemed desirable by them for their own progress and economic development, to have due regard, consistently with their sovereignty, to the need for the maintenance of mutual confidence and economic co-operation among nations;
2. Further recommends all Member States to refrain from acts, direct or indirect, designed to impede the exercise of the sovereignty of any State over its natural resources.

RESOLUTION VII

Activities of regional economic commissions and economic development of under-developed countries

The General Assembly,

Considering that the report of the Economic and Social Council (chapter III, section V)^{1/} gives an account of the interesting activities of the Economic Commissions for Latin America and for Asia and the Far East in the field of economic development of under-developed countries,

Considering the important contribution which the Economic Commission for Europe can make to the economic development of the under-developed countries, not only by its action on behalf of the less-developed regions of Europe, but also by the collaboration it has established with the other regional economic commissions in carrying out joint studies,

Bearing in mind that the economic development of under-developed countries, consistent with the objectives set forth in Article 55 of the Charter, namely, the promotion of "higher standards of living, full employment and conditions of economic and social progress and development" can best be carried out through co-ordination among the countries of a region and among the various regions,

Bearing in mind that the regional economic commissions have become effective instruments of international economic co-operation and for that reason should continue to play an important part in the work of stimulating co-ordinated economic development in their respective regions and should co-operate in the efforts of the countries to that end as well as in the work of resolving other problems connected with world economic stability,

1. Notes with satisfaction that the Economic Commissions for Latin America and for Asia and the Far East have been especially active in promoting the acceleration of economic development of the countries in their respective regions, in accordance with the instructions of the General Assembly and the Economic and Social Council, and believes that this activity should be further intensified;

^{1/} A/2172, Official Records of the General Assembly, Seventh Session, Supplement No. 3.

2. Commends in particular:

(a) The collaboration established between the Economic Commissions for Europe, for Latin America and for Asia and the Far East in promoting more trade between the countries of their respective regions, and declares that this collaboration should be furthered not only among these countries but also with countries of other regions, bearing in mind the objectives mentioned in General Assembly resolution 523 (VI) of 12 January 1952 and in particular its paragraph I(b),^{1/} relevant policy decisions of the Economic and Social Council and the terms of reference of the commissions;

(b) The way in which the Economic Commission for Asia and the Far East through its integrated studies, meetings of experts, specialized conferences and training centres on various aspects of economic development, is promoting trade and exerting efforts to develop the natural resources and industries of the countries of the region;

(c) The activities of the Economic Commission for Latin America in the matter of the economic development of these countries, and especially:

- (i) Its initiative in inviting the governments of the Central American Republics to carry out a joint programme of great potential significance with a view to the economic integration of these countries, and believes it would be useful to explore the possibility of similar initiatives;

1/ "Consider the possibility of facilitating through commercial agreements:

- (i) The movement of machinery, equipment and industrial raw materials needed by the under-developed countries for their economic development and for the improvement of their standards of living, and
- (ii) The development of natural resources which can be utilized for the domestic needs of the under-developed countries and also for the needs of international trade,

provided that such commercial agreements shall not contain economic or political conditions violating the sovereign rights of the under-developed countries, including the right to determine their own plans for economic development;"

- (ii) The integrated studies it has initiated of the economic potentialities and development of various Latin American countries;
- (iii) The meetings of experts on basic industries;
- (d) The improvements brought about by the commissions in the inland transport of their respective regions.
