

We are all too familiar with the facts of the current situation which justifies that appraisal of what the future demands: the insufficient flow of resources in relation to needs, the problem of debt-servicing, and the difficulties in expanding and diversifying the exports of developing countries in world markets. These, Mr. Chairman, are the somber realities before us.

At the same time, I am heartened by the progress which has been achieved through the international discussion of these issues towards a better understanding of the basic ingredients of the development process. In particular, I believe we are now in a position to appreciate more accurately than earlier the fundamental nature of the problems facing developing countries which must be overcome. We can also appreciate better the wide range of fields in which national and international co-operative efforts are required if developing countries are to move forward into a phase of dynamic and self-sustaining expansion. This deeper and more comprehensive insight into the complexities involved in development will greatly assist this Committee in making its contribution to charting our common course for the future.

To sum up in a phrase what I believe to be the lesson of our efforts to date, I would say that the international community has grasped more clearly than ever before that development is a co-operative endeavour. Translated to the aid field this means that donor countries must make greater and more determined efforts to expand the volume and improve the terms of assistance they extend. But it also means that recipient countries must do more to ensure that those limited human and financial resources are used with maximum effectiveness. At the recent fourth session of the Trade and Development Board, considerable attention was devoted to this latter question, especially to problems confronting less developed economies in seeking to deal with consequences of the introduction of modern technology. Dr. Prebisch, in a very cogent speech to the Board, underlined the fact that effective assimilation of technological know-how may in many instances require quite drastic measures of economic and social reform. The obstacle which obsolete systems of land tenure present for utilization of modern techniques in increasing agricultural productivity provides one example of an area where action by developing countries may be an essential key to progress.

Similarly, in the trade field--and this again came out very clearly during the last session of the Trade and Development Board--we are struck by the need for concerted efforts by both groups of countries, developed and developing. It is clear that in this field we now realize that