

The United States had accepted an invitation to take part in the proceedings as an observer and was represented on the Council by her Ambassador in Baghdad. A United States service representative also sat with the Military Committee. The communique issued at the close of the meeting expressed the appreciation of the Pact members for the steps taken by the United States to establish permanent political and military liaison with the Council, and to keep in touch with its economic activities.

Economic Co-operation

A feature of the first Council meeting was the emphasis laid upon economic co-operation. It was decided that an Economic Committee should be set up, to develop and strengthen the economic and financial resources of the region. In particular it was to consider ways of sharing experience in the field of development, and of discussing common problems on a regional basis with the World Bank, the World Health Organization, UNICEF and other Specialized Agencies. The Council viewed with satisfaction the practical economic progress which had been made already, noting for example that the United Kingdom had decided to assist Iraq by helping her build up a £5 million gold reserve during the next two years, and by other forms of economic co-operation. The United Kingdom also offered, at the Baghdad meeting, to assist Baghdad Pact countries in the application of atomic techniques with special reference to local and regional problems." It was made clear that this assistance would involve only peaceful uses of atomic energy. The Council welcomed the United Kingdom offer, and directed the Economic Committee to consider its practical application.

The formative meeting of the Economic Committee was held on January 10 and 11, 1956, in Baghdad, and was attended by United States observers as well as representatives of member states. It was agreed that special studies should be made on a number of subjects, including trade relations, communications, agriculture, joint development projects, technical education and health. The Committee decided to propose the establishment, with British assistance, of an atomic energy training centre at Baghdad for the benefit of all member countries.

The report of the Economic Committee was adopted "for implementation without delay," at the second meeting of the Ministerial Council, which was held in Tehran last April. The meeting again stressed the economic objectives of the Pact. The Council decided to set up a Working Party to consider means whereby regional economic projects of interest to two or more members could be studied, and implemented through economic and technical assistance. The United States delegate to the Economic Committee reaffirmed his country's intention to continue its bilateral technical and economic assistance to Pact members and indicated that the United States would consider ways to assist joint projects undertaken by member countries.

At the same time it was observed that the basic objectives of international communism had not changed, and that efforts to strengthen the defensive capacity of the Pact powers could not be relaxed.

It was decided that the next meeting of the Ministerial Council should be held in Karachi in January 1957. Actually the Council is deemed to be in continuous session, and each member Government maintains a deputy representa-