

No. 53/53

ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED
COUNTRIES

Text of a statement delivered on October 26, 1953, by the Canadian Representative in the Second Committee of the eighth session of the United Nations General Assembly, Senator S.S. McKeen, dealing with agenda item 26 - Economic Development of Under-Developed Countries. The debate was concerned with proposals for the establishment of a special fund (SUNFED) for grants-in-aid and for the establishment of an International Finance Corporation.

Note: The texts of the three resolutions adopted by the Committee and the results of the voting are included at the end of the statement.

The Canadian Delegation has followed with interest the important debate on the economic development of under-developed countries which has occupied the Committee for the last two weeks. This debate has shown that there are important differences of view among the members of the Committee, though these relate more to matters of timing and method than to our objectives, which have been embodied in Articles 55 and 56 of the Charter. We now have before us three draft resolutions which relate particularly to the financing of economic development by means of an international fund, within the framework of the United Nations. While reserving the right of my delegation to discuss these resolutions later in more detail, I may point out that there is a broad basis of agreement in these resolutions and that in the spirit of accommodation and compromise which has so far been manifest, it should be possible to reach the unanimity of approach which a subject so important certainly deserves and should receive.

The Government of Canada has followed closely the discussions on the financing of economic development which have occupied so much of the attention of various United Nations organs during the last few years. It has been fully aware of the great need for economic development in many parts of the world and of the improvement in living standards which could be brought about by the adoption of new and improved methods of production - both agricultural and industrial - and by the further development of natural resources which are at present untapped or perhaps wastefully used. Canada, as a comparative newcomer in the brotherhood of nations, has had recent experience in the development of its own resources and can hardly ignore the advantages which come from such development, supported where necessary by external capital. Indeed, our country is at the present time, as most of you know, undergoing a new and impressive phase of resource development, and even today, as in past decades, continues to attract capital from outside its borders. Such external capital assistance as we have received has always taken the form of private loans, direct private investment and the like, rather than assistance from governments or international financial institutions, and we do not believe that the under-developed countries should under-estimate the