

dustry, and to sponsor uneconomic new industry, as an exclusive privilege of underdeveloped countries, while denying that right to the so-called developed countries. At the same time provisions were proposed which would require the "have" countries to make available the necessary capital, skill, material and know-how at the request of the "have-nots". The Organization was to be empowered to allocate in a "fair" manner available supplies of capital, equipment, skills and so on.

The Chapter on Economic Development and Reconstruction that emerged from the long difficult debates has some definite weaknesses and inadequacies. Nevertheless it is a far cry from the extreme proposals put forward and was the minimum compromise solution consistent with broad agreement. If the escape clauses are resorted to only in exceptional circumstances, as is intended, no great harm will be done. If, however, they become the operative provisions for a large group of countries, the basic principles will be undermined and the Charter itself will break down.

Article 8. This Article recognizes that the general economic development of underdeveloped countries and the reconstruction of war-devastated countries would be of advantage to all countries and would facilitate the achievement of the Charter objectives.

Article 9. This Article provides an undertaking by Members to take action designed to develop progressively and/or to reconstruct their economies through expansionist measures not inconsistent with the rules of the Charter.

Article 10. In this Article Members are directed to co-operate with one another, with the Organization, and with other international organizations in promoting economic development and reconstruction. The Organization is given the responsibility of assisting Members in their efforts to develop and reconstruct by helping to formulate plans; by furnishing advice on how to finance and carry out such plans; assist in procuring advice. The Organization is further directed to co-operate with other intergovernmental organizations in respect of all aspects of development and reconstruction with a view to facilitating development. Such help as the Organization may provide shall be within its powers and resources, on terms to be agreed with the Member seeking assistance, and in such collaboration with other international organizations and specialized agencies as to make full use of their special competence and avoid overlapping.

There was considerable pressure at Havana on the part of the underdeveloped countries to give the Organization more positive and direct obligations in the field of assisting economic development. This would have meant additional staff, organizational machinery, and financial burdens well beyond the original plan for the Organization. The Canadian Delegation opposed the extension of responsibility in this field, in the belief that economic development is largely a domestic