

bility of land reform projects for international financial assistance. A more controversial resolution was passed at the seventh session of the General Assembly which asserted the right of countries "to exploit freely their natural wealth and resources". In its original form this resolution referred to the right of nationalization and, as representatives of the United States, Canada and a number of other capital-exporting countries pointed out, was unlikely to improve the climate of investment in the under-developed areas. Even in its modified form, the resolution was open to the same objection; but it was adopted by a vote of 36 in favour, 4 against (the United Kingdom, United States, South Africa and New Zealand) and 20 abstentions (including Canada).

In the field of economic development, factors other than the availability of finance and technical assistance are important. To be most useful, financial and technical aid should be applied within the framework of sound internal fiscal policies, well-considered development programmes, progressive legal and social conditions, equitable and effective tax systems, and efficient administration. Much remains to be done in these directions by the under-developed countries themselves, and the progressive attainment of better internal conditions will no doubt improve the outlook for a natural flow of investment from other countries.

## Full Employment

Members of the United Nations are pledged in Articles 55 and 56 of the Charter to promote full employment in their countries and to co-operate for the attainment of this purpose throughout the world. Each year the Economic and Social Council (ECOSOC) considers various aspects of the problem of achieving and maintaining full employment and at the fourteenth session in July 1952 centred its discussion on an expert report entitled "Measures for International Economic Stability" which had been prepared in response to earlier resolutions by ECOSOC and the General Assembly.<sup>1</sup>

The experts had made three principal recommendations designed to offset the impact of recessions:

- (a) The negotiation of inter-governmental commodity agreements to stabilize world markets in the principal raw materials and foodstuffs;
- (b) The maintenance of a stable international flow of capital;
- (c) The establishment of adequate monetary reserves.

They suggested that the International Bank should finance buffer stocks to stabilize commodity markets and that its resources should be increased so that a reserve of development projects might be built up for use during recessions. They also recommended that the resources of the International Monetary Fund should be augmented and opened to freer access during recessionary periods.

<sup>1</sup>See *Canada and the United Nations 1951-52*, pp. 58-59.