

Full Employment

The Council asked the Secretary-General to report to the Council next year on national and international measures to reconcile the attainment and maintenance of full employment with avoidance of the harmful effects of inflation.

Financing Economic Development

At the Sixth Session of the General Assembly a resolution was adopted asking the Economic and Social Council to draw up a detailed plan for establishing as soon as circumstances permit a special fund for grants-in-aid, and for low-interest, long-term loans to under-developed countries. The representatives of the more economically advanced countries had opposed this resolution in the Assembly on the grounds that an international development fund was impracticable and that it would give rise to false hopes to proceed with the drafting of a plan. In implementation of the General Assembly's resolution, the Council decided to set up an expert committee to draft detailed plans for the special fund. The committee will consist of no more than nine experts chosen by the Secretary-General to serve in their personal capacities. The Committee is to report to the Council by March 1, 1953. The purpose of the fund would be to aid countries on request in accelerating their economic development and in financing non-self-liquidating projects basic to development. Although the resolution was adopted by 15 votes in favour and none against, with the U.S.S.R., Czechoslovakia and Poland abstaining, it should be mentioned that a number of countries made clear that in agreeing to have the experts produce a plan they were not committed in principle to the setting up of the fund. The United States and other countries stated that it was extremely unlikely that capital exporting countries would be in a position to supply additional capital to any large extent. France and the United Kingdom also stated that they would not, for the time being, be able to contribute. The Canadian representative also reaffirmed the Canadian view that an international development fund was impractical and would not offer the best means of assisting economic development.

International Finance Corporation

The Council asked the Bank to explore further the proposal for an International Finance Corporation. In the report of the Bank the opinion was expressed that such a corporation would encourage private investment in under-developed countries but that further studies are needed to decide whether or not to set up the corporation. The object of the corporation would be to make equity investments or loans to private enterprises in under-developed countries. The Council requested the bank to ascertain the views of its member governments on the desirability of creating the corporation. It suggested that governments consult with interested national organizations and business groups and invite comments and questions from non-members of the Bank. The Bank was asked to report to the Council next year the result of its further examination of the proposal and the action it has taken concerning it.

In speaking in the debate on the proposal, the Canadian representative, while not committing the government at this stage to participate in the corporation, maintained that the proposal for a finance corporation offered considerable hope and should be pursued vigorously.

Technical Assistance

During two years of operation of the Technical Assistance Programme, some 1,300 specialists have given expert advice on development problems to the governments of over 70 countries and territories and more than 1,600 fellowships and scholarships have been awarded. The technical assistance activities of the United Nations and the Specialized Agencies are expected to increase and the Council accord-