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Address to the U.N. Economic and Social Council  
by Mr. Robert S. McNamara,  
President of the World Bank,  
the International Finance Corporation,  
and the International Development Association,  
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Mr. President and Members of the Council:

I am pleased to meet with you again, and to report on my second year as President of the World Bank Group.

A few weeks ago, when speaking at the Annual Meeting of the Governors of the International Monetary Fund and the World Bank, I devoted a major portion of my remarks to an expression of my views on the problems and objectives of development in the Seventies. I will not repeat those comments today -- instead, for those who are interested, a copy of what was said in Copenhagen has been attached to this statement.

This morning, I would like to address two specific issues: the operations of the Bank, both for the past fiscal year and for the period covered by our Five-Year Program; and the relationship of the Bank to the rest of the U.N. system.

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The period since we last met has been an active one for us. In the 1970 fiscal year, the Bank Group's new loans, credits and investments totalled \$2.3 billion. The comparable figure for 1969 was \$1.9 billion; and for 1968, \$1.0 billion. Although our expanded operations -- particularly under the impact of price inflation -- have entailed rising administrative costs within the Bank, we nevertheless concluded the fiscal year with net income of \$213 million. Approximately half of this net income

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has been retained in the Bank to support future concessionary lending, and \$100 million has been transferred to the International Development Association.

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The results of any one fiscal period, however, tell only a partial story. As I indicated in my previous reports to this body, our view is that a year-to-year perspective is not enough. What are required are long-range goals that can serve both as the objectives we want to achieve, and the guidelines by which we can measure our year-to-year effectiveness. It was with this in mind that two years ago we developed a Five-Year Program. It had as its objective the doubling of the Bank Group's operations in the period 1969-1973, as compared with the period 1964-1968. If we succeed in achieving that objective, it will mean that we will have approved loans, credits and investments in the developing world during these five years that total approximately \$12 billion. That \$12 billion will help finance development projects whose total cost will approximate some \$30 billion.

We have now completed two of the five years of the Program. The interim objectives are being more than met, and I remain convinced that the goals for the total period can be achieved.

Though those goals are stated in financial terms, their importance does not lie solely, or even principally, in their quantitative scope. On the contrary, their overriding significance will rest upon their qualitative character. Simply lending money -- even in impressive amounts -- is not the purpose of the Bank. Our purpose is rather to assist the countries of the less-advantaged world to develop as quickly and effectively as possible, in accord with their own aspirations.

Over the past two years we have made specific shifts in emphasis so that we could better serve those aspirations. For example:

- . We have enlarged the geographical scope of our operations. Our object has been to bring assistance to a larger number of developing countries -- and most particularly to very small and very poor countries. In both 1969 and 1970 we aided a total of 60 countries, 75% more in each of these two years than in an average year in the period 1964-1968. We served 14 countries which had received no loans or credits at all in the previous five years -- countries such as Nepal, Indonesia, Chad, Dahomey and Rwanda.
- . We have greatly expanded our financing of education projects: projects that will reduce the drag of functional illiteracy on development. Lending for education during the past two years was more than the total of all the prior years combined.

- . We have initiated work in the field of population planning. This has been done at the specific request of countries such as India, Indonesia, Jamaica and Tunisia. The fact is that we have been asked by far more countries for assistance in this matter than we can service with our present staff. But we intend to enhance our capability to meet the requests of our member countries in this critical area.
  
- . We have broadened and accelerated our work in the agricultural sector.  
Agricultural projects in the twenty-four months ending June 30, 1970 totalled half as many as in the entire previous history of the Bank. Our purpose is not only to help countries grow more food for their expanding populations, and to encourage agricultural exports, but also to provide a stimulus to industrial growth. I will have more to say on this subject later.
  
- . We have tailored our financing so that our funds will reach more beneficiaries than before.  
More than 20% of the Group's commitments were made to intermediary institutions -- especially industrial development banks which finance medium-sized and smaller industrial enterprises, and agricultural credit agencies which serve the small farmers.
  
- . And finally, we have moved further in the direction of enlarging the concept of development beyond the simple limits of economic growth.  
Such growth is, of course, necessary, and the poorer nations are determined to achieve it. But we believe economic progress remains precarious and sterile without corresponding social improvement. We intend to give attention to both.

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While the Bank Group has been expanding the volume of its activities it also has been broadening its financial base. In the past two fiscal years, the Bank has raised nearly \$2 billion through the sale of its bonds and notes in more than 45 countries. The Bank not only has continued to draw large amounts of funds from the Federal Republic of Germany; last summer, it returned to the United States market with an issue of \$200 million of bonds; and over the past year, Japan has become a major source of funds, with the purchase by the Bank of Japan of \$200 million of World Bank obligations and of \$163 million of World Bank loans to Japanese borrowers.

I am particularly glad to report that the process of adding to the resources of the International Development Association is now well advanced. The "first replenishment" provided for an increase of 60% in IDA's commitment rate to an annual level of \$250 million a year. The "second replenishment" was intended to raise that figure by another 60%, to \$400 million per year. Now, subject to the necessary parliamentary action, the 18 nations which contribute the bulk of IDA's resources have agreed on a "third replenishment" providing for contributions to IDA of over

\$800 million a year for three years beginning July 1, 1971 -- a doubling of the previous planned rate. I want particularly to note that three countries -- Ireland, Spain and Yugoslavia -- which had not been contributors in previous "replenishments" joined the ranks of donors for the "third replenishment."

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Looking ahead, Mr. President, there are a number of new developments in process in the Bank. Let me mention five.

First, we have established a new division for the consideration of projects of urban development. The problem of the cities is certainly not confined to the developing countries, but it is made especially acute there by high rates of natural increase in the population, exacerbated by immigration from the countryside. The less developed countries are urbanizing faster today than today's high-income countries have done at any time in their history; already, half the cities of the world with populations of over half a million are in the developing countries. Many of these cities are crowding people together without the necessary industrial facilities to provide employment, and with wholly inadequate services in health, education and transportation. The result is squalor on a staggering scale. In cities of the developing world, it is not unusual for at least a fifth, and sometimes half, of the population to live in squatter towns, for a third or more to be without water service; and for as many as four families out of five to live in a single room. Such conditions breed disease, low productivity, social tension and political unrest.

The Bank up to now has attacked urban problems largely on a project-by-project basis: by making loans for water supplies, sewerage systems and, in some instances, urban transportation. What we seek now is a more comprehensive view of the problems of the cities: a strategy by which the Bank Group can support programs of overall urban development rather than merely isolated and unrelated projects. As a first step, we have organized a mission to make a study of the city of Bombay, a city with whose port development we have long been associated. We are attempting to determine which approach, or combination of approaches, we can best use to assist the rational growth of that metropolitan area. The Bombay study, if successful, will be followed by similar analyses of cities in other regions. Our intention in mounting these pilot studies is to develop guidelines for future urban development financing.

Second, I want to say something more about the World Bank Group's increased activities in the field of agricultural development. It is impossible to exaggerate the importance of this sector. In nearly all low-income countries -- as was the case historically in today's wealthy countries -- sustained economic and social progress requires that rural areas be productive enough to achieve a surplus, which can form the basis for savings and for investment in overall development. The developing countries as a group are far from achieving this goal. Moreover, according to FAO's Indicative Plan for Agricultural Development, by 1985 as many as 400 million more people may need employment in rural areas than are employed -- or underemployed -- there today.

We all know that the improvement of agriculture requires many different inputs: of capital, of physical components, of organization. The experience with highly productive new strains of wheat and rice shows that, among these various inputs, sustained scientific and technological research can be immensely rewarding.

For the past several months, the Bank has been carrying on discussions intended to lead to the formation of a Consultative Group, or some similar mechanism, in support of agricultural research programs of an international character, concentrating in the first instance on existing and new international agricultural research institutes. Such a Group -- sponsored jointly by FAO, UNDP and the Bank -- would be composed of governments, international organizations, regional development banks and interested private foundations. Its primary functions would be to identify priority needs for international programs of agricultural research, and to serve as a clearinghouse of information to avoid any unnecessary financial gap in the support of these programs. Preparatory work is now virtually complete, and a preliminary meeting to discuss terms of reference and organizational arrangements for such a Consultative Group will be held early in 1971.

A third concern of the Bank that I want to mention this morning is with the environment. The deterioration of the environment is a great problem in the industrialized countries, but is by no means confined to them. Witness, for example, the harm to human life that some water-storage projects in Africa and Asia already have done by encouraging water-borne diseases -- to say nothing of the implications of the rising use of pesticides throughout the developing world. Indeed the universal concern with the environment is what makes the Stockholm Conference in 1972 an event of such great potential importance.

The problem facing development finance institutions, including the World Bank, is whether and how we can help the developing countries to avoid or mitigate some of the damage economic development can do to the environment, without at the same time slowing down the pace of economic progress. It is clear that the costs resulting from adverse environmental change can be tremendous. It is equally clear that, in many cases, a small investment in prevention would be worth many times over what would have to be expended later to repair the damage.

In the Bank, therefore, we recently have established a small unit to foresee, to the extent possible, the environmental consequences of development projects proposed to us for financing. Even more important, we want to work toward concepts that will enable us and other development financing agencies to consider the environmental factors of development projects in some kind of cost-benefit framework. I am well aware of the complexities of the task. But I am equally convinced of its importance.

A fourth new development on which I wish to report is the reactivation of serious discussions within our Board of Executive Directors looking towards the creation of an international investment insurance agency.

This matter has been on our agenda for many years, but until recently, governmental support for such an agency has been neither sufficiently strong nor widespread to hold out the prospect of success in negotiating the necessary intergovernmental agreement. Recently, however, the situation has changed. Among the developed countries, France, Italy, Japan, the United Kingdom and the United States, as well as the Benelux and the Scandinavian countries, have all signified their interest in participating in an international scheme of investment insurance, provided satisfactory arrangements can be worked out. And the number of developing countries -- from all three continents -- which have indicated a similar interest is growing. I very much hope, therefore, that the Executive Directors will be able to negotiate an agreement and to submit it for governmental signature and ratification during the coming year.

Finally, among recent new developments, I want to mention our plans for the Bank's Economic Development Institute. This Institute was begun experimentally 15 years ago as a staff college for senior officials concerned with economic affairs in developing countries. To date, it has graduated 1,165 Fellows from general courses in development, or from courses in project evaluation. The influence of these individuals on development in their home countries has in some cases been profound.

The demand for attendance at the Institute is now larger than can be met by the present staff and facilities, and continues to increase. We have, therefore, recently approved the beginning of a long-range program for the further growth of the Institute. Last year, 150 individuals participated in the courses given by it. The new plan provides for the Institute to increase its enrollment each year for the next six years, so that by 1976 it will be offering twice as many courses, and graduating twice as many Fellows, as last year.

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Mr. President, as I mentioned in my statement to the Council a year ago, we regard the Pearson Commission Report as potentially one of the most influential studies on the problems and prospects of development ever to have been published. Although the Bank commissioned the Report, it did so with the strict condition that the Commission should work entirely independently, and come to whatever conclusion its members felt were warranted. The Report was to be directed not to the Bank as such, but to the world at large, and its analyses and recommendations were to encompass the entire development scene.

During this past year, the Pearson Commission Report -- in its many language versions -- has received worldwide attention. Its chief value lies, I believe, in the non-partisan and objective view it takes of the leading issues in the development scene -- both in the aid-providing and in the aid-receiving nations. It brings us face to face with the principal problems which all must deal with and solve.

As I have said, the Pearson Commission Report was not addressed specifically to the Bank. However, some 30 of its recommendations for

action did bear upon the work of the Bank, and over the past 12 months I have presented detailed analyses of these recommendations to the Bank's Executive Directors for their discussion. With the vast majority of the Commission's recommendations that apply to the Bank, I expressed agreement -- and on many of them we have already acted.

But the most significant recommendations of the Pearson Commission were those directed not to the Bank, but to the broader issues of development policy itself. Among the most important of these were the recommendations dealing with the organization of the international development community as a whole. To this subject, which is of such immediate and direct concern to the Council, I should like to devote the remainder of my remarks.

The Commission gave a good deal of attention to this matter, and dealt with various aspects of it in a number of specific recommendations. The common thread that runs through all these recommendations is that the past 20 years have witnessed the emergence of an almost bewildering number of bilateral and multilateral organizations that in one way or another are concerned with international development. While recognizing the value of these instrumentalities -- and of the specialized experience they have accumulated -- the Commission pointed out that the framework which has evolved suffers from four basic shortcomings.

- . It lacks a process for joint and authoritative monitoring and review of what is being done.
- . The multiplicity of assistance agencies is not matched by an effective mechanism to integrate their work.
- . There is, for the most part, a failure to relate development assistance policies to policies concerned with trade and monetary problems.
- . And, finally, the system does not project sufficient unity of purpose and of approach to make it a rallying point for public support in the industrialized countries.

I think all of us would recognize, Mr. President, that there is merit in this analysis.

The Commission recommended that the President of the World Bank call an international conference on this matter this year. But clearly it would be inappropriate for the Bank to do so, for within the United Nations system it is this body -- ECOSOC itself -- which has the prime responsibility for dealing with this problem. You will be giving, I know, prolonged and serious attention to this matter in connection with the Second Development Decade, and we in the Bank will play our full role in whatever procedures you may establish to carry out the principles for review and appraisal as set forth in Part D of the General Assembly Resolution on a "Strategy for the Second United Nations Development Decade."

Meanwhile, I believe that the World Bank, consistent with its aims and purposes, can contribute substantially toward making the international development effort more rational and cohesive. There are three principal lines of action, which we propose to follow, to which I would like to refer:

1. We propose to establish working relationships with other international agencies that will make our common efforts in the development field complementary rather than overlapping. We have been working away at this without much fanfare and are beginning to build a pattern of interagency cooperation which I believe is impressive, although I suspect it is not widely known outside the institutions concerned. We are establishing a series of cooperative understandings with our sister agencies under which we will work together toward a more efficient division of labor that will both economize scarce resources of professional talent and will provide our member countries with more coherent and effective development assistance.

Our closest relationships, of course, are with the International Monetary Fund. In February of this year the Managing Director of the Fund and I signed a joint memorandum stating our intention "for the Fund and the Bank to complement each other as they work to achieve their common objective, for each to make the fullest possible use of the expertise and information of the other, to reduce to a minimum the risk of inconsistent policy advice, and to minimize the duplication of requests for information to member governments." The staffs of both institutions have been given firm and precise instructions to insure that these aims are achieved. It would take far too much of the Council's time if I were to mention in detail all the forms of Bank/Fund cooperation now in effect. I would, however, like to mention particularly our efforts to coordinate the scheduling of country missions of the two institutions, and, through more exchange of data, to reduce the number of separate requests made to governments for economic and financial information.

Next only to the IMF, our closest institutional relationships are with the UNDP. It should be obvious why this is so. Since the establishment of the Special Fund, a principal function of the UNDP has been the financing of preinvestment studies. The principal function of the World Bank Group is the financing of investment projects. Preinvestment and investment are, of course, two stages of a single economic process. UNDP feasibility studies, for example, even when their findings are favorable, are fully useful only if the projects studies can ultimately be financed, and, conversely, investment projects proposed to the Bank can be properly appraised and funded only if satisfactory feasibility studies of these projects have previously been made.

Both the UNDP and the World Bank Group have been going through a period of rapid expansion of their activities in the developing world. During this period, the Administrator and I have maintained the closest relationship and, building on experience, the two institutions have worked out a division of labor designed to make them complementary in fact as well as in concept. The Bank considers the UNDP to be the primary



organ of the U.N. family for the financing of preinvestment studies. Consequently, the Bank looks to the UNDP to finance this kind of activity and will do so itself only in those rare instances when the UNDP is for some reason unable to meet a priority need.

On the other hand, when requested to do so by a member government, the Bank acts as Executing Agency for UNDP preinvestment projects. Moreover, at the request of the UNDP, our technical staff reviews all preinvestment projects being seriously considered by the UNDP for financing. In this way we have been able to help UNDP and its other Executing Agencies to formulate preinvestment projects so that the results of the studies will provide a sound basis for future investment -- even though it may not necessarily be future investment by the World Bank Group. More recently, we have begun, with the cooperation of the UNDP, to assist governments in the preparation of programs of preinvestment studies needed to prepare the ground for major investments in future years. Participation by the UNDP Resident Representatives in Bank missions dealing with requirements for preinvestment studies is becoming an important feature of our field operations, and the reports of such missions, in turn, are available to the UNDP for use in discharging its own responsibility for programming the U.N. system's inputs of technical assistance into each country.

With the U.N. Secretariat itself, we are developing close day-to-day working relationships dealing with a wide range of matters of mutual concern, including economic planning, population, housing and urbanization. Through an established Liaison Committee, we are attempting not only to avoid duplication but also to mesh our activities so as to make them mutually reinforcing.

With respect to the sectoral agencies within the U.N. system, the Bank, as you know, has formal agreements with FAO and Unesco under which special units in those two agencies provide expert assistance in the identification and preparation of projects for Bank Group financing. These agencies also give frequent staff support for Bank economic missions concerned with the education and agricultural sectors. The number of professional posts provided for staff engaged in this work in FAO has grown from 12, at the beginning of the joint program in May 1964, to 70 in Unesco, during those same six years, the number has increased from 12 to 29. The Governors of the Bank and IDA recently approved an expansion of our cooperative arrangements with Unesco, including the establishment of several new professional posts to provide technical support in the fields of educational planning and sector studies. These two agreements are the most visible evidence of the Bank's determination to rely on expert services available elsewhere in the U.N. system, rather than attempting to meet all requirements by duplicating such expertise on its own staff. But they are not the only evidence.

We have recently begun discussions with WHO, looking toward a similar agreement. Under ad hoc arrangements, WHO experts have been assisting us in the preparation of water supply and sewerage projects. Both WHO and we believe that expanded activities in this area now warrant a more formal cooperative agreement. In addition, WHO and the Bank have been cooperating

closely, on a case-by-case basis, in connection with population problems. We are also increasing our contacts with ILO, and each of us has provided staff help to the other in connection with country missions. Experts from UNIDO have participated in several Bank missions recently, and I expect that our growing involvement in industrial financing will lead to further cooperative ventures with UNIDO. Indeed, it is my intention that, wherever we can identify a resource of professional expertise in the U.N. system which can be drawn upon in support of our lending program, the Bank should approach the agency in question and request its assistance. I am happy to say that our desire to bring about a better meshing of the technical operations of the Bank and other parts of the U.N. system has been enthusiastically reciprocated by the Directors-General and the responsible governing bodies of the other specialized agencies.

The three major regional development banks, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank, are at different stages in the growth of their own activities and the operational relationships between them and the World Bank Group differ accordingly. However, we have frequent contacts with all three of these institutions. While in the nature of things there can be no clear line of demarcation between the kinds of projects financed by the regional banks and those financed by the World Bank Group, our consultations and exchanges of information are designed to enable us to avoid overlapping or undesirable competition, and to assist in the formation of a more consistent policy approach to our common members. In the case of the Latin American countries in particular, the World Bank Group, the Inter-American Development Bank, and the Inter-American Committee on the Alliance for Progress (CIAP) are presently engaged in an ambitious but, I believe, feasible endeavor to establish a fully coordinated schedule of country missions and country program reviews, involving an extensive interchange of staff and documentation. We have also established informal but effective working relations with other regional organizations such as the European Investment Bank and the European Development Fund, the latter being a particularly important source of concessional finance for many of our member countries in Africa.

Finally, in this connection, I want to mention the Development Assistance Committee of the OECD which, although not a U.N. organization, is playing an increasingly important role in coordination of the development assistance policies of the major capital-exporting countries. The Bank maintains very close contact with the work of the DAC. One aspect of this work to which I attach particular importance at present is the effort of the DAC to work out a general agreement among donor countries for the untying of official development loans. The Bank is actively supporting this endeavor.

It is not a simple matter, Mr. President, for large autonomous international organizations to work out and implement cooperative arrangements of the kind which I have described. There are many inherent difficulties and roadblocks, but I am convinced that our efforts in this direction are not only necessary in principle but are proving eminently worthwhile in practice.

2. A second way in which the Bank Group is seeking to contribute to rationalization of the international development effort is through its expanded program of country economic missions, to which I referred briefly in my statement to the Council last year. The basic purpose of this program, in addition to meeting our own operational requirements, is to produce current, comprehensive and objective data and analyses concerning each of our developing member countries. The program is designed, on the one hand, to assist the government of the country in planning and implementing its own national development strategy, and, on the other, to help interested multilateral and bilateral aid agencies to tailor their assistance to the requirements of that strategy.

As this new program gains momentum, we plan to schedule regular annual reports on approximately 30 countries -- countries containing more than 80% of the population of the developing member countries -- and biennial or triennial reports on the remaining 60 countries.

Let me sketch for you specifically what these economic missions, and their reports, will deal with:

- a. An evaluation of the situation and prospects of the economy.
- b. An analysis of the country's development objectives and of the major obstacles in the way of achieving them.
- c. An assessment of domestic and external financing requirements and of the possibilities of meeting them.
- d. An analysis of the principal preinvestment surveys and studies required to carry out the development program and of the relative priorities of those requirements.
- e. An appraisal of the available machinery for planning and for the formulation of economic and financial policy.
- f. An analysis of the problems of investment and resource mobilization and allocation, of external debt prospects, of appropriate borrowing terms, and of creditworthiness.
- g. An evaluation of the country's population problem and program.
- h. And an appraisal of the "quality" as well as the "quantity" of economic development, including analyses of income distribution, nutrition, literacy levels, life expectancy, and trends in unemployment.

These economic missions will not be staffed by World Bank Group personnel alone. At my request, the Administrator of the UNDP has promised to associate his Resident Representatives with the work of these missions, and they will play a leading role in the areas of technical assistance and preinvestment. The other U.N. specialized agencies are

also cooperating. In the first half of 1970 alone, for example, experts from FAO, ILO, Unesco, UNIDO and WHO participated in more than a dozen Bank missions. And this collaboration will grow even greater.

After the reports of these missions have been reviewed by, and discussed with, the collaborating agencies and the governments concerned, they will be submitted to our Executive Directors and then made available to the U.N., to the UNDP, to other concerned agencies in the U.N. system, to the appropriate Regional Economic Commissions and the Regional Development Banks, and to bilateral donors.

As I have already indicated, our expectation is that the end result of this effort will be to facilitate the adoption of realistic development strategies by our developing member countries, which can then serve as the basis for effective operational coordination of aid from all the various sources of development assistance.

3. That brings me to the third of our activities designed to contribute to a more coherent international development endeavor -- namely, the organization of aid coordination groups providing for regular consultations between each major developing country and the various development assistance agencies interested in helping it. It is through the mechanism of such consultation that a country's program and policies can be reviewed, and a common understanding can be reached on the financial and technical assistance requirements of a satisfactory development effort.

There are, at present, some 14 formal aid coordination groups organized to hold consultations of this kind. The Bank acts as chairman of 12 of these groups; it participates actively in the others; and it plays an active supporting role in the somewhat similar consultations on the Latin American countries organized by CIAP. Because of the importance of preinvestment, the UNDP participates regularly in the meetings of the groups, and, when sectoral problems are discussed in depth, the relevant specialized agency is invited as well.

But more needs to be done in this field. New groups should be formed where the need exists. To this end, in consultation with the governments concerned, the Bank is currently organizing new groups for the Republic of Congo, Ethiopia and the Philippines, and is reactivating the groups for Thailand and Nigeria.

Further, we need to assure that existing groups meet more regularly.

And finally, local coordinating mechanisms at the country level need to be established -- or, in some cases where they already exist, need to be strengthened -- preferably under the chairmanship of the host government, for the purpose of coordinating the specific details of project financing and technical assistance. We in the Bank intend to encourage the creation or strengthening of such local coordinating bodies where they are needed. And, where appropriate, we will be happy to provide such staff services as may be requested by the local coordinating bodies.

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One may well ask, Mr. President, what is likely to be the result of all this collaboration, which is admittedly time-consuming and often difficult. As I see it, we can reasonably expect results of four different kinds:

1. Everyone working in the development field will have up-to-date socio-economic information and analyses of the problem of the developing countries.
2. It will become possible to look at all of the interrelated aspects of development together rather than one at a time. Governments should thus be able to make more rational decisions on priorities and the international community should be in a better position to help governments by illuminating the choices open to them.
3. It will become easier to avoid inconsistent approaches by different aid agencies.
4. It should become possible to curb an inordinate growth in the number of separate missions with which governments have to deal as the international development effort expands.

I am far from suggesting, Mr. President, that we are on the way to a neat, tidy system of international development assistance. In a dynamic world, with a multiplicity of governments and international institutions, it would be unrealistic to think that any such simple, tidy package can be put together. But I do think that adoption of the strategy for the Second Development Decade -- in spite of all the reservations -- is a most encouraging first step. And I do believe that the U.N. agencies are beginning to lay the basis for a much more cohesive and coherent international development effort than we have had in the past; one in which the entire development community can work more effectively toward the implementation of a rational and realistic development strategy for each developing country. If we succeed in that objective, it should contribute immeasurably to the success of the Second Development Decade.

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