

Resolution 371 (1968)¹

Reply to the 6th report on the activities of OECD

Parliamentary Assembly

The Assembly,

1. Having taken note of the 6th annual report on the activities of OECD ;
2. Thanking the Secretary General of OECD for the presentation of his general statement ;
3. After consulting the report of its Economic Committee as well as the opinions of the Social Committee, the Committee on Science and Technology, the Committee on Local Authorities and the Committee on Agriculture,

1. Economic questions

4. Notes that the combined national output of OECD countries in 1967 increased by substantially less than the average required to achieve the 50 % growth target for the current decade, although at the end of the year economic activity was increasing in some of the countries where it had previously been most depressed ;
5. Further notes in particular that the slow-down in economic growth in the latter part of 1966 and during the greater part of 1967 was largely due to deliberate efforts of certain member governments to curtail demand in the face of mounting inflationary pressures, and is aware that while these policies were generally successful in terms of cost and price developments, they also produced undesirable effects on the level of employment and the rate of fixed asset formation, in part because of the absence of compensating expansionary policies in other countries in the area where internal equilibrium was not threatened ;
6. Stresses the view it expressed in its reply to the 5th OECD Report, namely that there is a need for policy instruments to be developed that will permit inflationary processes to be curbed without unduly dampening economic activity, and reiterates its conviction that the joint acceptance by OECD countries of a growth target implies a commitment to co-ordinate both the domestic and foreign economic policies of individual Members, so as to sustain each other and avoid creating economic difficulties for one another ;
7. Noting with sympathy the drastic policy measures taken and envisaged by the British Government to come to grips with balance-of-payment problems, expresses the firm wish that other member countries give special consideration in their own policy decisions to the difficulties facing the British authorities;dep
8. Conscious of the measures already taken since the beginning of this year by the American authorities and of those still under discussion in the US Congress in order to redress the US balance of payments as well as of the efforts made at international level, in particular within the Group of Ten, to strengthen the international monetary system, urges member governments to spare no effort to play their full part in achieving these ends ;
9. Welcomes the fact that some further progress has been achieved in improving economic conditions in certain of OECD's less developed member countries, but stresses the need to continue and expand technical and financial assistance to these countries in the framework of OECD, the European Monetary Agreement and existing aid consortia ;

1. Assembly debate on 10 May 1968 (8th Sitting) (see [Doc. 2374](#)[Doc. 2374](#), report of the Economic Committee). Text adopted by the Assembly on 10 May 1968 (8th Sitting)



10. Noting that the flow of financial resources from the developed OECD countries to less developed countries in other regions continued to stagnate in 1966, expresses the wish that a collective effort be made by the former with a view to increasing the volume of official aid, implementing DAC recommendations on the terms of such aid, and stimulating the flow of private investments to those countries ;

II. Agriculture and the food problem of developing countries

11. Recalling its previous discussions on the world food problem, considers that the Study on the Food Problem of Developing Countries of the Secretary General of OECD constitutes an important contribution towards the urgent review of assistance policies, and hopes that closer co-operation between the international agencies concerned as well as between aid-giving and aid-receiving countries may soon lead to a concerted and balanced approach under which the most rational use can be made of physical and intellectual resources to meet the world food problem ;

12. Reiterates its view that having regard to the need to ensure balanced economic growth in member countries there is no room for complacency as regards the necessary modernisation of the agricultural sector, and that the world food problem adds to the urgency with which this task should be undertaken;o

13. Would greatly appreciate, in view of the important work undertaken by OECD in the fisheries sector, the inclusion of a chapter on this sector in the next OECD report ;

III. Manpower and social

14. Believes that fluctuations in the level of employment brought about by the kind of financial and monetary measures some governments have found themselves compelled to use during the past few years to meet balance-of-payments difficulties or to combat inflation, would have been less marked if governments generally had done more to follow up the 1964 recommendation of OECD on active manpower policies ; and adds that special measures should be taken to ensure that such fluctuations do not occur as a result of increasing automation, a factor which should already be borne in mind in the educational programme of European schools, in order that the necessary preliminary educational requirements for the retraining and further education of workers are everywhere and at all time fulfilled ;

15. Further desires to underline in this connection the grave economic (to say nothing of the human and social) consequences of a massive return of migrant workers to their home countries in Europe, particularly since such a development would itself be the result of a marked downturn in economic activity in developed member countries of OECD ;

IV. Science and technology

16. Is gratified that the Ministers responsible for scientific and technical research met on 11 and 12 March 1968 for the 3rd Ministerial Meeting on Science ;neces

17. Supports OECD's endeavours to promote international co-operation and agreement in establishing comprehensive, compatible or convertible information systems between member states ;

18. Takes this opportunity of reaffirming its conviction that it is now essential to proceed rapidly from the studies stage, from the stage of defining aims and recommending measures recognised as indispensable for technological development in Europe, to the stage of practical achievements, andhe

19. Considers that the time has come for the European governments to take action to set up on a European level appropriate institutional machinery and devise administrative procedures, either inside or outside the framework of OECD, in order to establish a European technical and science policy, the absence of which has, for years, prevented satisfactory and harmonious technological development in Europe ;

V. Regional development and town and country planning

20. Considers that it would be extremely valuable for the bodies representing local authority interests in the Council of Europe, if OECD were to give more detailed information in future activity reports regarding the results of :

the work being carried out by the Working Party on Regional Development set up by the Industrial Committee;

the studies of the Research and Cooperation Committee on environmental studies in the context of urban development and transport ;

VI. Collaboration between the Assembly and OECD

(a) Participation of OECD in Assembly activities

21. Hopes that OECD will participate in the 3rd Seminar on International Voluntary Service which is being arranged by the Consultative Assembly for the period 4-8 November 1968 at Strasbourg and which is devoted to the following theme : "Cooperation in economic and social development - responsibility of trade unions, of co-operatives, of benevolent agencies and of commercial and industrial enterprises, in countries in the course of development" ;

(b) Liaison committees

22. Expresses its appreciation and satisfaction at the continuation of the arrangement between the Council of Europe and OECD whereby agricultural and social and manpower questions were again discussed during the past year in the framework of special sessions of the liaison committees of the two organisations, and trusts that special sessions for this purpose should henceforward be held every year ;es, in

23. Hopes that a similar special session of the liaison committees can be held during the coming year on scientific and technological policy questions.