

Much of the financing for agricultural development in the under-developed countries—and for the industrial development that must accompany or even in some cases precede it—will obviously have to come from within the countries themselves. A large segment might also be furnished by investments of private capital from abroad. But some financing by public international agencies will also be necessary.

At this session of the FAO Conference a representative of the International Bank for Reconstruction and Development outlined what that institution could and could not do under present circumstances. In the opinion of many of the Conference delegates, all present resources for international loans are unequal to the need.

On this question, which is so fundamental, of how world production development can be adequately financed it soon appeared in the Conference discussions that there is a dearth of definite knowledge. As a prerequisite for making adequate recommendations for further action therefore, the Conference requested that the Director-General invite the assistance of appropriate agencies, including the United Nations and the International Bank, in preparing a fact-finding statement concerning all present financing facilities suitable for this purpose—their nature and magnitude, the demand for them, the use being made of them. The Council, in turn, is directed to report these facts to the 1949 session of the FAO Conference.

(2) In the case of international trade also, the Conference found that it is necessary to dig out and assess fundamental facts before clear decisions can be made.

That the past few years have witnessed great changes in the international trade pattern is widely recognized. These dislocations are both symptoms and causes of many present economic ills. But there is little definite knowledge concerning the nature and magnitude of the changes or the trends significant for the future.

To develop the facts necessary for adequate recommendations in this field, the Conference directed the World Food Council—in consultation with all appropriate international organizations, including the Economic and Social Council, its regional economic commissions, and the International Monetary Fund—to study the trends in international trade in food and agricultural products. The results of the investigation, together with suggestions for action by member Governments, are to be submitted by the Council to the 1949 session of the FAO Conference.

(3) Meanwhile, the Council was also asked to undertake a preliminary review of the situation in a narrower range—that of the individual commodities and groups of commodities within FAO's fields. In many of these cases, expanded production in the "surplus" areas (and therefore expanded consumption elsewhere) cannot be attained unless producers have enough assurance regarding future market conditions and prices to enable them to plan ahead. The World Food Council's review is to deal first with intergovernmental commodity arrangements now in existence or under consideration, including their relations to the objectives of FAO and FAO's relations to bodies already established for commodity discussions or negotiations; secondly with commodities for which there are no existing or contemplated arrangements. The review was considered urgent; its results, together with any proposals or suggestions the Council may wish to make for governmental and inter-governmental action, are if possible to be submitted to member governments immediately after the first 1949 meeting of the Council.