

accompanies backward techniques and retarded living standards. Moreover, to the extent that effective demand is not raised and resources remain unexploited, other members lose markets or access to production.

Provision has accordingly been made in Chapter III designed to assist countries to give effect to policies of development and reconstruction. In particular it provides for co-operation and mutual assistance among Members as well as assistance through the Organization to that end.

Article 8, which calls attention to the importance of economic development and reconstruction in relation to the purpose of the Charter, reads as follows :—

“ The Members recognize that the productive use of the world’s human and material resources is of concern to and will benefit all countries, and that the industrial and general economic development of all countries, particularly of those in which resources are as yet relatively undeveloped, as well as the reconstruction of those countries whose economies have been devastated by war, will improve opportunities for employment, enhance the productivity of labour, increase the demand for goods and services, contribute to economic balance, expand international trade and raise levels of real income.”

Article 9 obliges Members to develop or reconstruct their resources, with emphasis on industrial resources, and to raise standards of productivity. In other words, both the volume and efficiency of production are to be increased. Measures used for development must not, however, conflict with provisions of the Charter. For example, quantitative regulation of trade may not be used to protect new industries, unless applied in accordance with the appropriate Charter provisions.

From the “ self-help ” concept in Article 9, Article 10 proceeds to wider measures to assist in promoting industrial and general economic development and in the reconstruction of countries whose economies have been devastated by war. It provides that Members shall co-operate among themselves, and with such world organizations as can assist, in facilitating the plans of Members in that direction.

With the objective of higher living standards, especially for those countries more economically immature, the Organization, in co-operation with other international bodies if necessary, shall assist any Member, on the latter’s request, by studying its resources and making plans for their exploitation ; furnish advice concerning a member’s own plans for development ; or assist it to procure advice, study, or technical assistance. The Member concerned and I.T.O. will agree on the terms on which the services are to be provided—the financing of the studies, for example..

Furthermore, the Organization shall co-operate with the Economic and Social Council of the United Nations and appropriate inter-governmental organizations on these bodies’ work in respect of finance, equipment, technical assistance, and managerial skills for the purpose of development..