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REMARKS BY VICE PRESIDENT HUBERT HUMPHREY°

OECD COUNCIL -- PARIS, FRANCE

FRIDAY, APRIL 7, 1967

This year we mark the anniversary of two decades of cooperation between America and Europe in the cause of reconstruction and economic progress.

These have been years of accomplishments, unprecedented in character and scope.

The member countries of the OECD have had the longest period of uninterrupted economic growth in the modern era.

That growth has been far beyond our expectations and its benefits have been widely distributed among our peoples.

International trade has flourished. Goods and capital have moved across borders at high and rising levels.

This exchange has taken place within a system of monetary arrangements, which, whatever its shortcomings and strains, has worked. We have had no competitive devaluations, no major dislocations, no depressions.

We have, in short, been phenomenally successful in dealing with our common economic problems.

Perhaps even more noteworthy, when seen in the perspective of history, we have together embarked on a deliberate and sustained effort, involving the transfer of resources and skills on a substantial scale, to improve the lot of those hundreds of millions of human beings in other parts of the world less fortunate than our own.

It is not possible now to allocate credit for these achievements very exactly among the several international organizations that have contributed to them.

When a balance is finally struck however, the work of this organization, and its predecessor, the ~~OECD~~ OEED, will have to be given great weight.

And without waiting for the historian's verdict, Mr. Secretary-General, I believe that in this twentieth anniversary year of Secretary Marshall's Harvard speech, we are justified in looking with great pride, at what the organization has accomplished.

But it is a part of the human condition that we are never lacking for unsolved problems and for new tasks.

The OECD has been at the center of the process of economic change and development ever since its founding. Its influence and the actions of its member nations must be directed to a host of problems still with us.

First, because the deadline is directly upon us, is the Kennedy Round.

Trade has been the great growth industry of the post-war years.

Within the OECD community, trade volume has tripled since 1948, while production was doubling.

A great design for further reducing barriers to trade is now being painfully worked out at Geneva. It must succeed for both the industrial and agricultural sectors if this remarkable growth is to continue.

The Kennedy Round will be decided in a matter of weeks. The period in which we need to come to basic agreement on reform and improvement of the international monetary system can be measured in months.

This is an area where agreement is necessary, not to enable the United States to solve its balance-of-payments problems, but rather to assure that the international economy has the monetary underpinning for the expansion of output and trade, and in the end, welfare, that our peoples properly expect.

Another great and unfinished task confronting us is the bridging of the division between Eastern and Western Europe.

This is a major objective of my own government.

We are encouraged at sign that the process, however slow, is under way.

I know that you, Mr. Secretary-General, have been charged with considering, along with the Permanent Representatives here, ways and means through which the OECD can widen the range of East-West economic relations.

The United States does not expect miracles out of this process.

But we wish you and the OECD every success in finding the means to fruitful contact with the East.

In recent months, a new coinage has entered the intellectual currency of this organization.

The phrase "technological gap" has come to stand for a whole complex of ideas, apprehensions and even some misconceptions.

The underlying idea is that there is an important disparity in the level of technology achieved by the United States, in comparison with other members of the OECD.

The apprehension is that by virtue of our size and wealth, and the emphasis we place on research and develcpment, this disparity will increase. That there may be some element of misconception here is suggested by the fact that over the past fifteen years, the economic growth of Western Europe and Japan has outraced that of the United States.

In point of fact, there are no technological moncpolies in the world today. Technology flows readily and freely through the normal channels of trade and investment.

If technological advance occurs more rapidly in the United States than elsewhere, the explanation must be sought in educational, organizational, and economic factors.

And if there is a relative lack of technological innovation in other countries of this organization, I believe that it is these factors that must be considered and dealt with.

President Johnson, some months ago, established a high level committee, chaired by his Science Advisor, Dr. Donald Hornig, to examine the technological gap and to make appropriate recommendations for dealing with it. We are taking a full part, of course, in the study that is under way in the OECD. We expect that the OECD investigation will not only help to determine the dimensions of the problem, but will also provide guideposts to the cooperative actions which may contribute to its solution.

And we stand ready to be forthcoming in helping our partners in their technological development.

As we learn more of the technological revolution, we must use its potential jointly, for the common good.

As I have said elsewhere, we need to find ways to endure a continuous exchange of technological and organizational experience among the members of this organization and perhaps to expand it some day to include Eastern Europe and the Soviet Union.

The most threatening and intractable problem confronting members of this organization, Mr. Secretary-General, is represented by the chasm separating the affluent society of a few hundred million peoples represented at this table, from that other society which includes the largest part of the human race.

That other society is populated by people living on the ragged edge of poverty, never free of want, who now --- in many areas -- face the threat of famine on a catastrophic scale.

It is to the lasting credit of the OECD that, from its inception, it has recognized this problem and tried to do something about it.

There is a growing recognition that the gap between the affluent and the poor nations is the primordial problem of our times.

It is at once massive, stubborn, and urgent.

It is understandable in simple terms of human morality.

But it can be solved only by the most imaginative and far-reaching measures, involving all of our countries in a cooperative effort that must be sustained for years.

A few days ago, Pope Paul VI treated this subject in an Encyclical that will surely take its place among the great documents of our times.

He set forth the problem in terms which speak both to the mind and to the heart.

He described entire continents where countless men and women suffer hunger, and where, because of malnutrition, children never attain their proper physical and mental development.

He pointed out the pressing duty of the developed countries to help; and urged that they should consider such aid as a normal and proper charge on their resources.

He prescribed the measures needed in terms so appropriate to the OECD that I can do no better than to repeat them.

"If these efforts are to attain their full effectiveness, they cannot remain scattered and isolated; less still can they compete for reasons of prestige or power; the situation demands planned and coordinated programs. A program is in fact more than, and better than, single acts of assistance dependent on individual expressions of good will. It involves ... thorough studies, a fixing of objectives, a determination of means, and a consolidation of efforts, to respond to present needs and predictable requirements."

The OECD has made a beginning on this path.

And it is even now grappling with the most urgent and the most harrowing aspect of the development problem: How to feed the world's teeming millions.

I had the privilege of addressing the members of the Development Assistance Committee of the organization when they met in Washington last summer. I said then that we in the DAC would have to answer two key questions: How much help is needed? How can our countries best work together in providing that help?

I said our study should look not just to piling up data, but should look to action -- action directed toward a clear and feasible goal: The eradication of large-scale famine and hunger.

Within the past few weeks the DAC has published documents which seem likely to contribute significantly to answering the two questions I posed.

Next week, I am told, competent officials from the member countries of the committee will meet here to consider these documents.

It is both the hope and the expectation of my government that from these deliberations will emerge the outlines of actions to cope decisively with the threatening catastrophe that we simply cannot accept -- the tragedy of starvation in a world of growing affluence.

Hunger is the immediate problem.

But as we all know, our plans must extend much farther.

Together with the developing nations, we must concert measures that will increase per capita growth at a rate which will reduce the enormous disparity between their world and ours.

A few months ago, Mr. George Woods, the President of the International Bank for Reconstruction and Development, gave a very thoughtful speech to the Economic and Social Council. In his remarks, he called for review at high political levels of the state of development aid in relation to the needs. He suggested that careful staff preparation would be a necessary preliminary to any such review.

It seems to me that the OECD has an important contribution to make to this kind of preparation. Its work ought to be even more specifically addressed to obstacles to economic growth in the developing countries and to the specific measures that the rich countries can make toward accelerating that growth.

For as Pope Paul said, if development is the new name of peace, who would not wish to work at this task with all his strength?

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