the OECD OBSERVER

THE NEW OECD DEVELOPMENT CENTRE. RESTRICTIVE BUSINESS PRACTICES. IS IT POSSIBLE TO TEACH MANAGEMENT ? ECONOMICS OF EDUCATION. EUROPE'S TRANSPORT POLICY. OECD LINKS WITH OTHER INTERNATIONAL ORGANISATIONS.

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THE INVITATION TO JAPAN TO BECOME A MEMBER OF THE OECD

The Council of the OECD decided on 26th July, 1963, to invite Japan to become a full member of the OECD. A Memorandum of Understanding on the terms of Japan's accession was signed on that day by His Excellency Toru Haguiwara, Ambassador Extraordinary and Plenipotentiary of Japan in France and the Secretary-General of the OECD, Mr. Thorkil Kristensen. Japan's accession to the Convention and Protocols of the Organisation is to be ratified in accordance with the constitutional procedures of Japan.

Seen from the point of view of the OECD, I consider that the accession of Japan will be an important step in the development of international co-operation among industrial countries.

The co-operation we undertake in the OECD has, in a general way, two aspects. First, we deal with co-operation on economic policies in the field of interrelations between the Member countries themselves. Modern industrial nations are very much dependent on one another because of their lively trade and other relations, and therefore the policies of one country influence those of the others and vice versa.

Because Japan represents an important share of world trade, transport, capital movements and other international transactions, Japan is one of those countries whose activities have quite some importance for the others. Therefore these other countries are interested in knowing what policies the Japanese Government want to pursue and Japan is interested in knowing what policies other industrialised countries want to pursue. I think that Japan, having gone through a period of rapid economic development, will also prove able to give us some new elements in our economic co-operation that will be of specific value.

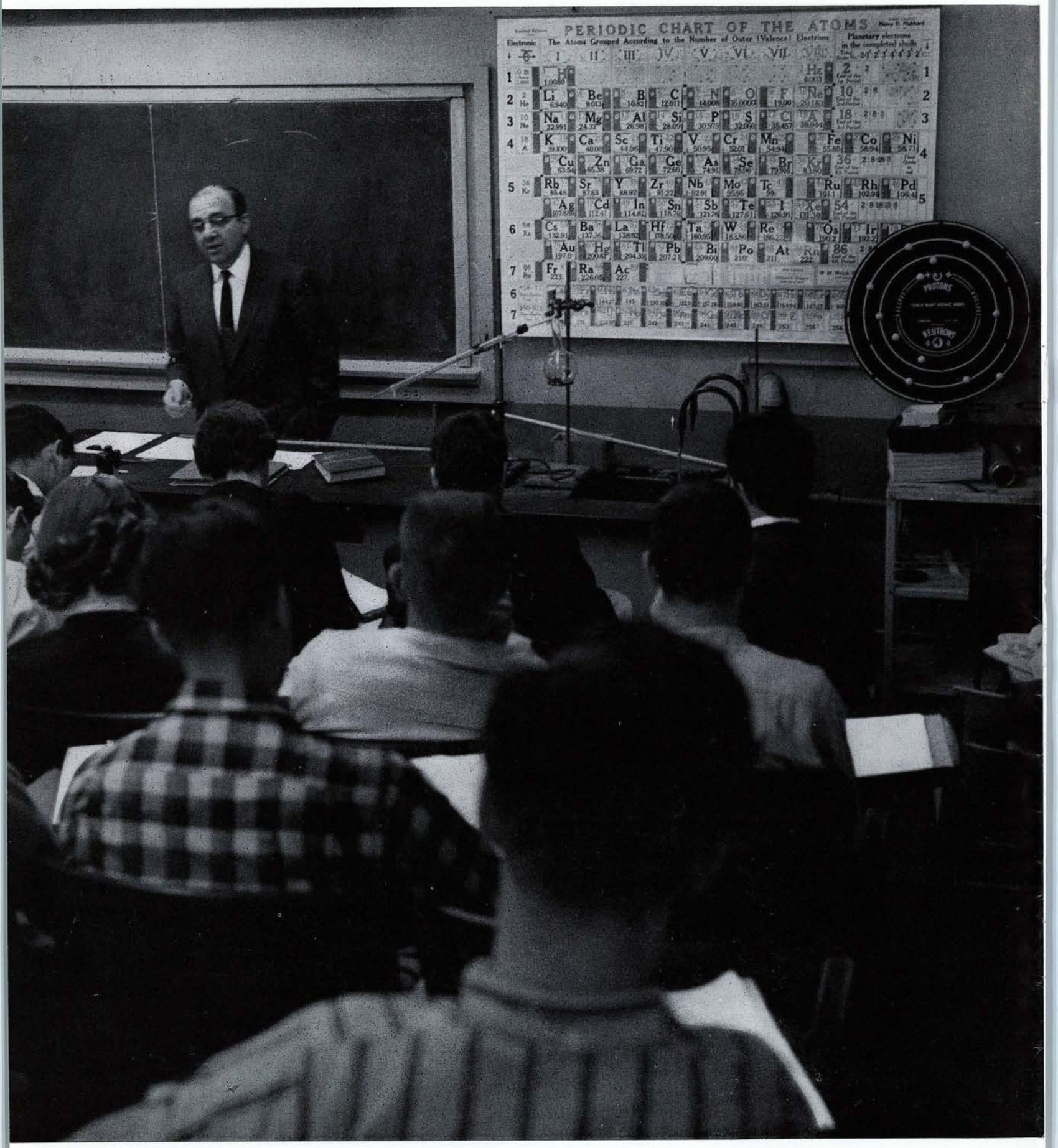
The other form of co-operation within the OECD concerns the field of development aid where it is felt that modern industrial countries have a joint responsibility. Japan is already co-operating with the Organisation in the development aid field. We have a Development Assistance Committee of which Japan has been a member from the beginning. I think the participation of Japan in development aid has brought us something that we would not otherwise have had. Not only has Japan made an important contribution to the common aid effort, but because of her geographical position, the Japanese authorities have some experience and knowledge concerning certain regions of the world which represent a valuable addition to the experience of our older Member countries.

However, I think that even in the development aid field our co-operation with Japan will become more valuable when Japan is a full member because it is increasingly felt that the efficiency of development assistance depends very much on the policies pursued in other fields of economic activity such as trade and matters related to trade and international capital movements. Therefore when Japan co-operates with us in these other fields as well, her contribution to development aid will be more effective.

I think that our co-operation will be richer and still more interesting than it is today when Japan becomes a member. I hope that it will prove useful too for Japan to be a member of this Organisation.

Thorkil Kristensen

Secretary-General of the OECD.


PERIODIC CHART OF THE ATOMS
Henry D. Hubbard
Electronic
The Atoms Grouped According to the Number of Outer (Valence) Electrons
Planetary electrons in the completed shells
I
II
III
IV
V
VI
VII
VIII
PROTONS
NEUTRONS

ECONOMICS OF EDUCATION

by Professor Seymour E. Harris

For various reasons, economists in the last 10 years have become increasingly interested in the problems of education, a field which they scarcely cultivated until the post-war period. Among the problems that have aroused interest in recent years have been :

- The supply of, and demand for college graduates.
- The relation of education to growth, productivity and income, and of education to economic planning.
- The manner of financing education as the demand for education increases much more than the rise of population.
- The efficiency of operation of schools and colleges as the costs, total and per student, steadily rise.
- The relation of socio-economic status of parents and entry into secondary schools and institutions of higher learning.
- The changing demand for education for investment on the one hand and consumption on the other.

In a general way, it is clear that countries with extensive educational facilities tend also to have relatively high per capita incomes. It is evident, for example, that the United States has the highest educational achievement, measured by number of years of education per member of the labour force, the percentage of college-age population at college or the percentage of those aged say 15-19 or 20-24 in its schools or universities; on the basis of all of these, Americans are the most highly educated; they also have the highest per capita income.

But one may exaggerate both the extent of the leadership of the United States and the relation of education to income. On the basis of those in institutions of higher learning in relation to those of college age (17-21), the United States may have an 8 to 1 advantage over Western Europe, e.g. 32 to 4 (in recent years this superiority is rapidly being whittled down by some countries, notably France). But should comparisons be made on the basis of those in schools or in institutions of higher learning at age 17-21 or 20-24, the advantage of the United States is reduced to about 3 to 1 vis-à-vis the OEEC countries. Incidentally 2 to 1 roughly is the advantage of the United States in per capita income over Northern European countries and France, and roughly 3 to 1 for all Western Europe.

◀ *A science course at the American University in Washington,*

Moreover, one may contend that much of the education in the United States is wasted in the sense that there is a strong tendency to overqualify, especially for professional men and women. As the numbers of those highly educated increase, the spokesmen and guardians of standards in the professions tend to increase minimum requirements for qualification. Thus it was not long ago that qualification for a school teacher in the United States was generally only 2 years of education beyond secondary school; it is now generally 4 years. The physician who a generation or so ago could get by with about 18 years of education, now generally studies for 21-24 years. Whatever the cultural advantages of more education, as an investment over-qualification is to some extent wasteful; and what is more, over-qualification is costly in that potential entrants, e.g. in medicine, tend to be discouraged.

In the last few years, economists have tended to be excessively precise in relating education to income and growth. But in the United States, growth and rising productivity and high per capita income are in fact related to large resources, able management and improved technology (the last two related to education), a large free-trade area, freedom from invasion in the past and the substantial contributions of capital as well as to education.

The apparent abnormally high correlation of educational achievement and per capita income may mislead. One may even say that though more education tends to raise incomes, one may also contend that the amount of education also tends to rise in response to higher incomes. The extent to which precision has been carried is suggested by President Kennedy's message on education in 1963, when he specifically attributed 40 % of rising productivity to education, an estimate to be found in E. Denison's provocative book.

Economists, especially in the United States, have become increasingly interested in the returns of additional investment in personal capital as against those in impersonal capital. They are seeking answers to such problems as what will be the yield of $ 1 million or $ 100 million additional invested in education against a similar sum invested in impersonal capital. The answer often given is that we are over-investing in impersonal capital and under-investing in personal capital. At the May 20th-22nd meeting of the OECD Study Group on Education, Professor Svennilson expressed doubts

concerning the capacity of economists to give the answers to these problems.

Some American economists, using similar techniques, have given precise answers, and generally optimistic ones, on the relation of education to growth. To these speculations, some British economists, and notably, Professors N. Kaldor, J. Vaizey and T. Balogh, expressed disagreement at the May meetings. J. Vaizey, for example, stressed the point that, what was crucial was not the substitutability of one kind of investment for another but rather, the complementarity; e.g. as know-how advances, *more* capital, *more* technical and *more* general education are needed. Complementarity is clearly the process associated with such advances in knowledge as those that have given us penicillin, the automobile and the plane.

Nevertheless, whatever the precise relations, I do not see how one can deny the large contribution to income of education. The positive relationship is revealed not only by a comparison across national frontiers, but also within regions of a country, and also historically. Indeed at times the relation is not too clear, and there is a tendency to be too precise. For example educational achievements are out of line at the Russian level of per capita income — here governmental policy in favour of education is relevant; and too high in the State of Utah in the United States — where religious influences are relevant. But despite the evidence of a positive association of education and income, it is well to emphasise also that the correlation is a multiple one — other factors as well as education account for high and rising incomes.

In some respects the statistical relations are puzzling. Thus within the United States one finds that on the whole the impoverished states with scant capacities to finance tend to spend a relatively large part of their personal income on education; and in fact Mississippi, the poorest state, spends much more in relation to income than the wealthy states of California and New York. Educational achievements are, however, much greater in the last two.

Among Western European countries, however, such relationships are not found. The less affluent countries, e.g. Spain, Portugal and Greece, spend a substantially smaller part of their income on education than do France and the United Kingdom; the former three should receive low grades for effort; incidentally, Germany is out of line in that her expenditures are low in relation to her per capita income.

Underdeveloped countries, impressed by the apparent relation of education and standards of living, seek large advances in education. But an allocation of resources that seems appropriate and helpful for countries with per capita income of $ 1,000 - $ 2,500 may be most inappropriate for countries with incomes of, say, $ 50 - $ 300.

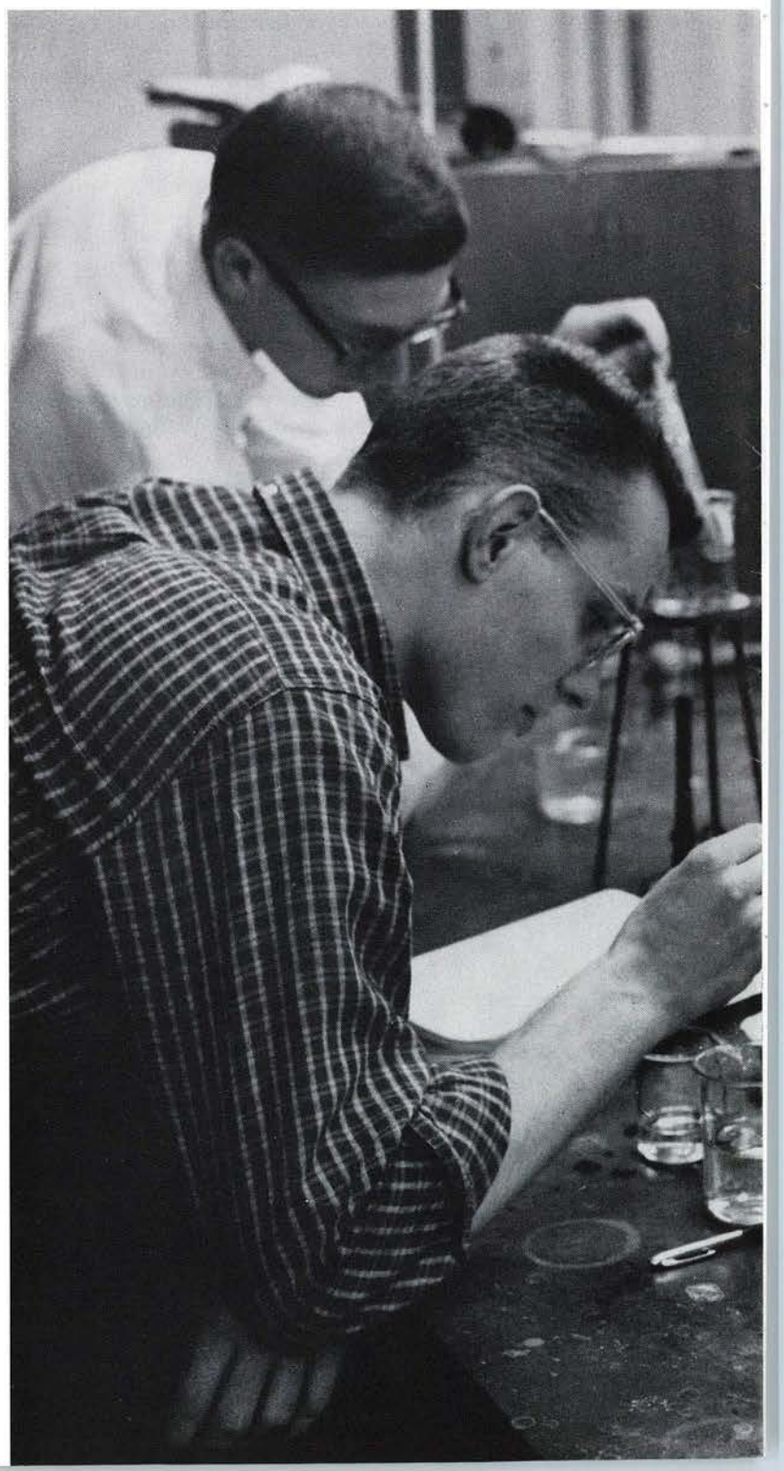
Moreover, the returns from education require much time; and the underdeveloped countries are impatient for quick results. Not only may there be a tendency to spend too much now on education but the allocation to elementary and higher education may be excessive, while that on secondary education, which helps provide the most essential manpower, may be inadequate.

One of the most puzzling aspects of education relates to unit costs. In the United States the cost per student in institutions of higher learning is 3-4 times that in the public schools (elementary and secondary). This difference is largely explained by (1) higher pay for faculty in institutions of higher learning; (2) smaller number of students per faculty member; (3) lower teaching load in institutions of higher learning; and (4) more expensive plant.

In France, however, the cost per student at the University of Paris with its 100,000 students is roughly equal to that in the secondary schools. Here the vogue of independent work by students, e.g. high student-faculty ratios, seems to be a decisive factor.

What of the relation of costs per student to per capita income? I have been puzzled by the relatively high unit costs in the impoverished states in the United States (e.g. the South) in relation to per capita income. One possible explanation is that the low per capita incomes are determined by meagre local resources and low productivity (inclusive of demand for output), and the costs per student determined by national markets, e.g. for faculty pay, equipment, etc.

But when one compares Western Europe and the



United States, the results are unexpected. In France, as noted, unit costs in higher education are very low even when compared to per capita incomes : higher education is a bargain though the product may be a differentiated one compared to that, say, of the United Kingdom.

In Great Britain, though per capita incomes are less than one half those in the United States, costs per student in institutions of higher learning are as high or even higher than in the United States.

Higher education in Great Britain is clearly expensive. Among the possible explanations are the numerous institutions of higher learning for a total of about 100,000 students, and hence a scale of output per institution of higher learning below the optimum, the numerous and duplicating curricula, the vogue of expensive tutorial work, and possibly the availability of governmental grants which might result in reduced concern over economical operation. (Similar considerations i.e. availability of subsidies, relate to the United States).

The high unit costs in both the United States and the United Kingdom raise some issues of equity. In the public institutions of higher learning in the United States, the tuition charges are but a little more than $ 200 on the average or about 1/6 - 1/7 of costs. Why, it has been asked, should the impoverished miners in Northern Michigan subsidise the affluent sons of General Motors' Vice-Presidents who go to the University of Michigan ? Similarly, the students in Great Britain who pay perhaps one seventh of the costs of higher education receive subsidies from the tax payer heavily burdened with consumption taxes and on the whole of lower economic status than the students in institutions of higher learning.

Here one may raise an interesting question. Is the preferable approach to subsidise the operations of the institutions of higher learning and thus reduce net operating costs and hence charges for all students, or to charge a tuition closer to costs and provide scholarship aid on the basis of needs and the quality of the student ? My preference is for a charge, say of $ 1,000 in the United States and in the United Kingdom, with scholarships up to $ 2,000-$ 2,500 to cover educational operating costs and room and board, as a maximum, with the amount of the grant to be tied to economic status. The present system is wasteful in that many receive subsidies that they do not need, and inequitable often in so far as the poor tend to subsidise the rich. In both the United States, where higher education is subsidised largely by state and local government with their regressive systems of taxation, and in the United Kingdom where consumption taxes are very high, the financing systems are not the best.

One of the paradoxes of higher education in the United States is the combination of large enrolment with entrants now in excess of 40 per cent of the secondary school graduates and the restricted funds available for financial aid. Against current costs to institutions of about $ 5 billion, the students pay in tuition about $ 1 1/4-1 1/2 billion, a sum not greatly exceeding capital costs. It may be said that the student is completely subsidised for the operating costs of his education. His tuition covers primarily capital costs and hence virtually no operating costs. But total costs to *students and parents* are about $ 6 billion (4 million students at $ 1,500 for tuition, room and board, travel, etc.) of which tuition accounts for about one quarter. Despite the democratisation of higher education in the United States, the students receive only about $ 150 million in scholarships or about 2 1/2 per cent of costs to the student or parents. I once estimated that if scholarship funds were available in the United States to the extent they are in the United Kingdom, the United States with its larger student body would receive about $ 1,500 million in scholarships. Yet the British can surely afford these payments much less than the United States. Generally, once a student meets the standards of entry, Western European countries are more solicitous in excluding financial deterrents.

I should add, however, that loan financing and employment provide several hundred millions additional per year to students in the United States. Loan financing is justified both because this kind of financing (*cf.* housing and automobiles) diverts more resources to education, and because it tends to put the cost of education on society; the burden of repayment is reduced as prices

and productivity rise. In so far as the gains of education accrue to society, the cost should be borne by society.

Many troublesome problems in the economics of education are still unsolved. How much education (and at what level) is required in order to fit in with growth objectives and manpower plans?

How does one reconcile educational plans that need long gestation periods with the economic plans that at the most are for a period of 2-5 years?

How many professionals are to be trained to fit in with economic plans and related manpower needs? Are shortages of highly-skilled manpower still to prevail even if the number of college graduates increases to a million or more per year, as it will in the 1970s in the United States?

The income of college graduates in the United States despite the large relative gains in numbers still exceeds that of incomes of high school graduates roughly relatively as much as a generation ago. To what extent is the excess of income of the educated to be associated with education as against environmental conditions and higher ability?

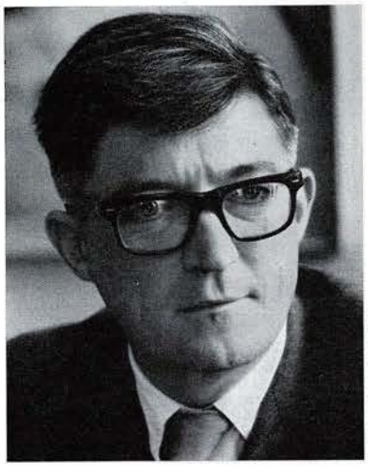
Economists are becoming increasingly interested in reducing the inefficiencies and wastes in education. Many of these, especially in higher education, result from the peculiar organisation of education, where the teachers often are the managers as well as members of the labour market.

But to be more precise, here are some of the wastes :

- Inadequate admission policies result in excessive attrition, that is, large dropouts. Here excessive weight given to aptitude tests and failure to weigh adequately socio-economic background, school grades and achievements of students from different schools are relevant.
- Choice of the wrong institution of higher learning, or the wrong curriculum, related in turn to inadequate guidance, may be costly. In the United States, for example, only 1 in 5 students starting in the sciences graduates in that field.
- Failure to educate the able because of financial deterrents or lack of motivation, is also a great waste.
- Over-qualification may involve inefficient utilisation of resources. But here allowance should be made for the consumption (e.g. cultural) gains of education.

Finally, we have far from solved the problems of the relation of education to growth. We can be certain that education contributes to growth. But how much? We are still in the dark on the values of many inputs other than education that contribute to output, and on some non-educational items among which the residual (excess of output in relation to measurable inputs, namely capital and labour) is to be allocated.

In summary, much ferment prevails in the discussion of the economics of education. Has the contribution of education to growth and income been under-stated in the past? My intuition says that it has. With rising costs of education in relation to national product or on a per capita, or per student basis, should we not turn our attention to problems of waste, of elimination of pricing systems for education that are inequitable and wasteful; that is should we not eliminate subsidies that are not needed? Of this we may be sure, education contributes greatly to income even if the exact contribution is still a matter of dispute.



Mr. Jack Downie, Assistant Secretary-General of the OECD in charge of the Economics and Statistics Department died of a heart attack on August 4 th at Vallon, par La Croix-Barrez, France.

JACK DOWNIE

When Jack Downie, Assistant Secretary-General, so suddenly died on 4th August, the OECD suffered a great loss. His clarity of mind, his excellent economic education and his devotion to his work made him especially well qualified to be the first leader of the Department for Economics and Statistics.

It was not his ambition to have a big staff. Quality was what he asked for. There was a fine tradition for this from the OEEC days, but the tasks were now partly new and they changed rapidly. Of this he had a clear understanding.

Few bodies, if any, have been more important in the OECD than the Economic Policy Committee *and its Working Parties. They were served by Jack Downie's Department which produced very interesting papers for them and he personally played an active and very important role in the preparation of the meetings. Also, his intervention in the discussions were much appreciated.*

The fact that Working Party 3, *dealing with balance of payments problems, has acquired such a rare international reputation is, of course, mainly due to the unusually high quality of its membership, but it is also due to the penetrating analytical preparatory work of the Secretariat. Here again Jack Downie made a remarkable contribution which also included some travelling in various countries.*

His work for the Economic and Development Review Committee was perhaps of no less importance. He helped to make this body an instrument for really critical studies of the economies of the individual Member countries.

As Assistant Secretary-General, he belonged to those with whom I had especially close and frequent contacts, and he was always very active and worth listening to. Only four days before he died we had a rather long talk on monetary matters. As usual his arguments were clear and it was a pleasure to exchange views with him. Now this has suddenly come to an end, but the results of Jack Downie's work will be felt long after his death.

Thorkil Kristensen

The intangible quality of "management skill" has, since the OEEC was formed, been recognised as one of the most important factors in improving productivity. The Organisation has, therefore, been active in developing facilities for and improving the quality of management education and development.

Can MANAGEMENT be taught?

One way to get a good executive is to hire him away from a competitor. However, this by no means uncommon practice, while it may solve the firm's immediate problem, can hardly help the economy as a whole; the overall need for executives is increasing in many OECD countries. In Italy, for instance, where there are at present some 400,000 executives, it has been estimated that one and a quarter million will be needed by the year 1975 as a result of expanding production, changing forms of organisation, and increasing emphasis on the tertiary sector in which one manager may be needed for as few as nine workers as against a rough average of one to twenty-five in industry.

The need for managers, however, can hardly be expressed in quantitative terms alone; for the demands imposed on the individuals charged with directing an enterprise are more severe than they have ever been before. Apart from the weighty responsibilities of co-ordination and planning they have traditionally borne, managers are being confronted by a host of new problems arising from the increased importance in business operations of scientific research, data processing, highly sophisticated statistical projection methods, collective bargaining and a host of other elements that require specialised knowledge. Equally important, a manager's actions are tending, as firms grow in size, to have an impact far beyond his particular firm or industry and, conversely, he is more affected by outside developments.

The need then is to create executives, not only, or even necessarily, specialists, but men of breadth and adaptability, skilled in human relations.

There has been considerable progress, particularly since the end of World War II, towards expanding the number of management-training facilities. In the United States, one out of every five bachelor's degrees granted is in the field of business administration and an increasing number of post-graduate courses are being offered. In Europe, the number of centres devoted exclusively to management training has grown from only six in 1946 to 210 at the present time. These centres offer courses ranging from two weeks to two years (1). On both sides of the Atlantic, moreover, there has been a proliferation of less formal types of education for management — courses given in the plant, executive trainee programmes and a host of other arrangements.

The content of these management education programmes, however, is currently the subject of considerable consternation among educators and businessmen alike. In the words of one investigator, business education is "an uncertain giant, gnawed by doubt. In no other area is there so much uncertainty as to what constitutes a proper educational background for professional practice."

This concern has found its principal expression in three reports; two concentrating on the American experience sponsored by the Ford and Carnegie Foundations (2). These studies concluded that although business education has been more extensively and highly developed in the U.S. than elsewhere, teaching standards in business schools are often low, especially by comparison with those of other disciplines; that programmes are designed for average or even mediocre students; that they aim at meeting the requirements of the first job rather than the long-range development of executives; and that the schools are failing to develop the qualities of mind and character necessary to a competent executive.

The third report, which focusses on the European scene, has just been published by the OECD. It is called *Issues in Management Education* and is the result of an investigation by a committee under the chairmanship of J.W. Platt, director of the Shell Transport and Trading Co., Ltd. and Chairman of the United Kingdom Advisory Council on Education for Management.

After a preliminary discussion of the changing environment of management — the growing number of links between business on the one hand and economic and political affairs on the other, and the fact that the idea of relentless change has come to be expected — the report goes on to discuss gaps in the theoretical framework of management teaching. The starting points of this theory were the schools of scientific management in the U.S. and of business economics in Germany. Over the years ideas have poured into the mainstream of thinking on the subject from such diverse fields as economics, mathematics, sociology, psychology and biology. Decision theory, group dynamics, heuristics, input-output

(1) A directory of these schools was published by OEEC in 1960 called *European Guide to General Courses in Business Management.*

(2) The reports are entitled *Higher Education for Business* by Robert Aaron Gordon and James Edwin Howell, Columbia University Press, New York, 1959 and *The Education of American Businessmen* by F.C. Pierson et al., Carnegie Trust, New York, 1959.

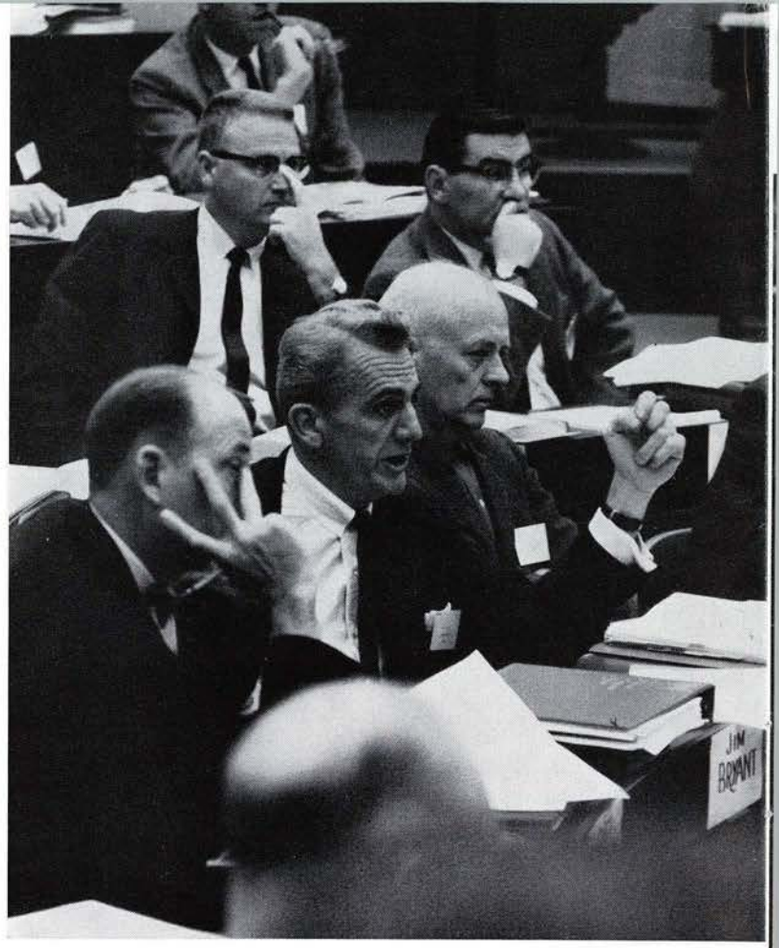
analysis and systems analysis all have made their contribution. But as yet no single logically coherent and satisfying theory of management has been developed. Such a theory, the report suggests, is badly needed.

Surveying management education in Europe, the Platt report finds that it is largely patterned on American doctrine and methods. Much of what has been imported is useful, but the report also expresses some reservations about the validity of these methods for Europe : " What was imported was already out of date (in the U.S.) by the time it had been established in Europe. More importantly, fundamental differences in the structure of education in Europe and in the pattern of business enterprise made it difficult for the American graft to take. " There is, for instance, a difference in the state of development of what has been called " the managerial revolution " : in many European countries, the small family firm is vastly more prevalent than in the U.S. (In Italy 84 per cent of all companies are managed by their proprietors). There are differences too in the attitudes towards authority, in relationships between management and labour, in the relative number of higher executives and the degree of autonomy enjoyed by boards of directors. " The path of progress ", the report concludes, " would clearly seem to lie in each country adapting and developing management education in conformity with its own particular culture. "

Another basic problem for management education is that the principles and methods have not yet been clearly defined and hence are subject to misunderstanding and disagreement. " Important differences exist but are seldom made explicit. This is seen, for example, in the case of those for whom management education means the imparting of knowledge and those for whom it is primarily a matter of developing desirable qualities. The respective roles of education and of practical experience in the making of a manager are difficult to define as is... the most effective means of achieving their balanced interaction. Paradoxically many academic programmes appear to be excessively devoted to evolving substitutes for experience, while programmes internal to organisations give the impression of developing substitute forms of academic education... "

" The empirical foundation of management education is weak, much of its literature poor. Too few systematic studies of the actual working of enterprises have been undertaken and many generalisations pass untested and unchallenged. " There is " an absence of accepted standards " which makes it " difficult to compare the innumerable courses offered, or to select the one best suited to a given individual or situation. Essentially different, though seldom differentiated in discussion or planning, are the short-term problems of compensatory programmes for established managers and the longer-term problems of the development of management education within the framework of a nation's educational system. Hitherto management education has been largely aimed at adults, yet little research has been undertaken to evaluate the educational methods best suited to holding the interest and deepening the understanding of the mature individual. "

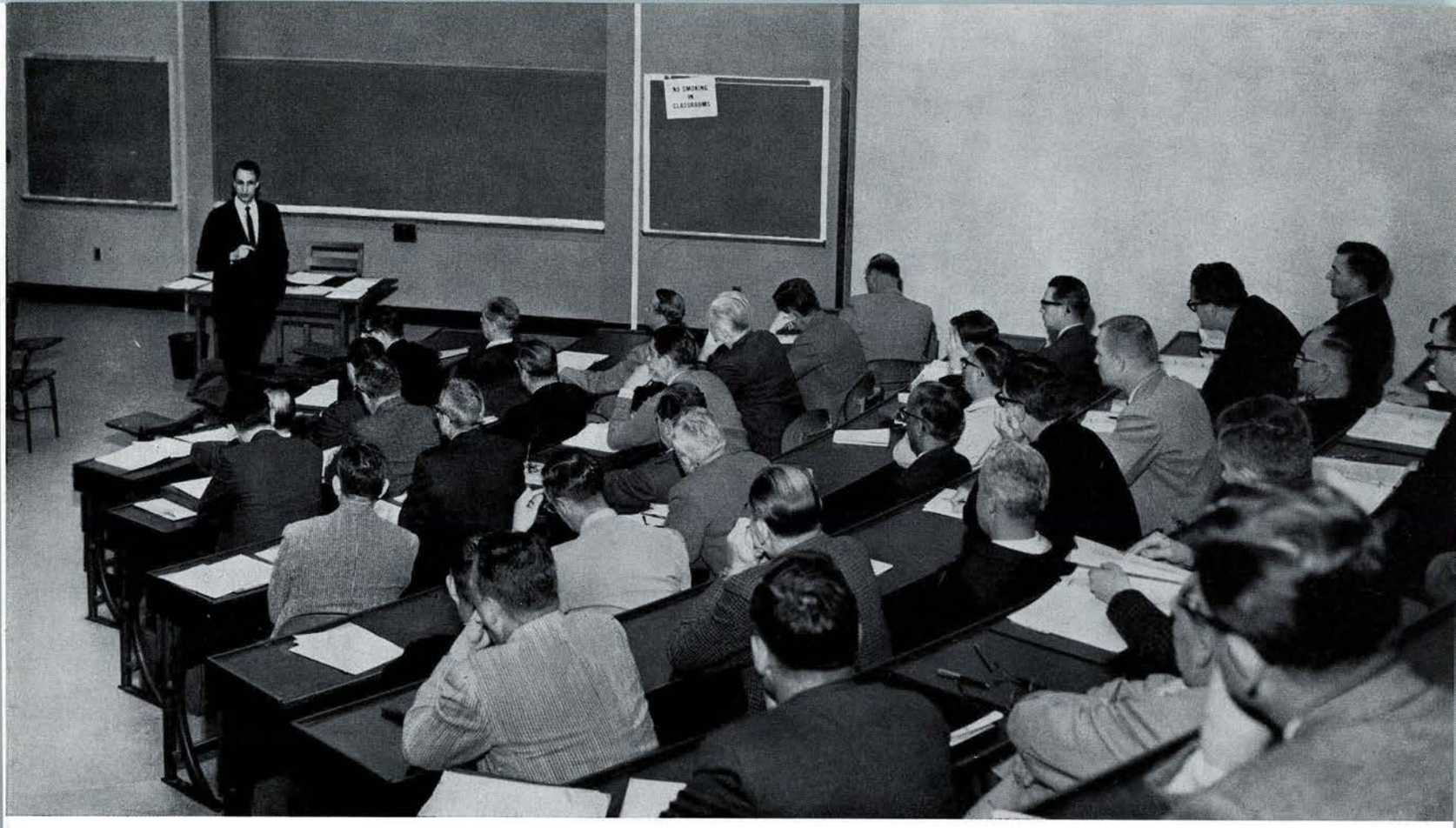
For the future, the Platt report recommends that there be more research on the process of management in order to permit generalisations which cannot now be made. It also recommends closer collaboration between the academician and the practitioner through the joint tackling of problems which have a common appeal and interest.



One of the best known management training schemes is the Advanced Management Programme of the Harvard Business School in Boston, Mass. It is a thirteen week course given in Spring and Fall for executives (usually in the 36 to 50 age group) who are chosen and sponsored by their companies. About 10 per cent of the 130 men or so who attend each session come from outside the United States.

In particular, the report emphasises the notion of " permanent " education for managers. In management as in medicine and other fields, the report suggests " education cannot be a once for all process ". The pattern of working life is increasingly coming to be seen as the continuous interaction of experience and education. Underlying this is the notion of education as a permanent process, demanding the ability to draw on the lessons of experience and a readiness to renew knowledge and understanding. Opportunities must be provided at appropriate points during a man's career to enable him to re-think his past experience, to come abreast of new thought, to gain insight into wider problems and issues. Such a conception has profound implications. It entails a reconsideration of the traditional view that the education received through childhood and adolescence is an adequate preparation for the rest of life.

For this permanent education, no one approach will suffice nor yet one source of teaching experience but rather there must be a variety of possibilities open to the potential manager. There must be courses for those who have experience but little formal education, updating courses in technological or business techniques to keep managers abreast of new developments, courses intended to broaden the knowledge of the specialist.



Above all the report concentrates on courses for the man of thirty-five or so who, having both experience and a good mind, seems likely to reach positions of the highest responsibility. For him, the important thing is to learn " the skills of synthesis and integration, the boundaries of knowledge in the various disciplines relevant to management and the way in which a prospective view of affairs needs to be nurtured by those faced with taking the major decisions of policy within organisations ". The report likens his need for a period of reflection and learning to that of a " sabbatical " leave in university life and suggests that it be lengthened from the prevailing maximum of three months.

Management education courses, the report suggests, could be given by a variety of institutions — universities, vocational colleges, staff colleges and others. But most important is the role of the firm itself. " A view is emerging, " says the report, " that the employing organisation has an educational function during adulthood corresponding to the role of the school and the university in early life.... A well-conceived policy of management development is an essential if the progress and continuity of the business are not to be held up by a dearth of men of managerial ability prepared for greater responsibilities. An effective management development programme cannot be established in any mechanical fashion. It calls for systematic selection, a permanent concern for a man's development, the benefits of appropriate programmes of education, part or full-time, internal or external, and planned opportunity for increased responsibility... Experience must be intelligently planned, giving real and varied responsibility under the guidance of able seniors who accept as one of their important responsibilities the development of their subordinate staff. "

INTERNATIONAL CONFERENCE ON PERSONNEL QUESTIONS

The first international conference on personnel questions ever to be held took place at Oxford on 1st-5th July under the auspices of the European Personnel Management Association, set up last October on the initiative of OECD. It was attended by leading personalities in science and industry from many European countries. Among the subjects discussed were the role and position of a head of personnel, problems of the evaluation of employers' and managers' duties, management training and salary grids.

The aim of the Association, which is free from any governmental, employers' or trade union ties, is to develop the knowledge, activities and ethical rules of personnel management. Aiming to be representative of Europe while at the same time maintaining contacts with non-European countries, the Association will encourage those responsible for personnel matters to create and develop their own local associations in European countries where such groups are not yet in existence.

The European Personnel Management Association, which has its headquarters in Vevey (Switzerland) groups together the French National Association of Directors and Heads of Personnel, the Swiss Society for the Study of Personnel Questions, the German Society for the Study of Personnel Questions, the Swedish Council for Personnel Administration, the Institute of Personnel Management of Great Britain and Ireland, the Brussels and Liège Companies of Heads of Personnel Services and the Italian Association of Directors and Heads of Personnel.

THE OECD DEVELOPMENT CENTRE

By a decision of the OECD Council of 27th November 1962, a Development Centre was established within the framework of the Organisation, its purpose being to bring together the knowledge and experience available in participating countries of both economic development and of the formulation and execution of general economic policies; to adapt such knowledge and experience to the actual needs of countries or regions in the process of economic development and to put the results at the disposal of the countries concerned by appropriate means.

The Centre is to consist of :

- A group of five high-level economists to give direct assistance and advice to the President, Robert Buron, former French Minister for Economic Affairs, then for Overseas Territories and afterwards Minister for Transport, and the Vice-President, Raymond Goldsmith, professor of general economics at Harvard.
- A small administrative staff run by the OECD exclusively concerned with the duties authorised by the Council on 11th June in connection with :
  — information and documentation for developing countries,
  — training,
  — research.

* * *

DOCUMENTATION CENTRE

To be of help to the associate members and staff the Centre's information and documentation service should not follow the classic example of the university library where, in a somewhat claustrophobic and forbidding atmosphere, studious librarians jealously guard the carefully docketed and classified works of all kinds.

Its chief function will be to provide developing countries with the information and documentation needed for their economic, scientific, technical, social and cultural growth and to serve as efficiently as possible as a clearing house for ideas and experience acquired in fostering development.

It will have to unearth all kinds of literature, periodical or otherwise (publications, books, theses, reports, special studies, photographs) and information relating to " development " in all its different forms.

Once traced, the document will be identified, analysed, circulated and kept in stock in so far as it may contribute to the concept of " development ".

As the service will be mainly on the lines of " question and answer ", the administrations of each developing country will be able to consider it as their own library run by a staff able to understand their needs and find the required answers promptly. For instance, the agricultural directorate of some eastern Asiatic State, wishing to perfect some particular aspect of its agrarian reform, can apply to the Centre for any literature dealing with similar experiments in other countries together with the opinions of the specialists most qualified in the matter.

The initial stage of tracing the literature will consist of an approach to those libraries throughout the world qualified on the subject of development to forward the document concerned on microfilm or by any other means.

It will thus be possible to assemble rapidly a complete inventory containing not only the relevant documents selected at the discretion of the staff, but also a study made by the Centre's associate members; this dossier will then be forwarded as soon as possible to the country asking for the information.

In short, the aim of the documentation service will be to help the authorities of less-developed countries to obtain in the shortest possible time all the literature needed to help them solve their difficulties.

RESEARCH

First and foremost, the Centre will do everything to act as a catalyst in matters relating to research, a role assigned to it by the decision of 27th November, 1962.

In particular, it will endeavour to encourage contacts between different institutes for private and public research in developed countries, by providing any link-up that might be wanting and, if necessary, by helping to circulate documents which until now have stayed on the shelves of research institutes, because ways and means, as well as the utility, of releasing them have never been clearly apparent.

With this end in view, a symposium will be arranged as soon as possible to enable those institutes and organisations concerned with development research to get together and find the best means of co-ordinating the efforts of all.

This will provide a suitable opportunity for suggesting new lines of research in hitherto insufficiently explored directions and the Development Centre itself will be able, by its own efforts, to help to improve the situation in this respect. Several suggestions worthy of attention have already been received.

One suggestion is to complete a handbook of statistics which will combine in condensed form a quantity of numerical data collated in logical and uniform fashion for about a hundred countries so as to supply the economist with comparable information on the quantitative aspects represented by his statistics and covering as many preceding years as possible within reason.

Another proposal relates to the study of factors making for success and failure in development, based on the analysis of experiments carried out in a number of countries in specific sectors.

Another line of research will deal with the types of agrarian reform relevant to countries in which the social structure and stage of economic development are necessarily different, in order to determine, for each case, those which are most likely to accelerate modernisation and development (the comparative advantages of partition and regrouping).

A study of the actual cost of development, allowing for the inevitable destruction or changes of value involved, is also planned with a view to obtaining a clearer picture of the human and social factors that governments must take into consideration when setting their targets.

TRAINING

The Centre will fulfil a similar role in the matter of training. It will do everything to make practical arrangements for a dual training course — theoretical and practical — on the various aspects of assistance, one of them for Member countries' economists called upon to work in the less-developed countries, the other for economists from the developing countries who may wish to have further top-level training. These courses will place particular emphasis on the various ways of managing bilateral and multilateral aid, as the authorities of recipient countries sometimes experience difficulty in applying it to the best advantage.

The Centre will also endeavour to discern the natural bent of and give advanced training to those experts likely to provide valuable technical assistance to less-developed countries.

" Mobile teams " will be trained to give additional on-the-spot advice to the authorities of developing countries, thereby enabling them to exchange ideas and discuss any difficulties arising in their respective spheres with experts who have come, as it were, to give them the latest news about economic, statistical, sociological and cultural developments. In this way, these " mobile seminars ", arranged to suit the needs of the country concerned, will be able to bring up to date those playing a key role in their country's development without interrupting their normal duties.

* * *

By virtue of its own vocation, the Development Centre will naturally play its part in the carrying out of activities already launched by the OECD and figuring in the programmes planned for the future, but which, by reason of their nature, are now likely to be profitably extended to cover third countries.

This means that the work of documentation, research and training will be reinforced by study conferences on key-subjects selected for the contribution they can make towards acquiring a more detailed knowledge of the fundamental aspects of development. In due course, the broad lines of these conferences will reflect the same spirit and take place in conditions similar to those which OECD, with the help of the Ford Foundation, applied to Regional Economic Planning and Industrial Development, and to the conference scheduled for December 1963 on the relationship between financial and fiscal policy and economic development. A conference on " Factors influencing Strategic Growth " as evidenced by the policies followed in non-member countries might well provide an opportunity of making comparisons based on the study of specific cases. These schemes would naturally be closely co-ordinated, as regards both their conception and their execution, with those that have to be made by the various branches of the Organisation called upon to study development problems.

Similarly, the success already achieved by the Mediterranean Project, which, by reason of its scientific work, has enabled OECD to encourage the preparation of long-term training plans with a view to economic development, is such as to encourage the Centre to find ways and means of ensuring that these experiments, which have already proved successful in Europe, could be extended to cover other parts of the world which, as in the case of Latin America, show interest in their application and readiness to organise the necessary stages at regional or local level.

A general TRANSPORT POLICY for Europe

- *to improve efficiency*
- *and cut out waste*

by Mr Michel MANGE
Secretary of the European
Conference of Ministers
of Transport

The decline in rail transport and the corresponding increase in road traffic; a Europe-wide scheme for financing modern railway equipment; the improvement and extension of major European transport links; road safety and the framing of a European Highway Code, these are some of the major preoccupations of the European Conference of Ministers of Transport (ECMT), whose close connections with OECD and its predecessor, OEEC, have existed since its foundation in October 1953. Also included in its competence are the development of the European oil pipeline network and the standardisation of waterways and barges.

Twice a year, the Ministers of Transport of the eighteen ECMT Member countries — all the European members of OECD with the exception of Iceland and the addition of Yugoslavia — meet in Paris at OECD headquarters, where the ECMT Secretariat is attached for administrative purposes to that of OECD, or in one of the Member countries' capitals. Between these meetings, a Committee of Deputies prepares the meetings of the Council and deals with any matters that may be assigned to its care.

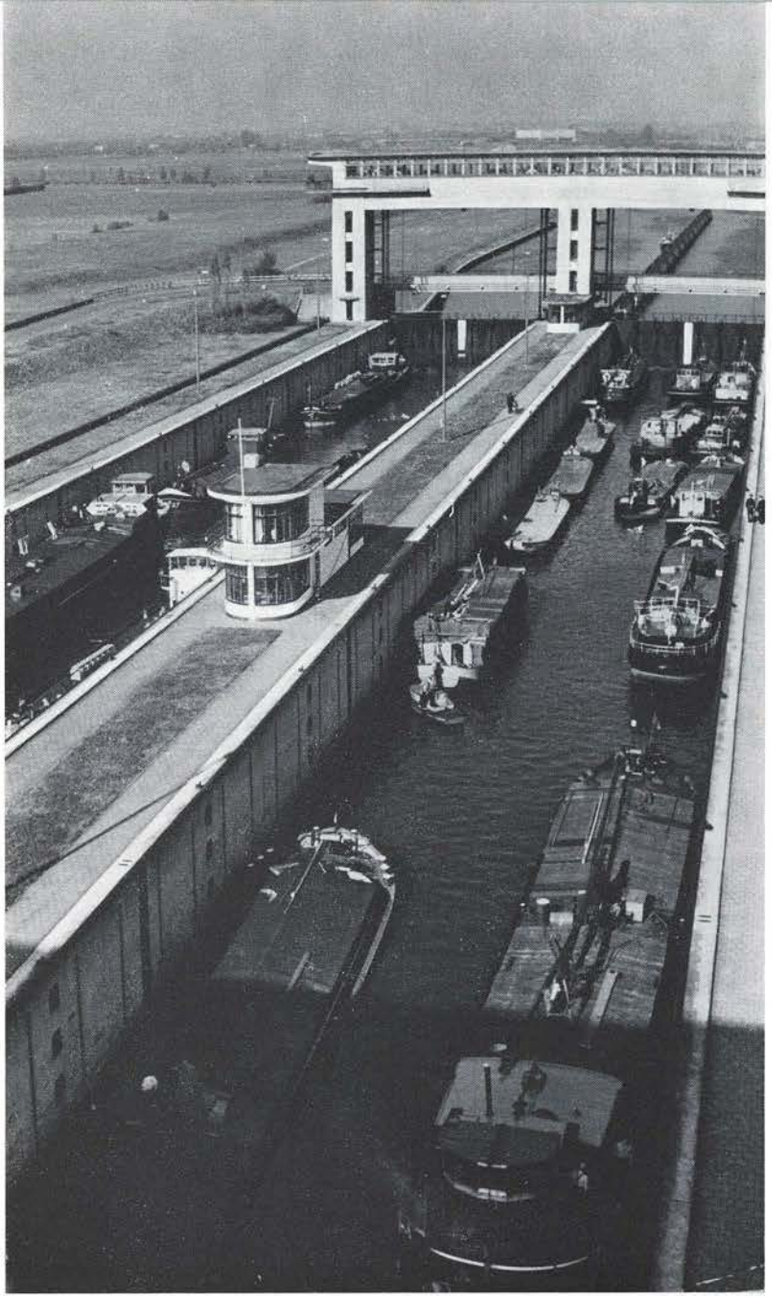
The specific questions mentioned above, and others affecting the European transport system as a whole, are dealt with by ten subsidiary bodies; special restricted groups are also set up from time to time to study points of specific interest to certain Members, as for example to follow the activities of the " Eurofima " Company, to which reference is made later in this article, or to co-ordinate road traffic regulations. One of these restricted groups consists of the " Six " — the Member countries of the European Economic Community — and is responsible for the preparation of information on EEC transport problems for transmission to ECMT, where it can obtain the views of non-EEC members on these problems.

The conclusions reached at meetings of the Conference are given effect by the countries endorsing them, each Minister taking or proposing appropriate action in his own country within the limits of his competence at national level.

Each year the Conference makes a detailed analysis of statistics for rail, road, inland waterways and pipeline traffic during the previous year. It is clear from these that the traffic carried by the railways and inland waterways has not grown in the same proportion as the gross national product and the industrial output of Member countries; whereas road transport shows a definite increase in closer keeping with the current economic expansion of most European countries.

The reasons for this changeover are not far to seek : coal has lost ground to other forms of energy which are either not transported (electricity) or are carried by other means (pipelines); at the same time the tendency to construct large iron and steel complexes near ports, and to obtain supplies from cheaper overseas sources has led to a sharp decline in the transport of ore by rail or water. In contrast, road transport figures are climbing upward, since this often forms the most convenient means of carrying semi-finished and finished products from the factory to the consumer.

The development of the European pipeline network is of special interest as a new venture in the story of transport. So far, all the major European pipelines now functioning or being laid are intended to carry crudes (with the exception of the Le Havre-Paris pipelines which carry refined products). Operation of these pipelines has reduced the tonnage of crude products carried by rail and water, and future laying of pipelines for refined products will reduce the latters' present share in their carriage. Recommendations by the ECMT Council and the Assembly of the Council of Europe have led France, Switzerland and the United Kingdom, among Member countries, to introduce legislation to regulate the laying and operation of these pipelines.



This changeover from an old-established pattern to more modern methods of meeting transport demands clearly calls for a general transport policy to improve efficiency and cut out waste. The Conference has therefore studied various aspects of such a policy : the financial situation of the railways, liberalisation of road transport (especially between countries), the fixing of common standards for weights and dimensions for road vehicles, and the co-ordination and financing of investment. An instance of practical action in this respect was the setting-up by ECMT of " Eurofima ", a European concern for the financing of railway equipment. ECMT also helps to work out international financing for projects which cannot be given sufficient priority at national level, such as the motorway over the Brenner Pass which passes through Austrian territory to link the German and Italian motorway networks.

Also, as part of the general transport policy, the Conference has embarked on a study of the trend of demand for transport up to 1970. In this indispensible forecasting exercise it is assisted by the Secretariat of OECD.

The map of the major European lines of communication has changed considerably in recent years, with the opening of Alpine road tunnels under Mont Blanc and the Grand St. Bernard, the construction of new motorways, the canalisation of the Moselle and Main and the laying of pipelines linking North Sea and Mediterranean ports to industrial centres in the Rhine basin. Recently a new direct link has been opened between Germany and Denmark which reduces the road and rail journey between the Continent and Scandinavia by several hours. To ensure that such new developments are of the greatest possible use to the European economy as a whole, ECMT keeps a close watch on plans for railway electrification, motorway construction and the completion of major inland waterways, and exerts its influence with Member governments to expedite some of these projects where this is warranted by the increase of traffic.

The question of road safety is one of general concern in these times, when road traffic is increasing out of all recognition. The Conference has adopted a series of Resolutions in this connection, dealing with the standardisation of conditions under which driving licences are issued, the fixing of speed-limits, the education of road users (especially in schools) and safety-belts and crash-helmets for the protection of road users. Liaison has been established in this respect with a group of experts in scientific research on road safety set up by OECD.

A scheme of great practical interest, the standardisation of national road traffic regulations, has been under ECMT study for three years, as a prerequisite for the framing of a European Highway Code. Some of the texts already adopted by the Ministers have been, or will be, included in the highway codes of individual Member countries; for example, Sweden, the only country of the European mainland where traffic still drives on the left, has decided to change over as from 1967.

Lastly, with regard to waterways, the Ministers of Transport have agreed upon a series of measures relating to standard dimensions for future civil engineering works of European interest, together with standard dimensions for barges, which take into account the " pusher " technique now coming into general use on the main rivers of Western Europe.

In its work to improve the efficiency of European transport, ECMT has not extended its activities into the fields of air or maritime transport. But as Europe's watchdog to ensure the contribution of transport to economic growth, the Conference maintains close relations with world-wide organisations dealing with the carriage of goods and passengers by sea and by air.

RESTRICTIVE BUSINESS PRACTICES

THE OECD AND RESTRICTIVE BUSINESS PRACTICES

Article 1 of the Convention on the Organisation for Economic Co-operation and Development provides that one of the aims of the Organisation shall be to achieve the highest attainable economic growth and employment in Member countries. An aim of this kind can only be achieved under a system of free competition. It is therefore essential that the OECD should study the problems raised by restrictive business practices so that,

The term " restrictive business practices " is commonly applied to all the practices which, in the field of private enterprise, restrain competition, limit access to the markets or encourage monopolistic control. These restrictive business practices are very numerous and take the most diverse forms ranging from the " gentlemen's agreement " through " parallel behaviour " and " concerted practices " up to the powerfully organised " cartel ".

In general, they derive their origin and legitimacy from the principle of freedom of will which is the basis of the law of contract. Under this principle, every man has the right to agree freely to limitations upon his own liberty in particular by submitting to restrictions on competition. But this freedom of contract, widely recognised, has in certain cases, and especially since the Industrial Revolution, been used to create and operate restrictive agreements which sometimes go as far as eliminating all competition and gravely prejudicing the general interest. To combat such excess a number of countries have adopted legislation designed to control or prohibit certain restrictive practices.

Not all restrictive business practices, however, affect competition to the same extent. The value of some of them is recognised. This is the case for example with " specialisation agreements " between firms, whose restrictive effects on competition may be outweighed by the benefits they procure for the parties and indirectly for the general interest. This is why there can be no sweeping condemnation of restrictive business practices as a whole.

The harmful character of some of them has however been recognised by some national legislation and certain international treaties.

Thus, in the United States for example, horizontal agreements providing for resale price maintenance are regarded by the Supreme Court as illegal by their very nature, that is to say independently of any economic reasons which might possibly be put forward to justify them. Similarly, " market sharing " is regarded as being inherently illegal regardless of the fact that such a division may be effected by allowing each producer a fixed percentage of available business or by sharing sales territories geographically or even by allotting customers to each seller. The United States Supreme Court has also made it clear that " tying agreements " have in fact no other reason in practice except that of suppressing competition.

The same practices are also included in the lists giving examples of specially prohibited restrictive practices in Article 65 of the Treaty of Paris instituting the European Coal and Steel Community (ECSC) and in Article 85 of the Treaty of Rome instituting the European Economic Community (EEC). These enactments prohibit in particular price-fixing, the limitation or control of production, marketing, technical development or investments and the sharing of markets or sources of supply. Article 85 of the Treaty of Rome also lists discriminatory treatment and the fact of making the conclusion of a contract subject to the acceptance by trade partners of additional goods or services which are not by their nature or by the custom of the trade related to the subject matter of such contract. This latter practice is in reality equivalent to the tying agreements which are also prohibited by the Clayton Act of the United States.

where necessary, it can recommend its Members to follow policies or adopt procedures which will do away with the harmful effects of such practices. For this purpose a Committee of Experts on Restrictive Business Practices was established within the OECD in December 1961, which took the place of the Group of Experts set up in 1953 under the former European Productivity Agency. The terms of reference of the Committee included the following :

- *To review developments in the field of restrictive business practices both in individual countries and in international or regional organisations, such as new legislation, or application of existing legislation ;*
- *To examine and compare laws relating to competition in individual countries and the basic principles underlying them and to study particular problems arising from the nature or application of such laws ;*
- *To examine particular problems arising from the existence of monopolies and restrictive business practices ;*
- *To promote the standardisation of terminology concerning restrictive business practices ;*
- *To develop agreed definitions of specific restrictive business practices which may have an adverse effect on international trade and, on the basis of such definitions, review developments in this field.*

In pursuance of these very wide terms of reference the Committee of Experts on Restrictive Business Practices is at present carrying out the large-scale undertaking of comparing legislation on restrictive business practices, and has also embarked upon a study of the control of " market dominating enterprises ".

In the matter of terminology the Committee is seeking to establish standard definitions for all Member countries of the OECD for a number of terms dealing with restrictive business practices.

In the matter of international trade the Committee is seeking to define specific restrictive business practices which might have an unfavourable effect upon international trade. When this first work is completed the Committee may then consider what common action should be taken in order to eliminate such unfavourable effects.

THE APPEARANCE IN EUROPE OF LEGISLATION ON RESTRICTIVE BUSINESS PRACTICES

Events since the end of the Second World War have emphasized the vital importance of competition as a factor in economic progress and as means of ensuring the better division of capital, labour and economic resources both on the national and international plane. There would in practice be little point in doing away with customs barriers, abolishing quantitative restrictions on trade and liberalising services if privately imposed restraints on competition could cancel out some or all of the benefit that producers and consumers are entitled to expect from the freeing of world trade. This recognition of the harmful character of certain restrictive business practices has led many countries and international organisations to adopt a great body of legislative and administrative enactments. Thus since 1951 legislation on restrictive business practices has been adopted in Austria, Belgium, Denmark, France, the Federal Republic of Germany, Ireland, the Netherlands, Norway, Sweden, the United Kingdom, and quite recently Switzerland and Spain. In addition a Bill on restrictive business practices is at present under study in Italy.

On the international plane the General Agreement on Tariffs and Trade and the Stockholm Convention creating the European Free Trade Association contained provisions on restrictive business practices, while the Treaty of Paris creating the European Coal and Steel Community and the Treaty of Rome instituting the European Economic Community, within the restricted limits of the six Member countries of these institutions, have laid the foundation of a genuine Community law in the matter of restrictive business practices.

These laws naturally differ widely between themselves since they reflect national legal traditions and market structures. They can, however, be classified in two categories depending on whether their underlying principle is the " control of abuse " or the " prohibition of restrictive business practices ". Legislation based on the control of abuse is designed to repress any abuse arising out of restrictive business practices. Most European laws fall in this category, especially those applied in Ireland, the Netherlands, Belgium, Austria and the Scandinavian countries. A special feature of Danish, Swedish and Norwegian law is that particular importance is attached to publicity as a means of eliminating harmful restrictive business practices. French legislation on the subject is part of a general system of price regulations prohibiting practices such as refusal to sell, unjustifiable commercial discrimination, making the sale conditional on the purchase of other goods or of a minimum quantity and fixed minimum prices. An administrative authority is responsible for the enforcement of these regulations.

United Kingdom legislation requires the registration of a great many restrictive agreements. Registered agreements must normally be examined by the Restrictive Practices Court which decides whether the restrictive provisions they contain are contrary to the public interest or not. German law on the subject has two outstanding features : first, like the United States anti-trust laws, it is based on the prohibition of restrictive business practices and secondly, it has inspired some of the EEC provisions concerning cartels and dominating enterprises. However, the severity of the German legislation is tempered by the many exemptions allowed on grounds of structure or economic policy.

The recent appearance in Europe of legislation on res-

trictive business practices, as a result of the enlargement of markets, should not obscure the fact that as early as the end of the last century Canada and the United States had passed laws in this sphere. Thus, in the United States, the Sherman Act dates back to 1890. Its early origin, the stringency of its provisions and the wealth of case law which it has engendered makes this Act the keystone of anti-trust legislation in the United States. In addition to the Sherman Act, which some writers have called the " Charter of Freedom " for American industry, there are also among others two major anti-trust Acts in the United States, namely the Clayton Act and the Federal Trade Commission Act. The scope and meaning of these Acts have been interpreted and made more precise by the Supreme Court. Thus there exists in the United States a very full and detailed body of case law on anti-trust questions which has not yet found its counterpart in Europe.

THE GROUP OF EXPERTS OF THE EUROPEAN PRODUCTIVITY AGENCY

This new interest aroused in Europe since 1945 by the problems of restrictive practices encouraged the European Productivity Agency of the Organisation for European Economic Co-operation (OEEC) to set up in 1953 a Group of Experts responsible for watching developments in this field. This Group of Experts, which consisted of the officials responsible for national policies in the matter of restrictive business practices, very rapidly became a forum for a very wide exchange of information of great value for the governments of Member countries of the OEEC who at that time were contemplating the adoption of legislation on the matter of restrictive business practices. The most important work of the Group of Experts was the drawing up of the " Guide to Legislation on Restrictive Business Practices ", the publication of which is now continued by the OECD under the auspices of its Committee of Experts on Restrictive Business Practices.

THE GUIDE TO LEGISLATION ON RESTRICTIVE BUSINESS PRACTICES

It was in 1959 that, owing to the necessity of compiling precise and detailed documentation on the subject, the OEEC decided to publish a comprehensive survey of comparative law on restrictive business practices which assembles all the current legislation on restrictive business practices in force in Europe and North America. This work, published in English and French, was entitled " Guide to Legislation on Restrictive Business Practices " and it was decided to keep it constantly up to date.

The first two volumes of the Guide were published in 1960 and the third appeared in 1961 together with a supplement bringing volumes I and II up to date. In 1962, a second supplement appeared, designed to bring all three volumes up to date, but the amount of material contained made it necessary to issue a fourth volume. A new edition in four volumes was published at the beginning of 1963.

The Guide is therefore primarily a compendium of existing legislation, but it is also and above all a manual of comparative law and its main distinctive feature is that each enactment is set out with the authoritative comments of expert government officials of the country concerned. The Guide gives a very comprehensive picture of the legal position regarding restrictive business practices in Europe and North America. For businessmen, government officials, lawyers and research workers it is an invaluable instrument which will become increasingly useful as individual Governments or international organisations take further legislative action in this field.

In its present form, the Guide thus comprises four bound volumes, each of about 200 pages. It includes all the legislation currently in force in fourteen OECD countries, the European Coal and Steel Community, and the European Economic Community, which are dealt with as follows :

Volume I : Austria, Belgium, Canada, Federal Republic of Germany.
Volume II : Denmark, Ireland, France, United Kingdom.
Volume III : Italy, Norway, Netherlands, Portugal, Sweden.
Volume IV : United States, ECSC, EEC, International Bibliography.

The information relevant to each country or organisation follows a standard pattern consisting of the five following sections :

- a brief introduction on the historical background and underlying principles, and an outline of the structure of the legislation in question;
- legislation on restrictive business practices in force in Member countries or international legislation applying to several states;
- explanatory notes on the legislation;
- a selection of administrative and court decisions;
- a selected bibliography.

Decimal code numbers are used for convenience of reference and comparison.

The Guide to Legislation on Restrictive Business Practices is based on information provided by the national correspondents appointed by the Member countries and by the international organisations concerned. The Guide is kept constantly up to date by loose-leaf supplements incorporating the latest amendments and any new legislation and information concerning other Member countries (1).

(1) With the publication of the second edition, arrangements have been made for the regular supply of supplements by subscription. Buyers of the second edition and anyone already possessing the first edition together with the first two supplements will be able, by subscribing, to receive future amendments at closer intervals. Partial supplements covering new contributions of one or more Member countries or organisations concerned are published with the least possible delay.

OECD

LINKS WITH OTHER INTERNATIONAL ORGANISATIONS

***THE** valuable returns to be obtained from international co-operation in many fields have been amply demonstrated since the Second World War — not least by OECD and its predecessor, OEEC. The result has been an astonishing proliferation of such bodies, some representing the overall interests of a group of countries, others co-operation among such a group in a specific aspect of human activity, yet others linking the shared problems of members of one of the professions or a trade union network.*

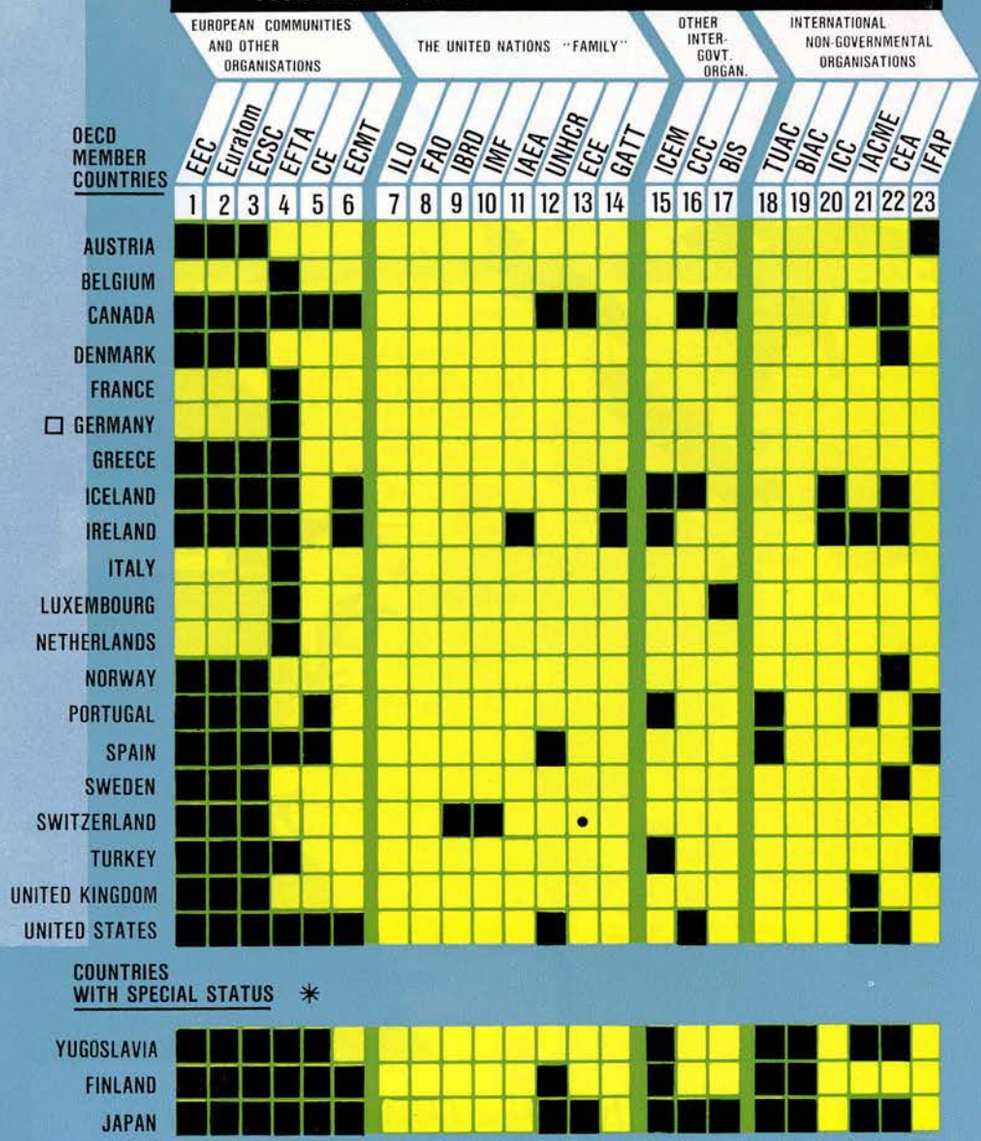
While this swelling number of international organisations exists and flourishes, it is the responsibility and the constant endeavour of those concerned to avoid overlapping and consequent waste of money and effort. To this end special relationships are set up between organisations working in the same field, although their particular objectives may not exactly coincide. In the case of OECD, such relations have been established with 17 governmental and 6 non-governmental organisations where it has become evident that there is a community of interests, sometimes over a wide field, in other cases in a single aspect of the Organisation's work.

This section of The OECD Observer is designed to indicate how the work of these 23 institutions relates to that of the OECD. It does not deal with bodies with which so far no formal relations have been established, and with which co-operation has been limited to occasional consultation or exchange of views on some specific point.

But this form of co-operation is by no means limited to the organisations mentioned here : it is certain that in the near or distant future similar links will be forged with other bodies with which OECD finds itself sharing aspects of a common purpose.

In this presentation, the numbers shown on the map correspond to the description of the organisations and their work contained in the following pages. The Editor wishes to acknowledge the help of the Yearbook of International Organisations in the assembling of facts regarding membership and aims of the organisations concerned.

MEMBERSHIP OF OECD MEMBER AND SPECIAL STATUS COUNTRIES IN OTHER INTERNATIONAL ORGANISATIONS



• Consultative capacity

* "Special Status" implies a country taking part in certain of the activities of the OECD but not possessing full membership.

OECD

LINKS WITH OTHER INTERNATIONAL ORGANISATIONS

EUROPEAN COMMUNITIES AND OTHER ORGANISATIONS

1 EEC — EUROPEAN ECONOMIC COMMUNITY

BRUSSELS

(" The Six " Member countries)

EEC is one of the Communities of the " Common Market " countries, all of which are Members of OECD. Its Members aim at developing their economies by establishing a customs union with common external tariffs and by progressively co-ordinating their economic policies.

The EEC Commission, as well as the two other Communities, takes part in the work of the Organisation by virtue of a special arrangement agreed upon at the same time as the OECD Convention was signed; it has a permanent Delegation to OECD, and in some respects plays the same role as an individual Member country : for instance, the Commission is a Member of the OECD Development Assistance Committee and takes part in all DAC activities, including its Annual Aid Review. Its representatives attend meetings of the OECD Economic Policy Committee and Economic and Development Review Committee; reciprocally, members of the OECD Secretariat take part in the quarterly examination by the EEC of the economic situation of its Members. EEC representatives take an active part in the meetings of the Trade Committee; and of the Committee for Invisible Transactions, particularly as regards capital movements. Links have been established between it and the OECD Committee for Manpower for joint consultation on employment policies, migration of workers, professional training and social adaptation. EEC representatives attend meetings of the OECD Agriculture Committee; OECD observers attend some of the EEC meetings on agriculture. OECD observers attend the meetings of the heads of statistical offices of EEC Member countries.

2 Euratom — EUROPEAN ATOMIC ENERGY COMMUNITY

BRUSSELS

(" The Six " Member countries)

Euratom aims to co-ordinate the civil nuclear programmes of the Six countries and to carry out a common programme of research and development both at its own establishments and by means of contracts in its Member countries. It operates a control system for fissile materials and has established health protection and other administrative regulations covering the exploitation of nuclear energy within the Community.
Euratom takes part in the work of ENEA, and is represented on the Agency's Steering Committee. The six countries of the Community are participating through the Euratom Commission in the Halden and Dragon experimental reactor projects, and the Commission has a seat on the Board of Management of the Eurochemic Company. There is close co-operation between ENEA and Euratom in certain other fields, notably that of health and safety.

3 ECSC — EUROPEAN COAL AND STEEL COMMUNITY

LUXEMBOURG

(" The Six " Member countries)

ECSC is the Community set up by the Six for the expansion of their economy by the creation of a common market for coal and steel.

ECSC follows closely the work of a number of OECD Committees including the Economic Policy Committee. the Trade Committee and the Special Committees for Coal, Iron and Steel and Oil. In the case of the Special Committees, questionnaires addressed to the Member governments have been standardised, and recent work on the definitions of special steels has been co-ordinated between the two organisations. OECD is invited to send observers from time to time to ECSC when specific questions of interest to the Organisation are being discussed.

4 EFTA — EUROPEAN FREE TRADE ASSOCIATION

GENEVA

(" The Seven " Member countries)

EFTA, unlike EEC, does not commit its Member countries to a common external tariff level; it does commit them to the abolition of barriers to trade among themselves.
A close collaboration is maintained between the two Secretariats, that of the OECD taking into account EFTA experience to add to that of individual Member countries and of EEC in framing its own policies. The EFTA Secretary-General, or his representative, may take part in meetings of the OECD Council and other bodies of the Organisation.

5 CE — COUNCIL OF EUROPE

STRASBOURG

(17 Member countries)

The Council of Europe endeavours to achieve unity among its Members in safeguarding their mutual heritage and facilitating their social progress; this work is carried out through a Committee of Ministers and a parliamentary Consultative Assembly.
The OECD and the Council of Europe have respectively set up Liaison Committees which hold joint meetings at regular intervals for the purpose of keeping each organisation informed of the other's activities (especially in the fields of manpower and social affairs, scientific education and agriculture), and that appropriate co-ordination takes place in accordance with the terms of the formal " Arrangement " concluded between the two organisations. Under this Arrangement, the OECD has the possibility of presenting reports, either of a general character or on specific subjects, to the Consultative Assembly of the Council of Europe.

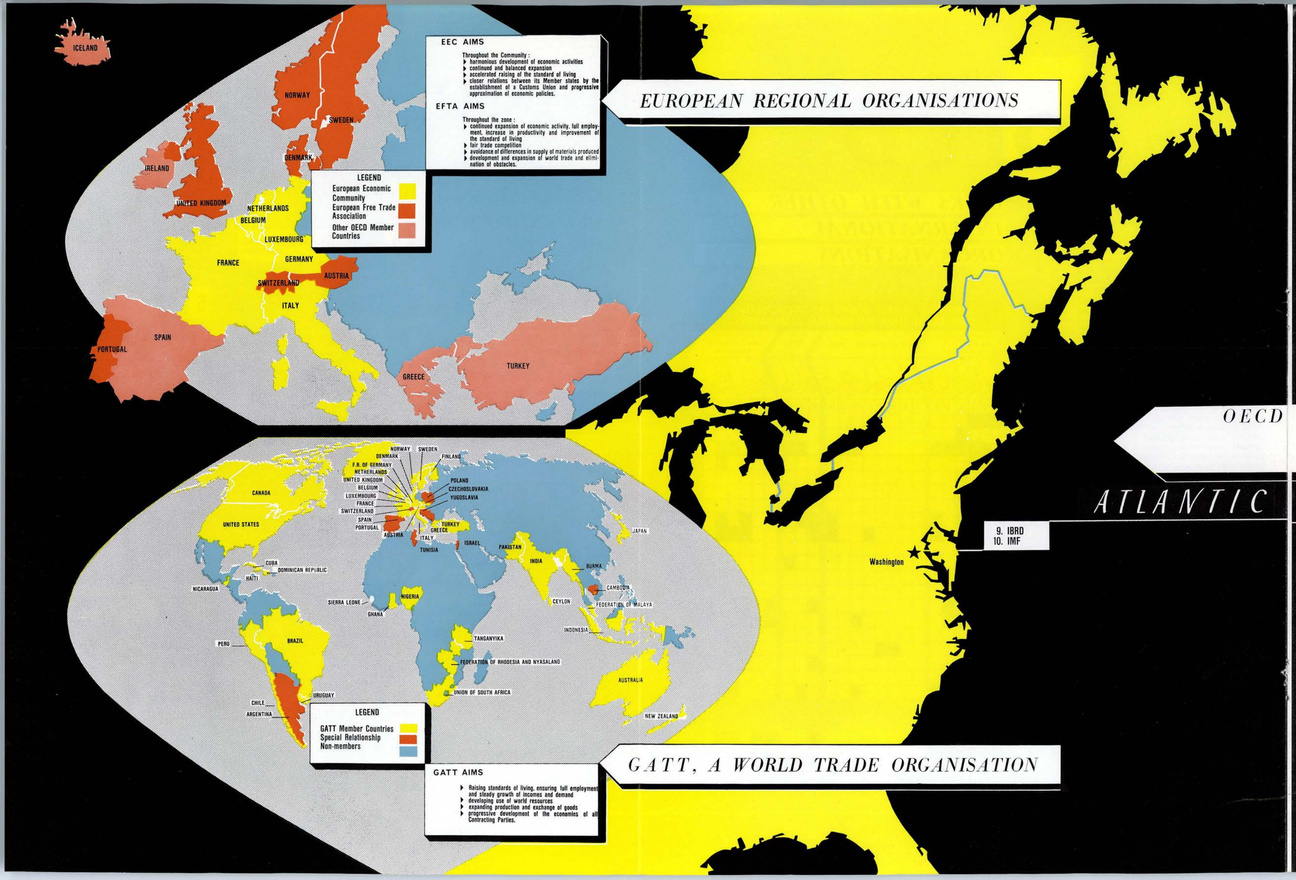
6 ECMT — EUROPEAN CONFERENCE OF MINISTERS OF TRANSPORT

PARIS

(18 Member countries)

ECMT, whose Secretariat works at OECD headquarters and with OECD administrative and financial support, works for the better utilisation of European inland transport by rail, road, water, and oil pipelines.

Its main links with the OECD Secretariat are with those organs dealing with invisible transactions, trade and payments, statistics, industry and energy (transport of coal, oil, iron ores, etc.) and scientific research (road safety). Its representatives may attend meetings of OECD bodies, when these deal with matters of concern to ECMT.


EUROPEAN REGIONAL ORGANISATIONS
EEC AIMS
Throughout the Community :
harmonious development of economic activities
continued and balanced expansion
accelerated raising of the standard of living
closer relations between its Member states by the establishment of a Customs Union and progressive approximation of economic policies.
EFTA AIMS
Throughout the zone :
continued expansion of economic activity, full employment, increase in productivity and improvement of the standard of living
fair trade competition
avoidance of differences in supply of materials produced
development and expansion of world trade and elimination of obstacles.
LEGEND
European Economic Community
European Free Trade Association
Other OECD Member Countries
ICELAND
NORWAY
SWEDEN
DENMARK
IRELAND
UNITED KINGDOM
NETHERLANDS
BELGIUM
LUXEMBOURG
FRANCE
GERMANY
SWITZERLAND
AUSTRIA
ITALY
SPAIN
PORTUGAL
GREECE
TURKEY
GATT, A WORLD TRADE ORGANISATION
LEGEND
GATT Member Countries
Special Relationship
Non-members
GATT AIMS
Raising standards of living, ensuring full employment and steady growth of incomes and demand
developing use of world resources
expanding production and exchange of goods
progressive development of the economics of all Contracting Parties.
CANADA
UNITED STATES
CUBA
DOMINICAN REPUBLIC
HAITI
NICARAGUA
PERU
BRAZIL
CHILE
ARGENTINA
URUGUAY
SIERRA LEONE
GHANA
NIGERIA
TUNISIA
ISRAEL
PAKISTAN
INDIA
CEYLON
BURMA
CAMBODIA
FEDERATION OF MALAYA
INDONESIA
JAPAN
AUSTRALIA
NEW ZEALAND
TANGANYIKA
FEDERATION OF RHODESIA AND NYASALAND
UNION OF SOUTH AFRICA
FINLAND
POLAND
CZECHOSLOVAKIA
YUGOSLAVIA
F.R. OF GERMANY
ATLANTIC
OCEAN
Washington
9. IBRD
10. IMF
OECD
LINKS WITH OTHER INTERNATIONAL ORGANISATIONS
1. EEC
2. Euratom
16. CCC
18. TUAC
3. ECSC
5. CE
Berlin
21. IACME
11. IAEA
6. ECMT
19. BIAC
20. ICC
23. IFAP
17. BIS
22. CEA
8. FAO
4. EFTA
7. ILO
14. GATT
12. UNHCR
13. ECE
15. ICEM
Brussels
Paris
Strasbourg
Basle
Brugg
Berne
Geneva
Vienna
Rome
LEGEND
OECD Member Countries
Special Status Countries
Non-member Countries
Numbers correspond to descriptions of Organisations overleaf
On 26th July 1963, the Council of the OECD decided to invite Japan to become a full Member of the OECD.
Tokyo
OECD AIMS
Highest sustainable economic growth, employment and standard of living in Member countries while maintaining financial stability
economic expansion in Member and non-member countries in process of economic development
expansion of world trade on multilateral basis, in accordance with Members' international obligations.
□ Upon deposit of the instrument of Ratification of the OECD Convention, the German Government declared that the Convention and its additional instruments will be applied also to the Land Berlin.
Jac. Mercier

THE UNITED NATIONS "FAMILY"

7 ILO — INTERNATIONAL LABOUR ORGANISATION

GENEVA

(104 Member countries)

ILO seeks to raise working and living standards throughout the world.
Representatives of OECD attend ILO meetings when matters of special interest to the two organisations are discussed. These include : industrial relations; trade union rights; employment policies; manpower planning and organisation; vocational training (mainly through the International Vocational Training Information and Research Centre); wages; working conditions; automation and technical change; labour force statistics. Reciprocally, ILO observers take part in the meetings of the OECD Committee for Manpower and Social Affairs.

8 FAO — FOOD AND AGRICULTURE ORGANISATION

ROME

(103 Member countries)

FAO is a worldwide Organisation which aims at raising levels of nutrition and standards of living, and improving the efficiency of production and distribution of food and agricultural products.
Periodical meetings are held between the OECD Agriculture Directorate and the FAO Secretariat to co-ordinate their work; this ensures the avoidance of overlapping, particularly in the technical field. The FAO Secretariat is regularly represented at meetings of the OECD agricultural bodies, and OECD takes part in FAO meetings when matters of interest to it are discussed. The OECD Secretariat has also established working relations with the Secretariat of the World Food Programme set up under the auspices of FAO and the United Nations; it will make a direct contribution to certain of the studies forming part of this programme, especially as concerns the effects of food aid on the economies of donor countries and on normal trade, and the need for co-ordinating food aid with other forms of aid.

9 IBRD — INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

WASHINGTON

(85 Member countries)

IBRD, the " World Bank ", assists in the development of its Member countries by financial and technical assistance.
Members of the Bank staff attend meetings of the OECD Economic Policy Committee and of the Consortium set up under the aegis of OECD to help finance the development programme of Turkey. A Bank observer attends most meetings of the OECD Development Assistance Committee; the Bank has co-operated closely with DAC groups concerned with various general aid issues and with aid problems arising in particular areas.

10 IMF — INTERNATIONAL MONETARY FUND

WASHINGTON

(86 Member countries)

IMF promotes international monetary co-operation and the balanced expansion of world trade through international consultation and short-term financial assistance.
IMF's permanent monetary consultations and close touch with the changing world financial scene are of direct interest to the OECD Economic Policy Committee, whose meetings its representatives attend, together with those of the Economic and Development Review Committee and the Consortia set up under the aegis of OECD to help finance the development programmes of Greece and Turkey. IMF observers also take part in certain Development Assistance Committee meetings. OECD, like OEEC before it, has worked closely with IMF on stabilisation programmes for Member countries in balance-of-payments difficulties and in co-ordinating the loans needed to assist them; for this reason IMF participates regularly through its Paris representatives as an observer at the meetings of the Board of Management of the European Monetary Agreement.

11 IAEA — INTERNATIONAL ATOMIC ENERGY AGENCY

VIENNA

(82 Member countries)

IAEA works on a worldwide basis to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity.
A co-operation agreement between IAEA and ENEA provides for each Agency to send representatives to meetings of certain committees and panels of experts organised by the other, especially in the fields of health and safety and third party liability. Regular and close working contacts at secretariat level are maintained between the two Agencies.

12 UNHCR — UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES

GENEVA

(34 Member countries)

UNHCR supervises international action with regard to refugees, through voluntary repatriation, resettlement in another country, or local integration.
The chief point of common interest between UNHCR and OECD, on which the two organisations exchange information and take part in each others' meetings, is the freeing from restrictions of manpower movements among the European countries, a field in which the OECD (and formerly the OEEC) Committee for Manpower and Social Affairs has constantly sought improvements.

13 ECE — ECONOMIC COMMISSION FOR EUROPE

GENEVA

(31 Member countries, 1 with consultative status)

ECE is a regional economic commission of the United Nations which promotes concerted action to raise the level of all-European activity, among its Members being the Eastern European countries.

A two-way exchange of information has been developed over the years between the two Secretariats, chiefly in regard to industry, energy and agriculture. Members of the OECD staff co-operate with the Secretariat of the ECE Conference of European Statisticians in areas of mutual interest.

14 GATT — GENERAL AGREEMENT ON TARIFFS AND TRADE

GENEVA

(40 Contracting Parties; 10 countries with special relationships)

GATT aims at raising standards of living, developing full use of the world's resources and expanding production and trade by lowering tariff and other barriers.

Representatives of the OECD Secretariat regularly attend meetings of the Contracting Parties and of the GATT Council. Examples of subjects discussed at these meetings of direct interest to OECD are the GATT expansion of trade programme, a three-pronged attack on trade barriers raised by tariffs, agricultural protectionism and obstacles to the trade of the less-developed countries.

OECD observers are present when any Member country of the Organisation is examined by the GATT on the maintenance of quantitative restrictions for balance of payments reasons. It is also interested in GATT work on agricultural matters, residual import restrictions, subsidies, and anti-dumping duties.

The Executive Secretary of GATT, or his representative, attends meetings of the OECD Trade and Agriculture Committees, and of the Council when matters arising from these Committee meetings are discussed. GATT has also sent representatives to the OECD Committee for Invisible Transactions when international trade in films and television material is discussed.

OTHER INTER-GOVERNMENTAL ORGANISATIONS

15 ICEM — INTER-GOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION

GENEVA

(30 Member countries)

ICEM exists to help and increase migration from over-populated European areas to overseas countries offering opportunities to immigrants.
The technical problems involved in manpower movements (overseas as well as within Europe), recruitment problems, vocational training, social adjustment, etc., are the chief points on which the two organisations collaborate. ICEM representatives attend meetings of the Manpower and Social Affairs Committee.

16 CCC — CUSTOMS CO-OPERATION COUNCIL

BRUSSELS

(31 Member countries)

CCC studies all questions relating to co-operation in Customs matters, particularly those of a technical nature.
Close relations are maintained between the two Secretariats on Customs matters of common interest, and representatives of each organisation attend the meetings of the other. Among the subjects on which CCC has provided valuable information to the Organisation are the Customs procedures employed by different countries.

17 BIS — BANK FOR INTERNATIONAL SETTLEMENTS

BASLE

(Central banks of 26 countries)

BIS promotes co-operation of central banks, provides additional facilities for international financial operations, and acts as trustee or agent in international financial settlements.

In the latter capacity it executes all financial operations under the European Monetary Agreement as Agent for OECD; is represented at meetings of the EMA Board of Management; and provides the Board with information and analyses regarding international gold, foreign exchange and capital markets and the evolution of central reserves in their relation to the balance of payments.

INTERNATIONAL NON-GOVERNMENTAL ORGANISATIONS

18 TUAC — TRADE UNION ADVISORY COMMITTEE

BRUSSELS

(14 representatives of national trade unions affiliated to the International Confederation of Free Trade Unions, 5 to the International Federation of Christian Trade Unions, 2 of independent confederations)

19 BIAC — BUSINESS AND INDUSTRY ADVISORY COMMITTEE

PARIS

(Industrial and employers' organisations of OECD countries)

Having been granted consultative status by the Organisation, TUAC and BIAC are regularly consulted at the various stages of its work. The representatives of labour and management are thus able to express their views on such matters as those relating to industry, manpower and social affairs, economic growth, development aid, etc. For instance, both TUAC and BIAC have expressed their opinion in regard to the studies undertaken concerning costs of production and prices and BIAC has taken steps to assist the Organisation in increasing the flow of private capital to developing countries.
Consultations take place at two different levels. Full-scale discussions on general topics are held with a Liaison Committee with non-governmental organisations presided over by the Secretary-General and, at the more technical level, between TUAC and BIAC experts respectively and the Bureaux or delegate groups of various OECD Committees.

20 ICC — INTERNATIONAL CHAMBER OF COMMERCE

PARIS

(National committees in 41 countries in addition to 28 countries without national committees)

ICC represents all the economic factors of international business, including commerce, industry, transport and finance. It was partly as a result of a resolution of ICC that the Organisation set up its Fiscal Committee, and close contacts have since been maintained between the two Secretariats in the common fight against double taxation. In the field of maritime transport, an OECD observer attends meetings of the ICC Sea Transport Commission, which shares the Organisation's preoccupation in such matters as flag discrimination.

21 IACME — INTERNATIONAL ASSOCIATION OF CRAFTS AND SMALL AND MEDIUM-SIZED ENTERPRISES

BERNE

(Members in 17 countries)

IACME is an international forum in which national organisations can discuss the problems of small business; it also concerns itself with the raising of professional standards.
Since small businesses can make an important contribution to economic growth, OECD works in close co-operation with IACME to assist small business organisations of Member countries by carrying out projects of interest to this category of undertaking. Examples of this co-operation are : a mission of European businessmen to study United States methods; conferences on marketing, voluntary chains, etc.; a conference on co-operative action which may be taken by small businesses.

22 CEA — EUROPEAN CONFEDERATION OF AGRICULTURE

BRUGG

(Groups and members in 19 countries)

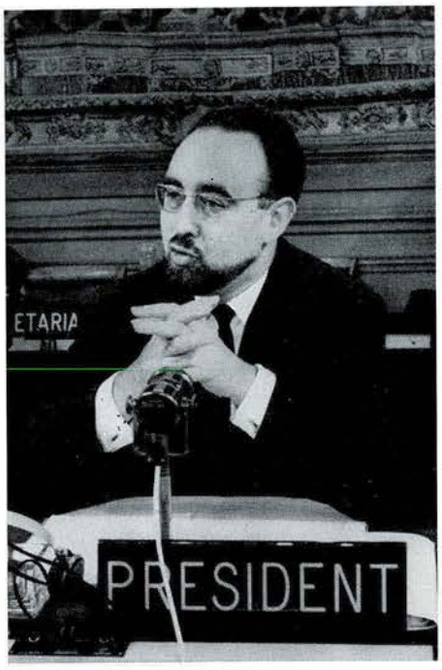
CEA is a farmers' organisation which represents and protects the interests of European agriculture, especially in economic, social and cultural matters.
Regular contacts are maintained between the two Secretariats. OECD representatives take part in the meetings of the CEA General Assembly and other organs, in particular the Committee on Economic Problems; CEA representatives attend OECD meetings affecting operational activities.

23 IFAP — INTERNATIONAL FEDERATION OF AGRICULTURAL PRODUCERS

PARIS

(Organisations in 32 countries)

In IFAP agricultural leaders of 32 countries set out to define broad policy lines on the main issues in agriculture, on which it may advise international organisations, individual governments and agricultural associations.
Close and continuous contact is maintained between the OECD Agriculture Directorate and the IFAP Secretariat; OECD representatives attend the General Assembly and the European and Mediterranean Committees. IFAP representatives take part in OECD meetings on questions affecting operational activities.



THE ADAPTATION OF AGRICULTURE TO THE RHYTHM OF INDUSTRIAL LIFE

by E. PISANI
French Minister of Agriculture

In the course of the 1963 Working Conference of Directors of Agriculture and Directors of European and North American Agricultural Advisory Services, which took place at OECD headquarters in Paris, the French Minister of Agriculture, Mr. E. Pisani, Honorary Chairman of the Conference gave the following speech in which he discusses certain problems posed by the adaptation of agriculture to the rhythm of industrial life.

It appears from the papers which have been prepared for this occasion that the French term " vulgarisation " (which means popularisation and is also commonly used to describe agricultural advisory work) is in need of redefinition; that it is, in fact, in the process of breaking out of its own skin, so to speak. To continue to apply the simple term " vulgarisation " to something much broader, would be an abuse of the language. A glance at the dictionary shows that " vulgarisation " is nothing more than the art and the practice of making accessible to the largest possible number of people the secrets of a science not otherwise comprehensible to all of them. For a time agricultural advisory work was exactly that : it was the effort made by states and sometimes by the agricultural profession to spread the art of cultivating the earth, the art of producing well, the art of producing better and better among farmers as a whole.

The art of producing and the art of selling

Then it was discovered that in actual fact the art of producing, and of producing well, was relatively easy to teach and that as one generation takes over from another, the desire to do things properly and the ability to do so are fairly easily communicated. But agricultural advisory work is concerned with other problems; henceforth it must serve to impart to the agricultural population flexibility, the ability to adapt to a changing world, a fast-changing world, which as it evolves encounters agricultural difficulties as one of the obstacles to growth.

Whether we analyse the position in the United States or in Russia, the position of our own underdeveloped areas or of underdeveloped countries, we

note that economic growth in the industrial sphere is rarely faced with insurmountable obstacles; whereas, in the agricultural sector, on the other hand, we have the feeling that economic growth, which is nevertheless progressing at a dizzying pace, is up against ever more serious obstacles. My honoured United States colleague, Mr. Freeman, was greatly disappointed a few weeks ago; he did not succeed in convincing the majority of farmers of the need for discipline imposed by economic growth. My Russian colleague, whom I do not know, is the sixth in a line of Ministers who have followed each other at the rate of one a year over the last seven years. As for the underdeveloped countries, which have no agricultural base, they dream of industrialisation, a dream they can hardly realise and are blinding and deluding themselves as to their possibilities for growth. In the final analysis, the problem for the new-style agricultural advisers is to permit agricultural flexibility, mastering its techniques and adapting itself to an economy which is rapidly changing. I think that is the essential thing.

I should like to draw from current events the elements of an analysis. In recent years France has become a fairly big producer of fruit and vegetables. But it has been easier to teach the Bretons — accustomed though they were to growing apple trees whose fruit was hardly edible — to produce good apples than to teach apple producers the rules of marketing. After all, pruning, grafting and keeping down the parasites can be learnt relatively quickly. For the result is immediate; it is success or failure, and failure cannot be blamed on the Government, because it is nature that is responsible or ineptness.

Once the fruit has been produced, whether it be good or bad, to sell it and to sell it well is much more complicated, and if this operation fails, one can always claim that the Government is to blame. Well, the farmers in my country, as in others, have taken up the habit of blaming the Government for everything that goes wrong. The question we have before us is this : having disseminated pruning and cultivation techniques, must we not address ourselves to the problems of organisation? I think that this is the problem that is actually before us, and I think the answer is perfectly clear; it is yes.

Three questions arise

Does this mean that the dissemination of production techniques will have to be abandoned? Or does it merely mean that, alongside of knowledge about production techniques, other facts of an economic nature must be disseminated?

A second question : can the same people, the same organisations, the same authorities, who are capable of giving technical advice now turn to counselling on economic matters?

A third question : is economic counselling enough? Or should not the farmer, having been taught the fundamental requirements of the market, be taught something additional : namely, the ability to adapt himself personally to these requirements, to draw from them not only economic but sociological conclusions as well?

Well, I have answered the first question with a yes : we must go beyond mere technical counselling; this seems evident to me. It is not a matter of abandoning what has already been done in the field but, on the contrary, of extending this effort to the field of economics. And the question is who can do it?

I shall speak of the country I know : France. According to tradition, agricultural services were at the start the task of public administration. For a very long time, advisory work was carried out by civil servants, and the man who is now the director of agricultural services was formerly a professor of agriculture. He was a professor not at a university but in the field. He was a grass roots adviser. And then from being a professor of agriculture, he gradually became the director of agricultural services, and then, one fine day, he had the sad experience of seeing his children fly off on their own wings. That is the disappointment experienced by every father who has succeeded in his work. He brings up his children and then they leave him. And there was a minor crisis in the French administration the day that agriculture wished to engage in advisory work. The civil servant had the feeling that half his heart was being torn from out of his body. But the irresistible movement took its course and now agricultural organisations themselves do the bulk of the advisory work.

However, at this point, we might well ask who in the agricultural profession ought to do the advisory work? Should it constitute a separate service within the agricultural profession's organisational structure or, on the contrary, should advisory work be one of the facets of all the agricultural organisations? I pose this as a question although I have already stopped asking myself questions on this point.

Ensuring close co-operation between the industry and the public authorities

Take the example of a co-operative which collects produce for processing or for sale; can it give someone else the job of doing the advisory work? Now, if to give advice is to teach how to grow produce which sells, should not the bodies responsible for marketing and processing produce take care of the traditional advisory work? Thus, an orderly and logical pattern begins to emerge. What was formerly the very substance of advisory work, that is to say technical progress, becomes a completely natural concern of truly economic, co-operative bodies. The question then is who is going to do the rest of the advisory work, the part covering all branches : adaptation of the agricultural world to modern circumstances? It is in this new field of advisory work, which is in fact much more a permanent education than advice, that the problem arises of knowing who is going to act and how the public authorities and the agricultural organisations can co-operate.

Setting aside advisory work of the traditional type, with the appearance of a new form of information, teaching and advice, who is responsible in this new field and how can the public authorities and agriculture co-operate? Let us first of all consider the respective advantages of intervention by each sector. The advantage of intervention by the industry is undeniably the community of language; the industry speaks a language understandable to farmers, upholds interests which show solidarity and thus leads farmers to appreciate the arguments put forward. The advantage of the public authorities is that they integrate this teaching and information into an overall concept of the economy and into an overall concept of progress. Thus, what we must do is to provide close co-operation between agriculture and the public authorities with regard to teaching, training and changes in the agricultural world.

Agriculture cannot do that on its own, and neither can the public authorities. Although it is true that we were able at one time to delegate technical advisory work to the agricultural profession, I think it is clear that we shall never be able to delegate to it all the social and economic advisory work, for it will still be the public authorities' task to articulate the necessary changes with the general progress of the economy, and the industry cannot do that on its own.

I lay much stress on this point, which seems to me to be decisive. So long as it was a question of simple techniques, mastery of the soil, mastery of agronomic science, it was possible to imagine that the profession alone could take the place of the public authorities, but when it is a question of articulating the agricultural economy with the economy of a nation or a community as a whole, the entire task cannot be delegated to agriculture, since it must be admitted that the delegation of certain powers to a profession is always a factor that makes for isolation.

The hesitant democracies

Why are our democracies so generally hesitant or hostile to the co-operative system? It isn't that this system is without merit, but that it tends towards isolationism, segregation and insularity. And how are we to solve the agricultural problem within the general economic flux if, at the very moment of adapting agriculture to this flux, progress is entrusted to the professional organisations, that is to the very mechanisms that make for the isolation of the agricultural world?

For perhaps the most important task after all is to teach the rules of marketing on the one hand and also to integrate agriculture into the general progress of the world and the general advance of modern economics and sociology.

The agricultural sector has long been, and still is, a world apart and politically our countries, each one on its own, have long encouraged this isolation. I could cite three or four specific cases and analyse them, but everyone will understand quite well, whether I speak of Germany, which is hesitant about the policy of European agricultural prices, or America, which maintains a system of internal protection with all the political implications that represents, or France, which has

established a whole series of special protective measures, or any of our countries for that matter, the policies tend to isolate agriculture.

Why?

For purely electoral reasons?

If, for example, elections had not taken place recently in France giving the larger party a majority, or almost a majority, thanks to the rural vote; if there were no prospect of a presidential election in the United States in eighteen months' time, if there were to be no change of Chancellor and no prospect of elections in Germany in two years' time, would agricultural policies be exactly what they are? For that is the real problem : politics isolates agriculture like a game preserve or a property held in mortmain from which some benefit is expected at election time. Agriculture isolates itself by reason of a reflex natural to any profession. It is through analysis that is neither on the political nor on the professional level that progress can be made; it is the administration which must do it; it is the educational system. This is perhaps the most typical case where the educational system and administration must work against the current, with the aid of both the politician, against his own will, and the agricultural profession, against its own will. Without this nothing will happen.

Faced with a terrible undertaking

My analysis is not perfect; this is the first time that I have tackled this problem; but I think it fairly striking. I repeat, we are faced with a terrible undertaking : to break an isolation that all the powers are in league to defend.

That, gentlemen, is your task, your responsibility. We cannot — everyone will understand — we cannot leave the agricultural world sealed off, and it is for you, teachers, advisers, civil servants, rather against the will of the outside world, to help to open it up.

To explain what I mean, I should like you to glance at what we are in the process of doing in France with regard to agricultural education. A figure or two to begin with : whereas, according to the most recent statistics, farmers last year represented some 20 per cent of the French population, farmers' sons accounted for 2.5 per cent of the enrolment in higher education. No mention was made of another figure, which I do not know but at which I can guess : more than half of these 2.5 per cent had no doubt received a higher education in order to leave agriculture. Thus, we were faced with an under-educated sector which was basically incapable of progressing because it had not received the means to do so.

In order really to understand the obstacle to fluidity, the obstacle to flexibility, represented by the lack of education, one only has to consider the following fact : a father is a landowner and an independent farmer. He has several children who have not been educated. They can read and write, or just about. When he retires, he cannot divide his farm because it is already very small. He will leave it all to one of his sons, or else he may divide it which would make things still worse. What about the others? They are sons of an independent farmer, sons of a landowner, but are going to become agricultural labourers or to migrate to the town as unskilled workers.

And so the lack of education gives rise to an extraordinarily powerful reflex to stay on the land : people are afraid of going to the city without having learnt a trade. And so lack of education in the agricultural sphere has given rise here to the maintenance of an extremely high percentage of the population on the farm, while it has favoured the maintenance of very characteristic agricultural backwardness. We are therefore working on and developing a specific educational system : agricultural education not intended to train farmers but intended for the sons of farmers. This is an extremely interesting problem which we have solved in a certain way and which could perhaps be solved in another way.

Transition from an isolated to an open world

We have been told — and we are sensitive to the argument : " What! You want to take agriculture out of its isolation and you set up schools for farmers' sons? But you will isolate agriculture even more than it is today! " That is true. Unfortunately, however, when we set up schools which were not for

farmers' sons, the farmers' sons didn't go to them. True, but when we want to open up a hemmed-in farm, we make a path that goes to it and do not expect the farm to come down to the edge of the road. Thus, to open up the agricultural sphere was to go to it, i.e. to set up schools where the agricultural population felt *at home*, where farmers did not feel as though they were *losing* their sons... losing their sons! For when a farmer sends his son to a school in the city, he feels he is losing him forever, whereas in his own heart he hopes that he will stay on the land.

However, by setting up these agricultural schools, schools *for* farmers' sons, which are not agricultural schools, we bring education to the rural level, to the rural environment. Here, we are faced with the fascinating task of solving two problems : the first concerns the very definition of teaching, and the second concerns its purpose. In a country like ours, and in fact in all modern countries, teaching is over-simplified; its one dimension is man regarded as an identical entity, whatever his environment. The teaching in our schools for farmers' sons brings another factor into play : environment as an element of education; for this environment, which, if left as it is, is not an element of experience but one of isolation, can become a very enriching element of experience if we help the individual to interpret it. We introduce environment as one of the basic factors in our teaching.

Secondly, what is the purpose of education? It cannot be to make all farmers' sons into farmers nor to make all farmers' sons not be farmers. We have a kind of education which is in a most delicate balance, that is to bring the training as far as possible, in such a way that we do not discourage the farmer's son from remaining on the land while we teach him about an easier way of life than that of the land, but so that we do not discourage him from going to the city either, since it is necessary that a good half of the farmers' sons go to the city. In ten years' time, when habits have set in, when disciplines have been created, when those we are now training in our schools are themselves heads of families and the family has become an element of training and of adaptation to the modern world; then agricultural education will be able to go on to the university, but we will have set up schools, we will have provided guidance, we will have provided the transition from an isolated world to an open world.

A kind of permanent revolution

Our problem is to reach the 21st century, for a full 35 years will be required for those we have trained in our schools to form the majority of independent farmers.

And while waiting for the greater number of farmers to have received sufficient basic education to have their minds always open to the world, while waiting for such men to appear, advisory work will help the farmers to progress so that they do not act as a brake on development. That is our task. Thus, historically, " vulgarisation " — and another name must be found, for that one is becoming very inadequate — will have passed through a series of successive phases : dissemination of technical knowledge, dissemination of economic disciplines, provision of sufficient flexibility to a sector that is sometimes sealed off from the general advance of the modern world, the maintenance of intellectual flexibility among generations who have learnt at school what the modern world is.

In any event, gentlemen, and let that be my conclusion, you have a difficult task as it consists in making a kind of permanent revolution through men's goodwill; where, if there were no permanent revolution by consent, there would be an abrupt and destructive revolution. We now know, our civilisation now knows, that agriculture will no doubt always constitute an element of disequilibrium in the splendid and unconscious blossoming of the industrial economy; we must encourage the adaptation of agriculture to the rhythm of industrial life.

But you cannot do anything without the politician, for there is an additional and somewhat contradictory task to be accomplished after all : the politicians must show the industrial economy that it is sometimes harsh and runs counter to the requirements of humanism, and if we have to impart the necessary flexibility to the agricultural sector, we shall also have to make the industrial world aware of the anguishing problems of another world that is ruled by biology.

THE FIGHT AGAINST **SMOG** AND **WATER POLLUTION**

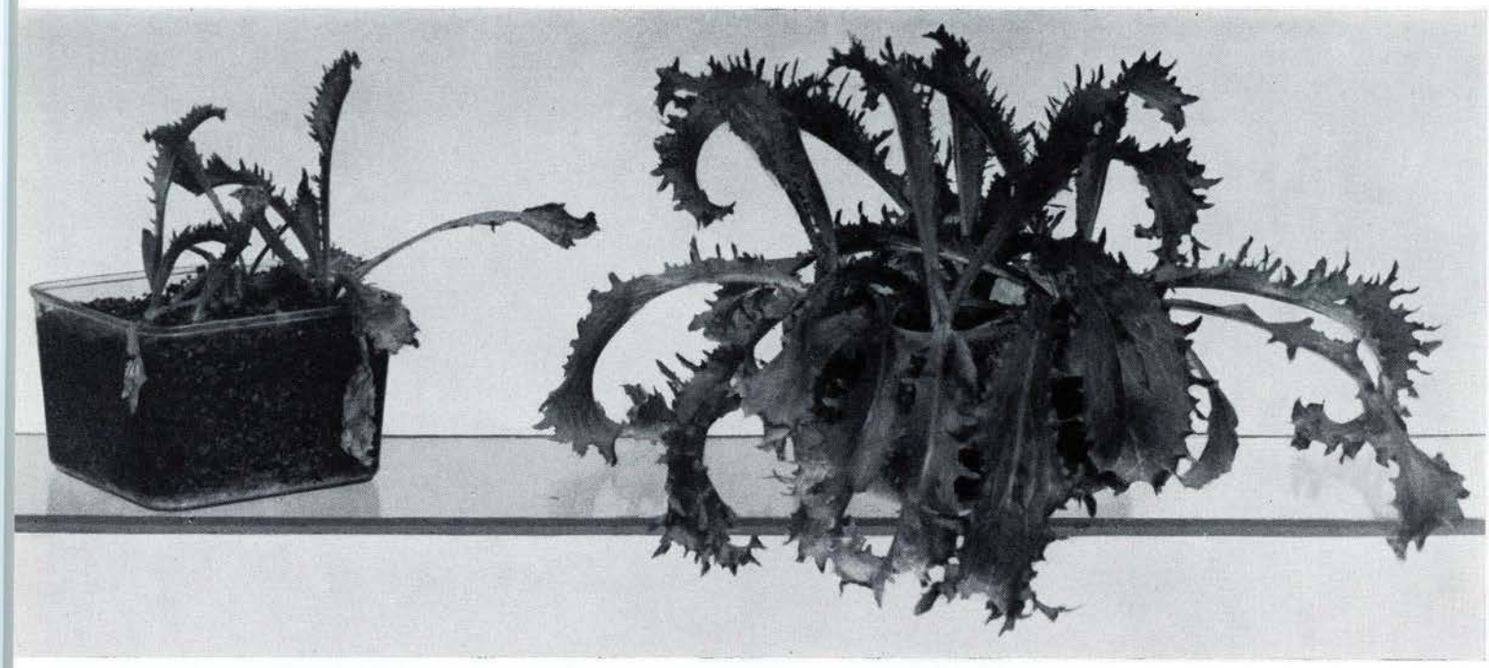
Below : *Paris, City of Light, is sometimes almost invisible under a veil of smog from smoking chimneys. The Laboratoire d'Hygiène de la Ville de Paris takes daily measurements, plans smoke abatement measures to avoid —*

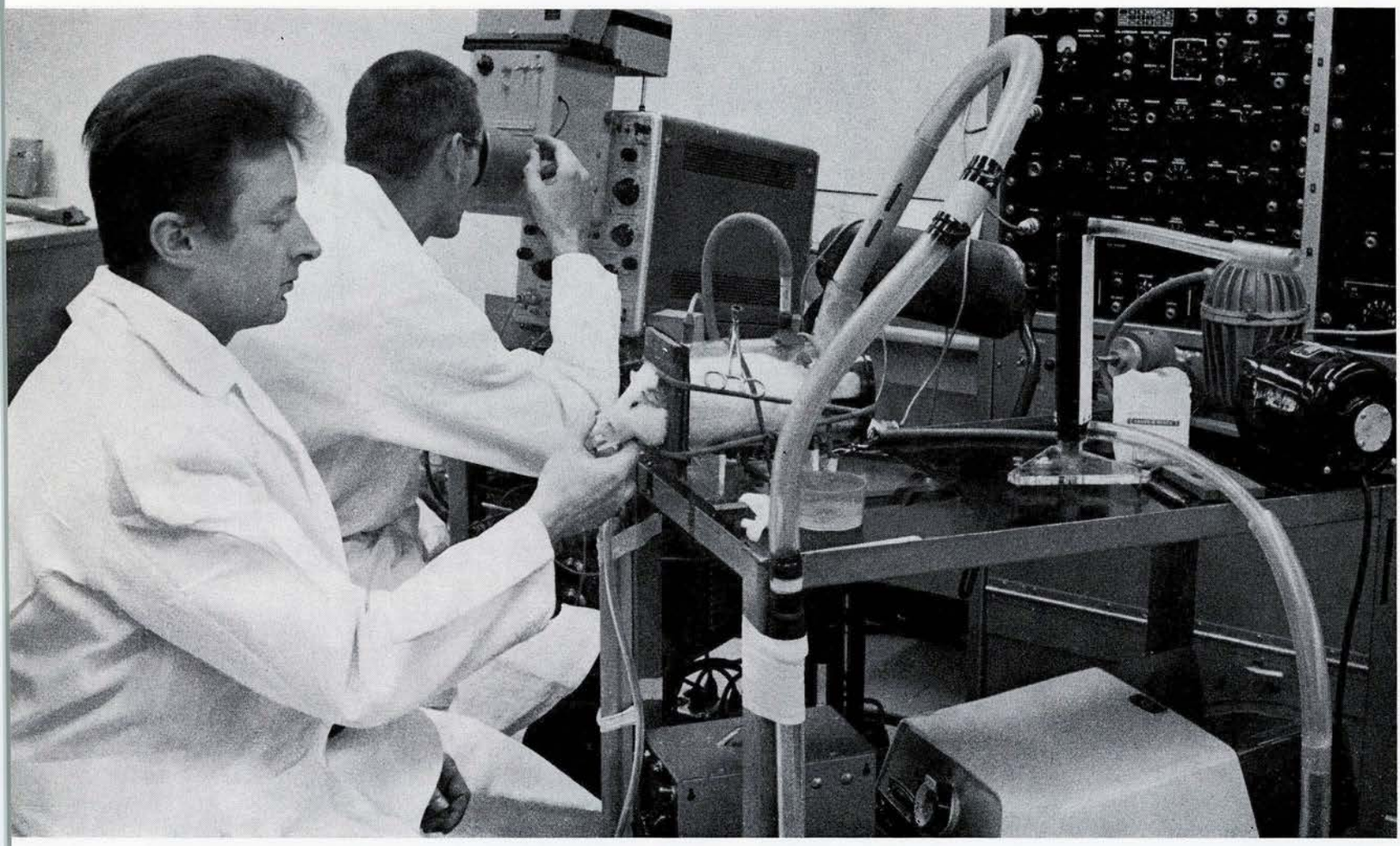
To right : *— serious effects on animal and plant-life. What these effects can be is shown in this picture; the plant on the left has been exposed to polluted air, that on the right to pure, filtered air.*

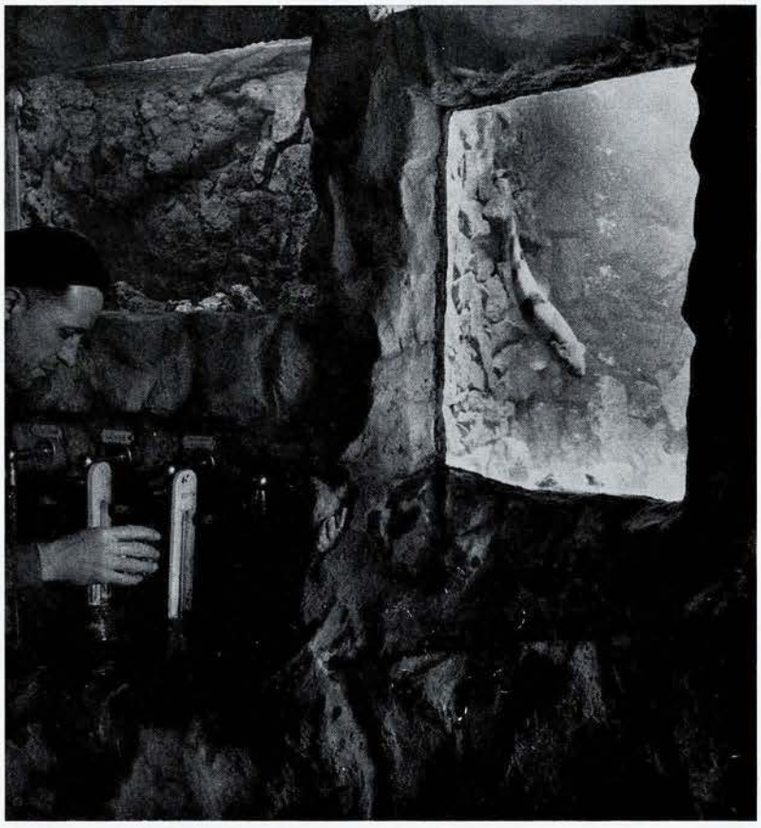
Below, to right : *The Rhine, main trade artery of Europe, daily finds more difficulty in "breathing", as demonstrated in this photograph of the muddy liquid swallowed by the purification plants along its banks.*

From 4 to 7 1/2 billion dollars in 1960, and from 7 1/2 to 11 billion dollars in 1962 : these are the estimates of the U.S. Department of Health, Education and Welfare for losses caused by air pollution to plant and animal life, to manufactured objects and buildings, and by reduction of visibility, in the United States alone. At the same time, water supplies for the growing populations of the world's cities are increasingly threatened by various forms of man-induced pollution.

The OECD Central Service for International Co-operation in Scientific Research, set up this year to carry on the work of previous OECD/OEEC bodies in this field, will include in its 1964 programme research into the conservation and exploitation of natural resources, the preservation of materials and the protection of public health. This programme of international co-operation will include research into air and water pollution.





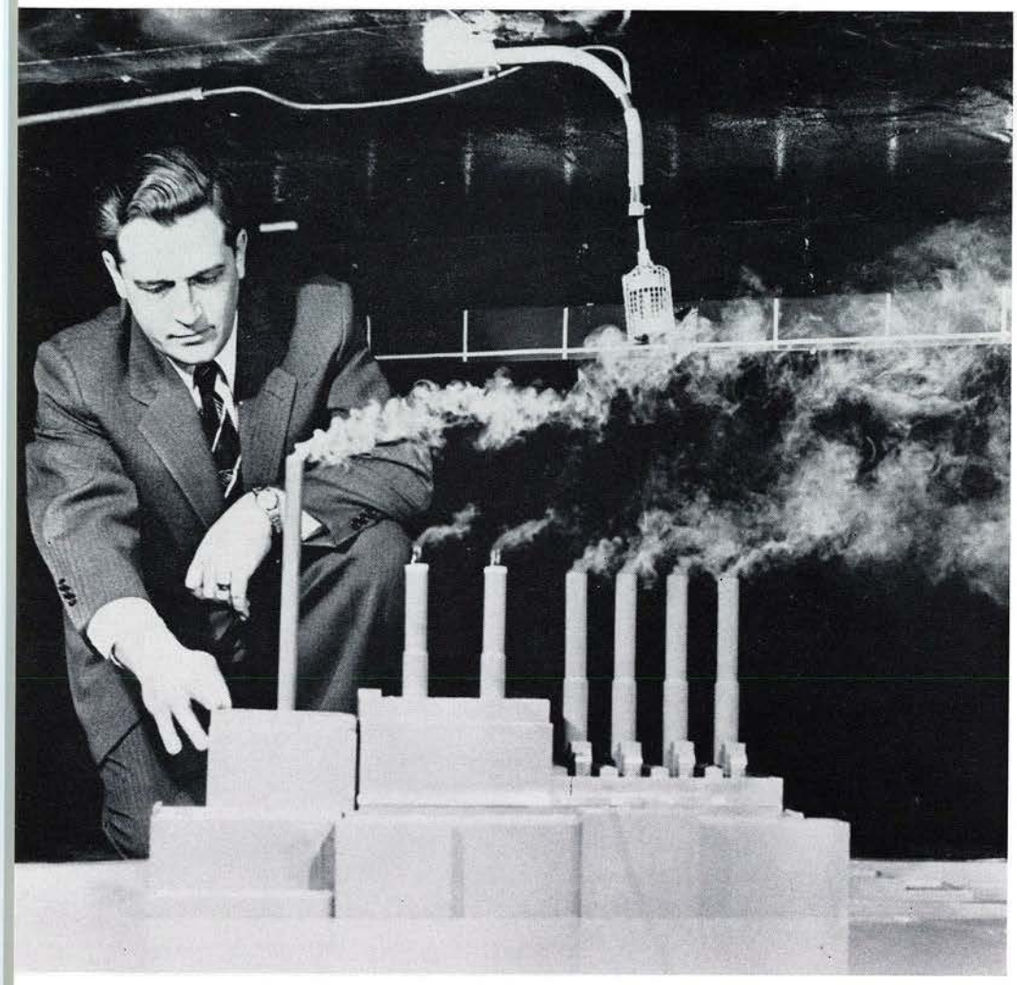


Above : *What can be done? The effects of air pollution on a guinea pig are measured in an American laboratory.*

To left : — *and of water pollution on fish in a French reservoir.*

Above, to right : *A model of a power-station is studied in a special air-pollution wind-tunnel at the New York University Engineering Research Division.*

To right : *River pollution is a growing problem which is also to be tackled by OECD experts. Here detergent foam on the Seine near Paris overflows the bank onto the road alongside. Experiments designed to clear pollution from the water are being carried out by laboratories linked with the OECD programme and will be made available to OECD research groups.*



In the first instance — air pollution — studies begun some years ago into the standardisation of methods for measuring air pollution will be brought to an end this summer, and their results published. A newly-formed international group of scientists with a wider mandate will carry out research, by means of survey techniques, into the distribution of atmospheric pollution in urban areas; studies into the effects of air pollution on public health and means of combating this scourge may also be undertaken. Involved in this research will be national laboratories in a number of American and European countries which are already involved in scientific work on this particular problem, and are prepared to pool their efforts in the international programme.

Water pollution presents equally urgent problems. OECD has compiled an international directory of laboratories working in this field, which will be published this year; it has also sponsored preliminary research into the mixture of domestic and industrial waste waters, for purification purposes. Under the 1964 programme of the OECD Central Service, international research groups will study the causes and effects of water pollution and ways of dealing with it, including work on the filtration of water, the presence of poisonous substances, purification of streams used by swimmers, and means of ridding the rivers of the growing nuisance of floating masses of detergent foam.

Ministers

On 3rd and 4th October, 1963, Ministers responsible for scientific affairs in the Member countries of OECD will meet in the Château de la Muette, the Organisation's Paris headquarters, to exchange views and experiences on common problems of national and international science policy.

This will be the first international meeting on science to be held at ministerial level, and is a direct outgrowth of a recommendation made by the OECD Secretary-General's *ad hoc* Advisory Group on Science Policy in its recently published report, "Science and the Policies of Governments". Appointed in 1961 under the chairmanship of Pierre Piganiol, the first science adviser of the French President, this Group of eminent scientists and economists was asked to review problems of science policy in general, and to suggest directions of scientific activity that the OECD itself might usefully explore. It concluded that science policy was now of sufficient concern to governments to warrant an invitation to responsible Ministers to discuss it together. The invitation was issued by the OECD Ministerial Council in November, 1962.

The idea that a country needs an explicit national science policy is relatively recent, but it is no more alien than that of a nation's economic policy or foreign policy. It can moreover be just as important as these for the well-being of nations as the impact of science becomes increasingly important in the future. The need for a science policy simply notes that there has devolved upon governments a major and continuing responsibility to make choices about issues that involve science. This responsibility derives from three principal considerations :

- Modern science and technology have become so costly that a significant portion of national resources is required to support them, in the form both of public moneys and trained manpower.
- Progress in science and technology is so rapid and varied that not even the richest countries can support exploration of all the opportunities it offers.
- Science and technology contribute to the social and economic development of nations so directly that allocation of resources to them must be made in the light of overall national needs and objectives.

It follows that choices are inevitable. The scientist must choose among alternative opportunities for scientific development, and the economist, educator, industrialist, and government official must choose between the claims of science and those of other national objectives. These choices must be made. They cannot be avoided. Science policies develop as governments recognise the importance of making these choices systematically and intelligently, in the light of all the relevant information available.

In the January 1963 issue of the OECD Observer, Dr. Alexander King, OECD Director for Scientific Affairs, discussed the scope and variety of a modern government's responsibility for science. It includes educating scientists and engineers, nourishing fundamental research, financing high-cost scientific projects, and maintaining a technologically sound defence establishment. Research must be encouraged for the development of natural resources and public services, as well as for increased productivity in agriculture and industry. Information must be available about diverse research and development activities in universities, industry, and government departments, and some degree of co-ordination is necessary to guide these activities along mutually productive channels. Effective methods must be found to disseminate technical information to all who may have need for it, and decisions have to be taken, finally, about the extent and form of a country's participation in co-operative scientific programmes at the international level. Although the logic that spells a need for deliberate science policy is simple and straightforward, its development in any concrete case is a complex task replete with problems and uncertainties.

The Ministers in October will discuss three major themes :

- National science policy.
- International science policy.
- Science and economic growth.

Several of the OECD countries — notably Belgium, France, the United Kingdom and the United States — have developed deliberate and articulated procedures for dealing with the kinds of science-policy problems noted above, although the machinery naturally differs in each country according to particular national needs and circumstances. Other countries are currently in process of developing public policies and machinery for the same purpose, and it is expected therefore that all the Ministers attending will find it useful and profitable to discuss common problems with their peers. Alternative ways in which problems of science budgeting and determination of scientific priorities appear and are dealt with in different countries are examples of questions that should figure prominently in these discussions.

Problems of science policy at the international level are expected in a certain sense to be of most

talk about SCIENCE

immediate concern to the Ministers. These have been summarised in a recent article by the eminent British scientist, Sir John Cockcroft :

A large and increasing number of international organisations are concerned with the promotion of international collaboration in science and technology. They have often been founded to meet specific scientific or technological needs, but sometimes partly for political reasons. They are absorbing an ever-increasing proportion of the national resources available for science and technology, approaching, in the case of smaller countries, one-third. They also absorb a large amount of scarce time of senior scientists; in some cases, several international organisations seem to be dealing with the same problem and it is time for some overall policy for controlling their development and proliferation. (*New Scientist*, 24 January, 1963).

The great majority of international scientific organisations, to be sure, are private professional associations of long standing that serve as an indispensable communication network among scientists in different countries, and are best left alone. A smaller but important number of intergovernmental organisations have appeared since the end of World War II, however, which have clear implications for policy. Some of these — the European Organisation for Nuclear Research (CERN) is the outstanding example — are research centres created by political decision to serve clear scientific needs. Others engage in scientific activities to support wider objectives. Since the demands of such organisations on national scientific resources are growing, and since international scientific co-operation is not necessarily desirable just because it is international, the Ministers are expected to discuss current activities and objectives, and to explore what kinds of information they may need in the future to enhance the ability of national governments to decide what criteria should govern their participation in international scientific projects, and by what co-operative means such programmes are best conducted. A catalogue and analysis of the principal international organisations engaging in scientific activities is being prepared to serve the Ministers as background information for their discussions.

The relation of science and economic growth — the third major item on the October agenda — is at once an important element of science policy in general and the particular concern of the OECD as an economic organisation. As Ingvar Svennilson's article in the first issue of the OECD Observer pointed out, economists seeking the factors that make an economy grow in the longer term are giving increasingly direct attention to research and innovation as factors leading to increased productivity. Economic growth, in other words, is seen as the result, not only of capital investment in machines and labour, but also of national resources devoted to research and development, since these lead to improvements in the quality of capital and labour. Investment in science, on this view — as well as investment in scientific and technical education — is investment in growth.

OECD has in recent years been exploring new policy approaches implicit in this view of the relation between science and economic growth. It has instituted pilot teams of scientists and economists to study problems of science, technology, and economic growth in several Mediterranean countries; it has instituted systematic country reviews of science and education policies to guide its Member nations in dealing with their particular problems; and it has pioneered a technique of policy confrontations among different countries for the values inherent in mutual discussion of common problems.

It is hoped that particular problems of relating science to economic growth in different countries will come up for discussion during the October meeting, and that the Ministers may perhaps indicate what further studies or analyses might be useful in enhancing their several efforts to develop fruitful ways of approaching and dealing with them in the future.

This first international ministerial meeting on science partakes in prospect of the nature of an experiment. If the participants find it stimulating and instructive, they may decide there is value to a continuing forum. Or they may find that there is need for a deeper understanding of the relations of science and policy and encourage an accelerated effort to collect relevant information for further study and analysis. At a minimum, they will, it is hoped, find useful the opportunity to meet and talk with each other about problems that are common though their faces may be different in different countries.

by Emmanuel G. Mesthene

Secretary of the Ministerial Meeting on Science

higher income from handicrafts

The word "development" conjures up the picture of giant steel mills and dams, aluminium and chemical plants, roads and bridges. But economic development is not always a matter of such dramatic change. Sometimes it is not only necessary but desirable to foster small industries and traditional handicrafts which require less capital and yet may provide jobs for the people of a region, teach them new skills, broaden their horizons and perhaps pave the way for future industrialisation and give an impulse to social progress.

The OECD used this approach to development in its pilot project for technical assistance to handicraft workers in Sardinia and is using it in Greece as well.

There was in Sardinia a long tradition of handicrafts, but activity was on the decline. Certain of the traditional handicrafts had all but died out when the handicrafts project was started in 1957 : the tanning of hides, for example, the making of door knockers, keys and welded-iron spurs. Other products such as carved wooden chests, hand-made shears and chairs made from ferula were fast disappearing. In Oristano, a traditional centre for making terracotta pottery, the number of potters had fallen from thirty or so just after the war to only four or five.

The crafts which were practised by women for use in the home or to supplement the family income — spinning, weaving and basket-making — had fared better. But here too a decline had set in. Of the 8,000 to 9,000 women who knew how to weave on the island

An old skill in new form : weaving with wide looms and textile patterns designed to appeal.

when the project began, most were using their looms only a few weeks or months a year and were earning only five to eight cents per hour, $30 to $80 annually.

However, the picture had some aspects which made the development of handicrafts seem a promising form of technical assistance : Sardinian wool was of excellent quality, and the traditional textile and rug designs had character and beauty. One of the reeds commonly used for basket-weaving was exceptionally strong and flexible and was abundant in Sardinia though not in use for basket-making elsewhere; and the technique in use for preparing the reed was very efficient. Other raw materials were available : the prunings of olive trees, for instance, which were being used for firewood, could serve as a basis for the development of new handicrafts. Moreover, the national and regional governments had already begun an attempt to give new life and economic value to the artistic handicrafts of the region and, as a result, dealers in the great market centres had at least heard of Sardinian handicrafts. Most important, the men and women who still worked at the traditional crafts had kept alive a degree of skill and interest in their work which the OECD project leaders considered rare for trades in the course of decline.

The ancient art of the potter can be made to pay, even on a small scale, if market requirements are studied.

Of the various possibilities, textiles seemed to provide the best opportunity for growth, at least as a start. The problems involved in producing textiles that could be absorbed by the international markets had many facets. A preliminary market study showed that the merchants in New York, Paris and Rome, from what they knew of Sardinian textiles, felt that the designs were out of date, the measurements wrong, the prices charged excessive in many cases; and they had found it difficult to place orders or get deliveries, indeed, even to get an answer to a letter of inquiry.

Conforming to the requirements of the market meant many changes, first of all one in equipment, for the Sardinian looms were too narrow to make cloth and rugs of useful size. They were, moreover, not very fast. Larger looms, however, would require a change in the work setting from the home — the traditional place of work — to a workshop of some sort. If textile production were to be increased, an adequate supply of wool must be assured and spinners and dyers found. Then there was the necessity of training the artisans to use the new looms, and to work continuous hours, something they had never done before. Selling regularly to markets outside Sardinia required some form of business organisation. Each of these changes, difficult enough in itself, became still more so when taken altogether.

Where should the effort begin ? The pilot projects had to be chosen with care, for the means at the disposal of the technical assistance project were small, but through careful choice it was hoped that the centres chosen would have an influence on the rest of the area. In the words of the OEEC - OECD handicrafts consultant, Ramy Alexander " development occurs where there is a nucleus of people, in a sense an élite, who have the will and are inspired by a motivation and who apply a particular energy to development. "

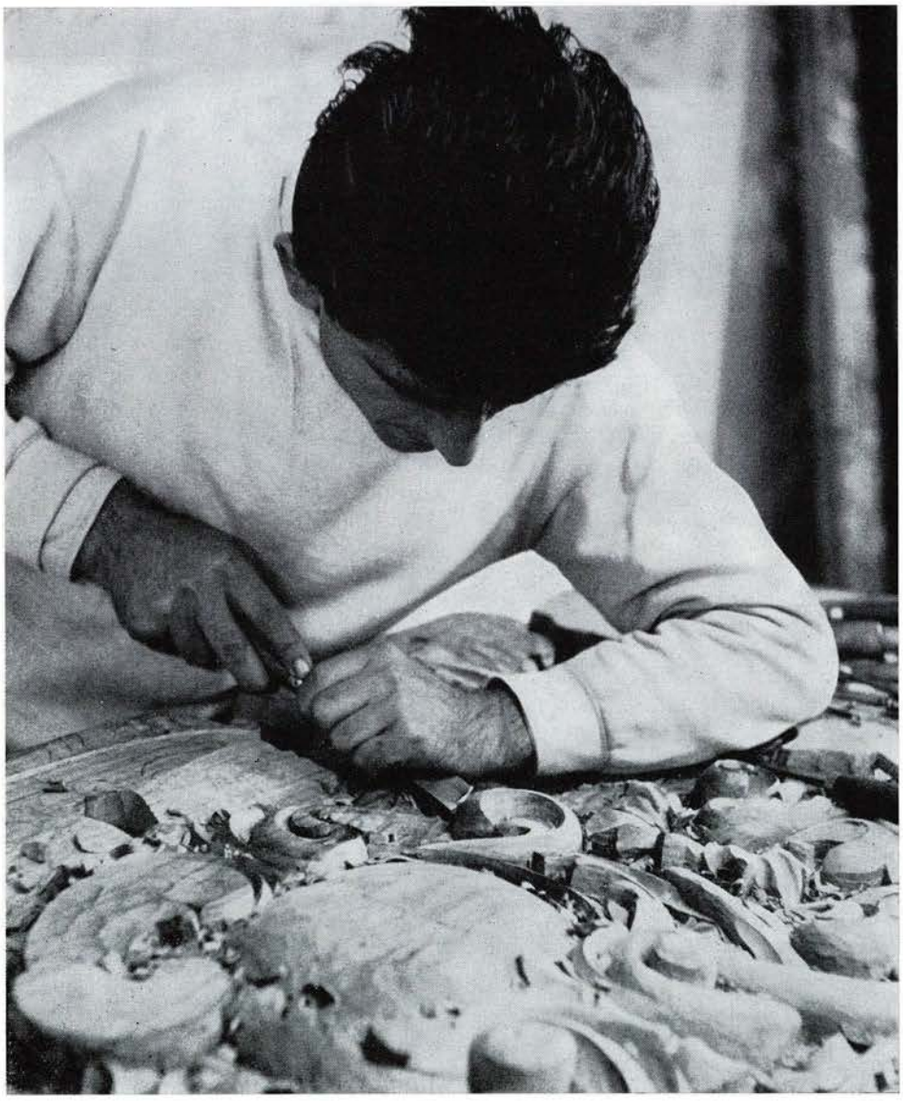
Three centres were chosen for the textile projects, one of which was the town of Santulussurgiu where the ground had been laid for a co-operative venture by a particularly competent adult education lecturer and where a group of women were willing to risk the necessary time, work

and money (10,000 lire or $16 each) without having any formal guarantee that their efforts would bear fruit. " The point of departure for every serious development activity ", says Alexander, " is the capacity to assume a risk. "

It would, perhaps, have been possible to train the artisans as narrow specialists who did only the weaving, leaving the other functions to outsiders. But it would have been contrary to the philosophy of the programme which aimed at broadening the horizons of the participants, promoting their personal development, stimulating their intellectual curiosity, engaging their sense of responsibility, enhancing their ability to meet new situations. The way to achieve this, it was thought, was to have artisans participate in as many phases of the activity as possible rather than simply fitting as cogs into the productive machine.

One of the most important tasks of the project was to find appropriate designs. The basis of the search was in the Sardinian traditions themselves : members of the staff visited Sardinian handicrafts museums and private collections, took photos of the patterns, searched the literature for background material. Then they turned to the artisans themselves and to the local artists. Among other activities, the advisory group sponsored a competition among students of Sardinian art schools, hoping to interest the new generation of artists in the work of the artisans and vice versa. " Ties between the generally little-educated artisan and the well-educated members of society are indispensable if modern handicrafts are to have vitality, " says Alexander.

A learner studies wood-carving at a Sardinian artisans' school.



The investigation of new looms was made with a view to seeing that the more efficient looms would not destroy the handwrought character of the textiles. The women were taught to use them and after a time as the project grew bigger helped to train their own apprentices and weavers in other centres. The artisans were also taught how to contact buyers; at first they were invited to accompany members of the OECD staff in visits to market centres on the mainland and abroad and, eventually, were encouraged to make the visits on their own. They were also trained to select packaging materials and to prepare the cases for shipping. They learned to set aside a portion of earnings in the form of savings, to make cost analyses, price lists, banking contacts, and the fundamentals of bookkeeping and production planning.

At every stage, members of the advisory group tried to impart to the artisans knowledge of a broader kind than that required for the immediate task. " For a man with little or no formal education, " says Alexander, " it may be exceedingly difficult to grasp a general concept. But if you start from a detail with which he is familiar — the motif for a design, the destination of a shipment — you can go on to touch on very general points and make a link between these general ideas and the present reality. "

In addition to textiles, the OECD handicrafts group fostered pilot projects in basket-making, woodworking, embroidery, ceramics, cork, leatherwork and iron accessories; in all, forty pilot actions were initiated.

It is not easy to evaluate assistance of this sort in concrete terms. The total investment of the OECD, with some help from other public bodies and a small amount of private investment, came to the equivalent of about $270,000. With this sum jobs were created for some 150 workers. The present earnings of these

workers, while three, four or even five times what they were before, are still low — about $ 350 per year on the average; and the work is not yet full time. The handicrafts director has estimated that the 150 jobs created would be about equivalent to 40 industrial jobs in terms of earnings. But the investment required to produce this equivalent of 40 full-time jobs was, he calculates, about half the sum that would be required on the average in medium-sized industry.

The evaluation in terms of social and human progress is even more difficult, especially since the project is a continuing one. For the director of the project, " the change that has come about is surprising. Four, three, two years ago it appeared impossible that these people would freely discuss and take decisions relating to technical problems, choice of markets, plans for expansion and links of association as they are doing now. " Some of the individuals — perhaps ten in all — clearly revealed themselves as leaders : " They had learned how to face new responsibilities, shown evidence of a considerable degree of equilibrium, often sagacity and also initiative ".

Finally, each phase of updating artistic handicrafts and putting them on the market implied a liberation of the ties that bind the energies of the populations of backward areas : a fatalism that expresses itself in passive pessismism or in the hope of cheap miracles; social isolation, cultural isolation, and technical isolation; a sense of inferiority with the fear, the diffidence and sometimes the arrogance that go with it. It is possible for the artistic artisan to arrive at transmitting some values to the outside society, national and international, to influence however little its taste and mode of living; and it is well to remember that the desire to give one's own imprint to others — and not only to be influenced by the outside world — is among the most natural and intense hopes of the peoples of underdeveloped areas. "

In Greece the OECD, working through the National Organisation of Greek Handicrafts, has been concerned with the development of textiles, rugs, ceramics, wood products and silver jewelry, a traditional activity, particularly in Epirus. In the domain of textiles an Italian expert, Mrs Lida Brambilla-Longoni, was sent to Greece where she and a group of artisans created a series of new textile patterns for haute couture. To launch the textiles on the international markets, the cloth was made up into dresses which were modelled at a fashion show attended by the Queen of Greece and foreign buyers.

RECENT OECD PUBLICATIONS

AGE AND EMPLOYMENT

This report on an international seminar held at Stockholm in April 1962 has been prepared by Dr. Alastair Heron of the Medical Research Council at the University of Liverpool. Delegates from eleven European countries, the United States and Canada took part in this 5-day meeting. Economists, sociologists, industrial health officers, government officials and representatives of both employers' organisations and trade unions were amongst those present. The background to these discussions was that in all the West European countries the percentage of persons over 65 years of age is steadily increasing, having doubled during the last 50 years, and now stands at about 11 %. It is expected that the trend will continue at least for the rest of the century. In spite of this, practically no progress is being made in communicating the results of research to those in a position to make use of them, mainly in government and the trade unions.
It is hoped that the publication of this report, and the conclusions reached at the seminar, will make a contribution towards solving many of the problems set by an ageing population.

62 pages (demy 8vo) : 6 s., U.S. $ 1.00, F 4.00, Sw. fr. 4.00, DM 3.30.

MARITIME TRANSPORT, 1962

This, the ninth in the series of Annual Reports prepared by the Maritime Transport Committee of OECD, gives up-to-date information of topical interest during 1962. It analyses trends in the main world seaborne trades, and indicates their respective tonnage requirements and thus the demand for shipping. Statistics show the supply of shipping and changes that have taken place during the year in the national fleets and in the various categories of tonnage. The situation with regard to laid-up tonnage, and the scrapping of tonnage, is reported. Information is given on conditions in the freight market and the various shipping problems which have arisen during the year.
Finally, the report outlines and comments on developments of general interest in the field of shipping policy, such as flag discrimination, flags of convenience, the application of the recent amendment to the United States Shipping Act of 1916 and the effects on shipping of the World Food Programme.
A special annex summarises the shipping position of the Sino-Soviet bloc countries.

72 pages (demy 8vo) : 9 s., U.S. $ 1.50, F 6.00, Sw. fr. 6.00, DM 5.00.

AIR POLLUTION IN THE IRON AND STEEL INDUSTRY

Considered from both the social and the economic standpoint, the problem of air pollution is growing in importance every year as industrialisation and urban communities continue to develop.
This being so, the Iron and Steel Committee of the OECD decided to instruct a group of experts to look into the question generally and to report, in particular, on those aspects connected with iron and steel making, including the production of coke.
The results of their work are contained in the present report. Whether he be an executive in the industry, a biologist, doctor or administrator, or someone whose task it is to keep the public informed, the reader will thus be able to grasp the essentials of the problem facing the iron and steel industry and form an overall picture. He will also be able to arrive at an objective appreciation of the difficulties that air pollution entails for the industry — specific, technical, economic and financial aspects included — and will realise how much has already been done to solve the problem.

136 pages (demy 8vo) : 15 s., U.S. $ 2.50, F 10.00, Sw. fr. 10.00, DM 8.30.

INTELLECTUAL INVESTMENT IN AGRICULTURE FOR ECONOMIC AND SOCIAL DEVELOPMENT

Food and Agriculture Documentation, Series n° 60

This report considers the various aspects of intellectual investment in agriculture in relation to the overall system of education and economic and social development. This first attempt at such a synthesis calls for certain explanations and addenda.
Particular attention should be given to planning intellectual investment, especially to the planning of education. The attitude of countries to planning varies according to their traditions, degree of development and social and political philosophy. But all countries agree in recognising the advantages of social-economic forecasts.
Many countries have emphasised the value of trial forecasts in the field of education; others have gone further and have prepared programmes (or plans) to ascertain those factors which are likely to hinder educational development, and to take the necessary measures in time. This report, by Professor L. Malassis, makes a contribution to the establishment of a methodological basis for the planning of agricultural education.

152 pages (demy 8vo) : 9 s., U.S. $ 1.50, F 6.00, Sw. fr. 6.00, DM 5.00.

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