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AGENDA ITEMS 12, 29 AND 74

Report of the Economic and Social Council (chapters II (sections I, II and III A, except paragraphs 189-198), III, IV and VII (section I and paragraph 645)) (A/4415) (continued)

Economic development of under-developed countries (continued):

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CONSIDERATION OF DRAFT RESOLUTIONS (A/C.2/L.491 AND ADD.1-4) (continued)

1. Mr. HASSAN (Sudan), introducing the draft resolution on the activities of the United Nations in the field of industrial development, said that it was simply a follow-up of General Assembly resolution 1431 (XIV) and Economic and Social Council resolution 751 (XXIX). In the preamble, the sponsors emphasized the importance and urgency of the industrialization of the under-developed countries, which had long been recognized as one of the essential means of solving problems of under-development. In the operative part, the sponsors proposed that the programme of work of the Committee for Industrial Development should be expanded and the number of its members increased. The draft resolution was simple and straightforward; it had no political motivation and he hoped that no considerations of that kind would be introduced in the discussion. The campaign against poverty, disease and ignorance, which must be waged with the weapons of modern technology, ought to be regarded from the point of view not of politics but of economics.

2. The under-developed countries needed to industrialize because they would be unable to make any economic and social progress unless they used modern techniques to increase production and consumption. Industrialization was the only way to diversify the economy of countries which were tied to the production and export of a single product or a small number of products. Such countries could achieve a more balanced economic and social structure and a rate of growth in proportion to the expansion of their population only by establishing their own industries. Industrialization was also the only way in which they could reach the stage of development at which they would be able to finance their own economic expansion through the increase in national income which would result from a growth of production. In view of the present instability of their foreign exchange earnings and the deterioration in their terms of trade, the under-developed countries had to industrialize to be able to carry out their development programmes. An increase in their economic activity could not but contribute to the expansion of international trade and of the world economy in general. Only the industrialization of the under-developed countries would finally make it possible to bridge the ever-growing gap between the advanced and the under-privileged countries.

3. According to the Yearbook of National Accounts Statistics published by the United Nations some years ago, per caput agricultural production in Latin America was one-half, and in Africa one-third, of agricultural production in the advanced countries. In the case of per caput industrial production, the rela-

tion between the advanced countries and the under-developed countries was one to ten or even one to thirty and, for Africa, one to fifty. The industrial field offered the best opportunity of narrowing the present gap between the national income and the level of living of the advanced countries and those of the under-developed countries. That was why those countries, which could not remain for ever suppliers of raw materials and outlets for the manufactures of advanced countries, wished to industrialize. As the Nigerian representative had aptly noted at a previous meeting, the under-developed countries did not necessarily expect to repeat the experience of the advanced countries in their industrialization process, but they wished to obtain the means of improving their agriculture, increasing their production and raising their peoples' level of living. Because they were anxious to industrialize, they had a lively interest in the Committee for Industrial Development, which had been established in accordance with the principles of the Charter, to provide the under-developed countries, through the United Nations, with advice, information and assistance in the planning and execution of their industrial development.

4. When it had adopted the draft resolution on the financing of economic development of less developed countries through long-term loans and in other advantageous ways and ensuring an increasing share in world trade for their products (A/C.2/L.465/Rev.2), the Second Committee had requested the Committee for Industrial Development to study that important question. It was therefore essential for the new Committee, which would hold its first meeting in March 1961, to direct its work properly from the very outset. It must bear in mind the need to study the experience of all the countries which were already industrialized and it must become a centre for the exchange of experience in the field of industrial development between countries of different regions and having different economic systems. On the basis of those exchanges of information and the studies which would be carried out, the Committee was to work out general conclusions which would be applicable to a number of countries and situations. It was also to review methods and techniques of programming general industrial development and to contribute to international co-operation in that field. That meant, as specified in paragraph 1 (c) of the operative part, that the Committee was to draw up long-term economic projections in the field of industrial development on a regional and global basis.

5. In operative paragraph 2, the sponsors recommended enlarging the membership of the Committee for Industrial Development because they felt that the composition of the new body should reflect the new situation created in 1960 by the admission to the United Nations of seventeen new States, none of which was industrialized. Africa was the least industrialized continent and there should be a close relationship between the Committee for Industrial Development and the African countries, which needed its help to solve their problems. Africa was inadequately represented on the Economic and Social Council and, generally speaking, all the principal organs of the United Nations suffered from an imbalance of representation and inadequate membership. The best means of remedying those two disadvantages seemed to be to increase the membership of the organs concerned. An increase in the membership of the Committee for

Industrial Development to thirty would make it possible to improve the representation of Africa and also of the other regions of the world. That would be a more equitable solution than a redistribution of the existing seats or more seats for only the African members of the Committee.

6. The draft resolution's only purpose was to propose a constructive solution with a view to increasing the effectiveness of the United Nations body concerned with the most difficult and urgent problems with which the under-developed countries were faced.

7. Mr. LYCHOWSKI (Poland) said that his delegation had been one of the first two sponsors of the draft resolution, which now had the backing of more than thirty delegations. As the representative of the Sudan had said, industrialization was the only way to accelerate the economic development of the under-developed countries. The United Nations had been studying the question of economic development for years, but it was only recently that it had established a special body to deal with industrial development. Given that the development of the under-developed countries depended essentially on their level of industrialization, United Nations activities in that field were of particular importance. That was why the Polish delegation had tried to persuade the Economic and Social Council, at its twenty-ninth session, to set up not a standing committee for industrial development but a functional commission of the Council, similar to the Commission on International Commodity Trade. Unfortunately, the majority of the members of the Council had not recognized the necessity of setting up a body of that kind.

8. At the present juncture, the sponsors of the draft resolution simply wanted the Committee which had been set up to have an adequate membership and to be able to carry out the functions devolving upon it as the only United Nations body dealing with industrial development. Operative paragraph 1 was intended to expand the Committee's terms of reference as they were defined in Council resolution 751 (XXIX). Those terms of reference were completely inadequate and had been set forth without taking into account the recommendations made in February 1959 by the Advisory Committee on the Work Programme on Industrialization,^{1/} which had criticized the work done by the United Nations in that field in 1957 and 1958. According to the Advisory Committee, in failing to study the macro-economic problems posed by industrialization, namely the problem of establishing general economic development policies with a view to planning and successfully executing the process of industrialization in the under-developed countries, the United Nations had neglected the most important aspect of its task. The Advisory Committee had said that the future activities of the United Nations in the field of industrial development should be of such a nature that Governments of under-developed countries could use the results to meet their practical needs. Obviously, that was a very different approach from the one envisaged in the present terms of reference of the Committee for Industrial Development.

9. According to the experts on the Advisory Committee, industrialization was not simply a question

^{1/} See Official Records of the Economic and Social Council, Twenty-seventh Session, Annexes, agenda item 5, document E/3213 and Add. 1-2.

of setting up isolated industrial enterprises but a continuing process, implying a need for integrated measures of wide scope applied with sufficient intensity. Such measures should be aimed at accelerating and directing the process of capital formation and capital-saving as well as at solving balance of payment difficulties which impeded economic growth. Clearly, the present terms of reference of the Committee for Industrial Development ignored those questions and the draft resolution was designed to supplement them on the basis of the Advisory Committee's recommendations, as was apparent from the content of sub-paragraphs (a), (b) and (c) of operative paragraph 1. The Committee for Industrial Development should act as a sort of centre for assistance, which could provide the under-developed countries with all the help they needed for successful industrialization. None of the under-developed countries would be able to industrialize successfully without an over-all plan.

10. Mr. PENTEADO (Brazil) said that he felt he could best express his approval of the draft resolution by asking that his country be included among the sponsors.

11. Mr. DORSINVILLE (Haiti) said that his delegation had joined in sponsoring the draft resolution because of the importance it attached to measures to rehabilitate the backward and stagnant economies of the under-developed countries and also because it wished to give active support to the efforts of the new Member States to participate in the various United Nations bodies.

12. He did not believe that the recommendations in operative paragraph 1 would cause any difficulty since they were bound to assist the members of the Committee for Industrial Development by showing them in exactly what spirit they should undertake their programme of work. The gist of the sponsors' recommendations was that industrialization in the under-developed countries should not be an anarchic process but should be adapted to the real needs and potentialities of the countries concerned. There was no simple, rigid pattern applicable to all countries, for social factors and working conditions had to be taken into account. Industrialization had to be considered in human terms and the means employed should not involve the exploitation of labour. It was because the United Nations could consider problems from the social point of view that the needier Member States were asking it to intensify its activities to assist them to avoid major miscalculations during the transitional period when they were attempting to transform their economies.

13. In all too many cases the legal safeguards offered by Governments were insufficient to remove the misgivings of investors who were reluctant to provide capital for projects that were not in their view sufficiently sound. His delegation welcomed any measure that would enable the United Nations and its various organs to play a regulatory role in promoting international co-operation.

14. His delegation was anxious to support the efforts by the new Member States and to help in making the United Nations a universal organization in which all countries, regardless of size or wealth, had the right to make their voice heard. The new countries were in need of technical skills and capital and had little practical experience, but were familiar with the con-

ditions in their own countries and wished to make an effective contribution to the development of their own economies, rather than to be the passive recipients of assistance in which they played no part. For that reason his delegation warmly supported operative paragraph 2 of the draft resolution. His countrymen were linked to Africa by ties which neither time nor distance had weakened and would continue to give practical evidence of their sympathy for the African countries.

15. Mr. RETALIS (Greece) said that his Government was actively interested in international economic co-operation and in the industrial development of under-developed countries and believed that the recently established Committee for Industrial Development should begin its work as soon as possible. The Committee had a significant part to play in the industrialization of the under-developed countries, particularly the African countries, many of which had recently been admitted to the United Nations, and its membership should therefore be enlarged, as was recommended in operative paragraph 2 of the draft resolution.

16. He hoped that the draft resolution would be adopted unanimously.

17. Mr. FRANZI (Italy) said that his delegation believed that industrial development was one of the main ways of diversifying and developing the economies of the under-developed countries and approved the draft resolution, in particular the programme of work outlined in operative paragraph 1. His own country was in a special position, since it was a highly industrialized country but had a number of under-developed areas. It had considerable experience of methods of programming the industrial development of various regions, and had drawn up long-term economic projections in the field of the industrial development of under-developed areas. Italy was not a member of the Committee for Industrial Development, but was prepared to co-operate with it in accordance with paragraph 5 of its terms of reference (Council resolution 751 (XXIX)).

18. His delegation had submitted an amendment (A/C.2/L.536) to operative paragraph 2 of the draft resolution. It did not question the need to enlarge the Committee for Industrial Development, but felt that it would be a departure from the usual practice for the Assembly to specify in a resolution the number of members of a committee set up by the Council. Resolution 1431 (XIV) had left the Council greater latitude in regard to the size of the body whose establishment was contemplated. Under the amendment proposed by his delegation, the Council itself would decide on the membership of the Committee. The words "just representation" seemed to imply a criticism and the amendment accordingly proposed the substitution of the words "more balanced representation". The phrase "taking into account, in particular, the countries of Africa" would be replaced by "taking account of the admission to the United Nations of the new independent countries of Africa", for that was the main reason why it was necessary to enlarge the membership of the Committee for Industrial Development.

19. Mr. BOIKO (Ukrainian Soviet Socialist Republic) said that his delegation welcomed the opportunity to take part in the discussion of the draft resolution

concerning the activities of the United Nations in the field of industrial development. The draft resolution contemplated a number of positive steps which would enable the United Nations to assist in the solution of the problem of accelerated industrialization, which was one of the major problems in the economic development of under-developed countries. It was generally agreed that industrialization was essential for the under-developed countries, and the United Nations had an important part to play in that field. The Assembly and the Economic and Social Council had dealt with the subject in many resolutions and at its twenty-ninth session the Council had established the Committee for Industrial Development. The draft resolution under discussion developed the ideas contained in resolutions 1431 (XIV) of the Assembly and 751 (XXIX) of the Council, and underlined the urgency of the problem of industrialization. The proposal was designed to secure the implementation of the objectives laid down in the Charter, under which the United Nations was bound to promote the economic and social advancement of all peoples.

20. Operative paragraph 1 made provision for the fuller utilization of the Organization's resources, which would enable the Committee for Industrial Development to help the under-developed countries to raise the level of their production, establish a national industry and consolidate their economic and political independence. The Committee should undoubtedly be entrusted with broadened functions in the near future. The under-developed countries were experiencing serious difficulties in implementing their programmes of industrialization because of their need for capital, fluctuations in commodity prices on the world market, and the instability of their foreign currency earnings. In that connexion paragraph 1 (c) recommended that the Committee for Industrial Development should draw up long-term economic projections in the field of industrial development and 1 (d) that it should follow developments in the field of the financing of new industries in the economically less developed countries. Studies on those lines, combined with the exchange of experience, would make it unnecessary for the countries concerned to engage in costly research, and would help them to work out a rational solution to the problems involved in the creation of a national industrial potential. The functions entrusted to the Committee were appropriate to the purposes for which it had been established. Industrialization was a complex undertaking, which could be achieved rapidly only if all the resources of the country concerned were mobilized, and a thorough economic analysis was necessary to that end. It would, however, be difficult for many under-developed countries to achieve the desired goal with their own resources. The United Nations, having set up the Committee for Industrial Development, should therefore go a step further and empower the Committee to undertake functions that would enable it to give real assistance to the under-developed countries in the acceleration of their industrial development.

21. The provisions of paragraph 2 of the draft resolution regarding the enlargement of the Committee's membership were fully warranted. The Committee's membership should be representative in character, which would make its work more effective, the more so since the Member States were invited in operative paragraph 3 to designate their representa-

tives to the Committee in accordance with the principle set forth in paragraph 6 of the Committee's terms of reference: to appoint representatives who held key functions in the planning or execution of national economic development.

22. The Committee for Industrial Development would deal with a wide range of questions of vital importance to Member States of the United Nations. In view of that fact, the sponsors of the draft resolution proposed in paragraph 4 that the Assembly's agenda, beginning with the sixteenth session, should include an item entitled "Industrial development and activities of the organs of the United Nations in the field of industrialization". That provision would enable all the countries concerned to make their views known and to submit proposals on the subject.

23. In view of those considerations, his delegation had become a sponsor of the draft resolution and hoped that the draft would be approved by the Second Committee.

24. With reference to the United Kingdom representative's comments at an earlier meeting concerning methods of industrialization in the under-developed countries, he said that the process of industrialization in those countries would not necessarily repeat the pattern that had been followed in the more advanced countries, such as the United Kingdom, which had in some cases drawn considerable resources from their colonial empires. Other countries, in particular the socialist countries, provided examples of different patterns of industrialization. While the under-developed countries could learn from the experience of all countries, it was for them to decide which methods of industrialization they would adopt.

25. Mr. ROA KOURI (Cuba) noted that his delegation had participated in the drafting of resolution 1431 (XIV) at the previous session and had emphasized the need for a functional commission of the Economic and Social Council to deal with questions of industrialization. The Council, however, had been influenced by the Western great Powers and had decided only to set up a Committee for Industrial Development. He agreed with the Yugoslav representative's criticisms of the Council in that respect. The under-developed countries were not adequately represented in the Council and thus were not in a position to take steps to promote their industrialization. Although some agricultural countries had successfully raised their people's levels of living without industrialization, the fact remained that most under-developed countries would have to industrialize in order to diversify their economies and reduce their dependence on exports and on foreign countries. Moreover, without the complete mobilization of national resources, certain achievements in the cultural field would be impossible.

26. The Committee for Industrial Development should take into account operative paragraph 1 of the draft resolution in undertaking its programme of work. Operative paragraph 2 envisaged an enlargement of the membership of the Committee and it was desirable that the Economic and Social Council should decide on such an increase at its next session in order to assure the just representation of the under-developed countries, in particular the African countries, at the earliest possible date. He hoped that the Committee would adopt the draft resolution.

27. Mr. LOBANOV (Union of Soviet Socialist Republics) said that his delegation attached the greatest importance to the problem of industrialization in the countries in the process of development. It believed that industrial development was the most effective means of promoting the economic development of the under-developed countries and ending their economic dependence. If economic under-development persisted, the under-developed countries would be unable to raise the levels of living of their peoples. His delegation therefore welcomed the initiative taken by the sponsors of the draft resolution on industrial development, and would vote for the draft.

28. Industrialization was now a major concern in the economic development programmes of many under-developed countries in Asia, Africa and Latin America. The Governments and peoples of the countries which had achieved political independence were trying to transform the colonial structure of their economies and to build up a national industry. The old system of the international division of labour was undergoing inevitable changes, and a new kind of international specialization was appearing, both geographically and as regarded relations between the under-developed and the industrial countries. It was to be hoped that, in the long run, those relations would be equitable and mutually beneficial and that they would lead to the elimination of poverty. Industrialization had a vital part to play in that field.

29. The sponsors of the draft resolution proposed that the Committee for Industrial Development should be given wider functions. That was a necessary and timely step, because the under-developed countries were taking a greater interest in the development of their national industries, and it was important that the United Nations should extend and accelerate its activities in the field of industrialization. At its fourteenth session the General Assembly had recommended that the Economic and Social Council should establish a commission for industrial development with wide functions and full powers. However, because of the latent opposition of a number of Western Powers, the Council had not given effect to the Assembly's decision. The Committee for Industrial Development which it had set up was unfortunately only an advisory body with fairly limited functions, and its terms of reference were inadequate to the Organization's responsibilities in the field of industrialization of under-developed countries. Experience showed that the situation must be corrected; that was one reason why the draft resolution had been submitted to the Second Committee. His delegation continued to believe that a commission for the industrialization of under-developed countries should be set up with broad terms of reference. It did not intend to submit a formal proposal on the subject, but hoped that the General Assembly would confirm its previous years' decision in the course of the current session.

30. Mr. ABDEL-GHANI (United Arab Republic) recalled that the great majority of members of the Second Committee at the fourteenth session had welcomed the Brazilian delegation's proposal for the establishment of a functional commission to study the question of industrialization, which was a decisive factor in the development of under-developed countries.

31. When the Assembly had recommended that the Council should set up a functional commission for industrial development (resolution 1431 (XIV)), his delegation had engaged in lengthy negotiations in which it had tried to show that the Council should give the commission precise terms of reference. However, the Council had decided to set up a standing committee to deal with industrial development. At the fourteenth session, his delegation had suggested (641st meeting) that the membership of the Committee should not be limited to eighteen, and that it should represent all regions. The Committee at present consisted of the eighteen members of the Council and six additional members. His country was one of the six additional members, and it would ensure that it was represented by qualified experts when the Committee considered technical matters. His delegation supported the proposal in operative paragraph 2 of the draft resolution. It agreed with the Sudanese delegation that the number should be increased from twenty-four to thirty, to take into account the admission to the United Nations of a large number of African countries, all of which needed assistance to promote their economic development.

32. Mr. HAKIM (Lebanon) said that, in the early days of the United Nations, the representatives of the developing countries had had some difficulty in convincing other delegations that industrialization was the only means whereby their countries could raise their peoples' levels of living, and that there was no reason why the under-developed countries should not reach a high level of industrialization. At that time the view had been held in some quarters that certain countries were destined by reason of their position to be industrial countries, while others were condemned to remain producers of raw materials and of agricultural commodities. It was gratifying that no one maintained that position today.

33. With regard to the third preambular paragraph of the draft resolution, which referred to the substantial interest of the economically less developed countries in developing their national industries as one of the main ways of diversifying their economic structures and developing their national economies generally, he said that there was no need to emphasize the importance of economic diversification in the primary producing countries, which were heavily dependent on their commodity exports. It should be noted in that connexion that the industrialization of the under-developed countries would increase the demand for primary commodities and would thus help the raw material exporting countries and broaden their markets. The industrialization of under-developed countries was thus one of the most important ways of bringing about an equitable solution of the problem of terms of trade. Industrialization did not necessarily imply the establishment of a few industries: it meant the establishment of an industrial society, as the Sudanese and Polish representatives had said. It would help to raise productivity in agriculture as well as in industry.

34. The Committee for Industrial Development had a substantial contribution to make to the industrialization of under-developed countries and its membership should therefore be enlarged, as operative paragraph 2 of the draft resolution proposed, so that African and other States could be properly represented.

35. Mr. VIAUD (France) noted that the draft resolution had a twofold purpose: first, to enable the Committee for Industrial Development, in drawing up its programme of work, to broaden its functions, and second, to improve its organization and functions.

36. As far as the first purpose was concerned, his delegation was particularly in favour of the recommendations in paragraph 1 (a), for it was appropriate that the United Nations should review the methods and techniques of programming industrial development. It hoped that the Committee would enjoy the active co-operation of the industrialized countries, which already had experience in the matter and could pass it on to the less industrialized countries through the Committee. For the same reasons his delegation supported the provisions of paragraph 1 (c). The Second Committee had already approved a draft resolution concerning economic projections (A/C.2/L.492). Long-term projections in the field of industrial development were just as important as long-term projections concerning primary commodity supply and demand. It was desirable that the study of the question should be entrusted to the Committee for Industrial Development. All he wished to observe was that if the Committee was going to take into account social aspects of industrialization in the under-developed countries it should follow the discussions on that subject to be held by the Social Commission of the Council. The economic and social aspects of industrialization were interdependent, and it would be well to co-ordinate the work done along those lines by the Committee for Industrial Development and the Social Commission. Paragraph 1 (b) envisaged a worth-while objective, but the wording was not very clear. If the work of the Committee for Industrial Development on development technique as such was to have value, the under-developed countries should be able to compare with one another the methods and techniques used in the industrialized countries; nevertheless, the primary objective of the Committee's work was to organize an exchange of information not between the different industrialized countries but between the industrialized and the under-developed countries. That point was not made sufficiently clear in sub-paragraph (b).

37. The second aspect of the draft resolution on the organization and functions of the Committee raised the problem of the part to be played by the new African countries recently admitted to the United Nations. It was in effect the problem of a more equitable representation of those countries in the Committee for Industrial Development, and it was not accurately reflected in operative paragraph 2. The Committee was composed of the eighteen members of the Council and six other members, namely India, Pakistan, the United Arab Republic, Mexico, Peru and Yugoslavia, i.e., three Asian countries, two Latin American countries and a European country. There was no African country among the six. His delegation would have preferred to see the election of the six additional members postponed so that the admission of the new African States Members could be taken into account, but its suggestion had been rejected. In any event, it was ready to make its contribution to a solution of the problem.

38. He would like to make a simple suggestion with regard to paragraph 2—the Assembly might merely submit to the Council a more flexible recommenda-

tion for the revision of the composition and structure of the Committee for Industrial Development with a view to a more balanced representation of the different groups of countries. If the Council saw fit to increase the number of seats, the African countries alone should benefit from that increase; furthermore, the extent of the increase should not be rigidly laid down in advance.

39. His delegation associated itself with the appeal in paragraph 3, for the Committee for Industrial Development could not do useful work unless all Member States, whether industrialized or not, were represented by persons who were competent in the field of industrial development or planning. That need had been stressed in the Economic and Social Council and was in accordance with the wishes of both the industrialized and the under-developed countries.

40. Mr. ACHKAR (Guinea) thought that the United Nations should make whatever effort was needed to promote the industrialization of the under-developed countries, particularly the countries of Africa, which were at present the least developed in the world. The colonial régime had prevented them from developing their economies and they had had to be content with mining ores and exporting raw materials; they lacked capital and their technical knowledge was too limited to meet the needs of industrialization. The United Nations had a major task to accomplish in that field.

41. The draft resolution provided for an increase in the number of members of the Committee for Industrial Development. It was to be hoped that the Italian delegation would not press its amendment, whose effect could only be to delay a decision which must inevitably be taken. His own delegation, as one of the co-sponsors of the draft resolution, considered that approval of the draft would promote the rapid and smooth development of the under-developed countries, whose peoples were eager to set to work.

42. Mr. ASIODU (Nigeria) was glad that his delegation had been able to co-sponsor a draft resolution to which his country attached great importance. Some delegations might have misinterpreted the remark made by the Nigerian representative in connexion with the introduction of the draft resolution on assistance to former Trust Territories and other newly independent States. The reason why his delegation had said that the process of industrialization in the under-developed countries should not necessarily be patterned on that of the industrialized countries was because of the complexity and variety of conditions prevailing in the different countries. There were many sectors beside the manufacturing industries, e.g. agriculture, fisheries and forestry, into which modern methods and techniques could be introduced. Accordingly it might be risky to try to generalize unduly with regard to possible means of development.

43. His delegation approved the programme of work of the Committee for Industrial Development as described in paragraph 1 of the draft resolution. It also attached great importance to paragraph 2, for it was obvious that the composition of the Committee should be enlarged to enable the new countries to participate fully in the Committee's work.

44. Mr. WOULBROUN (Belgium) thought that the aim should be the balanced development of the various components of economic and social life, namely the development of agriculture, industry and ser-

vices. Belgium did not share the view that the industrial development of the new countries might be a threat to the older countries. Itself a highly industrialized country, Belgium had assisted in the process of industrialization of its neighbours and in doing so had promoted both its own economic development and that of other countries. It had long been supplying capital goods, capital and technical knowledge to foreign countries. Industrialization entailed both scientific development and vocational training, and the contribution which the Special Fund could make in that connexion might be particularly useful. The need pointed out by the French representative to ensure that social development went hand in hand with industrialization should also be emphasized. Belgium had long experience in industrialization. It had been exploiting certain of its natural resources for centuries, and some of its deposits were no longer productive. That situation had given rise to structural problems and the need to take new steps had become apparent. Belgium was ready to participate in the work of the United Nations in that field and to give the under-developed countries the benefit of its experience.

45. His delegation was in favour of wide participation by the different groups in the organs of the United Nations, particularly the Economic and Social Council. It had already supported an increase in the number of members of the Council. In enlarging the membership of the different organs, however, the United Nations should seek to ensure optimum efficiency, for in practice an excessively large membership would make the work of the Council more difficult. It would be preferable, as the Italian representative had proposed, to leave it to the Council to determine the number of members of the Committee for Industrial Development, on the understanding that the Council should take care that there was a balanced representation of the different groups and trends and bear in mind the admission of the new Member States. At the same time it should not underestimate the importance of the full participation in the Committee's work by the industrialized countries which, as exporters of capital, technical knowledge and capital goods, would be of great assistance to that body in attaining its objectives.

46. Mr. FRANZI (Italy) assured the representative of Guinea that the adoption of his amendment to operative paragraph 2 of the draft resolution would not cause any delay in the work of the Committee for Industrial Development since in any case the proposed enlargement would be carried out by the Council at its resumed thirtieth session.

47. Mr. JEVTIC (Yugoslavia) said that the draft resolution dealt with one of the most important of United Nations activities. It was an idea that had gained considerable ground during the past few years. Until quite recently there had been a divergence of views regarding the relative importance of the different sectors of the economy. Today it was generally admitted that industrialization within the framework of a balanced economic development was a means of diversifying and transforming the economy of the under-developed countries. The change of attitude was due to the conditions existing in the under-developed countries and to the desire of Governments and peoples to find a solution for their difficulties. The situation in the international market had shown that those countries could not find employment for

their rapidly increasing populations if their economy was based exclusively on the production and export of primary commodities. Thus industrialization became a necessity; and that explained why the question of industrialization had assumed such importance in the economic policy of certain countries, including Yugoslavia. In those circumstances it had become essential to establish an organ responsible for dealing with the question—hence General Assembly resolution 1431 (XIV) and Economic and Social Council resolution 751 (XXIX). While his delegation would have preferred the establishment of a technical commission, it considered that the Committee for Industrial Development made for progress in the direction of industrialization.

48. The terms of reference of the Committee for Industrial Development covered four distinct fields of activity. Under the work programme proposed in Council resolution 751 (XXIX) the Committee would first of all be the body charged with an appraisal of the work so far done on industrialization by the United Nations family. It would ensure that such work was in conformity with the interests of the different countries and determine the needs of those countries. In the matter of techniques and methods applicable to industrialization, the Committee could study, for example, the financing of new industries, the size of the enterprises to be established, labour questions, the marketing of products and other similar questions. The Committee could also act as a centre for the exchange of information. Governments not represented on the Committee might bring to its attention problems of special concern to them and request its co-operation in the solution of such problems. He thought that the Committee, with its experts from many different regions of the world, should be in a position to determine the needs of countries in process of industrialization, to undertake the necessary studies and thus to increase the United Nations contribution to the efforts made by those countries to set on foot a modern industrial system.

49. The draft resolution, which now had thirty-six sponsors, was an indication of the interest taken in the Committee for Industrial Development by a great number of countries which were not members of the Economic and Social Council. If the Committee's membership was enlarged and its functions were more clearly defined, it would be able to achieve really useful results. His delegation therefore hoped that the draft resolution would be adopted unanimously.

50. Mr. ABDALLAH (Ghana) pointed out, in reply to the observations of the representatives of France, Belgium and Italy concerning the composition of the Committee for Industrial Development, that the General Assembly at its fourteenth session had recommended the establishment of a commission for industrial development. The Council, instead of acting on that recommendation, had merely established a Committee for Industrial Development. He wondered, therefore, how much notice the Council would take of the General Assembly recommendation for enlargement of the membership of the Committee.

51. Mr. WODAJO (Ethiopia) said he was opposed to the theory that under-developed countries should confine themselves to producing raw materials and agricultural products and not venture into a field where

the industrialized countries were better equipped and could produce goods more profitably. It had been seen that exports of raw materials and agricultural products could not help the under-developed countries to improve their economic and social situation. The prices of those products were falling in relation to those of manufactured products. The under-developed countries ought therefore to achieve a balanced development of their economies and for that purpose to develop more industry. The aim of the draft resolution of which his delegation was one of the sponsors was to enable the United Nations to assist countries in that task by giving them advice. His delegation thought that the terms of reference of the Committee for Industrial Development were so far very modest and that a great deal would have to be done by the United Nations in the matter of industrialization of under-developed countries.

52. Mr. HASSAN (Sudan) expressed gratification at the support which the draft resolution had received. He believed that only whole-hearted co-operation in the economic field could produce any solution for the problems of under-developed countries. He thanked the representatives of Poland and the United Arab Republic for their help in clarifying certain important points, and said that Afghanistan, Brazil and Gabon were to be added to the list of sponsors of the draft resolution (A/C.2/L.491/Add.5). With regard to the French representative's suggestion, he pointed out that in the draft resolution the General Assembly only recommended that the Economic and Social Council should enlarge the membership of the Committee for Industrial Development to thirty members. Such a recommendation left the Economic and Social Council full latitude to take whatever decision it considered most advisable. He said that the sponsors of the draft resolution would like to meet to examine the amendments and suggestions made, and he suggested a ten-minute suspension of the meeting for that purpose. A vote might then perhaps be taken on the draft resolution at the current meeting.

53. Mr. MIYAKAWA (Japan) said that the explanations given by the representatives of the Sudan and Poland had clarified certain points on which his delegation had had some misgivings. He thought he would have to report on the matter to his Government and ask for its instructions. He would therefore prefer the vote to be postponed until later.

54. Mr. GURINOVICH (Byelorussian Soviet Socialist Republic) pointed out that the Committee had had the draft resolution before it since 7 November and that the delegations had had time to receive instructions from their Governments. In order to expedite the work of the Committee he thought it would be preferable to vote on the draft resolution at the current meeting.

55. Mr. LOBANOV (Union of Soviet Socialist Republics) thought that the Committee should not allow any artificial delay in the work of the Committee for Industrial Development, and that a vote might be taken on the draft resolution at the current meeting, as the representatives of the Sudan and the Byelorussian Soviet Socialist Republic had suggested.

56. After an exchange of views, Mr. DUDLEY (United Kingdom) proposed the adjournment of the meeting under rule 119 of the rules of procedure.

The proposal was adopted by 38 votes to 6, with 16 abstentions.

57. Mr. GURINOVICH (Byelorussian Soviet Socialist Republic) explained that he had voted against the motion for adjournment because it aimed at obstructing the constructive proposals which had been submitted.

58. Mr. MIYAKAWA (Japan) protested against the Soviet Union representative's implication that the Japanese delegation's request constituted delaying tactics.

The meeting rose at 1.40 p.m.