

United Nations
GENERAL
ASSEMBLY
SIXTH SESSION

Official Records



SECOND COMMITTEE 158th

MEETING

Tuesday, 4 December 1951, at 10.30 a.m.

Palais de Chaillot, Paris
INDEX UNIT MASIE

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Chairman : Prince WAN WAITHAYAKON (Thailand).

Economic development of under-developed countries : report of the Economic and Social Council (chapter III) (A/1884¹ and A/1924) (continued)

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[Item 26]*

STATEMENT BY THE REPRESENTATIVE OF IRAN

1. Mr. KHOSROVANI (Iran) asked for the floor on a point of order for purposes of clarification. At the 156th meeting on 1 December, the United Kingdom representative had made a statement in reply to an earlier statement by the Iranian delegation. He had raised some new points to which the Iranian delegation had subsequently replied. Immediately afterwards, the United Kingdom representative had spoken again and repeated some of his previous assertions. The Iranian delegation had felt that it was unnecessary to refute those allegations once again, since in its previous statement it had already dealt with all the questions raised by Mr. Corley Smith.

2. However, on reading the summary record of the meeting concerned, he felt that his silence might create a false impression. He therefore wished to point out that he had refrained from speaking for a second time merely to avoid unnecessary repetition.

REVISED DRAFT RESOLUTION SUBMITTED BY THE UNITED STATES OF AMERICA (A/C.2/L.85/Rev.1) (continued)

3. Mr. AMARAL MURTINHO (Brazil) wished to explain his amendment (A/C.2/L.93) aimed at the

deletion of paragraph 6 and the beginning of paragraph 7 of the revised United States draft resolution (A/C.2/L.85/Rev.1).

4. When the Fifth Committee had considered the question of establishing a negotiating committee, several delegations, notably those of Norway and Venezuela, had expressed some misgivings. The Norwegian representative had stated that he was opposed to the very principle of such a committee, on the grounds that extra-budgetary expenses often had political and economic implications which could not be dealt with in such an organ. The discussion had lasted for over two weeks. Eventually, Mr. Brennan, the representative of Australia, had explained that the committees concerned would be absolutely free to decide whether or not the programmes within their competence should be submitted to the committee.

5. The United States representative had specified that the General Assembly would have to take explicit decisions on each of the programmes in question before the negotiating committee could take a decision. Not until after those explanations had been furnished did the Fifth Committee adopt the relevant draft resolution (A/C.5/L.109/Rev.1). The Brazilian representative then read paragraph 10 of document A/C.5/L.122.

6. It would be useful to set up a mixed negotiating committee, and he had voted in favour of the resolution which contemplated appointing one; nevertheless, he did not believe that the Second Committee should refer to the negotiating committee the question of voluntary contributions to the special technical assistance fund. Accordingly he hoped that the Second Committee would adhere to the procedure suggested the previous year, which was to convene a special conference to determine the sum of the contributions for the financial year.

7. Mr. MANSFIELD (United States of America) said he was prepared to accept amendments 1, 2 and 3 proposed by Egypt in document A/C.2/L.97.

¹ See *Official Records of the General Assembly, Sixth Session, Supplement No. 3.*

* Indicates the item number on the General Assembly's agenda.

8. With regard to amendment 4 in the same document, he said that at the preceding meeting he had accepted the Haitian amendment concerning the position of private non-profit-making organizations (A/C.2/L.91/Rev.1). The Egyptian representative was now asking that the technical assistance provided by those organizations should be granted in accordance with the fundamental principles adopted by the General Assembly and the Economic and Social Council. Although he (Mr. Mansfield) was in sympathy with the spirit of the amendment, he could not incorporate it in his text. His delegation had no authority to vote for any such step on the part of the United Nations, and in his country such organizations were not subject to any great degree of governmental control. Many of those organizations were religious groups which confined their work to assistance for their co-religionists. They could hardly be asked to conform with the paragraph of resolution 222 (IX) which recommended the avoidance of distinctions arising from religious considerations. Similar considerations might apply equally well to other organizations.

9. Mr. KHOSROVANI (Iran) referred to the earlier occasion, during the general debate, when his delegation had expressed its views on certain important aspects of the technical assistance programme (153rd meeting). He would merely say that he was in general agreement with the first twelve paragraphs of the United States draft resolution. He had some serious misgivings, however, with regard to paragraph 13 of the original text (which had become paragraph 15). Although he sympathized with the motives underlying the Mexican amendment to that paragraph, in practice the amendment might cause many difficulties.

10. In the first place, the technical assistance offered by the United Nations and the specialized agencies was not provided free of charge. On the contrary, governments which received the services of experts and missions had to spend large sums in local currencies, which was not easy for some. Consequently, any government which declared its willingness to incur such expenses must have decided beforehand that it really needed the experts' services.

11. In the second place, the participating organizations could not always ascertain beforehand whether a project required substantial investment. It was only after consulting the reports prepared by experts that the participating organizations could ascertain the extent of financial requirements. They then entered into contact with the governments concerned, either through technical assistance representatives or through other channels, to discuss the financial aspects of the proposed undertaking.

12. In the third place, governments unable to secure foreign loans or to service such loans owing to high interest rates might decide to carry out all or part of a project with the help of international experts, but investing local resources only. What would be the attitude of the technical assistance agencies to projects of that kind if the Second Committee were to adopt paragraph 13? That text in fact imposed additional obligations on the most needy countries. His delegation therefore considered that the recommendation was liable to retard the implementation of technical assistance programmes and to cause many difficulties to all concerned.

13. Paragraph 2 of the United States draft resolution, concerning the responsibility of governments for planning and financing of certain development projects, had not been fully understood. He believed that the Committee would meet all the purposes of the Mexican amendment by approving that paragraph. Moreover, the original paragraph 13 placed sufficient emphasis on collaboration between the technical assistance agencies and the agencies concerned with financing and would therefore make it possible for their work to be co-ordinated satisfactorily. For all those reasons, the Iranian delegation considered that nothing would be gained by adopting the Mexican amendment (A/C.2/L.92).

14. Mr. NARIELWALA (India) said his delegation had stated on 22 November (150th meeting) that the Government of India was fully in agreement with the proposals made by the Economic and Social Council for the operation of the Expanded Programme of Technical Assistance for 1952, and in addition accepted the financial arrangements proposed in Economic and Social Council resolution 400 (XIII). Accordingly his delegation welcomed the United States draft resolution, which largely re-stated the Economic and Social Council's proposals.

15. In the course of the general debate, some Committee members had mentioned that funds appropriated for the Expanded Programme of Technical Assistance were not being fully utilized by the under-developed countries, and that those countries had no plans or provisions for the utilization of such funds. The explanation was that the under-developed countries were short of foreign currencies. For example, India had been unable to avail itself fully of the fellowships and scholarships granted to it, because under the programme the recipient country was expected to bear 50 per cent of the cost of passage of the fellow or scholar. For budgetary and other reasons, or owing to a lack of foreign currencies, India had in many cases had to abandon the intention of sending fellows or scholars to countries so distant as the United States and the European countries.

16. It would be remembered that under the Colombo Plan and under President Truman's "Point Four" programme, governments were not required to meet expenses of this kind. It was to be hoped that the United Nations Secretariat would not rigidly insist on 50 per cent of the cost of passage of fellows and scholars being borne by the under-developed countries.

17. Under the terms of Council resolution 222 (IX), supplies of equipment could not be granted unless they formed an integral part of a project of technical assistance. That principle should be interpreted very liberally, since in many cases the under-developed countries needed equipment rather than foreign experts.

18. He was convinced that if the United Nations Secretariat and the specialized agencies would take those two points into consideration, the under-developed countries would profit much more by the technical assistance programme.

19. Proceeding to deal with the United States draft resolution in its original form (A/C.2/L.85), and with the various amendments thereto, he said that he would support the Brazilian amendment (A/C.2/L.93) to paragraph 1; and was glad that the United States delegation had accepted it.

20. He was less sure about sub-paragraph (b) which the Philippine amendment (A/C.2/L.90) proposed for paragraph 2. It was more in the nature of a recommendation, and hence out of place in the preamble to the resolution. Its correct context would be in paragraph 14 (b). If the United States and Philippine representatives accepted the suggestion, paragraph 14 (b) would then read :

"Governments requested to make available technical assistance and facilities for the Expanded Programme should take all possible steps to facilitate the availability of such assistance to under-developed countries, and further that these governments continue to improve their co-ordinating facilities in order to help accelerate the flow of technical knowledge in the under-developed countries."

21. The representative of India failed to see the necessity of the amendment to paragraph 3 or of the new paragraph 13 proposed by the representative of Haiti (A/C.2/L.91/Rev.1), concerning the private non-profit organizations. Such organizations were not associated with the United Nations or with any of the specialized agencies concerned with technical assistance and hence should not be referred to in the draft resolution. However, the object aimed at by the amendment submitted by the representative of Haiti was commendable and he would therefore support the suggestion made by the representative of Egypt (157th meeting) that that amendment should form part of a separate resolution.

22. As the representative of the United States had already accepted the Philippine amendment (A/C.2/L.90) to paragraph 5 of its draft resolution, the delegation of India would accept that text, although it merely stated in more detail the content of the original paragraph 5.

23. His delegation entirely agreed with the view expressed by the representative of Brazil regarding the deletion of paragraph 6 of the United States draft resolution (A/C.2/L.93). A negotiating committee was not the best means of obtaining funds for the Expanded Programme of Technical Assistance. Moreover, it might duplicate the work of the separate conference which the Secretary-General was in any case asked to convene. Besides, a negotiating committee might bring undue pressure on the governments of different countries, particularly under-developed countries, in securing assistance for purposes other than the Expanded Programme of Technical Assistance. Consequently, the task of obtaining contributions for the Expanded Programme should be left to a special conference as suggested in paragraph 7 (a) of the United States revised draft resolution. If the Committee decided to delete paragraph 6 of the draft resolution, the beginning of paragraph 7 would, of course, also have to be deleted.

24. He supported the amendment proposed by the representative of Denmark (A/C.2/L.87). It would, however, be desirable to ask the Chairman of the Technical Assistance Board if any large amount of currency of limited convertibility remained unutilized from contributions made to the Special Account for the year 1951. If a large amount of such currency still remained unutilized, the Danish amendment was fully justified.

25. Paragraph 10 of the United States draft resolution might more suitably be inserted between paragraphs 8 and 9.

26. The text of paragraph 11 of the draft resolution might be worded more simply to read :

"*Urges* all governments to pledge contributions to the programmes for the year 1952, at least at the same level as for the first financial period."

27. He regretted that his delegation would be unable to support the Mexican amendment (A/C.2/L.92) to paragraph 13 of the United States draft resolution. The Mexican amendment suggested that the specialized agencies, in considering any application from governments for assistance in respect of any project which might require appreciable investment, should take into account the probable available finance in that country. That was putting the cart before the horse. Before any estimates of the funds required for carrying out any project could be made, the project had to be studied by the competent agencies themselves. Those agencies must determine in the first place whether or not the project was feasible. After that, they would have to work out the cost, and only after their opinion had been made known would the country concerned be able to say whether the necessary finances could be made available from its own resources or from any of the international financial agencies. A project approved and worked out by the specialized agencies of the United Nations would have a greater chance of being accepted by an international financial institution than any other. The specialized agencies were not qualified to pronounce on the question of financing without having studied the project thoroughly. For all those reasons, the Indian delegation felt that the Mexican amendment might impede the progress of the under-developed countries and hence would vote against it.

28. Paragraph 14 as proposed by the representative of the Philippines (A/C.2/L.90) met with the Indian delegation's approval, provided that the words "the formulation of integrated programmes of development including priorities" in paragraph (a) were deleted as being redundant, in view of the preceding phrase, and that paragraph (b) was modified as suggested in the earlier part of his statement.

29. Mr. BANNIER (Netherlands) expressed support for the United States draft resolution, with the amendments thereto, since it covered the more important questions raised by the Netherlands in the course of the general debate, and should lead to the better operation of the technical assistance programme.

30. However, he saw no reason why the negotiating committee should be left to determine the amount of the contributions to that programme. The negotiating committee was to consider the question of extra-budgetary funds in emergency cases. If it were to study the contributions to the Special Account, there would be a risk that those contributions might, in certain circumstances, be governed by financial requirements arising out of emergency situations in the world. He was therefore inclined to agree with the representative of Brazil that paragraph 6 of the United States draft resolution should be deleted. Before pronouncing a final opinion on the subject, however, he would like to hear the views of the authors of the draft resolution in question.

31. Proceeding to deal with paragraph 15 of the revised draft, he said that the Mexican amendment, if incorporated in that paragraph, might hamper the work of the specialized agencies. It might be instructive to hear

the views of the Chairman of the Technical Assistance Board (TAB) on the question; in any case, he would be grateful if the Mexican representative would agree to withdraw his amendment.

32. Finally, as regards paragraph 12, he was not authorized by his Government to enter into any commitments of the nature contemplated in that paragraph.

33. Speaking next of the reports and the organization of the work, he said reports on technical assistance contained in documents E/2001 and E/2054 showed that very encouraging results had been achieved. Such general reports were of great value, particularly for contributing governments. He mentioned in particular the technical assistance agreement concluded between Bolivia and the United Nations. It was to be hoped that comprehensive bilateral agreements on the same lines would follow.

34. Another series of reports, those drawn up by the resident representatives and missions of experts, was of even greater importance. Those reports should be co-ordinated, and brought up to date at regular intervals, for the use of the experts sent to countries requesting assistance.

35. As regards the co-ordination of technical assistance activities, he thought that TAB should be able to play a more decisive part. Resolution 400 (XIII) of the Economic and Social Council, with its financial provisions, was a very important step towards greater centralization in the appropriation of funds. His Government felt there should be even greater centralization, though without prejudice to the independence of participating organizations in the planning of projects. The appointment of a permanent chairman of the TAB might be an important contribution towards such co-ordination.

36. Mr. SANTA CRUZ (Chile) agreed with the views expressed by the representative of India on the Mexican amendment (A/C.2/L.92), and pointed out that annex I of resolution 222 (IX) of the Economic and Social Council contained a section entitled "Selection of Projects", giving technical assistance organs very precise directives on the criteria to be applied in accepting projects. Those very full directives had been approved by the General Assembly; they stipulated that, for the purpose of satisfying request for assistance, a priority scale, taking account of the needs of the recipient countries, should be established. He read paragraph 3 of that section which contained the relevant directives.

37. The Mexican amendment went much further than resolution 222 (IX) when it asked that account be taken of the likelihood of the necessary capital being forthcoming. He saw no reason for departing from the existing arrangements, especially as technical assistance was certainly not granted for projects which were unworkable. If the Mexican amendment were adopted, the result might be to restrict the grant of technical assistance.

38. He had every sympathy for the motives underlying the Mexican amendment, for wastage of resources ought to be avoided. But, as the Indian representative had pointed out, it was often impossible to decide whether a project was feasible until it had been studied. Moreover, technical assistance should not be granted merely for projects the financing of which was guaranteed; allocations must also be made to other projects, so that economic development could continue.

39. The relevant sections of annex I to resolution 222 (IX) fully covered the Mexican delegation's purpose, and he therefore suggested to the Mexican representative that he should withdraw his amendment.

40. Mr. GARCIA (Philippines) said that technical assistance was a positive act towards the attainment of one of the fundamental Purposes of the Charter: raising the standard of living of the peoples of the world. He described the measures taken by his Government to co-ordinate technical assistance in its own country, including the establishment of an inter-ministerial committee to study applications for assistance and fix priorities, as also the appointment of two advisory committees. He was gratified to learn of the appointment of a resident technical assistance representative at Manila, who would establish liaison between the Philippines Government and the organizations providing assistance, and he stressed the necessity, in order to avoid duplication, of co-ordinating the execution of the United Nations technical assistance programme with that of assistance granted under bilateral agreements. In that connexion, co-ordination at the stage when an application was being considered within the administration of a requesting government was of special importance.

41. Replying to the Egyptian representative, who had stated at the previous meeting that sub-paragraph (a) of paragraph 2 was restrictive in that it limited programmes to available resources, he pointed out that in the sub-paragraph in question it was not a matter of internal resources; the phrase in question read in fact: "within the framework of available resources". He accepted the Egyptian amendment to sub-paragraph (b) of paragraph 2, which merely served to clarify the intention of paragraph 1 of his own original amendment.

42. He then referred to the Belgian representative's request that technical assistance should be primarily confined to the despatch of experts; he explained that his own amendment, which had become paragraph 5 of the United States draft resolution, merely reproduced a recommendation by the Technical Assistance Committee. He had no objection to paragraphs 2 and 3 of the Egyptian amendment. With regard to paragraph 4, he shared the United States representative's opinion; it was indeed true that the United Nations could not expect private organizations to conform to its directives. He would therefore vote against that amendment.

43. He approved of the idea underlying the Mexican amendment; but it went much further than the original version of the draft resolution. While it was desirable that technical assistance should be related to the availability of financial resources, it would be going too far to attempt to limit the grant of assistance to projects for which the necessary financial resources were available. That would amount to according assistance only to countries in a position to finance their development, and to refusing it to those needing it most. Furthermore, it was impossible, in the initial stages of the elaboration of certain projects, to estimate the amount of financial assistance which would ultimately be required for their execution. He would be obliged to vote against the amendment if it was not withdrawn.

44. With respect to the Brazilian amendment, which had not been accepted by the United States repre-

sentative, he said the Philippine delegation would abstain from voting on it; he was satisfied with the existing organization of the Expanded Programme of Technical Assistance and believed that all possible steps should be taken to secure pledges of new contributions. He had no objection to the revisions proposed by the Indian representative for the Philippine amendments, but felt that was a point to be decided by the United States representative, since the amendments in question had been incorporated in the United States draft resolution.

45. Mr. FLORES (Mexico) stated that, in view of the opinions expressed by the preceding speakers, who believed that the adoption of his amendment would constitute a hindrance to the development of the technical assistance programme—while he, quite on the contrary, had wished to promote that development—he would withdraw his amendment. As the Chilean representative had pointed out, the idea which he (Mr. Flores) had meant to express was already contained in resolution 222 (IX).

46. However, even though withdrawing his amendment, he had no intention of abandoning the intention underlying it. The technical assistance programme had an extremely wide field of action and it would be desirable to bring efforts in that field to bear upon projects not requiring financing from external sources. As an example of most useful operations of that kind, he referred to a study by the Economic Commission for Latin America on the organization of the textile industry in Latin America.

47. To grant technical assistance for projects requiring outside resources would be a serious mistake. Indeed, if such projects could be financed, the financial institution providing the funds, such as the International Bank for Reconstruction and Development or the United States Export-Import Bank, would undertake a study which would thus duplicate that prepared under the auspices of technical assistance. On the other hand, if the necessary financial resources were not forthcoming, the study undertaken would only have the effect of raising hopes which would subsequently be disappointed, and so, in the final analysis, would only have a harmful influence.

48. The CHAIRMAN asked the United States representative whether he accepted the withdrawal of the Mexican amendment.

49. Mr. MANSFIELD (United States of America) thanked the Mexican representative for withdrawing his amendment to paragraph 15. That paragraph would thus read:

"Looks forward to increased collaboration between the agencies furnishing technical assistance and financing agencies so that maximum co-ordination between technical and financial assistance can be obtained."

50. As the representative of Mexico had indicated in the course of his remarks, practical realities had to be taken into account. He would accept the Philippine amendment to paragraph 16, as it took up and underlined a point contained in the original United States text.

51. It would be inadvisable to delete paragraph 6 and paragraph 7 (a), as the representative of Brazil, supported by the representative of Chile, had proposed; since the result might be to prevent the proposed negotiating

committee from collecting funds for the technical assistance programme. There was no reason to draw a distinction between extra-budgetary funds for technical assistance and similar funds for relief for the people of Korea or the Palestine refugees. All three programmes were equally important and deserved to receive the fullest moral and material support from all countries.

52. The largest possible contributions ought to be collected for all three programmes, and no means of doing so should be neglected. The United Nations had assumed a special responsibility in all those fields and he was sure that all the members of the Committee would want the United Nations as a whole to be a complete success.

53. Mr. OWEN (Assistant Secretary-General in charge of the Department of Economic Affairs), speaking as Chairman of TAB, said he was sure that the Mexican representative's decision to withdraw his amendment was a wise one. He had been most impressed by the the Mexican representative's remarks underlining the importance of the relationship between technical and financial assistance and showing that the technical assistance programme had to be administered in such a way as to avoid raising false hopes in the countries concerned. However, the Mexican amendment, if adopted, would have had the effect of further slowing down the work of TAB already an exceedingly complex instrument.

54. TAB had always respected the spirit and the letter of Economic and Social Council resolution 222 A (IX) and intended to continue to do so, in particular so far as collaboration between agencies furnishing technical assistance and financing agencies was concerned. In that connexion, it might perhaps be advisable to combine paragraphs 4 and 15 of the draft resolution so as to bring out more clearly the close relationship which should exist between technical and financial assistance.

55. With reference to the remarks of the Netherlands representative, he said that the Secretary-General would shortly be meeting the Directors-General of the specialized agencies to study appropriate means of strengthening the administration of the technical assistance programme.

56. Replying to the representative of India's question regarding the use of non-convertible currencies, in the absence of up-to-date figures, he could only say that in some cases it had proved difficult for the participating organizations to engage experts or to place equipment orders owing to the competing demands in the countries themselves. A substantial volume of non-convertible currencies had consequently not been used. The matter was, however, under constant review both by the participating organizations and by TAB. It might however be mentioned that it had been possible to use 212,000 of the 330,000 Danish crowns at TAB's disposal.

57. ABDEL RAZEK Bey (Egypt) thanked the sponsors of the draft resolution for their affirmative answer to his question as to whether they accepted his amendment to paragraph 9 (A/C.2/L.97/Add.1) consisting of the deletion of the words "fullest and".

58. Replying to the Philippine representative, he said he had submitted no amendment to paragraph 2 (a) because he was in agreement with the Philippine delegation regarding the general content of the sub-paragraph.

59. He attached special importance to his amendment to paragraph 14; the Secretary-General could not be asked to study the possibility of co-ordinating activities unless he was asked first to study the possibility of co-ordinating principles. As it stood, paragraph 14 was meaningless. The United States representative had pointed out that his Government exercised no authority over private, and in particular religious, organizations; that remark applied with even greater force to the United Nations. The Egyptian amendment was accordingly essential, for every precaution should be taken to avoid discrimination in the matter of technical assistance on grounds of race or religion, for example.

60. He took the strongest exception to the remarks made at the meeting of 1 December (156th meeting) by a representative who had spoken of the "fanatical" policy of Iran. The word had shocked not only the delegations of the Arab States but millions of Moslems throughout the world. He hoped that no such incident would recur, for otherwise the Arab States might have to consider whether it was really in their own or the general interest to send representatives to the General

Assembly. The Egyptian amendment to paragraph 14 should be adopted precisely because it was the work of impartial and objective men and not of "fanatics".

61. Mr. DE SMET (Belgium) said he wished to clear up a misunderstanding to which one of the Philippine representative's remarks might give rise. The Philippine representative had interpreted the Belgian representative's statement at the 157th meeting as meaning that Belgium was opposed to supplying equipment under the technical assistance programme. Actually, Belgium unreservedly supported every aspect of the technical assistance programme, but wished to caution the United Nations against furnishing equipment on an unduly lavish scale since it was useless to send equipment and supplies to countries which had not first received the experts required to ensure that the equipment was used efficiently.

62. The soundness of the Belgian point of view had been confirmed by the statement of the Chairman of TAB stressing the importance of the close co-ordination of technical and financial assistance.

The meeting rose at 12.30 p.m.