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Chairman: Mr. Leo MATES (Yugoslavia).

Expanded Programme of Technical Assistance for the economic development of under-developed countries: report of the Economic and Social Council (A/2430, A/2447 and Corr.1) (*continued*)

[Item 27]*

Technical assistance in public administration (A/2430, A/2447 and Corr.1) (*continued*)

[Item 61]*

1. Mr. DUPETIT IBARRA (Uruguay) said that his delegation endorsed the report of the Economic and Social Council. Unless its potential wealth were taken into account his own country was not under-developed; it was mainly an agricultural country, although some industries had successfully been developed, mainly for the processing of its raw materials. It was a country that depended largely on manpower for its prosperity. Uruguay felt that one of the essential aims of the State must be the service of man and that the social economy must place all the resources of science at his disposal. The Uruguayan Constitution and legislation had therefore incorporated principles to safeguard the individual and ensure his enjoyment of all his rights, which were closely connected with economic development.

2. The main problems which now faced his Government concerned erosion, irrigation, fisheries, hydro-electrification, communications, and the setting up of new industries. It would, however, be useless to set up industries if there were to be no markets for their products, as a result of possible discriminatory measures against his country. In Uruguay there was no discrimination between domestic and foreign capital. His delegation believed that capital had a social function which it should fulfil; and that a worker in any country was entitled, for an equal amount of work, to the same well-being as better-paid workers in the more developed countries.

3. Uruguay had benefited by technical assistance, which was one of the best forms of international co-

operation, without making any economic or political concessions in return. It had also acted as a donor country whenever the United Nations had considered it might usefully do so. An "Interministerial Technical Assistance Committee", over which he presided, was entrusted with the examination of requests for assistance made by the various Uruguayan Government departments and deciding in each case whether such assistance was required.

4. Legal difficulties, which were about to be overcome, had alone prevented his country from making its voluntary contribution to the Expanded Programme of Technical Assistance, which it regarded as one of the most useful activities of the United Nations.

5. Mr. RIZK (Lebanon) expressed his warm approval of the work of the Expanded Programme of Technical Assistance and congratulated TAB and TAA on what they had accomplished. His Government was particularly interested in the programme, not only on account of the benefits which Lebanon, as an under-developed country, had derived from it, but because the cause of peace and goodwill among nations could best be served in "conditions of stability and well-being". The exchange of nationals, sharing of knowledge and life in common which the programme involved could only result in friendlier feelings and better understanding. It was heartening to witness seventy nations joining hands in the common effort, and his Government particularly welcomed the decision taken by Czechoslovakia, Poland and the USSR to contribute to the programme. Technical assistance projects in Lebanon had been or were being carried out in connexion with vocational training for Palestine refugees and covered such activities as education, health, nursing, housing and civil aviation. He expressed the hope that the number of fellowships and scholarships granted to Lebanese nationals under the programme in 1954 would be considerably larger than in 1952 or 1953.

6. He did not share the view of those who thought that technical assistance was passing through a crisis. The difficulties were due to its very success and they should act as a stimulant to all concerned. He was convinced that the contributing nations would not abandon a venture so full of promise for the whole world. He hoped that they would, where necessary, devise means of pledging funds for more than one year at a time, thus eliminating an element of uncertainty and enabling the administrators to place the programme on a more stable basis. He hoped too that appeals to governments to send in their pledged contributions would receive an immediate response and that some might increase their financial support.

7. With reference to the recipient countries, his delegation felt that they could help by doing as much of the spade-work as possible in advance, in accordance with General Assembly resolution 519 (VI). He also referred to the suggestions for improvement

* Indicates the item number on the agenda of the General Assembly.

made by TAC and incorporated in Council resolution 492 (XVI), which he thought would place the financing of the programme on a sounder basis. With the whole-hearted co-operation of all concerned, the venture would be highly successful. He felt that his optimism was all the more justified in view of the pledges made by Indonesia, the Netherlands and the United States of America.

8. Mr. KAIGL (Czechoslovakia) said that his country was in full agreement with the idea of technical assistance. As a result of the structure of a people's democracy, Soviet technical aid, and the enthusiasm of the workers the Czechoslovak economy was flourishing and the Government would be able to participate actively in the Expanded Programme by making available, in addition to financial support in the form of 500,000 Czechoslovak crowns for the year 1954, a large number of highly efficient technicians and scientific workers.

9. Czechoslovakia sent under-developed countries capital, and plant equipment, together with instructors for operating and servicing those plants. On the other hand, valuable technical assistance was received from the USSR, which sent stakhanovites, technicians and scientific workers to impart their knowledge to Czechoslovak workers. That fraternal aid under the Five-Year Plan had made possible improvements which could not have been achieved under a capitalist régime. It was high-quality assistance at a low cost. Czechoslovakia and all the other peoples' democracies granted one another technical assistance based on the principle of the equal rights of nations. Among the fields in which the peoples' democracies aided one another—and such aid was based on relations of complete equality between sovereign States—were metallurgy, heavy machine production and the chemical industries. Such industries elsewhere were in the hands of capitalist monopolies that were opposed to their development in under-developed countries. The Soviet technical assistance, and the assistance furnished by Czechoslovakia to other countries, though not within the framework of the United Nations, were in keeping with the principles expressed in Economic and Social Council resolution 222 (IX). But Czechoslovakia also intended to support the activities of the Expanded Programme, especially in the fields of industry and agriculture, with a view to improving, to the best of its ability, the material and cultural level and strengthening the economic and political independence of the under-developed countries.

10. His delegation considered that technical assistance should not be bound up with any privileges granted to donor countries, whether cultural, economic, political or military; it felt that some technical assistance was being provided by profit-seeking private agencies and that that was hardly in accordance with Council resolution 222 (IX).

11. Noting that criticism had been levelled at the high operating costs of technical assistance projects, he quoted paragraph 5 (c) of Council resolution 492 C II B (XVI) in connexion with the possible reduction of administrative expenses. An important source of waste was the overlapping of the functions of the various agencies, which might be avoided if all funds were concentrated within TAB. Too many resident representatives had been assigned to the under-developed countries, whereas it should be left to each country to co-ordinate the activities of the experts sent to its assistance. The Expanded Programme should be carried out by TAB independently of any other agency, whether governmental or private.

12. Mr. KHOSROVANI (Iran) said that the detailed discussions of the problems of the Expanded Programme of Technical Assistance at the last session of the Economic and Social Council had been most encouraging. TAC was now beginning to play the role assigned to it by Council resolution 222 (IX), and should be able to rectify some of the structural defects of the Expanded Programme which, although almost four years old, was still in a fluid state.

13. Two years previously the main problems had been the lack of both projects and experts but now the Expanded Programme had gathered such momentum that it had outgrown its financial provisions. The present financial crisis was hardly surprising since many delegations had originally believed that \$25 million would not cover the cost of the programme. That crisis, however, was evidence of its success, for by arousing enthusiasm in all countries, the Expanded Programme had automatically removed the doubts which had existed of its ability to promote international co-operation.

14. In countries short of capital the benefits of the Expanded Programme had been seen in the better utilization of existing resources and in the development of new production techniques. In such countries the effects of technical assistance might not be readily perceptible but, in the long run, they would create the proper atmosphere for the best utilization of available capital. The examples quoted by the Executive Chairman of TAB (249th meeting) of how international capital had been used in recipient countries justified not only the maintenance but also the expansion of the programme.

15. It was regrettable, however, that its potentialities had not been sufficiently publicized. The question of disseminating information on international economic activities in general and on technical assistance in particular should be thoroughly studied. Publicity in the under-developed countries should be of an educational nature and take the form of booklets published in the local language providing information on various projects of interest. Experts might also prepare an account of their experiences for publication in other countries facing similar problems. In that connexion, the Board might consider making greater use of the information centres in various regions. The Department of Public Information could co-operate with resident representatives. The United States representative had already said (252nd meeting) that the lack of publicity was more apparent in the highly-developed countries. Delegations and participating organizations should acquaint the general public with the aims and achievements of the programme which was not a charity institution but a co-operative system designed to promote world economic progress, higher standards of living and consequently international peace and security.

16. His delegation felt the need for greater economy and efficiency. It was, however, disheartening to stress that need while governments of Member States were not urged by their peoples to increase their contributions.

17. It was to be hoped that the drastic steps taken by TAB to cancel or postpone certain projects were merely precautionary, since the forthcoming Technical Assistance Conference would probably dissipate anxieties for the future. He fully supported the measures adopted for improving co-ordinated technical assistance programmes at the country level. The decision to change the emphasis in programme planning from

Headquarters to the field might result in lower administrative costs as well as improved integration of technical assistance activities.

18. He had some misgivings on paragraph 574 of the report of the Economic and Social Council (A/2430) which implied that TAB might narrow the range of fields in which assistance was granted. Such a policy would be contrary to the requirement that the technical assistance programmes should operate at the request of governments and, if followed injudiciously, might upset national development plans. It might also prevent countries from receiving assistance in numerous fields simultaneously and from benefiting from bilateral arrangements. The FAO representative had already alluded to similar difficulties (252nd meeting).

19. His delegation favoured projects for which the Expanded Programme could provide supplies and equipment or financial aid. It was generally regretted that a policy of short-term financing had been applied to long-term technical assistance projects, for the efforts of participating organizations to ensure the fullest use of existing resources would thus be hampered. A formula might be found along the lines suggested by the Executive Chairman: to give the Expanded Programme a more stable operating basis or to authorize TAB to take a calculated risk and plan certain of its projects several years ahead. In any event, a clearer policy was obviously called for and the Committee should take a decision on the matter. It was ironic that while experts were advising the international financing of certain projects, the General Assembly had not yet been able to find a way of ensuring the continuity of the Expanded Programme even for a limited period. If the Expanded Programme was to develop rationally, long-term projects and later projects financed internationally should receive proper consideration. There were urgent projects which could not be implemented without financial aid. If circumstances had been different, it would have been preferable to discuss that problem in conjunction with that of the financing of economic development.

20. The developments taking place in connexion with technical assistance in public administration were satisfactory. His delegation would endorse any recommendation designed to improve public administration in the under-developed countries by methods more closely adapted to their individual requirements, and by more direct assistance. Public administration was perhaps the weakest spot in the structure of most under-developed countries and there was certainly room for disseminating more information in that field through governmental publications in the language of the country concerned.

21. Iran had been one of the chief beneficiaries under the Expanded Programme of Technical Assistance. The valuable services Iran had received had been an important factor in maintaining development plans through a long period of financial stringency. The existence of a comprehensive seven-year development plan had assisted Iran in taking full advantage of the Expanded Programme. Experts of many nationalities had helped and advised in the organization of that plan. Technical assistance activities had been co-ordinated by a national committee composed of the responsible officials of beneficiary departments. All requests for international technical assistance were made in accordance with Iran's capacity to finance the schemes in accordance with a list of priorities prepared by the seven-year plan organization. The resi-

dent representative was in constant touch with the competent authorities and acted as a liaison officer between the Government and all participating agencies. Delays in procuring the services of experts had been an initial disadvantage but recent progress in the recruitment of technicians in the more advanced countries had improved the situation.

22. Recent cuts in the operation of the programme had been seriously felt in Iran. A progress report on FAO activities which his delegation would submit to TAB showed an alarming situation. At the beginning of 1953 twenty-eight experts had been in Iran but in the current month that number had dwindled to only nine or ten. The report showed how fruitful were the activities of FAO in Iran. The same was true of other operating agencies.

23. The question remained, in the words of Mr. Owen, whether the programme would be provided with the financial resources required to go ahead, expand gradually, and fulfil its promise, or whether it would be allowed to decline or at best to stagnate. The Committee would not have to wait long for the answer to that question.

24. Mr. KRIVEN (Ukrainian Soviet Socialist Republic) said the economic situation in many under-developed countries remained difficult and for that reason the United Nations had been called upon to assist such countries in raising their economic and social standards. In spite of its moral and political obligations, the United Nations had, in fact, done little to provide effective technical assistance to under-developed countries. Indeed, the Expanded Programme of Technical Assistance suffered from many shortcomings. In particular it was organized in such a way that it was limited to the sending of experts and missions to study the economy of a country and formulate development plans. The funds that remained after that was done were not sufficient to produce effective action.

25. It was evident that the organs of the United Nations had overlooked the universal nature of technical assistance and had failed to provide under-developed countries with tangible assistance such as machinery for industry and agriculture. The practice of sending resident representatives and Visiting Missions to countries was both costly and ineffective and had often led to interference in their domestic affairs.

26. The delegation of the Ukrainian SSR considered that the main aim of technical assistance was to stimulate national industries to further the political and economic independence of under-developed countries. Only an all-round improvement of a country's national industry could lead to long-term development. The Argentinian, Saudi Arabian, Indian and Guatemalan representatives had been right in saying that the Expanded Programme should cut its administrative costs and concentrate not so much on sending fellows and resident representatives but on providing tangible help to develop industry and agriculture. The indirect operational costs were much too high—in fact they swallowed up 25 per cent or more of the funds—and should be pared down. It was also wrong to spend money in the more highly developed countries.

27. Finally, technical assistance should be provided in accordance with the aims of the United Nations and funds should be distributed in accordance with governments' requests and with the principles laid down by the Economic and Social Council. Moreover, technical assistance to under-developed countries should not be subject to political or economic pressure

from countries providing assistance. Only on those lines could the Expanded Programme of Technical Assistance fulfil the high aims of the United Nations.

28. Mr. VALLADARES RIBEIRO (Brazil) thought it appropriate to evaluate the achievements and prospects of the Expanded Programme since it was now facing the possibility of retrenchment and stagnation.

29. When the Expanded Programme had been voted at the ninth session of the Economic and Social Council, fears had been expressed that it might be subjected to political pressure, that it might lead to salesmanship competition between the more developed countries, that the voluntary character of contributions might render the system unstable, and that the option of paying contributions in local currencies or services might unduly complicate operations. During its short history those fears had, in the main, been allayed. It had been conducted on a truly international basis, thus reducing the distinction between donor and recipient. The Soviet Union, Poland and Czechoslovakia, after initial doubts, had now decided to support the programme. Experts had been recruited from a variety of countries, and no commercial competition appeared to have vitiated the objectives of the programme. As a result of the ingenuity and tenacity of TAB great strides had been made towards the effective utilization of local currencies and services.

30. Much remained to be done, but it had been shown that the mechanism contrived by the Economic and Social Council, in its historic resolution 222 (IX), though complex, was by no means unmanageable. Indeed, results so far achieved suggested that it was better to have a complex but flexible system of contributions, in which many countries, including the poorest, could participate, than an administratively simple mechanism based on contributions in convertible currencies, to which few countries could subscribe.

31. As had already been said, the debate on the Expanded Programme brought a breath of fresh air to United Nations proceedings and the unanimity to which it gave rise was very encouraging.

32. The under-developed countries had always felt that since the problem of promoting economic development was essentially one of increasing the rate of capital formation through investment, any scheme for international co-operation designed to narrow the gap between the developed and under-developed countries should be linked to an international investment programme. Thus, technical assistance would be only a preparatory step towards such a programme. On the other hand, the more developed countries, having decided to give priority first to reconstruction activities and subsequently to rearmament, tended to view technical assistance as an acceptable substitute for an international programme of financial aid.

33. In practice, however, the two views seemed to be converging. The under-developed countries had come to realize that technical assistance, although no substitute for investment programmes, was a prerequisite for them, and the more highly developed countries could see that, although much could be achieved through technical assistance, a massive flow of investment to the under-developed countries was needed to correct the existing inequality of income levels and productivity. Thus, while the programme deserved full support, no excessive optimism should be entertained about its prospects of promoting economic development

until it was supplemented by substantial flows of private or public capital.

34. It had been stated that the yearly pledging of contributions to the Expanded Programme impeded long-range planning, thus increasing administrative costs and preventing the completion of important projects. A possible solution might be to obtain from governments assurances that they would regularly include in their annual budgetary estimates a minimum contribution. Those pledges would constitute a reasonably stable basis on which both the United Nations and the governments could base their short or long-term programmes, and the Negotiating Committee for Extra-Budgetary Funds would then seek additional yearly contributions. Such a system would be partly stable, partly flexible, thus enabling the emerging and changing needs of the governments to be met more adequately.

35. Co-ordination at the national level was another problem besetting the technical assistance programmes. It might be suggested that, since bureaucracy inevitably entailed delays, the technical assistance agencies themselves, rather than the national technical assistance committees, should play a leading part. They might place at governments' disposal experts trained in the procedures and methods of co-ordinating technical assistance at the national level to help them in drawing up programmes for the best possible use of the services available from international organizations.

36. For the under-developed countries contributions in services were quite as important as contributions in cash, although the United Nations understandably preferred the latter in order to simplify administration. Contributions in services enabled the countries to offer a wide variety of assistance in precisely those fields for which they felt themselves best equipped. The potentialities of such contributions had perhaps been underestimated in the early years of the programmes; a more dynamic approach might be for the resident representatives to present to the donor governments constructive suggestions which would make the services more effective. The catalogue of services prepared by the individual countries should accordingly not be too rigid.

37. Brazil had derived substantial benefits and had appreciably contributed to the technical assistance programmes. Some 300 fellows and scholars had been trained in that country, a number considerably exceeding that of Brazilian trainees abroad. With the co-operation of ILO, other Latin-American countries and the United Nations, a programme of training industrial workmen and foremen had been established in the schools of SENAI, an organization for technical training financed largely by private industry. With the co-operation of the United Nations and UNESCO, the Brazilian Government had established an "Institute of Public Administration", in which 100 fellows from almost all the Latin-American countries had received or were receiving training.

38. The problem of perfecting public administration procedures had always engaged the attention of his delegation, which had, indeed, proposed technical assistance in that field at the sixth session of the Economic and Social Council, even before the regular or Expanded Programme had been launched. The idea had met with some scepticism at first, but the draft resolution submitted by the Council represented the recognition of its value and deserved full support.

39. His Government was concerned lest the programmes of technical assistance should be jeopardized precisely at the time they had become a major experiment in international co-operation and it hoped that the principal contributing governments would maintain and extend their support.

40. Mr. TRUJILLO (Ecuador) said that a reading of TAB's fifth report (E/2433) showed what great progress had been achieved under the Expanded Programme. The number of participating countries had grown, and the assistance had become more efficient in its handling of economic development problems. Once governments had improved the efficiency of their own national technical assistance programmes, they would be able to make even better use of the international services provided.

41. Ecuador's experience in sharing a resident representative with Colombia showed that representatives could cover more than one country. In that connexion he wished to pay a warm tribute to the work done by the representative in question.

42. The programmes were encountering financial difficulties precisely at a time when the idea of technical assistance was accepted by most countries; it would be disastrous if they were to succumb. The under-developed countries had not only placed their trust in the technical assistance programmes but had mustered their scanty resources to make the necessary investments, which might be wholly lost should the programmes have to be discontinued.

43. Some members of the Economic and Social Council had said that some appraisal of the actual results of the programmes might be useful. The governments were perhaps better placed to make it than the participating organizations. He would quote certain facts from his own country. Ecuador had been one of the first countries to request technical assistance. The United Nations had sent experts in 1949 to conduct the first national census and to reorganize government administration and finance. In consequence new legislation had been passed, dealing with customs, excise, taxes and patents. Another expert had studied the inefficient port of Guayaquil and had shown how a better one could be built far more cheaply than had been originally estimated. Training and expert instruction had been given in road construction, and some equipment had been supplied. Experts on vehicle repair, ceramics and ship repairs had also been received. A housing expert had been sent to the region stricken by earthquake and to Esmeraldas which had been destroyed by fire. Another expert had prepared a five-year plan for the better use of hydro-electric resources. FAO had been assisting with stockbreeding and UNESCO and ILO had sent a mission to deal with basic education and industrial training. The fellowships granted to students and professional workers had been of great help. His Government wished to express not only its gratitude but also its strong support of an institution which had done so much to direct the endeavours of so many countries to a common end.

The meeting rose at 12.55 p.m.