

ECONOMIC AND EMPLOYMENT COMMISSION
SUB-COMMISSION ON ECONOMIC DEVELOPMENT

Second Session

SUMMARY RECORD OF THE THIRTY-FOURTH MEETING

Held at Lake Success, N.Y.
on Friday 18 June 1948, at 2:30 p.m.Chairman: Mr. V.K.R.V. RAOVice-Chairman and Mr. Manuel BRAVO Jimenez
Rapporteur:Members:Mr. Roberto CAMPOS
Mr. Josef HANG
Mr. D.K. LIEU
Mr. A.P. MOROZOV
Mr. Beardsley RUMIRepresentatives of Specialized Agencies:

Mr. R. METALL	International Labour Organisation
Mr. E. LOPEZ-HERRANTE	International Bank for Re- construction and Development
Mr. J.J. ANJARIA	International Monetary Fund
Mr. Hugh GOSSCHALK	Interim Commission of the International Trade Organisation

Consultant for a Non-Governmental Organization:

Mr. Alfred BRAUNTHAL American Federation of Labor

Secretariat:Mr. David WEINTRAUB For the Assistant
Secretary-GeneralMr. Edwin R. HENSON
Miss Sonia PROJANSKY
Mr. B.G. GHATESecretary of the Sub-
Commission

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FURTHER CONSIDERATION OF ITEM 4 OF THE AGENDA "INTERNATIONAL AIDS FOR THE MOBILIZATION OF THE NATIONAL RESOURCES OF UNDERDEVELOPED COUNTRIES FOR THEIR ECONOMIC DEVELOPMENT."

Miss PROJANSKY (Secretariat) described the United Nations Internes Programme, which in 1948 would comprise forty-three students working in each department of the Secretariat for a period of eight weeks. The internes assigned to the Department of Economic Affairs would be graduate students or commercial attachés. In addition to that programme, a programme of training for an international junior civil service was under consideration and would be carried out during the United Nations General Assembly in Paris. The internes programme had been made possible through the contributions of funds by the Rotary International and the Carnegie Endowment for International Peace. After describing the principal features of this programme, Miss Projansky provided to the Sub-Commission a detailed announcement on this subject prepared by the Training Division of the Secretariat.

Mr. METALL (International Labour Organisation) described four methods by which ILO rendered technical assistance. These included 1) written advice, sent to Members on request, taking the form of consultative opinions, draft laws, etc; 2) in-service training with the ILO, usually for government officials connected with labour ministries, who spent periods ranging from three months to one year at ILO Headquarters familiarizing themselves with problems of particular interest to their respective governments; 3) rosters of experts on various aspects of labour, made up largely of government officials, active or retired, who would be available for services on special missions; 4) technical missions made up of ILO experts on various labour problems, sent to Member Countries on request.

/ Describing

Describing certain technical missions recently sent out by ILO, Mr. Metall stated that ILO had made arrangements with the British Government to send an expert on employment and vocational training to China, at the request of the Chinese Government. An official of ILO had been sent to Czechoslovakia to help in establishing the new social security laws there. Several officials had been sent to Greece in the latter part of 1947 at the request of the Greek Government; a report on this Mission would be sent to Members of the Sub-Commission when published. Another Mission had gone to Iran to assist in organizing co-operatives. Several missions went to Latin America during 1947, particularly to Colombia and El Salvador, in connection with the implementation of the social security laws of those countries. In response to resolutions adopted at the New Delhi Conference of October-November 1947, ILO was intensifying its programme of technical assistance to countries of Asia and the Far East.

Mr. HANC wished to know how the four forms of ILO assistance were being financed.

Mr. METALL (International Labour Organisation) explained that actions in respect of consultative opinions were financed from the ILO budget. ILO sometimes contributed small subsidies to stagiaires studying with ILO, but their salaries and principal expenses were paid by their own governments; there was no definite rule concerning the financing of missions; before World War II they were paid for from the ILO budget, but rising costs since the end of the War have necessitated special arrangements in each case.

/ Mr. MEROZOV

Mr. MOROZOV, observing that ILO's functions and its missions were generally known, pointed out that the Sub-Commission's primary concern was with the practical results achieved in supplying technical assistance. He was particularly interested in learning what practical measures had been taken by ILO in respect of industrialization of non-self-governing territories.

Mr. METALL (International Labour Organisation) stated that results were difficult to judge after only three or six months, and depended to a large extent on the governments themselves. The governing body of ILO was satisfied with the results achieved; the mission to Czechoslovakia had resulted in the formulation of new social security legislation. Advice to Colombia on the implementation of social insurance laws had resulted in a series of measures being put into effect.

Concerning the non-self-governing territories, ILO had cooperated with the metropolitan powers in the improvement of social conditions in these territories, and was now contemplating a mission to certain African territories to assist in drafting social legislation. ILO had already helped the French Government in organizing co-operatives in French Africa.

In response to a request from Mr. GOSSCHALK (Interim Commission of the International Trade Organisation) for details concerning ILO's panels of experts, Mr. Metall said that a special section recently created in the International Labour Office, the "Advisory Missions Section," was building up an international list of experts, chosen from the names of active or retired officials furnished by the several governments. In the use of this list ILO

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functioned as clearing house, recommending to Members on request the names of experts especially qualified to advise on problems in particular fields.

Mr. HANC inquired whether there existed any published documentation concerning the practical results achieved, and whether ILO co-operated with other specialized agencies in rendering technical assistance.

Mr. METALL (International Labour Organisation) explained that while the report on the Mission to Greece might contain a final chapter summarizing results, results were not normally made known in public documents; they could, however, be inferred from the provisions incorporated in the labour legislation of various countries. He said he would transmit to ILO the question of publishing results and hoped that the suggestion would be accepted. In reply to Mr. Hanc's second question he noted that ILO co-operated with other specialized agencies through the intermediary of the United Nations Co-ordinating Council, and co-operation was particularly close with FAO.

In answer to a question by Mr. BRAUNTHAL (American Federation of Labor), Mr. METALL stated that, if asked for assistance by non-members of ILO and non-Members of the United Nations, ILO would not refuse.

The CHAIRMAN asked whether assistance in the field of technical training did not fall within the scope of UNESCO rather than ILO.

/ Mr. METALL

Mr. METALL (International Labour Organisation) stated that ILO had a special agreement with UNESCO concerning vocational guidance, to the effect that the two agencies would, as the occasion warranted, work jointly or delimit their respective fields.

In reply to a question by the Chairman concerning assistance in the establishment of technical schools, Mr. Metall said that ILO had had no experience of this sort but could obtain experts on the subject from outside if asked to do so.

Mr. HENSON (Secretariat) described the assistance rendered by UNRRA in the rehabilitation work in industry, agriculture and health. In the field of health he called attention to the fact that the epidemics expected to follow this world war which was so destructive of homes, water supply, etc. had been prevented. Typhus, typhoid and cholera were effectively controlled. In the health field, 600 trained nurses brought technical assistance to the health departments in the various countries. Medical teaching teams were sent to the countries to bring modern developments in this field to local workers.

In industry, the rehabilitation functions of UNRRA centered about the construction of port facilities, the repair of the transport system, the rebuilding of water supply systems and power plants, the establishment of machine shops for the repair of local industrial plants. Mines were put into operating condition and repairs made to other basic industries which enabled them to use the raw materials provided in the production of essential supplies.

In this connection, approximately 60 different specialists from the various countries were given fellowships to study in other countries in order that they might return and re-establish the particular industry in their country. Each of these specialists

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devoted his time to the study of functioning plants and gave consideration to the planning for the rehabilitation of his special industry to be carried out on his return.

In the agricultural field it was essential that technicians be available to assist in the assembly of equipment and in training operators for the use and maintenance of farm machinery imported. Technicians were also available for demonstrating the use of new pesticides and measures for the control of insect pests and diseases of plants, and for the proper use of new serums and viruses to control animal diseases.

Engineers qualified in the field of fertilizers manufacture assisted in the rebuilding of fertilizer plants in Poland, Czechoslovakia, Greece and China. Specialists in food processing, refrigeration, canning, dehydrating and preservation of food in storage were furnished to the various countries. In addition to these special rehabilitation measures, technicians from the various countries were granted fellowships for study abroad in acquainting themselves with new developments to increase production.

As an example of the introduction of modern techniques, it was decided to work with hybrid corn. The tremendous increase to be expected from the use of properly selected adapted strains of hybrid corn was brought to Italy by a programme of training Italian workers, setting up testing stations, and comparing selected strains of corn with the best local varieties. One hundred and sixty-seven strains were tested and increases in yield ranging from 33 to 128 per cent were obtained. Even allowing for but one-half of the increase which occurred in the United States with the introduction of hybrid

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corn, Italy could expect an increase of some 30 to 50 million bushels of corn. The Ministry of Agriculture of Italy is continuing this effort to bring this increased yield of corn to Italy.

Outstanding work was done by technicians in the veterinary field who are credited with the prevention of outbreaks of rinderpest in Europe and in the control of rinderpest in areas in China. Outstanding benefits came from the use of technical workers in the control of locusts, the Dacus fly, and other crop pests. Numerous outbreaks of cholera and other diseases of animals were brought under control.

In reply to the Chairman, Mr. HENSON pointed out that the material he had referred to was now being assembled in a final UNRRA report. To a question raised by Mr. Lieu, he replied that \$1,300,000 had been turned over to FAO to continue certain activities initiated by UNRRA. The FAO is continuing to use technical personnel in the training of local workers through special schools and in giving assistance in the maintenance and operation of new equipment made available through UNRRA. In China also, a United Nations-Chinese Government Board has been set up to continue the work begun by UNRRA in the re-establishment of the fishing industry, in the use of machine shops for the manufacture of small tools, and in the development of local small-scale industries.

No one United Nations organization existed which could continue the whole technical service programme of UNRRA but certain aspects are going forward under FAO and WHO.

/ In reply

In reply to Mr. GOSCHALK (ITO), Mr. HENSON stated that the technical industrial fellows were persons selected by Governments and that the fellows usually made a study of single industries.

Mr. HANC pointed out that both UNRRA and post-UNRRA relief had been terminated and therefore only such technical services as were available to the other United Nations organizations remained. UNRRA had devoted its attention primarily to relief and rehabilitation, while the task of this Sub-Commission was much broader. Lessons to be learned from this experience of UNRRA would probably lie largely in the field of specific examples in furnishing technical services in a specialized field, as no agency was in the position to furnish the equipment and materials available through UNRRA.

The CHAIRMAN supported Mr. Hanc's point of view. The lesson to be gained from UNRRA's experience was that concrete international action could be taken in the field of economic development. It had to be remembered, however, that UNRRA had a budget of \$3.5 billion, while that of the United Nations and the Specialized Agencies together amounted to less than \$100 million.

Referring to the observations made by Mr. Ruml and the Chairman, Mr. HENSON said that the cost of bringing the benefits of hybrid corn to Italy would be low and that the use of hybrid corn in the United States had been of tremendous significance in increasing food production, and was a major factor in enabling the United States to assist in providing food for other areas.

/ Mr. WEINTRAUB

Mr. WEINTRAUB (for the Assistant Secretary-General) drew attention to the fact that all of the technical services in the field of industrial and agricultural development mentioned by Mr. Henson had not involved great sums of money. Between \$600,000 and \$700,000 was spent by UNRRA on technical services in the field of agriculture, in instructing in the use of equipment, in the rehabilitation of the fertilizer industry, and in food processing, and in training of persons on fellowships. In view of the fact that the agricultural budget for supplies was approximately \$330 million, the cost of technical services was modest and the benefits very great. The same ratio to the over-all budget would apply with respect to technical services for industrial and medical rehabilitation. Referring to the latter field, he pointed out the cheap methods of producing penicillin which had been introduced all over the world as a result of UNRRA's technical services.

Mr. LOPEZ-HERRARTE (International Bank for Reconstruction and Development) said that his Organization provided very little in the way of technical assistance. However, study groups had been sent to several countries at the request of governments, to make general economic surveys and diagnose economic problems. In certain cases the Bank had made recommendations and, in one instance at least the country had accepted those recommendations and changed its fiscal system. Individual experts or groups of experts were sometimes recommended by the Bank for particular projects.

A modest training programme in banking and in financing techniques was being established by the Bank. This would have the two-fold result of providing more competent officials for the Bank and for individual governments.

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In his opinion, the main function of the Sub-Commission with respect to economic development, should be to co-ordinate the efforts of the countries themselves.

Mr. HANC expressed the view that apart from the question of technical assistance, the Bank could give valuable help with regard to the mobilization of an under-developed country's resources.

The CHAIRMAN said that the point raised by Mr. Hanc would be discussed by the Sub-Commission at a later date.

In reply to Mr. Bravo, Mr. LOPEZ-HERRARTE said that the Bank had found that certain of the projects for economic development proposed by under-developed countries were unrealistic.

In the ensuing discussion, it was brought out that while a study group was sent by the Bank only at a government's request, the report of such a study group was not necessarily made officially available to the government in question. It could, however, be seen by the Director of the Bank representing that particular country.

Mr. MOROZOV wished it to be noted that so far, in his opinion, the various statements made before the Sub-Commission had not contained the information on practical results that the Sub-Commission had requested. He would speak later on the substance of the information that had been given.

In reply to Mr. Hanc, the CHAIRMAN expressed his preliminary views on the content of the report. He observed that it should

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describe what was being done by the United Nations and the Specialized Agencies; what results, if any, had been achieved; what gaps remained to be filled; and finally, what suggestions could be made for improvement of the situation.

The meeting rose at 6:10 p.m.