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COMMITTEE ON INFORMATION FROM NON-SELF-GOVERNING TERRITORIES

Fourteenth Session

SUMMARY RECORD OF THE TWO HUNDRED AND SIXTY-FIRST MEETING

Held at Headquarters, New York,
on Tuesday, 16 April 1963, at 10.55 a.m.

CONTENTS

Preliminary statements (continued)

Economic advancement in Non-Self-Governing Territories (A/AC.35/L.368,
L.369, L.370, L.375, L.376; ST/TRI/B.1962/1-4 and addenda)

- (a) Policies and trends
- (b) Development planning
- (c) Agriculture
- (d) Industry
- (e) External trade

PRESENT:

Chairman:

Mr. de PINIES

(Spain)

Rapporteur:

Mr. NORRISH

New Zealand

Members:

Mr. WHITE

Australia

Mr. VALENCIA

Ecuador

Mr. DOISE

France

Miss SUNSERI

Honduras

Mr. EASTMAN

Liberia

Mr. CARRANCO AVILA

Mexico

Mr. HAMDANI

Pakistan

Mr. JIMENEZ

Philippines

Mr. PEREZ RUIZ

Spain

Mr. SANKEY)

United Kingdom of Great
Britain and Northern
Ireland

Mr. SELWYN)

Mrs. TREE

United States of America

Representatives of specialized agencies:

Mr. LLOYD

International Labour
Organisation

Mrs. KALM

World Health Organization

Secretariat:

Mr. PROTITCH

Under-Secretary for
Trusteeship and
Information from
Non-Self-Governing
Territories

Mr. KUNST

Secretary of the Committee

PRELIMINARY STATEMENTS (continued)

Mr. JIMENEZ (Philippines) said that his Government reserved its position on the question of sovereignty over North Borneo, one of the Territories on which the United Kingdom Government had transmitted information. At the 1134th meeting of the General Assembly, on 27 September 1962, the Vice-President and Secretary for Foreign Affairs of the Philippines had discussed his country's claim to sovereignty over North Borneo, and at the 1177th meeting, on 27 November 1962, the Chairman of the Committee on Foreign Affairs of the Philippine House of Representatives had reiterated the claim and had amplified his Government's position. At the 1420th meeting of the Fourth Committee, on 12 December 1962, the Philippine delegation had stated its reservations on the subject. In view of those statements there was no need to take up the Committee's time by further explanation of his Government's claim. The claim was based on legal and historical grounds and full documentation would be made available to the Committee at the opportune time and in the proper form.

Mr. SANKEY (United Kingdom) said that Her Majesty's Government in the United Kingdom had no doubt about its sovereignty over the Territory of North Borneo and he wished formally to reserve its rights on the question.

ECONOMIC ADVANCEMENT IN NON-SELF-GOVERNING TERRITORIES (A/AC.35/L.368, L.369, L.370, L.375, L.376; ST/TRI/B/1962/1-4 and addenda)

Mr. SANKEY (United Kingdom) said that Mr. Selwyn, who was Senior Economic Adviser to the Colonial Office, would make a statement on economic advancement in territories under United Kingdom administration.

Mr. SELWYN (United Kingdom) observed that the Committee performed the useful function of enabling representatives of Administering Powers to meet representatives of developing countries, to the benefit of both, since the problems met with in Non-Self-Governing Territories were similar to those of many developing countries.

The problem in Non-Self-Governing Territories was essentially that of obtaining and maintaining a steady rate of economic growth, although of course

(Mr. Selwyn, United Kingdom)

the individual problems of different Territories varied widely. Thus, for example, there were Territories, primarily in Africa, where subsistence farming was still predominant, Territories, such as some of the islands of the West Indies, where agricultural production for export was the most important industry, entrepôt Territories such as Aden and Singapore, Territories, such as Northern Rhodesia, in which the mining industry was the most important source of income, Territories with a substantial degree of industrial growth, such as Hong Kong, and Territories such as the Bahamas, which relied on the tourist industry.

Obviously it was impossible to generalize about the rates of growth or the problems of such diverse Territories. One factor, however, which was important in all cases and which had perhaps been somewhat neglected in the Secretariat's report (A/AC.35/L.368), was that of size. Of the forty Territories for which the United Kingdom was still responsible, only one - Kenya - had a population of over 5 million; only four others had a population of over 1 million and the remaining thirty-five had populations of less than 1 million, fifteen of them having populations of less than 100,000. Small countries were subject to certain important economic disadvantages. Firstly, they tended to be far more dependent on exports than larger countries, because of the smallness of their local market and their relatively limited range of products. Secondly, they tended to have a fairly high degree of economic instability, because not only did they depend largely on exports for their income but they were usually highly specialized in one or two products, such as sugar in the case of Mauritius or cloves and coconut products in the case of Zanzibar, to quote only two of many examples. In such circumstances, a deterioration in overseas market conditions or a failure of the main export crop could cause an almost complete loss of income. Thirdly, the cost of providing all kinds of services was likely to be high in small countries, and such countries were likely to be obliged either to do without many services regarded as essential in larger countries or to face the prospect of substantial and continuing budget difficulties. Finally, a given level of investment resulted in a much lower level of secondary investment in a small country than in a large one, since a fairly high proportion of the additional income resulting from the original investment went on imports rather than on local expenditure.

(Mr. Selwyn, United Kingdom)

Such disadvantages could be tackled in various ways. For example, a small Territory could seek some kind of political union with another country, as in the case of the political union which was under consideration between Granada and Trinidad. Alternatively, a Territory could unite with other Territories to form a federation of the type planned by Barbados and the Leeward and Windward Islands, although administrative costs were high in a federation because of the necessary duplication of government services involved in the principle of federation.

In some cases, neither political union nor federation was the answer to a Territory's problems. In the case of the Zanzibar Protectorate, for example, which was considered too small to allow of the development of manufacturing industry on any scale, a suitable solution might be for the Protectorate to negotiate free-trade agreements with the three neighbouring countries of Kenya, Tanganyika and Uganda. In some Territories, however, none of those solutions appeared to be applicable.

It was well known that there had been substantial economic development in many United Kingdom-administered Territories over the past few years. The Secretariat report on major economic trends in selected Non-Self-Governing Territories (A/AC.35/L.368) was somewhat disappointing on that point, for not only did it make little attempt to delve into the background of developments in those Territories but it presented information which was inadequate and even, in some places, misleading, so that it was impossible for the United Kingdom delegation to accept all the statements in it.

One of the main problems concerning rates of growth was the problem of measuring them. The normal method of doing so was to measure the rate of increase of the national income or gross domestic product; that method was satisfactory when applied to advanced countries with varied economies but was not very helpful when applied to under-developed countries, where short-term changes in national income reflected primarily changes in the country's terms of trade and secondly variations in the weather. Kenya, Mauritius and Bechuanaland were all examples of countries in which recent variations of national income had been due largely to factors unconnected with their level of development. It was claimed in

(Mr. Selwyn, United Kingdom)

paragraph 8 of the Secretariat report that in most United Kingdom-administered Territories the real per capita gross domestic product had either declined or remained unchanged since 1957-1958. Available statistics did not support that conclusion. However, it was true that growth had been limited by the general deterioration in terms of trade and there was no doubt that in many Territories there was a steady rate of economic growth.

It was obviously impossible to give an account of the economic growth in all the Territories for which the United Kingdom was responsible, but it might be interesting to consider some examples such as Kenya, Antigua and the High Commission Territories of Bechuanaland and Swaziland.

Kenya was the largest Territory for which the United Kingdom was still responsible. Its rate of growth had been substantial, particularly in the early 1950's, and had undoubtedly been largely due to the presence of large numbers of Europeans who had provided capital, enterprise and technical knowledge. In addition to the development of cash-crop farming, there had been some industrial development and some growth in the provision of financial services to the East African region. The major factors affecting Kenya's recent development, apart from purely climatic factors, had been the Government's deliberate policy of building up cash-crop farming among the Africans, the political changes in East Africa, which had scared off some investors, and the slowing down of the rate of industrial expansion owing to the saturation of the East African market in certain industrial products by the mid 1950's.

In the past three years there had been a serious falling off in the rate of investment and a deterioration in the Government's financial position, as a result of the falling off in economic activity. Unemployment was a problem and was due to a fall in the level of employment on European-owned farms, an exodus of surplus population from the land as a result of land reforms, and the fall in the level of investment and economic activity. Kenya was going through a difficult period of re-adaptation from a country largely dependent on European enterprise to a country in which such enterprise, although still important, no longer held a central position in the economy. To some extent Kenya's problems were the inevitable result of political advance, but they were a part of the price of that advance which had to be borne in mind.

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(Mr. Selwyn, United Kingdom)

A contrast to the situation in Kenya was the economic development of the island of Antigua, which had achieved a remarkable advance over the last few years, in spite of its small size, mainly through development of the tourist industry. Traditionally, Antigua had been a monocrop island, dependent largely on the production of sugar, for which it was, however, only marginally suitable, but by exploiting its scenic and climatic advantages, building an international airport and providing incentives for the development of the hotel industry, it had built up a substantial tourist industry. In addition, a start had been made in establishing manufacturing industries.

In the High Commission Territories, Swaziland in particular had experienced a remarkable rate of economic growth since the war and there had been developments in many sectors of the economy. Citrus, pineapple, sugar, tobacco and cotton growing had been developed, important afforestation programmes had been undertaken and, in addition to the old-established asbestos industry, iron ore mines were being opened up and a railway was being built to the coast so that the ore could be exported. Coal mines were being developed and manufacturing industry, including a fruit cannery, was being expanded. In addition, Swaziland possessed considerable tourist attractions and steps were being taken to develop them and attract investment in the tourist industry.

Swaziland's rate of growth was not due solely to its natural advantages. There had been some immigration by European farmers and outside private capital had been invested in the mining and other industries, while the British Colonial Development Corporation had made valuable investments in the timber and sugar industries in collaboration with private enterprise. Assistance had also been received from international agencies, particularly the International Development Authority, which had given valuable aid in the road programme. Among problems which still remained were the problem of bringing the indigenous inhabitants more fully into the more advanced sectors of the economy and the problem of developing the backward Swazi agriculture. Nevertheless an important start had been made.

In contrast to Swaziland, which had, on the whole, good soil and an adequate rainfall, the Bechuanaland Protectorate was sparsely populated and was mainly arid.

(Mr. Selwyn, United Kingdom)

Much of it consisted of the Kalahari Desert and although a considerable part of the Kalahari could carry cattle if water were available, not enough was yet known of the water resources of the area. Nevertheless, there had been substantial economic progress in the protectorate over the past few years. One of the major factors in that progress had been the establishment of an abattoir by the Colonial Development Corporation, which made possible the export of meat to world markets instead of the export of live cattle to neighboring Territories, which had previously been the only outlet. In the years 1958 to 1960 exports had been some 50 per cent higher than in the early 1950's, and in 1962 exports had been twice as great as ten years before. In addition, the Bechuanaland Department of Agriculture had actively encouraged the growing of crops where that was possible and had achieved remarkable success in that field, although crop production was only about one-third as important as cattle-raising in the national income.

Bechuanaland faced serious problems, particularly in the development of its water supplies, but widespread investigation of water resources was being carried out and it was hoped to obtain assistance from the Special Fund in the work. Moreover, great changes would have to be made in the methods of looking after cattle in the Protectorate; the Bechuanaland Government was devoting a considerable part of the development programme which it was at present drawing up to that need. A particular difficulty was that Bechuanaland suffered from periodic outbreaks of foot and mouth disease, which completely paralysed meat exports at times, and although the Bechuanaland Veterinary Department had major plans for controlling the disease, such a process was by no means simple in a country as large and as extensively endowed with wildlife as Bechuanaland.

Such were the problems of a few of the Territories for which the United Kingdom was responsible. It was not suggested that there was a rapid rate of growth in all the United Kingdom dependent Territories, any more than in all the other under-developed countries, but there was no doubt that the Governments of the United Kingdom dependencies were seriously concerned with those problems and were both encouraging present economic expansion and laying the foundations for future growth.

The meeting rose at 11.35 a.m.