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# ECONOMIC AND SOCIAL COUNCIL



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#### OFFICIAL RECORDS

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President: Mr. S. Amjad ALI (Pakistan).

Present: The representatives of the following countries:

Argentina, Belgium, Canada, China, Cuba, Czechoslovakia, Egypt, France, Iran, Mexico, Pakistan, Philippines, Poland, Sweden, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay.

Observer from the following country:

Chile.

The representatives of the following specialized agencies:

International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, World Health Organization.

## Report of the Food and Agriculture Organization of the United Nations (E/2195, E/2195/Add.1-3, E/L.362/Rev.1 and E/L.369/Rev.1 (concluded)

[Agenda item 26]

- 1. Mr. ISHAQ (Pakistan) said that his country had for some time been closely associated with the work and experiments of the United Nations Food and Agriculture Organization and he thought he could say that Pakistan, more than any other country, had profited from the advice and the services provided by FAO in the application of its technical assistance programme. He expressed his country's gratitude to FAO for its co-operation and generous assistance.
- 2. He associated himself with the members of the Council who had already paid deserved tribute to the Director-General of FAO for the excellent report that officer had submitted to the Council and for his personal activity and that of his organization during the past year.
- 3. Since, however, the Director-General's representative, in submitting the report to the Council (604th meeting), had asked for constructive criticism and suggestions, Mr. Ishaq wished to make a few comments which he hoped the FAO representative would consider constructive.

- 4. After the long debate on the world economic situation, examination of FAO's annual report showed the gap which existed between statements of principle and concrete achievements. It stressed the striking failure in the world's attempt up to the present to achieve the necessary balance between the economies of the industrialized and highly-developed countries and those of their less fortunate brothers the under-developed countries
- 5. He did not, however, wish to emphasize that aspect, which was related to another item on the Council's agenda. For the time being he would limit himself to the subject which had been called "the war against famine". How had that war been conducted and what victories had been won? He thought the Director-General of FAO deserved congratulation for the frank admission in the report that the food situation in the world could still be termed disquieting. In the world as a whole (excluding the USSR) the production of foodstuffs during the 1950-1951 season had shown a slight increase over the preceding season and had returned to its 1948-1949 level. Since the period 1934-1938 the production of foodstuffs had increased by a total of 8 per cent, but that increase had been surpassed by the 12 per cent increase in population during the same period; thus the per capita production in the world, excluding the Soviet Union, in 1950-1951 had been 4 per cent less than the average 1934-1938 production of crops, and 7 per cent less than the pre-war average for meat. If the setback which the world had suffered, instead of making progress, in the war against famine were set aside, the 4 per cent decrease in the per capita production of food crops might not appear to be cause for serious anxiety. Many people might be healthier if they were satisfied to eat 4 per cent less. But the tragic feature of the situation was that the reduction was not uniformly distributed. It affected to a greater extent the countries of Asia and the Far East, whose nutritional standards were already inadequate; and, as had already been justly pointed out, while well-fed people had still more to eat, the majority of those who had suffered from hunger before suffered even more now. The increase in the production of bread cereals, 4 per

cent over the preceding season and 10 per cent since the war, was due almost entirely to surplus production in Canada, the United States and Australia. The 12 per cent increase in potato production over the 1948-1949 season was largely due to the bigger crops in France and Germany. It was significant that the production of rice, the basic food of hundreds of millions of people in Asia and the Far East, had shown a relatively slight increase. The total of world resources had probably surpassed the pre-war level, but production in that chief consuming region, though representing 90 per cent of world production, had remained below the pre-war level. In short, that region which before the war had had a surplus of foodstuffs had since the war become an importer.

- 6. With regard to the quality of foodstuffs in calorie and protein content, the energy equivalent of the crops produced had averaged 3,300 calories per inhabitant in Australia and New Zealand, 3,220 calories in Canada and the United States, 2,805 calories in Europe, and 2,475 calories in Latin America. Except for some European countries, those figures were much higher than before the war. In Asia and the Far East, on the other hand, each inhabitant had had only 1,950 calories and in certain countries in that region even less than 1,600. The protein content per inhabitant per day of the foodstuffs produced was 54 grammes in Asia and the Far East as compared with 69 grammes in Latin America, 86 grammes in Europe, 92 grammes in the United States and Canada, and 99 grammes in Australia and New Zealand.
- 7. Obviously, therefore, the food situation of the under-developed countries had become worse in quantity, yield and quality; but during the same period those three aspects had shown a regular improvement in the highly-developed countries. That was a subject for serious meditation. Was that state of affairs due to mere chance?
- 8. The inhabitants of the under-developed countries might be fatalistic, but not enough to impute that fact to destiny. They believed in the law of natural selection, in the survival of the fittest, a theory which enabled them to understand the existing situation in the world, in which the rich became still richer and the powerful more powerful while the weak succumbed. Mr. Ishaq, however, considered that to be the law of the jungle and believed that the members of FAO, the Council and the United Nations had solemnly undertaken to do away with those inequalities as far as possible, to unite in a war against famine and against all the evils it brought in its wake, and to rid the world of the scourge of poverty by applying modern scientific knowledge to the development of the earth's resources.
- 9. It seemed to him that, apart from a few isolated, ineffective, distant and symbolical volleys, the world had not done much in that war, at least in the underdeveloped areas. It had perhaps used the resources of intelligence to study the problem, but it had certainly not yet done so with its heart, and no change would occur unless the heart contributed.
- 10. He was not attempting to make FAO responsible for that state of affairs. FAO had rendered and was still rendering valuable service. The report of its activities in the past year and its programme for the forth-

- coming year were impressive documents of which the organization could well be proud. He had the impression, however, that to give advice was sometimes too simple; and also, what was more important, that FAO, because of its structure, could only concern itself with symptoms and after-effects and could not attack the real cause of the evil, which was outside its purview.
- 11. To a certain extent the current level of productivity and the recent decline in production could be ascribed to the political instability in those areas, but that again was a symptom and not the cause. Political instability was due to the contraction in those areas' economies, which, once started, undoubtedly affected production.
- 12. Preoccupation with symptoms characterized most of the efforts of the United Nations. In WHO, for example, much time, energy, money and resources were spent in BCG vaccinations against tuberculosis. Tuberculosis was, however, only a result of the combined action of deficient nutrition or undernourishment, overpopulation and unhealthy living conditions—or, in other words, of general poverty and misery.
- 13. Mr. Ishaq then reviewed the efforts which the under-developed countries were being asked to make to increase their productivity. Emphasis was laid on improving agricultural techniques, on the use of better equipment, better seeds and artificial fertilizers, on better methods of preserving foodstuffs, on the campaign against animal and plant diseases, and on agrarian reform. All that advice was wise, reasonable and excellent, but not so easy to follow.
- 14. He instanced the use of tractors in farming. The inhabitants of those countries in which people wanted to introduce modern farming techniques would, he said, always be ready to adopt those methods, in the sense that they would be prepared to accustom themselves to using tractors. But who would provide them with the necessary funds to buy, maintain, fuel and repair tractors? Experience had shown that even when the first obstacle, the purchase of the tractors, had been overcome, machines had remained idle for weeks for want of spare parts and facilities in the country, as accessories and spare parts for a tractor cost much more than the machine itself.
- 15. He asked the FAO representative to what extent FAO, before advising a country to use tractors, had inquired whether the benefit to be derived from their use would be commensurate with the resulting costs, taking into account the price at which tractors could be sold to the country and the price which it could obtain for its agricultural products.
- 16. Moreover, like any other machine, a tractor was in the last analysis a means of saving time and manpower, but in most of the under-developed countries there would be no shortage of farm labour if agriculture could be made sufficiently profitable, for at the present time the great majority of the people were engaged in agriculture. Widespread use of tractors could of necessity lead to unemployment for much of the labour force if the costs of production were to be reduced. What would be done with the unemployed? An unemployed worker was probably amenable to being led in many different directions, but he could also be led into evil ways.

- 17. Moreover, none of the under-developed countries was in a position to manufacture tractors. In the event of war, or merely in time of general rearmament, what should the countries depending on foreign sources of supply do if those sources were cut off?
- 18. So long as a country's industrial capacity did not enable it to build tractors or at least tractor parts, or if it could not absorb into other remunerative activities the labour force left unemployed as a result of the use of tractors, and if at the same time it did not have a favourable balance of payments for a number of years so that it could buy machinery ahroad, it would not be wise to mechanize its agriculture on a large scale. He was, however, in favour of the immediate use of tractors to break virgin and fallow land and to develop new areas, because much time and money could thus be saved.
- 19. Regarding the use of artificial fertilizers, he wondered what crop would enable the poor countries to pay for ammonium sulphate at its current price of \$100 a ton. Whereas one pear cost from 10 to 20 cents in New York, 10 to 20 pounds of pears could be bought in Pakistan for the same price during the season.
- The answer might be given that, if there were such an abundance of fruit during a short season, it would probably be well to prolong the season hy introducing into the country methods of preserving fruits and foodstuffs, a question which FAO was studying. That was being done in Pakistan, but it was not very wise to permit millions of little-educated and even completely ignorant human beings who, aside from their faith in God and their belief in spirits, believed in nothing that could not be seen with the naked eye, to use preservatives which were often injurious to the health if used in excessive amounts, to kill bacteria they knew nothing about it. As at least one expert had rightly pointed out in discussing that point in connexion with Ecuador, the prosperity of the canning industry depended on the existence of installations, means of transport, and sufficient purchasing power to enable the people to buy preserves.
- 21. The question of purchasing power reminded him of another aspect of FAO's activities—namely home industries, such as apiculture and poultry hreeding, to increase the farmer's income. Pakistan was studying that question and some progress could already be seen, but there again the ignorance and low purchasing power of the masses were the chief obstacles. Even if a chicken cost only half a cent a day to feed—the minimum if it were to be given the diet of protein, minerals and vitamins recommended by the experts—it would have cost about 60 cents before it could be sold, and then the farmer would never receive more than three-fourths of its cost, not to mention the tremendous losses resulting from deaths due to epidemics and other causes.
- 22. The Director-General in a final recommendation had said that the results of the many improvements introduced by the experts sent to a country would be only temporary if the governments themselves did not set up departments to continue the experts' work after their departure. He had stressed the action which should be taken to exploit those advantages in the form

- of extension and demonstration services to teach the farmers and growers. Nothing could be truer or more necessary, but unfortunately, in that field as in many others, the governments of the under-developed countries found themselves caught in a vicious circle.
- 23. The resources currently at their disposal would not permit them to undertake educational programmes on a sufficiently large scale. Educational services under a different name had existed, of course, in most countries for some time. Only the problem of finance, linked to the general economic development of the country, prevented them from expanding those services. The Council should not forget that in the underdeveloped countries educational schemes should be organized on a much larger scale than was usual elsewhere in the world at the present time. The underdeveloped countries needed not only to educate adults in agriculture, but largely also to give about 90 per cent of the illiterate population the basic training necessary to enable them to appreciate and to grasp purely agricultural education.
- 24. The Director-General of FAO had the firm hope that farmers would recognize a better way of doing their work when they saw it and that they would frequently be able to learn those superior methods more rapidly than had been thought. The Director-General might he right, but experience in certain countries had shown that if the peasants had not even the rudiments of primary education, their technique, initiative and foresight were likely to remain as primitive as ever.
- 25. An increase in agricultural production could not be achieved unless agriculture, as a branch of economic activity, offered a sufficient financial return to farmers, which in the under-developed countries it did not. Reference was made in working papers and reports to the displacement of populations from rural to urban areas, in other words from agriculture to other branches of economic activity. That development was not surprising, since the level of wages in other hranches of economic activity was fixed by the industrial countries and was much higher than in agriculture. The problem was a human one and the situation must be remedied. Labour, whether engaged in agriculture or industry, should receive a sufficient wage to permit the worker to lead a decent life.
- 26. At the present stage of economic and social conditions in the under-developed countries, it was not enough to place exaggerated emphasis upon technological advancement as a way to increase production. Primitive though some of their methods might be, the countries concerned greatly desired to improve them. The Pakistan Government, for instance, was making every effort to introduce and popularize improved technological methods. However, its activity was limited by its resources, which were required for many other emergency projects. The farmer's spirit of enterprise and initiative, even when he was convinced that some farming methods were an improvement on the primitive methods he employed, was restrained by lack of capital, the poor yield of his soil, and the social conditions of his environment.
- 27. Land reform could be only a remote objective. A country's land régime was in fact only the reflection of its social structure and of the successive vicissitudes experienced by its society. A complete and radical land

reform presupposed a social revolution which could not be achieved in a day without bloodshed. Land reform was doubtless an excellent doctrine, but it involved a major surgical operation—for example, the change to mechanical equipment—and the patient was at present too weak to undergo a major operation.

- 28. Technological advancement was neither sufficient in itself nor easy to achieve. It must be slow at first. A priori, a steel plough could doubtless be substituted for a wooden one, but even that simple change might raise a number of complex problems. In most arid or mountainous regions where the wooden plough was used, living conditions were so difficult and water and fodder so scarce that nature made it impossible for any but the hardiest and smallest draft animals to live there. Such animals could not pull anything heavier than a wooden plough. A change in those areas from wooden to steel ploughs meant that Lilliputian cattle would have to be replaced in regions where no other animals could survive.
- 29. Moreover, improved methods, even if they contributed to greater productivity, would not always solve the problem of the landless farmer, who, whatever was done to improve his lot, would nevertheless to some extent remain at his landlord's mercy. The position of the tenant farmer in Pakistan had been seriously aggravated by the influx of nillions of refugees, for whom the Government found it most difficult to provide space and means of livelihood.
- 30. The provision of basic education in a region and its general economic development would automatically result in considerable technological improvement, as they had in many countries. That problem was therefore urgent and important. The United States representative, in a most interesting statement (610th meeting), had referred to the use of radioactive isotopes in plant nutrition and of fertilizer in modern agricultural research work. Many of the representatives on the Council had also heard of the experimental use of radioactive elements against plant and animal diseases. However, that had all been made possible, and in fact brought about automatically by the progress achieved in pure science.
- 31. In view of those considerations, and with due regard to the need for technological progress, equal attention should be given to increasing the area of cultivated land, to the development of arid zones with a view to easing the present overpopulation of land, to the re-settlement of landless farmers, to the raising of immediate production and, at the same time, to provision for the welfare of future generations.
- 32. The increase in productivity should benefit both the government and the farmer. That matter, however, was outside the competence of FAO and was related to the broader issue of the development of the underdeveloped countries.
- 33. The general development of the under-developed countries would be very much facilitated and agricultural production consequently increased if effect could be given to the suggestions of experts contained in the report on *Measures for International Economic Stability* (E/2156)<sup>1</sup> for intensifying the international

movement of capital through the International Bank for Reconstruction and Development, so as to compensate for the fluctuations in investments which followed economic crises. Action should also be taken on the proposal, suitably amended of course, to establish a special fund out of which low-interest, long-term loans would be granted to under-developed countries to help them to finance non-self-liquidating development projects. (General Assembly resolution 520A(VI).

- The Pakistan delegation found it difficult to share FAO's views on its experts' recommendation regarding commodity control agreements. Any attempt to conclude long-term agreements on quantities and prices and on maximum and minimum export quotas would be unsuccessful if the provisions of the agreements were not strict enough. On the other hand, inflexible provisions would merely serve to strengthen the prevailing view of the causes of present low productivity. That view was that the western Powers, after controlling for centuries the destinies of a considerable number of under-developed countries throughout the world, could not evade responsibility for the present lack of development of those countries and were still very reluctant to see those countries' economic development advance beyond the initial colonial stage in which they were merely producers of raw materials.
- 35. The experts should, in order to have their advice accepted, also indicate the methods to be adopted to stabilize the price of capital goods and ensure their normal circulation in international trade; the picture would otherwise be incomplete. The problem should be considered with regard to the labour involved in the production of raw materials and required in the production of capital goods. It was, after all, a human problem which could not be considered piecemeal.
- 36. Instead of concluding commodity agreements to stimulate production, the better course would be to place international resources at the disposal of agricultural countries in order to enable them at least to meet the needs of their domestic consumption. For instance, the price of sugar-cane in West Pakistan had practically doubled in two years since the establishment of a sugar refinery capable of crushing 3,000 tons of sugar-cane a day. At the same time sugar-cane cultivation had considerably increased. Nor should undue emphasis be placed upon the production of foodstuffs at the expense of agricultural production in general and of the production of what were called marketable crops. In fact, the price of subsistence crops was subject only to very slight change, because each time an increase appeared likely, price ceilings were immediately set by governments. Marketable crops were those which enabled the farmer to pay for the goods other than foodstuffs which he required, such as clothing, the post-war price of which had remained at a considerably higher level than that of cereals, which had barely increased.
- 37. Marketable crops also had a direct bearing upon the foreign exchange revenue of many countries. Most of those problems were beyond FAO's competence, and it could only be asked to solve them within the limits of its means. FAO might, however, persist in its efforts to find a complete solution to certain other problems such as the eradication of locusts and of plant and animal diseases like rinderpest, which might not appear

<sup>&</sup>lt;sup>1</sup> United Nations Publications, Sales No.: 1951.II.A.2.

so vast but were none the less important and urgent and which required international measures.

- 38. The Pakistan delegation had deliberately abstained from submitting a draft resolution on those questions because it felt that the number of resolutions which Member States had failed to implement was already unduly large and there was consequently no point in adding to the confusion. It would merely request FAO to take the necessary steps to find a solution to the problems raised. The Pakistan delegation had complete confidence in FAO, which it considered to be an efficient agency competent in the matter.
- 39. The Pakistan delegation was prepared to support the joint draft resolution submitted by France and Iran (E/L.362/Rev.1), although it had certain doubts about the scope of the operative part. Governments were already doing what they could to carry out agricultural development programmes but were hampered by the difficulties to which the Council's attention had been drawn.
- 40. Mr. AREAN (Argentina) remarked that the problems with which FAO was concerned were fundamentally important. Argentina, which enjoyed a privileged position as a producer and exporter of foodstuffs, had become a member of FAO in November 1951 and was prepared to contribute its share towards the achievements of FAO's aims. For all those reasons the Argentine delegation attached special importance to the report before the Council.
- 41. The report noted a shortage of food production and stated that the aggregate production of food crops in the world, excluding the USSR, in 1948-1950 had increased by 7 per cent over pre-war levels, whereas the population during the same period had increased by 12 per cent. Considering that production had risen in some surplus-producing countries, the contrast between the well-fed and the poorly-fed countries became even more striking.
- The FAO report (E/2195), which listed Argentina among the surplus-producing countries, pointed out that food production in Argentina had declined, and stated that one of the reasons for that decline was that the Argentine Government had fixed the prices paid to producers at too low a rate. He protested against that assertion, which was incorrect, and emphasized that the policy of his Government had always been to pay producers at a favourable rate. Thus the Argentine Institute for the Promotion of Foreign Trade fixed the prices when the producers were making their plans, thus eliminating certain risks and encouraging production of the crops the country needed most. When the prices were fixed, account was taken of the cost of production and a margin was allowed to cover unforeseen rises in the cost price. If the margin proved inadequate, a rise was granted to cover the difference between the real cost price and that originally allowed for. He cited statistics contradicting the remarks in the FAO report on the fixing of prices in Argentina. In particular, the price of wheat, which had been 151/2 pesos per quintal before 1946, had risen to 17 pesos in 1946, 23 pesos in 1949, 24 pesos in 1950, 30 pesos in 1951 and 50 pesos in 1952. Similarly, the price of maize had risen from 17 pesos in 1946 to 40 pesos in 1952, while the price of flax during the same period

- had gone up from 32 to 65 pesos. Those figures showed how anxious the Argentine Government was to give the producers fair payment for their labour.
- 43. The Argentine Government had also adopted a policy of long-term agricultural credit intended to encourage farmers. The interest rates were very low, and loans were sometimes given without interest. The total of agricultural loans had risen from 400 millon pesos in 1945 to 2,900 million pesos in 1951. Another feature of the Government's policy of encouraging agriculture was its effort to improve the quality of seed, to combat agricultural pests, and to build silos and grain elevators, with a present capacity of 2 million tons of grain. His Government had also endeavoured to mechanize agriculture—a very complex problem, especially since equipment, and in particular tractors, had to be purchased in hard-currency countries. The rise in the price of a tractor, in terms of grain, between 1928 and 1950 from 47 to 193 tons of grain showed the difficulties encountered by the Argentine Government in mechanizing the country's agriculture. From 1949 to 1951 the Government had spent 950 million pesos in foreign currency on that plan and during the first fiveyear plan it had imported 25,000 tractors and 40,000 ploughs. It hoped that upon the completion of the second five-year plan the country would be able to manufacture all the tractors it needed.
- 44. Lastly, special land-tenure legislation had been enacted to enable farmers to buy land. That legislation was based on the theory, accepted in Argentina, that land was not interest-bearing property but a working tool. Those were the Argentine Government's ideas on the organization of agriculture.
- 45. The Argentine delegation had noted with particular interest two of the FAO Conference's resolutions: resolution No. 15 on food shortages and famine, providing for prompt, concerted and effective assistance, and resolution No. 16 on establishing an emergency food reserve against crisis (E/2195/Add.3, pages 47-48). He was very pleased that the FAO Conference had adopted those resolutions, which would in case of need help to combat food shortages.
- 46. He was also pleased, in view of the bonds uniting the Argentine and the Italian peoples, that FAO had set up its headquarters in Rome, and expressed the conviction that FAO would gain much from Italy's collaboration.
- 47. He regretted that the joint draft resolution presented by France and Iran (E/L.362/Rev.1) neglected certain practical aspects and confined itself to a general recommendation to Member States. He emphasized that the food problem was not merely a problem of production, and that under-developed countries should be endowed with sufficient purchasing power to buy the food they needed. Nevertheless, the Argentine delegation would vote in favour of that draft resolution.
- 48. In conclusion, he was convinced that FAO would intensify its efforts to solve the serious problem of food shortage in under-developed countries.
- 49. Mr. KULAGA (Poland) analysed the results of FAO's work. He recalled that the agency had been set up to promote the development of world economy by raising living standards and improving nutrition, to

ensure better production and distribution of agricultural products and foodstuffs, and to raise the standards of living of rural populations. He did not think that FAO had carried out those tasks. An examination of its report showed that the great majority of the world's population was badly under-fed; the report admitted that the per capita consumption in the neediest countries, though above post-war levels, had not yet returned to the pre-war levels. Before the war a large majority of the world's population had been under-nourished and the average per capita consumption had been 2,380 calories, whereas experts agreed that the necessary minimum was 2,750 calories. At present, the per capita consumption was 2,260 calories. Whereas before the war 22 per cent of the world's population had been consuming less than 2,000 calories per day, the figure was now 35 per cent. He regretted that FAO, during the first years of its activity, had not concentrated on solving the basic difficulties and eliminating the main causes of world undernourishment. It had, on the contrary, proceeded in the wrong direction and had looked for the causes of those difficulties in the wrong places. In particular an FAO report of 19482 stated in its introduction that since the end of the war certain food shortages had reached an unprecedented extent and that for three years it had been thought that the production crisis would be solved in a few months. The same report stated that the chief fault possibly lay in an incorrect evaluation of the war damage in Europe and Asia. That proved that FAO had acted on the assumption that the prolonged famines which occurred periodically in the regions of Asia untouched by the war could be ascribed to the war, and that the undernourishment of the populations of under-developed and even of some economically developed countries was due to the same causes. It had acted on a theoretical plan, assuming that academic studies could bring about an increase in the agricultural production of countries which, because they were exploited by imperialistic countries, could not make larger investments in agriculture.

- 50. FAO had often emphasized that in many countries undernourishment was related to the level of agriculture and to the economic structure. It had failed, however, to draw the inescapable conclusions from that finding, and had made a series of academic statements in its last report on the disastrous consequences of the armament policy. Those considerations, moreover, were so phrased as to justify that policy. Similarly, when in its report FAO asserted the interdependence of undernourishment and economic conditions, on the one hand, and the fall in East-West trade on the other, it failed to draw the logical conclusions. Consequently the report did not bring out the basic reasons for undernourishment and for the very low level of agriculture in many countries.
- 51. The Polish delegation considered that the causes of undernourishment were rooted in certain social and economic phenomena such as the imbalance of the economic structure of some countries and their inability to modernize their methods of agricultural production. He also recalled the importance of over-population in certain rural areas. Lastly, he pointed out that some of the countries suffering from shortage were countries

exploited by the imperialist Powers. The backwardness of agriculture in those countries prevented them from increasing agricultural output sufficiently to raise the standard of living of millions of people. Thus, most of the inhabitants of under-developed countries were deprived of the necessary purchasing power and therefore national industry could not develop, in the absence of a large enough domestic market. Consequently those countries were unable to build up the local capital required for the modernization of agriculture and for industrial investment.

- 52. In over-populated areas the inability of unemployed agricultural labour to find jobs in industry resulted in rapid impoverishment of the rural population and the splitting-up of farm properties. A vicious circle was thus created, inasmuch as agricultural development depended on industrial development, which, in turn, depended on an increase in the income of the rural population, made all the more difficult by the exploitation of the countries concerned by the imperialist Powers.
- 53. The situation could be remedied by economic and social reforms designed to strengthen the political and economic independence of the under-developed countries. On that assumption, the Polish delegation had already raised the question of land reform before the United Nations. Also on that assumption, it had requested that under-developed countries should be allowed to utilize their economic resources freely.
- 54. Crisis in agricultural production or food shortage on an international market dominated by the United States did not affect the under-developed countries alone. There were clear indications that agricultural output in the countries of Western Europe was at a standstill. The main reason was that those countries were devoting an ever-increasing portion of their national income to war production. The armaments race, the disorganization of international trade, the obstacles to the development of normal economic relations between countries, the reduction in the supply of capital goods by countries within the economic orbit of the United States—all those were factors unfavourable to the agricultural output of under-developed countries and lowered the volume of food products available on the world market.
- 55. FAO's technical activities had not yet contributed effectively to improving the food situation of many countries.
- 56. Mr. MAHMOUD (Egypt) observed that FAO's report and the statement of its Director-General had not given a very encouraging picture of the world food situation. Unfortunately Egypt was no exception to the general rule. Although primarily an agricultural country, it was now importing part of the food it required for domestic consumption. That apparent paradox was due both to the limited area of its arable land and to the rapid and continuous increase in its population.
- 57. To resolve that dilemma the Egyptian Government had tried to reclaim arid lands by a better utilization of the Nile waters and underground springs, to deter mine the types of crops best suited to poorly-irrigated lands, and to rationalize the agricultural system by diverting some land from cotton cultivation, which

<sup>&</sup>lt;sup>2</sup> Food and Agriculture Organization of the United Nations, *The State of Food and Agriculture—1948*, Washington, D. C.

- farmers preferred, to food cultivation. For that purpose the Government had restricted the maximum area which could be utilized for cotton, and had fixed minimum prices for certain agricultural foodstuffs in order to make them profitable to raise and to stimulate farmers' interest in them.
- 58. The Egyptian Government had likewise given greater attention to the cultivation of rice, which up to that time had yielded excellent results. Any expansion of rice-growing, however, would be a factor in the water-supply problem.
- 59. The Egyptian representative praised the efforts and the indefatigable activity of FAO and its staff, and pointed out that the agency had already achieved exceedingly satisfactory results.
- 60. FAO's reports and publications, he said, gave a detailed account of the valuable services it had rendered to governments and, in particular, to the Egyptian Government as part of the Expanded Programme of Technical Assistance. FAO had helped Egypt to prevent locust plagues and to combat the cotton weevil, had assisted it in setting up rural development centres, and had given it the benefit of its studies on nutrition, cattle-raising and farm management. It was now considering the grant of scholarships to Egyptian technicians to enable them to complete their studies abroad.
- 61. Mr. Mahmoud emphasized the importance of the regional conferences organized under FAO auspices. They enabled experts to exchange ideas and to explain experiments carried out and results obtained in their respective countries. As the topographical and social conditions of the Middle Eastern countries were very similar, the measures adopted in one could frequently be introduced into others with benefit.
- The Egyptian Government had been gratified by the establishment of an FAO office in the Middle East. The presence of FAO representatives and experts on the spot, able to collaborate closely with the staff of other specialized agencies, enabled them to obtain a better knowledge of Middle Eastern agricultural, economic and social conditions and to base their studies and conclusions on first-hand practical observations. The specialized agencies could only achieve the results expected of them if their regional offices worked in closer collaboration. More effective co-operation would on several occasions have spared useless effort and averted waste of time and money. The Egyptian delegation was convinced that the specialized agencies and the President, who was Director of the Technical Assistance Board, would give the matter the attention it warranted.
- 63. Miracles should not be expected of the Middle Eastern FAO office, for it had been set up comparatively recently and was operating among people accustomed to age-old practices. It would be useless to hope that peoples used to traditional agricultural methods would abandon them and immediately adopt new and totally alien methods.
- 64. The economy of the Middle East was based on agriculture, and only agricultural development could raise the standard of living of the people in the area, which was very low. There were two courses open to the countries concerned: reclaiming of arid land and

- more intensive cultivation of land in use. The first requirement was to reduce the waste resulting from the inefficient exploitation of the land which was typical of farming in the Middle East, and for that the experience and technical assistance of FAO would be very valuable.
- 65. It must be remembered that in undertaking such a difficult task the farmers of the Middle East lacked the technical and financial means available to the farmers of the Western Hemisphere. Account must also be taken of the social system and of the mentality of the peoples. It was sometimes maintained that the present condition of peasants in the Middle East was due to their lack of initiative, but that view could not be accepted without qualification. The recent history of a country like Egypt showed that farmers had achieved what might be called an "agricultural revolution". They had changed their methods of cultivation and irrigation, and had made great advances in the production of cotton and sugar cane, crops with which they had been unfamiliar.
- 66. There were many reasons why the farmers did not readily accept the experts' suggestions. Property in Egypt had been so much sub-divided that farmers who owned a patch of land hesitated to abandon their traditional methods for fear that an unsuccessful experiment might leave them poorer than before. Nevertheless, conservative as they were by nature, they had a remarkable ability to adapt themselves quickly and to use new methods once they had been put to the test.
- The Egyptian delegation firmly believed that in order to be successful any present or future undertaking by FAO must take account of that feature of the Egyptian farmer's character, and it wished to draw the attention of the Regional Office to the "pilot farms", as they were called in Egypt, where peasants were trained free of charge. The experts could best ensure the success of their experiments by doing practical work and by taking account of the social and economic possibilities of the region in their planning. To that end, they should study the conditions prevailing in a given village, the methods of agriculture, and the natural, human and financial resources. On the basis of that study they should create the proper psychological atmosphere and provide the technical facilities for a larger output, and gradually extend their field of activity to other villages. In that way they would be certain to enlist the co-operation of the peasants, who wished to derive the maximum benefit from their lands but were afraid of innovations based on theory, which might have disastrous results.
- 68. It was true that agriculture in the Middle East was based on the traditional policy of production for direct consumption, that is, that it made no provision for derivative industries. The countries of the region did not realize the advantages of cattle-raising and dairy farming, which might bring them considerable returns. In a country like Egypt, for example, cattle were used solely as draught animals to work the land; industry based on agricultural products was neglected, although the farmers would have enough time to engage in other work besides farming.
- 69. Specialized agencies should not study problems in isolation. The solution of a given problem might

depend on that of other problems which could and should be studied along with it. Thus, in order to increase agricultural production, health conditions would probably have to be improved, the cultural level of the peasants raised and their social activities increased. Care should be taken lest the solution of a given problem should give rise to other problems even more difficult to solve. That was why the Egyptian delegation could not emphasize too much the need for closer co-operation among the specialized agencies whose activities extended to the Middle East, in order to create a receptive attitude towards progressive ideas among the people of the region.

- 70. Mr. HSIA (China) said that he had examined the FAO report (E/2195) with great interest and was more than ever convinced that the organization was doing good work.
- 71. It was useful to know that per capita food supplies of the world, excluding the USSR, between 1948 and 1950 had been only 95 per cent of pre-war production; that consideration gave one pause. Fortunately, some countries, notably the United States and Canada, had been able to increase their production. Otherwise, the world would have been in a very difficult position.
- 72. As the report said, the Far East was a part of the world where the greatest mass of people had suffered from under-nourishment before the war, and where since then the situation had further deteriorated in relation to the rest of the world. For that reason, China welcomed the proposals of the FAO Conference in resolutions 6 and 7, entitled "Objectives and Programmes for Agricultural Development" and "Action at the Farm Level" respectively, and the work of the International Rice Committee and its working parties on Rice Breeding and Fertilizers.
- 73. The island of Formosa was in a better position than the other countries of the Far East. It produced enough rice to be able to export some. In 1951 it had produced 1,480,000 tons, or over 4 per cent more than in 1950, and in the same year its exports had amounted to over US\$15 million.
- 74. Rice cultivation in Formosa required much artificial fertilizer. Of a total of some 400,000 metric tons of chemical fertilizer used each year, from 230,000 to 250,000 tons was used for rice production. The fertilizer was distributed to farmers in exchange for an equal quantity of paddy rice, much to their advantage. Indeed, with the amount of ammonium sulphate they received from the Government, the farmers were in most cases able to increase their rice production considerably. In addition, they received six yards of cloth free with every 100 kilogrammes of fertilizer.
- 75. The Food Bureau also extended loans to rice growers at nominal rates of interest. The loans were repayable one month after the crop had been harvested. They had totalled over \$4 million during the first half of 1951.
- 76. It was the Government's policy to buy surplus rice from farmers. Through purchases and taxes in kind, the Government had been able to acquire 312,000 tons of rice in 1950. Those stocks were used for free distribution to the armed forces and civil servants and

- their families, and constituted an important factor in stabilizing the price of rice and other commodities.
- 77. He would vote in favour of the French-Iranian joint draft resolution (E/L.362/Rev.1).
- 78. Mrs. CISELET (Belgium) recalled that the Belgian delegation, after drawing the Council's attention to the fact that the circulation of foodstuffs on domestic and international markets was likely to increase the effectiveness of the efforts to achieve greater production, had submitted an amendment (E/L.369/Rev.1) to the joint draft resolution of France and Iran (E/L.362/Rev.1), proposing the addition of two paragraphs stating that principle. Its sole object in so doing had been to widen the scope of the draft resolution so as to increase its effectiveness. Nevertheless, it seemed to her that there were grounds for deferring consideration of the matter and that the Council might examine the prohlems arising from the free circulation of foodstuffs in conjunction with item 4 of its agenda. She accordingly withdrew her delegation's amendment.
- 79. Mr. McDOUGALL (Food and Agriculture Organization) wished to thank the Council for the welcome accorded to the FAO report.
- 80. He agreed with the Polish representative that FAO had not wholly fulfilled its appointed task; in quoting the reports of the Director-General, however, the Polish representative had proved that no one was more aware of the immensity of the task than the Director-General. FAO needed all the technical, economic and social experience available in the world. Poland possessed much of that experience and FAO therefore deeply regretted the decision of the Polish Government to withdraw from FAO membership.
- 81. The French representative's statement (604th meeting) that fiscal measures had caused the failure of the campaign against foot-and-mouth disease in Ethiopia was not accurate. After the initial demonstration, the Ethiopian Government had imposed a tax on the vaccination of cattle. Some of the peasants had moved their herds with the object of evading the tax, thus impeding the work of vaccination. When the tax had heen abolished, the work had heen continued and had given satisfactory results, the proof being that nearly 2 million animals were being vaccinated in 1952.
- 82. In his comments on the report, the United Kingdom representative had observed (604th meeting) that FAO tended to lay too much stress on per capita production in appraising the situation in a given area. In that connexion, he drew attention to the fact that FAO was engaged in drawing up statements on the food position country by country, which would shortly be published in the second study of the world situation. The effect of imports upon consumption totals in the under-developed nations was, however, not significant.
- 83. The Swedish representative (604th meeting), among others, had expressed regret that the Director-General of FAO had not dealt at length with land reform in the present report. He would recall that that matter had already been discussed at length during the thirteenth session of the Economic and Social Council and the last session of the General Assembly. The Director-General of FAO had therefore not felt it necessary to stress it in the present report. FAO,

in conjunction with the United Nations and the other specialized agencies, would probably be submitting a special report on the subject in the near future.

- 84. The Belgium representative at the previous meeting had suggested that to increase the production of foodstuffs by from 1 to 2 per cent in excess of the rate of increase of the population, was unduly modest. He would point out that that would entail in many countries an over-all increase in production of 4½ per cent, and he feared that that objective might be very hard for many countries to attain. In that connexion, FAO was maintaining close contact with the Organization for European Economic Co-operation, whose declared objective was an increase of 5 per cent per annum. It was easier to increase food production in Europe than in the tropics.
- 85. He was glad to note the United States representative's reference at the same meeting to a statement by the Chief Executive of his Government on the need for increasing food production so as to meet FAO recommendations. The United States representative had also mentioned the possible importance for agriculture of certain discoveries in the atomic field. It was good to know that all countries might thus be able to benefit from research in the scientifically more advanced countries.
- 86. The Pakistani representative had just drawn the Council's attention to the question of the mechanization of agriculture. Tractors were obviously of special interest for some countries in that they made substantial savings in manpower possible. He did not believe that that was the case for Pakistan at the present time, save for the reclamation of land which had reverted to jungle.
- 87. Several delegations had raised the question of maintaining prices at a reasonable and sufficiently stable level commensurate with the purchase price of capital goods. That was an extremely important matter, to which he would revert should the Economic and Social Council take up the question of the prices of basic products.

- 88. Replying to the Argentine representative, he said that some sections of the FAO report had been based on a study published by the Economic Commission for Latin America in April 1951. The study contained a table on the relationship between the average cost of production and the prices paid to the producer. If the Argentine representative so desired, the sentence attributing the decline in Argentine food production to the low prices paid to the producer would be corrected by eliminating the word "low".
- 89. In conclusion, he announced that the Peruvian Government had ratified the constitution of FAO—a very satisfactory decision.
- 90. The PRESIDENT put to the vote the joint draft resolution submitted by France and Iran (E/L.362/Rev.1), as amended by the United Kingdom representative.

The joint draft resolution submitted by France and Iran (E/L.362/Rev.1) was adopted by 15 votes to none, with 3 abstentions.

- 91. The PRESIDENT thanked Mr. McDougall for his contribution to the work of the Council and for the information he had given on the various matters raised by members.
- 92. Mr. AREAN (Argentine) thanked the FAO representative for the clarification he had given. He was gratified at the agreement to correct in the report the statement that the decline in Argentine food production was due to the low prices paid to producers.
- 93. Mr. MONTERO BUSTAMENTE (Uruguay) said that Mr. Rodríguez Fabregat had wanted to speak during consideration of FAO's report. He had unfortunately been prevented from attending the meeting by pressing duties. He therefore hoped that the President would allow Mr. Rodríguez Fabregat to give an explanation of the Uruguayan delegation's vote at the next meeting.
- 94. The PRESIDENT noted the Uruguayan representative's request.

The meeting rose at 1.15 p.m.