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President: Mr. George DAVIDSON (Canada).

Present:

The representatives of the following States: Brazil, Canada, Chile, China, Costa Rica, Finland, France, Greece, Indonesia, Mexico, Netherlands, Pakistan, Poland, Sudan, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Yugoslavia.

Observers from the following States: Albania, Bulgaria, Colombia, Dominican Republic, India, Iran, Ireland, Israel, Japan, New Zealand, Philippines, Spain.

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; International Monetary Fund; World Health Organization; World Meteorological Organization.

The representative of the International Atomic Energy Agency.

The representatives of the United Nations Children's Fund.

AGENDA ITEM 8

United Nations Children's Fund (E/2977, E/3050, E/3083/Rev.1, E/L.785) (concluded)

1. Mr. OMPI (Indonesia), on behalf of his Government, thanked the United Nations Children's Fund (UNICEF), the specialized agencies and the non-governmental organizations for all they had done in helping to carry forward the crusade against poverty and sickness. He also expressed his gratitude to those countries whose generous contributions had made the crusade possible.

2. It was heartening to note the continuous expansion of UNICEF's work, the increasing number of beneficiaries and the reduction in the per capita costs. The last fact was evidence of the growing efficiency of the work being done by UNICEF. The establishment of the FAO/UNICEF Joint Policy Committee and of procedures for securing closer co-operation with the United Nations Bureau of Social Affairs would help to raise the level of efficiency still further. In that connexion the importance of integrating the UNICEF projects as far as was feasible within the broad framework of long-range national development plans could not be over-emphasized.

3. The Indonesian delegation appreciated the desire to unite efforts and resources to make a success of the malaria eradication programme; it nevertheless believed that there was a need to maintain a certain balance in the allocation of UNICEF funds for disease control. It was therefore gratifying to see that the Executive Director of UNICEF intended to make a change in the allocation of UNICEF funds after 1960 which would enable it to intensify its activities in other fields.

4. The financial position of UNICEF was not, unfortunately, as promising as might be desired. Its 1957 income showed an improvement of only \$900,000 over that of 1956. The fact was all the more disturbing since there was hardly any likelihood of an increase in the number of contributing countries, and prices were rising. It was therefore important to tap other sources of income. He hoped that the educational efforts which the UNICEF Administration was contemplating to increase understanding of the needs of mothers and children, particularly in the more prosperous countries, would have positive results.

5. Mr. GREZ (Chile) shared the views of those representatives who had expressed their appreciation of the excellent work being done by UNICEF and thanked UNICEF for the money provided for the pre-mature care centre of the Luis Calvo Mackenna Children's Hospital at Santiago.

6. Mr. AHMED (Pakistan) complimented UNICEF on the great humanitarian work it was doing. He was pleased to see from the last report of the Executive Board (E/3083/Rev.1) that it had not lost sight of the need to keep its programmes under continuous review in the light of experience.

7. Although the range of work done by UNICEF was enormous, the Pakistan delegation thought there was still room for expansion in some fields. It would be useful, for example, to find out how far it was possible to deal with problems regionally and maintain closer co-ordination with bilateral and international aid programmes as well as with national programmes; to tackle the increasingly pressing problem of rapid urbanization in under-developed countries; and to intensify training programmes. UNICEF might also consider supplying documentary films, which, like the greeting cards, would provide a supplementary source of income.

8. Mr. MACHOWSKI (Poland) said he had carefully examined the reports submitted to the Council, and had been pleased to see that UNICEF's administration was both careful and sound. He would like to compliment UNICEF on the work it had achieved. Poland had been a member of the Executive Board for some years; it had always contributed to the UNICEF budget and would continue to do so. The Polish delegation hoped that other countries would feel that they too should give it their support.

9. Mr. ARKADEV (Union of Soviet Socialist Republics)

said that UNICEF was doing important work but it was obvious that it could not be expected to take the place of Governments, which had the basic responsibility for maternal and child welfare in their territories. It would therefore be useful to have a complete picture of the work being done in that field throughout the world. The United Nations Secretariat might prepare periodically a special document which would give information country by country about measures taken affecting maternal and child welfare, medical services etc.

10. In the USSR, maternal and child welfare had for a long time been a fundamental part of the social structure. Free medical care, without any discrimination, was available to the whole population. The public health budget for 1957 was 38,000 million roubles and for 1958 it was over 40,000 million roubles. A significant proportion of the amount was devoted to maternal and child welfare. Moreover, important additional sums were paid out from the funds of the trade unions and the *kolkhozes*. In all the Republics, without exception, strenuous efforts had been made to train doctors, build hospitals and maternity wards etc., and great progress had been made. There had been a marked fall in child mortality. Twenty-five paediatric faculties had been set up. A school doctor was allocated to every 2,500 school children, and a nurse to every 500 or 600 school children. The basis of medicine in the USSR was preventive, and its aim was the healthy development of the younger generation. Important prophylactic measures had been taken, especially against tuberculosis: in the maternity hospitals in urban areas almost 93 per cent of the new-born children received BCG vaccinations; the corresponding figure for the rural areas was approximately 88 per cent. Furthermore, each year more than 5 million children went to holiday camps. There were 160,000 beds in permanent children's sanatoria, and treatment was free. There were many day-nurseries and kindergartens which enabled mothers to devote their energies to the economic development of the country.

11. The USSR, which had done so much at the national level for maternal and child welfare, naturally gave its support to international measures for promoting maternal and child welfare and to UNICEF activities, in which it was participating through its contributions to that organization. Furthermore, in 1958 two of the Soviet Socialist Republics, the Ukrainian SSR and the Byelorussian SSR, had made their first contribution to UNICEF.

12. Mr. CAMPABADAL (Costa Rica) commended UNICEF on its achievements, and expressed his gratitude for the services it had rendered to his country.

13. Mr. PENTEADO (Brazil) thought that UNICEF was one of the achievements of which the United Nations could be most proud. In view of the need for adding to UNICEF's funds, he was submitting on behalf of his own country, France, Greece, Sudan and Yugoslavia a draft resolution (E/L.785) taking note with satisfaction of the reports of the Executive Board of UNICEF, and expressing the hope that countries all over the world would "consider ways and means to increase their effective support to the United Nations Children's Fund".

14. He was convinced that the Council would wish to adopt the draft without any reservation.

15. Mr. BARNES (United Kingdom) proposed that the word "effective" be omitted.

16. Mr. PENTEADO (Brazil) saw no objection to the change.

The draft resolution, as thus amended, was adopted unanimously.

17. Mr. DE ALMEIDA (Brazil), Chairman of the UNICEF Programme Committee, thanked the members of the Council for their kind words and assured them that their comments would be taken into consideration.

AGENDA ITEM 5

Economic development of under-developed countries (continued)

INDUSTRIALIZATION (E/3078, E/3079) (continued)

18. Mr. LE PORTZ (France) pointed out that the distressing and urgent problem of the low standard of living of an unduly large part of mankind could only be solved by industrialization. France had devoted very large sums to the industrialization of its overseas territories and of countries which it administered as Trust Territories. From 1946 to 1957, in the overseas countries alone, 163,000 million francs out of Government investments totalling 762,000 million had been directly devoted to industrialization in one form or another. Again, the total investments, both Government and private, national and foreign, allocated for the construction of the large industrial units in tropical Africa which would gradually enter into operation during the next ten years, would amount to 534,000 million francs, or more than \$1,270 million.

19. It was extremely difficult to determine what methods would be most effective in bringing about rapid industrialization at the lowest possible cost in countries which were not especially rich in natural resources and did not yet have any industrial nucleus. In any case, the problems varied enormously in different countries and in different industries. All that explained, and to a large extent justified, the caution which the United Nations had shown in the matter. Since what the under-developed regions chiefly needed apart from capital was practical guidance, it would be a bad policy to use funds for huge projects of an excessively abstract nature when they might be more wisely employed for direct assistance. Such assistance, however, however, should be based on a common plan and should be supported by extensive and readily accessible documentation.

20. In the light of those considerations the French delegation had studied the conditions governing the implementation of the Council's programme of work. Briefly reviewing the initial studies produced, he said that the three articles on alternative techniques in the first issue of the Bulletin on Industrialization and Productivity^{1/} showed not only that technical assistance experts often lacked a basic economic theory embodying the actual principles of industrial planning and the criteria to be applied by Governments in prescribing industrialization priorities, but also that special studies of individual industries were a lengthy and difficult operation, requiring the patient comparison of as much information as possible from both industrial countries and under-developed countries.

^{1/} United Nations publication, Sales No.:58.II.B.2.

21. In certain areas common to industries, generally where numerous preparatory studies had been made, e.g. methods of industrial management or industrial financing, results which could be put to practical use should be feasible. Hence the French delegation hoped that it would be possible to publish suitable handbooks before long.

22. The same results could not be expected from other projects of a more abstract nature, except in special cases such as the financing of small-scale industries. It would perhaps be necessary, therefore, to revise some of the priorities which had already been set.

23. The French delegation congratulated the Secretariat on having undertaken to publish the Bulletin on Industrialization and Productivity, which seemed to have a fine prospect before it. It would be helpful if each issue could be devoted more particularly to some important question which otherwise would have had to be dealt with in a special United Nations publication.

24. The French delegation hoped that the task of preparing, on a priority basis, the general economic study of the principles of industrial planning would be assigned to the Bureau of Economic Affairs. It would also be desirable for the Bureau to undertake, if necessary in conjunction with the specialized agencies and particularly the International Bank for Reconstruction and Development, to prepare practical working tools in the field of industrial management and industrial financing. The French delegation likewise hoped that the funds which would doubtless soon be available to the new United Nations Special Fund could be allocated for projects of common interest in the field of industrialization, such as an inventory of natural resources, the establishment of research and technological documentation centres at the national or regional level, and the preparation of practical studies in regional planning. France was prepared to offer the United Nations the benefit of its experience in carrying out projects of that type. Lastly, his delegation hoped that technical assistance projects would continue to be carried out in the field of industrialization as parts of an over-all programme and in very close liaison with the other departments of the Secretariat and with the specialized agencies.

25. With respect to administrative organization, the French delegation thought that the arrangements proposed by the Secretary-General (E/3079) should be approved. In the first place, it was desirable that co-operation with the regional bodies should be maintained and increased and that a certain number of studies should be decentralized. In the second place, the Bureau of Economic Affairs should be given the additional funds it needed to acquit itself adequately of its responsibilities with respect to technical assistance in the field of industry. Moreover, a certain measure of priority should be given to those projects for which it was more difficult to obtain advice. The French delegation approved the Secretary-General's proposal to set up an expert advisory committee. The important point about the committee was that it should be composed solely of experts chosen by reason of their professional standing in consultation with the respective Governments.

26. Those proposals ought not to involve any increase in the United Nations budget. The necessary costs, which would not be high, should either be charged to the

technical assistance budget or covered by effecting economies in other less important fields, or by holding over projects with a lower priority.

27. Mr. LYCHOWSKI (Poland) said that his delegation had examined very carefully the Secretary-General's two reports on the industrialization of under-developed countries (E/3078, E/3079). It seemed necessary that the Council should reassess as a whole the problems connected with international action in that field and not confine itself to making a detailed study, however valuable it might be, of too narrow an area.

28. He pointed out the disproportion between the magnitude of the task before them and the means that were being used to cope with it. According to the United Nations Monthly Bulletin of Statistics for January 1958, more than 80.5 per cent of the mining and manufacturing production in the non-socialist world in 1953 was concentrated in sixteen countries, all of them, with the exception of Japan, situated in North America and Western Europe and representing in 1956 some 29.2 per cent of the population of all the non-socialist countries.

29. Industrialization was not an end in itself. It was a means of raising the standard of living of the people. It might, therefore, be to the advantage of some under-developed countries to follow the example of New Zealand or Norway and place their chief emphasis on agriculture or the production of services; but it was none the less true that most of them would have to turn to industrialization in order to provide employment for their constantly growing populations. The example of South and South-East Asia showed how population pressure not offset by an adequate rate of industrialization could result in a decrease of per capita production.

30. The question therefore arose what the role of the United Nations, and in particular of the Economic and Social Council, should be. It was often said that financial and technical assistance were the only means of action at the international level. While their importance was undeniable—and indeed the Polish delegation regretted that no large-scale scheme of financing had yet been established—there was undoubtedly room for other international activities. The main point was to avoid becoming involved in purely technical problems before trying to solve the fundamental ones.

31. Industrialization could not be isolated from the other aspects of economic development, in particular the question of markets. The economy of the under-developed countries was based on a relatively small internal market and on a few branches of mining or agriculture created by foreign capital for exports. The international flow of private capital, which had played an important role in world economic development in the nineteenth century, had visibly declined, as had the demand on the part of the highly industrialized countries for the industrial and agricultural products of the under-developed countries. The gradual solution of such economic problems was the pre-condition of any more specific technical solution and it did not seem possible to establish a long-term programme of industrial development without first endeavouring to define the general trends of future development and without fitting the newly emerging national economies into a pattern of international division of labour.

32. The role of the Economic and Social Council, then,

should be to draw attention to the problems he had mentioned, to study them and where possible to suggest solutions.

33. Document E/3078 referred to certain problems of a general nature. Such items as the "financial and fiscal aspects of industrial development" or the "social and demographic aspects of industrialization" could be the subject of serious economic studies which would facilitate understanding of the complexity of the problem. In the report of the Secretary-General, however, such items were submerged by others of a purely technical nature and could not be given a detailed examination in the Council.

34. He regretted that the most important of the proposals put forward in document E/3079 appeared only as an "additional measure", at the very end of the report: he referred to the setting up of an expert advisory committee. Considering the importance of the question, his delegation thought that it would be better to establish a special commission of the Economic and Social Council, but in the meantime the least that could be done was to set up the committee proposed by the Secretary-General.

35. Mr. TSAO (China) was glad to see the first results of the Secretariat's work on industrialization. The Bulletin on Industrialization and Productivity contained articles of unquestionable value. That was particularly true of the first article, which made a good case for the principle of labour-intensity but which unfortunately did not state whether the advice given by the experts had been adopted by the Governments they advised. He himself doubted whether labour-intensity had been a dominant consideration in the industrial development of most countries. It was common knowledge that railway construction, in which investment played an essential part, had been the first step in the economic development of many countries. More often than not the choice of industries was governed by natural resources, consumption need and even military requirements, as the examples of Manchuria under Japanese occupation and of Canada testified. It might therefore be necessary in future to approach the problem of industrialization from an angle other than that of the combination of factors.

36. With regard to document E/3079, his delegation agreed with the views expressed in paragraphs 12 and 13. General guidance on carrying out the programme could be provided by the Council. The Secretariat could always organize special working parties where necessary, as had been done in the past, a method which was more appropriate than the setting up of an expert advisory committee, as contemplated in paragraph 13. Moreover, the Secretariat might be well advised to find out whether its conclusions and recommendations were being applied by the different countries, for the studies carried out by the United Nations did not fulfil their purpose until they actually played a part in the economic development of the Member States.

37. The Chinese delegation would reserve its position on the proposal for the setting up of a special unit in the Industry Section to deal with the servicing of technical assistance operations until it knew how many experts would be engaged and in what fields, and whether the number of requests for technical assistance in those fields would be large enough to keep the experts fully and continuously employed.

38. Mr. PATEET (International Confederation of Free Trade Unions), addressing the Council at the invitation of the President, recalled that at the twenty-first session of the Council (908th meeting) the ICFTU representative had drawn attention to the paradoxical nature of the task the Council had undertaken in the field of industrialization and had stated that the most responsible decision to be taken would be that determining the purpose of the programme. His organization had seen a danger that projects would be accepted without sufficient consideration of the effect of their application. It was against that background that it had examined the progress report (E/3078).

39. There had certainly been positive progress but the recommendations of the experts often revealed conflicting views. That lack of consistency was partly attributable to the United Nations itself, which selected the experts and briefed them on the general purpose of their mission. However that might be, it could be said that, generally speaking, the experts were not close enough to the people who in the last instance were to benefit by the industrialization projects. For instance, there was no evidence that the experts had ever consulted trade unions. If that attitude were based on the opinion that the trade-union movement in under-developed countries was not yet sufficiently developed to be of any use, ICFTU would feel obliged to protest vigorously.

40. Most of the experts quoted in the Bulletin had taken into account the social consequences of industrialization and productivity in making their recommendations. A few, however, suggested that minimum-wage laws, social security provisions and trade-union activities constituted a barrier to profitable investment. That was a way of looking at the problem that ICFTU could never accept. He cited the example of the Western European countries whose devastated industries had been in approximately the same position after the war as those of the under-developed countries today. Those countries had not tried to promote investments at the expense of the workers; on the contrary, the conditions of the workers had improved rapidly after the war, for apart from the foreign aid received, the Governments had intervened in those sectors where private investors had hesitated to risk their capital. It was inadmissible that, in the transition from a primitive agricultural economy to a money economy, the Asian or African worker should be deprived of the protection of trade unions in order to encourage a certain type of capital accumulation. The free trade-union movement would never allow the people of the under-developed countries to pay as dearly for their industrialization as their ancestors had had to pay in the days of the Industrial Revolution. It was wrong to say that economic development depended more on the utilization of public and private capital than on the purchasing power of the worker; those who held such a view were extremely short-sighted.

41. Another aspect of the problem, which the United Nations should perhaps examine more closely in its future studies, was the effect on the economies of the under-developed countries of the trends and policies of the more advanced countries. The technique used to fight economic recession in the highly industrialized countries inevitably had a bearing on capital formation and investment trends in the less developed countries. The advice of trade-unionists should not be ruled out

as a matter of principle. The trade-union movement could and should help to find the proper solutions. The ICFTU, for its part, would be able to place a number of experienced and responsible experts at the disposal of the United Nations.

42. He hoped to see more space given to trade-union activities in future issues of the Bulletin on Industrialization and Productivity. The Secretariat might find it useful to ask for contributions for publication, not only from Governments, research institutes and industries, but also from qualified representatives of free trade unions.

43. Mr. THORMANN (International Federation of Christian Trade Unions), addressing the Council at the invitation of the President, said that IFCTU had taken note, with interest, of document E/3078 and the first issue of the Bulletin on Industrialization and Productivity, both of which provided useful information on the implementation of projects that were of particular interest to it. Project 5 raised labour problems which should be carefully examined. The IFCTU hoped that the question of the participation of labour in management functions would be studied before long. It was obvious that any such study, as also any inquiry into the improvement of industrial productivity, should be made with the co-operation of the International Labour Organisation (ILO). Trade-union organizations, too, could assist the United Nations in that field, either in the preparation of basic studies or in the selection of experts. The Secretary-General had in fact envisaged such collaboration in 1956 and IFCTU was convinced that it would lead to fruitful results.

44. Another area of work to which IFCTU attached great importance was that of social and demographic aspects of industrialization. The ultimate aim of industrialization should always be social progress and higher standards of living; IFCTU hoped that the studies made in that area would be duly considered by the parties concerned. The Secretary-General's report referred to two studies that the Secretariat had undertaken in connexion with the project on environmental planning (E/3078, para. 29); it was to be hoped that they would soon be published.

45. His organization welcomed the publication of the Bulletin on Industrialization and Productivity but was disappointed that it did not include any articles on the social consequences of industrialization and productivity. He hoped that that omission would be rectified in the next issue. The experience gained by the ILO and UNESCO could be very useful, and IFCTU hoped that trade-union organizations, too, would be invited to collaborate, for they could make a valuable contribution.

46. He was glad to note that the report on organizational and administrative machinery (E/3079) stressed the important role that the regional commissions were playing in that domain. Their participation in the work had been one of the reasons which had prompted IFCTU in the past to advocate a broadening of their terms of reference. Moreover, close collaboration between the regional commissions and the specialized agencies was absolutely necessary if the work programme was to be carried out satisfactorily.

47. At the end of his report the Secretary-General referred to the possibility of setting up an expert advisory committee to review and advise on the work

undertaken in the field of industry. If such a body was to be set up, IFCTU would urge that its members should include people who were thoroughly familiar with the labour aspects of industry, particularly trade-union representatives.

48. He was glad that significant progress was being made in the implementation of the programme and he hoped that the help of all interested parties, including certain non-governmental organizations, would be enlisted.

49. Miss KAHN (World Federation of Trade Unions), addressing the Council at the invitation of the President, pointed out that the problems of the industrialization and economic development of the less developed areas had been the subject of intensive study on the part of WFTU, particularly at the Fourth World Trade Union Congress, held at Leipzig in October 1957. The Congress had given particular attention to the role of trade unions in putting economic development programmes into effect. Mr. S. A. Dange, Vice-President of WFTU and General Secretary of the All-India Trade Union Congress, had pointed out that the working classes in the under-developed countries were ready to give enthusiastic support to the development programmes and to help carry them out provided they were designed to raise the level of living of the people. Those views had been reaffirmed in the resolutions adopted by the 806 Congress delegates and observers, representing 106 million workers in eighty-one countries.

50. It was in the light of the work of the Congress that WFTU had examined the activities undertaken by the United Nations in the field of industrialization. Convinced as it was of the inseparability of the economic and social effects of industrialization, it regretted that the Secretary-General had not been able to report more activity on social and demographic aspects of industrialization. The WFTU welcomed the publication of the first issue of the Bulletin on Industrialization and Productivity. It had, however, certain reservations on the subject. Some of the experts, who—like the countries to which reference was made—were not identified by name, apparently showed no concern for the objectives of the United Nations and the specialized agencies, notably the ILO; some of them even seemed to have an anti-labour bias. For instance, one expert felt that the cost of labour was excessive in Asia and several others felt that trade-union activities, social security etc. forced up wages, which was an incentive to private enterprise to substitute capital for labour. The report presented at the Fourth Asian Regional Conference, held at New Delhi in November 1957, by the Director-General of the International Labour Office, who advocated a minimum-wage policy in Asia, was of interest in that connexion.

51. In general WFTU felt that no programme of industrialization should be carried out at the expense of the slight economic progress achieved so far by workers in the less developed countries and that the work of experts sent on missions should not be allowed to run counter to the principles of the United Nations.

52. She went on to draw attention to the recommendations by experts for multiple shift work. The problem should not be regarded solely as one of greater utilization of capital equipment; it had a number of social implications which should be carefully studied. In June 1958 the forty-second International Labour

Conference was to examine the question of shorter hours of work, which was linked to the question of multiple shifts. All the international trade-union organizations were in favour of shorter working hours and they should be consulted.

53. In the light of those general observations, WFTU would like to see closer consultation of trade-union organizations which had consultative status. Resident representatives of the Technical Assistance Board could establish informal contact with the national branches of those organizations. For its part, WFTU would be glad to participate in such consultations and to co-operate with United Nations regional organizations and the specialized agencies.

54. She hoped that subsequent issues of the Bulletin

on Industrialization and Productivity would show that the United Nations was dealing with the problem of industrialization in a manner more in keeping with its basic objectives.

55. Mr. KAUFMANN (Netherlands) said that he had noticed that in some of the recent speeches, which were otherwise very interesting, the comments dealt less with the programme of work and more with the article in the Bulletin on the experience of technical assistance experts. It was always dangerous to take quotations out of their context and he regretted that some of the observations of the experts on the introduction of minimum wages, for example, had been misinterpreted as an attack on social legislation.

The meeting rose at 5.30 p.m.