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AGENDA ITEMS 40 AND 41

*Activities in the field of industrial development (continued) (A/5775 and Add.1, A/5835, A/6070/Rev.1, A/6092; E/3921 and Add.1-3; E/C.5/62/Add.1; A/C.2/L.794, L.805 and Add.1, L.809):*

(a) *Reports of the Committee for Industrial Development on its fourth and fifth sessions (E/3869, E/4065);*

(b) *Report of the Secretary-General (A/5826, A/6091)*

*The role of the United Nations in training national technical personnel for the accelerated industrialization of the developing countries: report of the Economic and Social Council (continued) (A/6093; E/3901 and Add.1 and 2; A/C.2/L.818 and Add.1 and 2)*

1. Mr. POLLA (Uruguay) said that his delegation was in favour of the establishment of a specialized agency for industrial development, as proposed in the draft resolution of the Latin American countries (A/C.2/L.805 and Add.1). The need to expand United Nations industrialization activities had been stressed by the Economic and Social Council, the Centre for Industrial Development, the United Nations Conference on Trade and Development and, at the previous meeting, by the ILO representative. Disagreement remained, however, on whether that could best be achieved through a new specialized agency. His delegation believed that a new agency, given the necessary

powers and resources, could reduce wasteful duplication by co-ordinating the activities of all the existing organs concerned. It could determine specific requirements for each country by arranging for expert studies on manpower, equipment, the supply of raw materials, markets and competing and complementary industries. Moreover, since such an agency would be in a position to undertake long-term planning, it would be able to advise on future requirements of skilled manpower, in-service training and training courses abroad.

2. His delegation believed that the proposed specialized agency should devote particular attention to industrial productivity. If new industries in the developing countries were to be viable, they needed to have information on new techniques of rationalization as soon as it was available, and multilateral co-operation through the United Nations could play a useful role in promoting such exchanges of information.

3. Mr. EL-SHEIBANI (Libya) paid a tribute to the sponsors of draft resolution A/C.2/L.809 for the useful efforts they were making to solve the problems of the developing countries. His delegation shared the views expressed in the preamble on the expansion of the Centre for Industrial Development. Part, at least, of the operational activities of the Centre should be financed by voluntary contributions, but, if an energetic industrial development programme was to be executed, there would have to be a substantial increase in the funds of the Centre. A new specialized agency would greatly help to meet the needs of the developing countries and he would therefore support the Latin American draft resolution (A/C.2/L.805 and Add.1), provided that certain amendments which had been suggested were considered by the Committee.

4. His delegation supported the view of the Committee for Industrial Development that investment in industrial research was a part of industrial development. His Government had set up an industrial development organization with the aim of raising production standards and encouraging private industrial enterprises which either produced goods at competitive prices or promoted the consumption of Libyan products. The symposia to be arranged by the Centre for Industrial Development would provide a valuable means of disseminating information on productivity and of determining methods by which co-operation between Members of the United Nations in matters of industrial development could be made most fruitful.

5. Mr. GEORGE (France) said that the Secretary-General's report on the training of national technical

personnel (E/3901 and Add.1-2) had provided much useful information and at that time, information was assembled regarding bilateral arrangements which would be of interest to place at the greater disposition of the developing countries. France was already providing technical training for personnel from Africa and Latin America on a bilateral basis. The French delegation had been one of the sponsors of Economic and Social Council resolution 1029 (XXXVII), which recommended that assistance for training purposes should be intensified, and his country had informed the United Nations of its readiness to provide facilities for the proposed training courses of the Centre for Industrial Development; in fact, negotiations were already in progress with the Centre concerning arrangements for several such courses to be confined to candidates nominated by the United Nations. His delegation was in agreement with the co-sponsors of draft resolution A/C.2/L.818 and was prepared to support it.

6. Mr. NOURI (Iraq) observed that there appeared to be general agreement that the primary role of industrial development in the developing countries was to diversify their economic structure and thus contribute towards expanding the entire world economy. Only 2 per cent of all technical assistance provided by the United Nations family of organizations was for industrial development projects and, as had been pointed out in paragraph 8 of the Secretary-General's report (A/6070/Rev.1), there was a large area in the manufacturing industry which involved the need for more flexible means of assistance. Moreover, such programmes as there were had generally been directed solely to encouraging in the developing countries industries which produced substitutes for imports or utilized their raw materials and manpower.

7. Under existing arrangements, the Centre for Industrial Development had neither the funds nor the staff to undertake massive programmes of accelerated industrialization. His delegation was not opposed to any action which would strengthen the Centre pending the establishment of a specialized agency for industrial development; it wished to point out, however, that the early establishment of such an agency had been recommended in Economic and Social Council resolution 1030 B (XXXVII) and in recommendation A.III.1 of the Conference on Trade and Development,<sup>1/</sup> and that the Administrative Committee on Co-ordination (E/4029, sect. IX), UNESCO (A/6091) and the Committee for Industrial Development (A/6092) supported the setting up, as a matter of urgency, of an agency to take over the functions of a number of existing agencies, which would thus be left free to concentrate on their specific responsibilities.

8. His delegation paid a tribute to the generous approach of the sponsors of draft resolution A/C.2/L.809 and would welcome the views of the Centre, as the executing agency for the proposed "special industrial services", on whether its existing operational capacity was adequate to undertake the provision of those services. His delegation believed the arrangements proposed by the sponsors were preferable to

either of the alternatives proposed in paragraphs 15 and 16 of the Secretary-General's report (A/6070/Rev.1).

9. Mr. KAMEL (Turkey) believed that a specialized agency for industrial development would increase the effectiveness of United Nations efforts and avoid their existing fragmentation. The proposed expansion of the Centre for Industrial Development was gratifying and it was to be hoped that the additional resources would enable it to give increased attention to projects related to manufacturing industries, and to export-oriented industries in particular. His delegation therefore accepted the conclusion, in draft resolution A/C.2/L.809, that there was scope for additional operational activities by the Centre, but shared the reservations expressed by other delegations about the preamble.

10. It was clear from the Secretary-General's report concerning the training of national technical personnel (E/3901 and Add.1-2) that the provision of domestic and foreign capital alone could not solve the developing countries' shortage of skilled technical personnel. Greater efforts were needed at the national and international levels, since existing facilities in developing countries were in many cases inadequate to provide the combined theoretical and practical training required. There was also scope for regional co-operation in the working out of arrangements for technical training and in the establishment of training institutions with the help of the regional economic commissions. His delegation supported draft resolution A/C.2/L.818.

11. Mr. NEAL (Liberia) said that one of the most important results of industrialization in the developing countries was that it helped to stabilize their export earnings and thus provide them with a reliable source of finance for their development programmes. All delegations appeared to accept that there was a need for the United Nations to intensify its industrial development activities; they disagreed only on the methods. The proposals in draft resolution A/C.2/L.805 were extremely useful, although the text had its defects. Some of the operative paragraphs of draft resolution A/C.2/L.809 contained very constructive suggestions and it might be worth while to consider incorporating them in the other draft. Moreover, his delegation appealed to the sponsors of both draft resolutions to consider fully the realistic proposal made in paragraph 15 of the Secretary-General's report (A/6070/Rev.1); the proposed system of special allocations would obviate the need to rely exclusively on voluntary contributions and thereby provide a reliable source of finance for industrial development activities.

12. Mr. MAKEEV (Union of Soviet Socialist Republics) said that his delegation associated itself with the remarks already made on the importance of training national technical personnel for the accelerated industrialization of the developing countries. It would be glad to vote for draft resolution A/C.2/L.818.

13. Turning to draft resolution A/C.2/L.805, he recalled that, in December 1963, the Technical Assistance Committee had decided to make available for industrial development additional funds from part V of the regular budget, a decision that had been wel-

<sup>1/</sup> See *Proceedings of the United Nations Conference on Trade and Development*, volume I: *Final Act and Report* (United Nations publication, Sales No.: 64.II.B.11), p. 34-35.

comed by the Economic and Social Council in resolution 1030 A (XXXVII), paragraph 7. Unfortunately, that decision had not been properly implemented and the resources available for industrial development, including those contributed by the USSR, had not been used adequately for that purpose. His delegation therefore intended to submit an amendment to operative paragraph 5 (a) of draft resolution A/C.2/L.805, stressing the functions listed in recommendation A.III.1 of the United Nations Conference on Trade and Development and referring to operative paragraph 7 of the Council's resolution.

14. His delegation also had certain difficulties with draft resolution A/C.2/L.809. In the seventh paragraph of the preamble it was noted with concern that requests from developing countries for assistance in industrial development continued at a low level. The Committee should examine thoroughly the reasons for that disquieting state of affairs and consider the shortcomings in the technical assistance programmes which had led to it. He therefore proposed that a new operative paragraph 6 should be inserted inviting the Secretary-General to submit a report on the reasons which prevented the developing countries from requesting assistance for industrial development.

15. The regional symposia should be financed not only from the United Nations regular budget but also from the funds available under the United Nations Development Programme because they could be considered interregional projects. His delegation intended to submit an amendment to make that point clear.

16. Mr. BLUSZTAJN (Poland) pointed out, with reference to operative paragraph 5 (a) of draft resolution A/C.2/L.805, that the Fifth Committee had already considered, at the present session, the chapter of the United Nations budget which allocated resources to the Centre for Industrial Development. He would be grateful if the Commissioner for Industrial Development could inform the Committee exactly what the Centre's budgetary position would be in 1966 and what effect the decision taken by the Fifth Committee would have on the implementation of operative paragraph 5 (a).

17. The CHAIRMAN said that the Commissioner would deal with the budgetary implications of operative paragraph 5 (a) at a later meeting. He suggested that the Committee should meanwhile postpone further debate so as to allow informal consultations on the draft resolutions to proceed.

*It was so agreed.*

#### AGENDA ITEM 12

Reports of the Economic and Social Council (continued) (A/5803, chap. I-VI, VII (sect. I, II, III, except para. 346, IV and V), VIII (sect. III and IV) and X (sect. II and VIII); A/6003, chap. I-XI, XII (sect. II) and XIV (sect. II, IV, VI and VII); A/C.2/L.820)

CONSIDERATION OF THE DRAFT RESOLUTION ENTITLED: "DEVELOPMENT AND UTILIZATION OF HUMAN RESOURCES" (A/C.2/L.820)

18. Mr. MURGESCU (Romania) introduced the draft resolution on the development and utilization of human resources (A/C.2/L.820). The discussions held in the

Economic and Social Council on the results achieved so far during the United Nations Development Decade had emphasized more than ever the importance of training in the development process. There were many factors involved in development and among them the importance of material investment should not be under-emphasized. But the proper priority must be given to the human factor. It was extremely difficult to distinguish quantitatively between human investment and capital investment and much was still to be learned on that subject. However, modern economists had demonstrated clearly the importance for the national economy of investment in human resources. The question was particularly important for Romania since that country considered the rational utilization of human resources to be the key to its economic and social development. International co-operation to help the developing countries make full use of their vast reserves of manpower was essential. Calculations had shown that, in many regions of the world, only about 10 per cent of the potential of existing human resources was used for development.

19. It was gratifying that within the United Nations family more attention was being given to the matter. He singled out the work being done by UNESCO, the ILO, the Expanded Programme of Technical Assistance, the Special Fund, the regional economic commissions, WHO, and FAO. Nevertheless, fragmentation and duplication should be avoided. It was for that reason that the Council had adopted resolution 1090 A (XXXIX) requesting a report on measures calculated to intensify concerted action by the United Nations and the specialized agencies in that particular field. The sponsors of the draft resolution endorsed that resolution in operative paragraph 1.

20. Another important decision on the same subject taken by the Council was embodied in resolution 1089 (XXXIX). The Council had requested the Secretary-General and the executive heads of the specialized agencies to review their work programmes and to explore the possibility of formulating future programmes of action over the next five years so as to make their maximum contribution to the goals of the United Nations Development Decade. Operative paragraph 2 of the draft resolution endorsed that request and stressed that, in the comprehensive review to be made by the Secretary-General, proper attention should be paid to the development of human resources.

21. Operative paragraph 3 made provision for a thorough discussion of the Secretary-General's report with the full participation of the specialized agencies. The sponsors hoped that such a discussion would pave the way for a global attack on the problem and also help the Council to fulfil its rôle of co-ordination as laid down in Article 63 of the United Nations Charter.

22. Mr. INGRAM (Australia) said that the developing countries, though often poor in natural resources, were second to none in human resources. However, their peoples must be trained in all fields relevant to the operation and growth of modern and dynamic societies if their development goals were to be attained. The part played by the United Nations family in the training of national personnel would ultimately be one of mankind's greatest accomplish-

ments. While nations clung to narrow conceptions of self-interest, a human, as distinct from a national, consciousness was slowly emerging.

23. Such truisms must sometimes be brought to the fore. The present assistance being given by the United Nations family for the development of human resources was insufficient. Moreover, because it was so small in relation to needs, it must be used in the most effective manner possible. That was the essential purpose of the draft resolution. In effect, the Secretary-General was being asked to make appropriate arrangements to ensure that the report he was to prepare would receive the very earnest consideration of the Council. He hoped that the Council would be able to devote several days to the matter and that the specialized agencies and other bodies concerned would have present at the Council's forty-third session their most experienced staff in that field. Fruitful exchanges should then be possible not only in the Council but also in private discussions.

24. Mr. HOVEYDA (Iran) said that the present-day revolution was caused not only by a crisis of property, as in the past, but also by a crisis of knowledge, because that too was not equally shared. Human capital was perhaps the most valuable of the developing countries' resources. That had been brought out at the World Congress of Ministers of Education on the Eradication of Illiteracy, held at Teheran in September 1965, where a new concept of functional training together with training at all levels had been endorsed. The training programmes of the various United Nations organs had now become so extensive that they must be co-ordinated by the Council. As the draft resolution suggested, training measures could be intensified without a parallel expansion of financial resources if suitable action could be taken on the Secretary-General's report.

25. Mr. DJOUDI (Algeria) said that the main concern of the majority of the developing countries was the shortage of cadres and technicians. As long as that was so, the funds at their disposal must remain of limited importance for their economic development, which depended largely on their capacity to absorb such funds. Accordingly, his Government had devoted particular effort to the eradication of illiteracy and to vocational training, which was the responsibility of a new department.

26. The need was acknowledged by all the developing countries, particularly in Africa. At its seventh session, in its resolutions 125 (VII) and 128 (VII), the Economic Commission for Africa had recognized the urgency of the matter and had established a Working Party on Manpower and Training. The resolutions adopted at that session not only indicated those sectors where such training was of particular importance but also laid stress on the planning of future requirements.

27. The draft resolution before the Committee was aimed at the co-ordination and intensification of efforts through a comprehensive evaluation of the experience gained by the United Nations as a whole. Its co-sponsors were varied both geographically and politically and he hoped that it would be adopted unanimously.

28. Mr. SEKULIC (Yugoslavia) said that his delegation had decided to become a co-sponsor of the draft resolution because it believed that the development and utilization of human resources was an increasingly acute need of all nations, especially the developing countries. The present varied activities of the United Nations in that field deserved constant support to ensure their future development, and Council resolution 1090 A (XXXIX) was a step in that direction. With regard to the report which the Council requested from the Secretary-General and referred to in paragraph 1 of the draft resolution, he emphasized that the operative words were "concerted action". The draft resolution also introduced certain new elements, for example, in operative paragraph 2. That paragraph was particularly useful since Council resolution 1089 (XXXIX) provided that the institutions concerned should explore the possibility of formulating future programmes of action and, if possible, make projections over the next five years with a view to intensifying their contribution to the goals of the United Nations Development Decade. As a result of the action initiated by the draft resolution on the role of the United Nations in training national personnel (A/C.2/L.818 and Add.1 and 2), the Council at its forty-third session would thus have at its disposal the necessary material for a comprehensive analysis of the existing situation and be in a position to take measures to improve the efficiency of the United Nations in the development of human resources.

29. Mr. NEDIVI (Israel) supported the Romanian representative's emphasis on the need for a global approach to the problem. In the second preambular paragraph, the word "achievements" might be more appropriate than "conquests"; he was not sure that all countries needed access to all such conquests. He also wondered where the discussion of the Secretary-General's report, mentioned in operative paragraph 3 (a), would take place.

30. Mr. MURGESCU (Romania) pointed out that it was clear from operative paragraph 3 (b) that the problem would be discussed by the Economic and Social Council at the forty-third session.

31. The CHAIRMAN said that, if there were no objections, he would consider the draft resolution (A/C.2/L.820) adopted.

*It was so decided.*

The meeting rose at 5.20 p.m.