

qualified personnel was available no programme of economic assistance could be carried out successfully.

91. The success of the programme depended on the degree of co-ordination between the United Nations, the specialized agencies and the Governments concerned. His delegation fully appreciated the importance of co-ordination with the regional bodies, and therefore supported the recommendation contained in resolution 222 B (IX).

92. It also supported resolution 222 C (IX) providing for the establishment on a permanent basis of a regular programme of technical assistance.

93. He congratulated the Secretariat on its steady and constructive efforts, expressed the hope that the General Assembly would approve the programme proposed by the Economic and Social Council and stated that Venezuela would do everything in its power to assist in putting that programme into effect.

94. The CHAIRMAN said that the only new draft resolution as yet submitted was that moved by the Chilean representative (A/C.2/L.2); any other representatives that wished to propose draft resolutions were requested to transmit them to the Secretariat at once.

The meeting rose at 6 p.m.

NINETY-THIRD MEETING

Held at Lake Success, New York, on Friday, 7 October 1949, at 3 p.m.

Chairman: Mr. H. SANTA CRUZ (Chile).

Economic development of under-developed countries (A/972) (continued)

1. Mr. ASKVIG (Norway) said it would be desirable if representatives confined themselves in their remarks to stating what measures they considered suitable to make technical assistance effective. The Committee would thus be able to speed up its work, which had been delayed by the too frequent repetition of the same arguments by different delegations; the impression was that the speeches of some delegations were not such as to advance the discussion but rather were prepared for publication in the Press of their respective countries.

2. His delegation fully approved of the Economic and Social Council's programme of technical assistance for under-developed countries set forth in resolutions 222 (IX). Its effect on the maintenance of peace could not be over-emphasized.

3. President Truman's programme of assistance deserved the praise of all those who were truly interested in the progress of the under-developed countries; it was therefore discouraging to hear certain representatives attack that programme with charges that it had been conceived only to enslave the peoples. The documents which had been placed before the Committee entirely disproved those charges.

4. His country was still suffering from the effects of five years of occupation. With the help of Marshall Plan aid it hoped to overcome its difficulties in the near future, but would be unable, for the moment, to contribute as much as it would have liked towards the development of the under-developed countries. As his country was in need of all its technical workers for the purposes of reconstruction, he regretted having to announce that in the beginning, its contribution by way of technical assistance would, of necessity, be slight.

5. As soon as his country was in a position to make a larger contribution, it would not fail to do so.

6. Mr. TEJERA (Uruguay) said that one should not be either over-pessimistic or over-optimistic

about the programme of technical assistance submitted to the Committee. Every representative conscious of his responsibility should make a sincere contribution towards that work, but it would be dangerous to promise more than one could provide. In supporting the technical assistance plan, each representative should consider the interests of his own country, what it could offer and what it could receive in return.

7. His country's political and social structure was characterized by the predominance of a large middle class which best guaranteed Uruguay's constitutional democratic system. Any action liable to weaken that class would be harmful to his country.

8. Mr. Tejera said his country's economy was mainly agricultural. It produced wool, meat, leather, and owned industries for treating derived products. Economic activity was under effective State supervision which extended to imports and exports and the principal public utility services such as liquid fuel refineries, electric power, telephones, railways, civil aviation and tramways.

9. His country had given special attention to education, since in the absence of great natural wealth, the country's development would be best guaranteed by raising the people's cultural standard. Elementary, secondary, higher and technical education was highly developed in Uruguay. His country had a university with faculties in the principle branches of science, and sent fellowship holders abroad to acquire, at the source, professional knowledge useful to the nation. His country's efforts in education showed what could be achieved by the will of the people.

10. In economic matters Uruguay had tried mainly to protect the producer. Every effort had been made to improve relations between town and country; a rural worker's statute had been drawn up which, with financial support from the State, gave the rural worker a large measure of security. Steps had been taken also to subdivide large rural holdings so that they might more easily be farmed. Special services had been established by the Ministry of Agriculture to improve cattle breeding, destroy grasshoppers, etc.

11. During the past three decades Uruguay had also made an effort to industrialize the country.

Factories had been erected in various parts of the country, especially at Montevideo and along the western coast line; in particular, a textile industry had been created which produced woollen goods; cold storage installations had been built as well as hydroelectric plants which supplied the necessary power for the factories and for irrigation. There were technicians of recognized capability in all those sectors of industry. Uruguay had no insoluble frontier problems; it maintained friendly relations with its neighbours. Within the country there were no racial or religious problems, two great questions which in the course of the history of mankind, had split and weakened societies.

12. The difficulties encountered by his country could be overcome by modern methods. The 1942 drought had harmed agriculture; an epidemic of foot-and-mouth disease had shown the need for a campaign against that scourge. Moreover, although Uruguay was naturally well irrigated, a better water distribution would improve farming conditions and, in the absence of petrol or coal, a programme for the use of hydroelectric power had been adopted. A dam had been constructed on the Rio Negro, and credits had been voted for the development of another part of that river's basin; furthermore, a project was under consideration for the utilization of frontier water courses, in agreement with Argentina. Like the United States, his country was faced with the problem of erosion.

13. Such was the situation in his country; it was with that situation in mind that it was contemplating the best means of benefiting from, and contributing to, the technical assistance programme. A spirit of collaboration was obviously the first prerequisite to its success. Fortunately that spirit was firmly rooted in the American continent.

14. In that connexion he mentioned a statement made by the Uruguayan Ambassador to the United States who, in dealing with the question of economic relations, had stressed, *inter alia*, the need to respect the dignity of the human person and the different social structures. He had said in that connexion that the American countries gave proof of a solidarity favourable to the exchange of information on economic matters and social relations; the American States were interdependent, and, in spite of their apparent differences, had a common stock of ideas and sentiments; it was, therefore impossible to confine within national boundaries the many problems arising from economic origins.

15. The Ambassador of Uruguay had stressed also that the principal problem which the American countries had to face was that of production in countries which had not attained the same degree of development, and which were trying to raise the entire population's standard of living. The economic expansion of Latin America was necessary for the sake of the entire world, but it could not be achieved without technical and financial assistance; moreover in addition to the industrial equipment and loans of which they were in need, the Latin American countries should be able to rely on mutual collaboration.

16. It was in that spirit that his delegation was submitting a draft resolution (A/C.2/L.3) for the Second Committee's consideration.

17. Economic development should be accompanied by an evolution in economic systems, so as to avoid dislocating some of them, which would result in want amidst plenty in the countries concerned. Economic pressure on the part of the highly developed countries involved the risk of stifling the activities of the small and less developed countries, which would try to protect themselves by raising customs barriers; this in turn would lead to an isolation detrimental to the prosperity of those countries.

18. Wealth should be more evenly distributed, and a general attempt should be made to organize economic life in a better way. The highly developed countries could not escape their share in that common task without prejudicing their own stability. The nations which wished to help the world out of its difficulties should make an effort to solve the question.

19. The introduction of an efficacious programme of economic development would raise the prestige of the United Nations throughout the entire world.

20. Mr. VILFAN (Yugoslavia) wished to point out, first, that world public opinion recognized that economic assistance to under-developed countries must be one of the main tasks of international co-operation. No one would dare openly to oppose the principle of such assistance. Moreover, the conviction prevailed that, with the aid of modern technical methods, mankind could eliminate the inequality between living conditions in developed countries, and those in under-developed countries, an inequality which was now regarded as an intolerable injustice. It was being recognized increasingly that the concept of the solidarity of nations imposed upon each one of them the obligation to collaborate, to the utmost of its ability, in the work of raising the standards of living of the under-developed countries. That meant that, if an international programme was drawn up, the countries economically most advanced would have the greatest obligations. That was how the Yugoslav delegation interpreted General Assembly resolution 200 (III). Furthermore, that principle had been applied by the United Nations in its programme of technical assistance, since the latter was financed out of its regular budget. The scope of that programme was small, but the principle was a just one, and it would have to be extended to cover the whole system of technical assistance. There was no doubt that the conditions of the under-developed countries were due to fundamental contradictions in the economic and social relations of the modern world. Such contradictions could be abolished only by the action of the social forces of history. The United Nations must, none the less, urge that a programme of assistance, however modest, should be carried out, in the hope that economic assistance would soon become an international legal obligation.

21. The system of international assistance must be based on the requirements of the under-developed countries, and not on the requirements of the world market, which expressed only the needs of the economically advanced countries. The action planned must therefore promote the utilization of raw materials for the benefit of the countries in which they were found; it should assist those countries to create national industries, while fully respecting their sovereignty.

22. At the same time, it must not be forgotten that, if there were under-developed countries, their condition was not due to economic isolation. On the contrary, the differences which had arisen were the result of the economic interdependence of the various regions, an interdependence which was becoming increasingly closer. Consequently all the factors affecting international economic co-operation which had had a harmful effect on the economy of the under-developed countries must be removed from the programme.

23. An increase in the volume of trade alone was not a factor in economic assistance, for if the demands of the world market in a capitalistic world were considered, it would be seen that the expansion of international trade was governed by laws which endangered the interests of the under-developed countries. There was a great difference in the productivity of labour between advanced countries and the under-developed countries; by creating monopolies and taking advantage of their supremacy in the world market, the economically advanced countries tended to prevent the other countries from having a well-balanced economy. A study made by the United Nations Secretariat on post-war prices, entitled *Post-War Price Relations in Trade between Under-developed and Industrialized Countries*, showed that under-developed countries must sell 30 per cent more raw materials than they did in 1913 to purchase the same industrial products. The result was that, as matters stood, world trade tended to accentuate the evils from which the under-developed countries suffered.

24. Experience had shown that trade based on world prices retained its exploitive character even when two socialist States were concerned. When trade relations were based on world prices determined by the conditions of free competition prevailing in capitalist régimes, in other words, when the prices were dictated by the big monopolies of the developed countries, it was useless to speak of equality between two socialist countries in which the productivity of labour was very different. Mr. Vilfan instanced the trade relations between Yugoslavia and the Soviet Union. Yugoslavia was one of the countries in which the productivity of labour was very low, while, according to the Soviet author, Lyapin, the productivity of labour in the USSR had since 1936 surpassed that of the United Kingdom and Germany. When trade was based on world prices fixed in the capitalist world, the most developed socialist countries continued to favour trade which forced the other countries to export mainly special products, and thus to throw their production out of gear. Thus the only difference was that a socialist State took the place of capitalist monopolies.

25. The Yugoslav delegation was therefore convinced that an expansion of international trade would not be sufficient for the development of the under-developed countries. Moreover, investments of foreign private capital would have certain harmful effects. Yugoslavia had become convinced of that at the time of the nationalization of its private enterprises; it had found proof of that disastrous influence in the files of the enterprises concerned.

26. Thus, foreign capital, representing before the war half the capital invested in industry, had employed two-fifths of the manpower of Yugo-

slavia and used more than half of the available power. In the mining industry, the share of foreign capital had been 65 per cent. Under such conditions, it had made scandalously high profits. The Swedish Match Company, which, because it had been exempt from taxation, had rendered accurate accounts, had, in 1940 alone, made a profit of 25,500,000 dinars, though its total invested capital had been only 13 million dinars. The shares of the Trepca Mining Company, the nominal value of which had been five shillings, had been quoted at forty shillings on the stock exchange after the first four years of the company's existence; what was more, that company had distributed three shares as a dividend on each share; the result had been that one share of five shillings had been worth one hundred and sixty shillings, and, after four years of operation, the amount of capital invested had been thirty-two times greater than the original sum.

27. In numerous cases, foreign capital prevented the development of the productive strength of the country. Thus, an international agreement had prevented Yugoslav oil areas from being exploited. The greatest part of the raw materials had been exported: 96 per cent of the lead, 93 per cent of the zinc, 75 per cent of the leather, etc.

28. Seventy-six per cent of the sugar production had also been controlled by foreign interests. In 1938 that production had yielded a profit of 122 million dinars; yet, Yugoslavia had ranked as last but one among the countries of Europe as far as the consumption of sugar had been concerned.

29. Yugoslavia had been the fourth largest producer of bauxite in the world, but the mining had been controlled almost entirely by an international trust, with the result that all the bauxite had been exported to Germany and, although German production had amounted to only a quarter of the Yugoslav production, Germany had become the greatest producer of aluminium.

30. The result of such a state of affairs had been that workers' wages had not even reached the essential minimum figure. They had fluctuated between 30 and 42 per cent of that minimum. In Yugoslavia, the average life-span of a man had been thirty-eight years, which probably meant that the country had ranked among the lowest from the point of view of longevity.

31. For those reasons, the Yugoslav delegation considered that assistance to under-developed countries should not be financed by private capital. Moreover, it reserved its position in regard to foreign investments in general. The experience it had had since the war showed that the investment of capital belonging to a foreign State might result in exploitation, even when the country concerned had a Socialist economy.

32. Thus, in 1946, the Yugoslav Government and the Government of the Soviet Union had signed agreements by which two companies had been formed, a shipping company and an air transport company. A much larger number of such companies had been formed in other people's democracies. But Yugoslavia had realized that the activities of such companies would be prejudicial to Yugoslav economy and had not wished to increase their number, in spite of the insistence of the USSR Government.

33. Half the shares of those two companies had belonged to the Yugoslav Government and the other half to the Government of the Soviet Union. The active management had been in the hands of a director appointed by the USSR Government, while the assistant-director had been a Yugoslav. The Government of the Soviet Union had not invested the capital which it had undertaken to invest. Thus, in 1948, it had invested in one of the companies only 9.83 per cent of its share, while the Yugoslav Government had invested 76.25 per cent of its share; nevertheless, the director appointed by the USSR Government had directed the activities of the company in a manner which had served primarily the interests of the economy of the Soviet Union. Only 40 per cent of the transaction had been made for the benefit of Yugoslavia, and 60 per cent for the benefit of other countries. Yugoslavia had paid 0.4 dinar per ton-kilometre of transportation expenses, the USSR 0.19 dinar, and the other countries 0.28 dinar.

34. Under those conditions, Yugoslavia had preferred to wind up those two companies, which it had had to do by assuming responsibility for all the deficits and by allowing the USSR to withdraw its capital, at any rate to the extent to which it had invested it.

35. As a result of those experiences, Yugoslavia had reached the conclusion that foreign aid must be rendered especially, if not exclusively, through international loans. It was convinced that the United Nations should be in charge of financing economic development, all the more because the United Nations was not called upon to encourage the direct investment of private capital. The Yugoslav delegation thought, moreover, that each country should rely primarily on itself for its economic development. In fact, international financial aid should be granted to a country only after it had supplied evidence of its own efforts.

36. Yugoslavia's attitude was based on its own experience. After the war, it had done its utmost to rehabilitate its devastated areas, assisted in part by the United Nations Relief and Rehabilitation Administration (UNRRA), and in 1947 it had drawn up a plan of systematic development. Taking the year 1947 as a basis (index 100), the index of national income had risen to 143 in 1948 and should reach the figure of 182.7 in 1949. Whereas in 1937 industry, including mining, had made up only 16.1 per cent and agriculture 50.3 per cent of the national income, the corresponding figures in 1949 would be 37.8 per cent for industry and mining and 34.9 per cent for agriculture.

37. In 1937, Yugoslavia's exports had amounted to 114,825,000 dollars. In 1948 they had reached 302,250,000 dollars. Imports had risen from 120,800,000 dollars to 315,655,000 dollars.

38. Those figures perhaps gave a clearer idea of how low Yugoslavia's production had been before its systematic development, than of the greatness of its achievements. They nevertheless indicated what a small country could do to ensure rapid development of its economy and what might be accomplished if disinterested international assistance were available.

39. The Yugoslav delegation's views with respect to Economic and Social Council's resolutions 222 (IX) coincided in the main with the

conclusions of the Sub-Commission on Economic Development. The Yugoslav delegation approved of the proposed method of administering the expanded programme of technical assistance. That solution, without being unconstitutional, certainly meant a basic change in the relationship of the United Nations to the specialized agencies.

40. It was significant that the question of financing had not been discussed. The Secretariat had been instructed to prepare a study on the subject. The Yugoslav delegation had some objections to that; in view of the fact that the Council had emphasized that an important role should be played by private and direct investments. That was, at all events, the Yugoslav delegation's interpretation of the resolution 222 D (IX) submitted by the Council, although the summary records of the Council's discussions suggested a different one. It might, of course, be desirable to study that type of financing, but the Yugoslav delegation hoped, first and foremost, that if the study did not result in the total disappearance of private investment, it would at least lead to its being placed under international control. That was where international clearing would be useful.

41. It was unthinkable that, in considering the problem of financing, no mention should have been made of the specialized agencies; that fact added to the importance of the proposal submitted by the Indian delegation¹ at the Economic and Social Council's ninth session. The Yugoslav delegation hoped that the proposal would be discussed during the current session of the General Assembly.

42. The purpose of the programmes of technical assistance should be made clear. Were they intended to encourage direct private investment or were they a first step towards an international financing plan? The Yugoslav delegation was aware of the risks involved in the use of private capital. It realized that there would be attempts to make the action of the United Nations serve selfish ends. Nevertheless, as at least a part of the programme of technical assistance would be implemented by the United Nations or with its participation, the Yugoslav delegation felt that some progress had been made. It based its stand, therefore, on the principles of the Charter and in no way shared the purely imperialistic policy of certain States, whatever some representatives might have asserted.

43. Certain representatives had sought to prove that technical assistance based on bilateral agreements always served imperialistic aims; but they had not stated how they themselves intended to collaborate with the United Nations in frustrating such harmful plans.

44. Did the letter from the Central Committee of the Communist Party of the Soviet Union to of the Central Committee of the Yugoslav Communist Party represent their attitude? That letter had stated that the Yugoslav Communist Party, by maintaining its stand, deprived itself of the right to ask the Soviet Union for material assistance, as the Soviet Union could assist only friendly States. Did that mean that the USSR would lend assistance only on the basis of

¹ See document E/AC.6/44.

bilateral agreements and that it would allow itself to be guided by political considerations?

45. As the proposed programmes should represent a first step towards a more general system of international assistance, a strict interpretation of the guiding principles stated by the Council should be insisted upon, in order to hasten the day when technical assistance fell wholly within the province of the United Nations and to improve the methods of international financing.

46. Mr. CHANG (China) noted that the members of the Committee appeared to agree on the need to examine carefully and to implement without delay the expanded programme of technical assistance. The Economic and Social Council had been studying the question of under-developed countries for three years. The question had also been considered by the General Assembly; the Chinese delegation had emphasized its importance on numerous occasions. The new programme presented in the resolutions 222 (IX) of the Economic and Social Council should, it seemed, meet with the sincere approval of the Committee.

47. Stress had also been laid on the importance of central investments and financing for economic development, questions which the Economic and Social Council would study at its following session. While admitting that capital and machinery were indispensable, Mr. Chang warned against neglecting the human beings who were both the sponsors and the beneficiaries of the proposed measures. As the draft under consideration implied, the need to amass scientific and technical knowledge was the most important aspect of the question during the first phase of economic developments; that need raised the problem of educating the populations and training experts and technicians to be sent on missions. With respect to the latter point, he drew the particular attention of the Committee to resolution 222 A (IX), annex 1, paragraph 2, referring to standards of work and personnel, which stated that "experts should be chosen not only for their technical competence but also for their sympathetic understanding of the cultural backgrounds and specific needs of the countries to be assisted, and for their capacity to adapt methods of work to local conditions, social and material". Moreover, paragraph 3 insisted that those experts should receive appropriate preparation, design "... to give understanding of the broad objectives of the common effort and to encourage open-mindedness and adaptability". Finally, paragraph 5 stated that "even though allocations are committed, projects should not be commenced unless qualified experts and assistants had been secured and trained".

48. With respect to the question of the education needed to facilitate the progress of the populations of under-developed areas, he referred to resolution 222 A (IX), annex 1, paragraph 1, which stated that the primary objective of the participating organizations should be to help the under-developed countries "to strengthen their national economies through the development of their industries and agriculture, with a view to promoting their economic and political independence in the spirit of the Charter of the United Nations, and to ensure the attainment of higher levels of economic and social welfare for their entire populations".

49. In order to attain economic and political independence, the under-developed countries must have at their disposal local personnel trained in modern science and techniques; consequently instruction was a primary aspect of the question of technical assistance.

50. He did not think that the lack of technical knowledge was due to inability to assimilate such knowledge; nor did he think that the development of science was, as some claimed, a continuous phenomenon. In that connexion, there was also no ground for the theory that countries currently regarded as under-developed must in the course of their evolution follow the road taken by the so-called developed countries; that theory might discourage any constructive effort at readjustment.

51. During the industrialization of the under-developed countries, local needs and historical background should never be lost sight of. Great difficulties might arise if excessive stress were laid on assimilating the latest technical achievements; it was obvious, however, that it was only by applying modern science and technique that the populations of those areas could hope to improve their standards of living, raise their levels of culture and rid themselves of their feeling of inferiority.

52. Conventional professional education was no longer adequate to ensure suitable training for industrialization. Every stage of education, from the nursery school to the university, needed overhauling. As often as not, the *elite* of under-developed countries produced an over-literary bureaucracy unable to adapt itself to the reality of circumstances and events. The distinction between intellectual and manual labour was at the very roots of the educational problem. Some had maintained that the problem was one for the United Nations Educational, Scientific and Cultural Organization (UNESCO) exclusively, but it must obviously be a major factor in any policy of assistance connected with agriculture, industry or public health.

53. In connexion with the training of experts and technicians to be sent to under-developed areas, Mr. Chang quoted resolution 222 A (IX), annex 1, paragraph 6, from the part dealing with co-ordination of effort, where it was stated "that programmes of training should be the subject of co-operative action among participating organizations". This was a very important question and he suggested that it might be valuable to include general studies of the following questions in the training programme for such experts:

(a) The international implications of the existence of under-industrialized areas;

(b) The characteristics common to under-industrialized areas;

(c) Cultural relations before the industrial revolution;

(d) Conditions conducive to industrialization;

(e) The process of industrialization;

(f) Cultural changes and the reorientation of education;

(g) Constructive methods of dealing with the question of education;

(h) New educational methods;

(i) The progress of industrialization and international trade;

(j) Standards of living and philosophy of life.

54. Mr. Chang said that 2,500 years before, China had concerned itself with improving the economic and social conditions of its population, in evidence of which he read a few passages from a very ancient work. He urged all Members of the United Nations to make a sincere effort to co-operate in raising the condition of mankind and he hoped that the suggested plan would give lasting results.

55. Mr. PLIMSOLL (Australia) reminded the meeting that many aspects of economic development had already been studied at length, particularly by the Economic and Social Council. That body had, however, very wisely decided to deal with one particular aspect of the question, namely technical assistance, and to work out a complete draft programme for submission to the General Assembly. The Economic and Social Council had thereby shown the advantage of dealing with only one problem at a time.

56. The contribution of the specialized agencies in presenting the basic proposals, had been most useful to the Council. Nevertheless, it was no injustice to the agencies to say that they had prepared a collection of plans, and that the Council had presented machinery and principles whereby those plans could be given a common purpose and could be co-ordinated.

57. During the discussions which had accompanied the drawing up of the programme, conflicting points of view had emerged. The delegation of Australia had stressed the advantages of the greatest possible centralization of the directive powers granted to the Technical Assistance Committee (TAC). Nevertheless, the draft resolutions put forward by the Economic and Social Council were, on the whole, a true reflection of the points of view of representatives and constituted a happy compromise.

58. The Organization was dealing for the first time with a specific plan of action. No doubt the carrying out of the programme would reveal weaknesses and errors, but its success would largely depend on the way in which it was applied. He himself had no doubt that the programme would give satisfactory results if it were soundly applied in co-operation with the specialized agencies. The Economic and Social Council could still effect certain improvements in its methods of work. In the case of technical assistance, it had had only three weeks in which to accomplish its task, so that some problems had been studied only cursorily. That was particularly true of the programmes and of long-term plans and of the individual percentages fixed as the shares of specialized agencies.

59. Since the projected programme concerned economic development, the Council had rightly attached particular importance to the increase of productivity as a determining factor. It had also quite rightly taken geographical distribution into consideration, so that no special region should enjoy a monopoly of aid, but this criterion was subordinate to productivity.

60. With regard to the fixing of shares for the participating organizations, Mr. Plimsoll was in favour of the considerable amount allocated to the Food and Agriculture Organization of the United Nations (FAO), but he would have liked to see a greater share allotted to the International

Labour Organisation (ILO). Considerable sums had already been allocated to the United Nations itself, since it was responsible for the investigation work and the preparation of plans for the scheme as a whole. It was also responsible for many questions which were outside the province of the specialized agencies, in particular industrial development.

61. So far as contributions and assistance were concerned, the representative of Australia hoped that as far as possible the scheme would be universal. He thought that where projects should include non-members of the specialized agency in order to be effective, assistance should not be withheld from the latter; it was for the agencies, however, to examine that aspect of the problem. Mr. Plimsoll also pointed out that countries which benefited by technical assistance in some fields might themselves give technical assistance in others.

62. He would draw the attention of the Committee to the importance of the terms of resolution 222 A (IX), paragraph 9, sub-paragraph (a) which said that contributions should be made without limitation as to use by a specific agency, for a specific country, or for a specific project. It was essential that the United Nations and the specialized agencies should work together; if their policies conflicted, the usefulness of the programme must necessarily suffer. It might also be advisable for the specialized agencies to give their Directors-General power to modify the programmes given them by their governing bodies and assemblies, in order to adapt them to the common plans set by TAC and by the Economic and Social Council.

63. Mr. Plimsoll hoped that the International Bank for Reconstruction and Development (Bank) and the International Monetary Fund (IMF) would work in conjunction with the Technical Assistance Board (TAB), be present at its meetings and give its members the benefit of their experience. He also hoped that the TAC would prove itself an effective and vigorous body.

64. His delegation would support resolution 222 A (IX) and annex 1 of that resolution.

65. Mr. COLMAN (Liberia) expressed his appreciation of the work accomplished by the Economic and Social Council and the various bodies functioning under its aegis. He thought that the Secretary-General and the members of the Secretariat who had participated in the preparation of the document on the economic development of under-developed countries should also be congratulated.

66. The resolutions 222 (IX) embodied in that document were of particular importance for the maintenance of international peace. They were a praiseworthy effort towards the strict application of Articles 1 and 2 of the Charter. Such an effort should not be regarded with suspicion; on the contrary, it should be received in an objective spirit. Criticisms, if offered, should be constructive.

67. For his part, the Liberian representative considered that those proposals were of a nature to permit negotiations between nations which were concerned about their future well-being and anxious to improve the living conditions of their populations. Those proposals were of special interest to the under-developed countries; in addition to the

material benefits to be derived from their application, those countries would be enabled to make a vital contribution to the establishment and maintenance of universal peace.

68. Mr. Colman endorsed the suggestion of the Netherlands representative (91st meeting) to accept the proposed plan while reserving the right to amend and to improve any part which did not prove satisfactory.

69. The Liberian Government approved the draft resolutions contained in document A/983; it wished, however, to make the following reservations:

(a) Nothing in those draft resolutions should be construed as granting anyone the right to interfere in the internal affairs of the countries concerned;

(b) The Liberian Government could exercise its right to examine and study all sources of information on the activities of the Economic and Social Council and of the specialized agencies in the implementation of the programme of technical assistance, in so far as Liberia was concerned; it could also undertake to carry out any programme which it deemed appropriate for the country's development;

(c) Liberia intended to contribute actively, within the limits of its financial and other resources, towards the completion of any particular programme which might be undertaken.

70. Mr. MERTSCH (Union of South Africa) said that his delegation was following the discussion on the development of under-developed countries with the greatest interest, and that it had carefully studied the documents setting forth the results of the preparatory work of the Economic and Social Council and the specialized agencies. Mr. Mertsch wished to pay a tribute to those organs for the work accomplished.

71. The Government of the Union of South Africa attached great importance to the programme of technical assistance. That had been clearly demonstrated in the General Assembly by the head of the delegation of the Union of South Africa. The latter had, in particular, stressed at the 226th meeting of the General Assembly the fact that the Union of South Africa considered international co-operation essential for the systematic, peaceful development of the African continent.

72. Mr. Mertsch recalled that the population of Africa numbered more than 150 million inhabitants, who had reached very different stages of development, the great majority of them being incapable of administering themselves politically and economically without assistance from others. The delegation of the Union of South Africa maintained that the world would find in Africa precisely that field for which the programme under discussion was intended.

73. A great deal had already been accomplished by the Powers which had responsibilities in Africa, towards the development of natural resources and the advancement of the people. Sufficient information on the nature and scope of the tasks accomplished, and the obstacles which had had to be surmounted, had not been made known. As a result, the world was ill-acquainted with the progress effected in the most backward areas of Africa.

74. There was of course still a great deal to do in Africa, and the Powers concerned were actively continuing their gigantic task without sparing their efforts and without regard for the financial sacrifices involved. They collaborated among themselves, by exchanging opinions and by holding periodic conferences, to promote the interests of Africa and its populations. In that connexion, it was necessary to stress the importance of the conference which was to open in October at Johannesburg, the principal purpose of which was the co-ordination of scientific research and the pooling of information and human and natural resources.

75. The Committee could thus realize the importance which the Government of the Union of South Africa attached to the programme of economic development and understand why the delegation of that country would support the general principles of the expanded programme of technical assistance of the United Nations and of the specialized agencies, principles set forth in resolution 222 A (IX), annex 1 of the Economic and Social Council. It must be admitted, nevertheless, that the acceptance of that programme by the Governments, and its very future, depended on the way in which it was intended to administer the implementation of that programme. For example, the Union of South Africa was vitally concerned with the systematic, pacific development of Africa; the development of those backward regions and the advancement of the under-developed populations required not only sustained efforts and sizeable budgets but, above all, time, patience and a profound knowledge of the needs of the populations concerned. Thus, with regard to Africa, it was essential to entrust the administration of the programme of technical assistance to the Powers which already had responsibilities in Africa.

76. The delegation of the Union of South Africa could not support the various draft resolutions unless that principle were accepted.

77. The Government of the Union of South Africa wished to suggest that, in so far as possible, recourse should be had to the administrations and services existing in the countries profiting by the programme. It thought that the necessary personnel should be recruited in countries having a thorough knowledge of the local conditions and problems of the regions where the programme would be put into effect. It should not be forgotten that the essential purpose of the programme was to enable the under-developed countries to gain economic independence; local conditions and the psychology of the people were therefore important factors which should govern the implementation of the programme if it was not to be converted into a mere relief undertaking.

78. Mr. Mertsch drew the attention of the Committee to the general principles set forth in resolution 200 (III) of the General Assembly; he said that his Government considered respect for those principles the essential condition for the success of the programme of technical assistance. For that reason the Union of South Africa emphasized the necessity for deciding that the bodies created and the personnel sent by the United Nations would be responsible to the countries concerned and under their control.

79. Mr. Mertsch recalled that his Government attached great importance to the regional aspects of the programme; that was why it especially supported resolution 222 B (IX) of the Economic and Social Council, concerning relations between the United Nations and regional organizations.

80. He said that at a later date he would indicate the way in which his Government intended to participate in the achievement of the programme of technical assistance. He pointed out that his Government was especially interested in the implementation of the programme which would be applied to that part of Africa in which conditions prevailed similar to those existing in certain areas of the Union of South Africa.

81. The CHAIRMAN thought that since the general debate seemed almost at an end, the Committee in its forthcoming meeting could probably begin consideration of the draft resolutions of the Economic and Social Council (A 983) and

of the draft resolutions presented by the delegations of Chile (A/C.2/L.3/Rev.3); Uruguay (A/C.2/L.3); and (A/C.2/L.4).

82. He proposed that, in accordance with paragraph 5 of the note he had submitted (A/C.2/L.1) and with rule 120 of the rules of procedure, the examination of the draft resolutions should proceed in the following order: first of all, the draft resolution of the Economic and Social Council concerning the expanded programme of technical assistance, then the draft resolution of the Economic and Social Council concerning the current programme of technical assistance carried out under the terms of resolution 200 (III) of the General Assembly, and finally the draft resolutions submitted by the delegations of Chile, Uruguay and Cuba.

The Chairman's proposal was adopted.

The meeting rose at 6 p.m.

NINETY-FOURTH MEETING

Held at Lake Success, New York, on Monday, 10 October 1949, at 11 a.m.

Chairman: Mr. H. SANTA CRUZ (Chile).

Economic development of under-developed countries (A/972) (continued)

1. Mr. BORBERG (Denmark) explained that he had not thought it necessary to speak until now, since the Danish delegation had already defined its attitude towards the question of the economic development of under-developed countries during the debates in the Economic and Social Council.

2. One fact was incontestable: the inhabitants of under-developed countries, who comprised the larger part of the world's population, were under-nourished, badly housed and exposed to disease. A certain tendency towards abstraction in the Committee's debates, and the absence of a clear definition of the assistance to be provided, could be explained by the fact that the requirements of under-developed countries had not themselves been clearly defined. Nevertheless, it was common knowledge that there was a shortage of experts, technicians and capital. It was also known that the specialized agencies, such as the World Health Organization (WHO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Food and Agriculture Organization (FAO) and the International Labour Organisation (ILO), could contribute in their respective fields to the implementation of the programme of technical assistance if they were ensured a minimum amount of credit.

3. The proposals submitted by the Economic and Social Council in resolutions 222 (IX) were, of necessity, provisional; it was indeed impossible to foresee the best method of using credits in the interests of under-developed countries. The Danish delegation supported those proposals in the form in which they had been submitted, although it had seen fit to make certain reservations, especially with regard to the total of the central fund, which it considered to be inadequate.

4. Denmark was prepared to make her contribution to the common task, but it did not export capital and could not provide foreign currency; the Danish Government would, however, try to find ways and means for sending experts and technicians to under-developed countries, and its educational establishments would welcome students from those countries who wished to acquire the technical training that they lacked.

5. The Danish delegation took a practical view of the problem at issue. It was convinced that Danish experts would gain in experience by assisting under-developed countries and that the volume of Danish imports and exports would be increased as a result of the development of world trade involved in the implementation of the programme of technical assistance.

6. He was glad that the United States representative long ago had emphasized the importance of the social aspect of the programme. He had listened with some apprehension to the Haitian representative's statement at the 90th meeting that the mission sent to Haiti had considered only the economic factors of the problem. The manner in which the United Nations would study problems of technical assistance might have a decisive influence on the future of the peoples of under-developed countries. It was therefore extremely important not to neglect the psychological aspect of that work. That was why it was essential to ensure the co-operation of sociologists and experts in social psychology, who would try to mitigate any friction that might arise out of the implementation of the programme. If the United Nations was unable to consider that aspect of the problem, WHO would certainly recognize its importance and undertake to solve it.

7. He hoped that the United Nations and the specialized agencies would do everything in their power to recruit the best possible experts. The qualities of those experts and their spirit of