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MEETING

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World economic situation (E/1910/Rev.1, E/1910/Add.1/Rev.1, E/1910/Add.2/Rev.1, E/1912 and Add.1 to 10, E/2034 and Add.1 to 9, E/2037, E/2047 and Add.1) (continued):

- (a) Further consideration of the world economic situation in 1949-50, and particularly of the sections of the World Economic Report relating to economic conditions in the Middle East and in Africa and of the views submitted by Members of the United Nations in response to General Assembly resolution 406 (V);

President: Mr. Hernán SANTA CRUZ (Chile).

Present: Representatives of the following countries: Belgium, Canada, Chile, China, Czechoslovakia, France, India, Iran, Mexico, Pakistan, Peru, Philippines, Poland, Sweden, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay.

Representatives of the following specialized agency:

International Labour Organisation.

- World economic situation (E/1910/Rev.1, E/1910/ Add.1/Rev.1, E/1910/Add.2/Rev.1, E/1912 and Add.1 to 10, E/2034 and Add.1 to 9, E/2037, E/2047 and Add.1) (continued):
 - (a) Further consideration of the world economic situation in 1949-50, and particularly of the sections of the World Economic Report relating to economic conditions in the Middle East and in Africa and of the views submitted by Members of the United Nations in response to General Assembly resolution 406 (V);
 - (b) Reports from governments on action taken concerning production, distribution and prices of commodities and measures to combat inflation

1. Mr. BALMACEDA (Philippines) expressed his Government's pleasure at the fact that the Council had taken cognizance of the problem of the economic development of Africa. The Philippines had no axe to grind in Africa; it was interested in the development of Africa in the same way as it was interested in the development of all under-developed areas and in the improvement of the living standards of all dependent peoples in the world. The Philippines had given, and

would always give, full support to that cause, and had consequently been glad of the opportunity to participate in the work of the Trusteeship Council and of the Special Committee on Information transmitted under Article 73(e)of the Charter, and in the negotiations on the disposal of the former Italian colonies, which it hoped would soon realize their aspirations to independence.

2. The Philippines Government had examined the Secretariat's *Review of Economic Conditions in Africa* (E/1910/Add.1/Rev.1) and, despite the fact that it was based on scanty data, considered that it offered at least an adequate starting-point for the Council in its search for a solution of the problems of Africa's economic development.

3. Africa was the second largest continent in the world. It was bigger than Europe and the whole of the Union of Soviet Socialist Republics put together. It formed 23 per cent of the world's total land area, and its population of 198 million people represented 8 per cent of the world's population. Those facts alone justified fuller participation by the peoples of the region in the formulation of measures to ameliorate their economic and social conditions.

4. Africa was a continent of low incomes and poor living standards. The theory of economic relativity could not have a better field of application than Africa. In the Union of South Africa, which had a comparatively highly developed economy, and in the coastal and commercial centres, the trappings of civilization were to be found together with a veneer of western culture; but, only a score of miles from those outposts of civilization, many indigenous inhabitants were living in very much the same fashion as their ancestors had done hundreds of years ago.

5. Average *per capita* production in Africa was roughly 30 per cent of world average *per capita* production.

As was stated in the Review, the predominant form of social organization in Africa was still tribal. In view of environmental factors such as lack of adequate transport facilities, tropical diseases, soil deficiency and sparsity of population, the problems plaguing Africa were indeed a challenge to the governments responsible for the administration of territories in that continent. But those problems were not insoluble. The Philippines delegation did not expect miracles of production, nor did it think those problems could be solved overnight; but it considered it important that a start should be made on them within the broad framework of international co-operation. As was stated on page 9 of the Review, the percentage of the population of Africa engaged in agriculture was 74 per cent of the total population compared with 70 per cent for Asia, 60 per cent for South America, 33 per cent for Europe, 31 per cent for North and Central America and 40 per cent for Oceania. The exact proportion of the population engaged in subsistence agriculture was not mentioned in the report, which did, however, state that it was doubtless high in relation to output. The value of subsistence agriculture in Kenya was estimated at 26 per cent of the national income in 1948. His delegation was greatly concerned by those facts.

6. Although increasing attention was being paid to the development of foreign trade in many parts of Africa, investment in export production had had very little effect in generating secondary incomes except in the Union of South Africa and a few small areas elsewhere. The emphasis on investment for the production of primary products for export might result in a lop-sided economy unless due regard was paid to the need for a corresponding acceleration of internal development.

7. The Indian representative had already drawn attention to the paradox of the shortage of labour in Africa whilst wages were extremely low, and to the fact that the African workers were in a weak bargaining position. The system of migrant labour existing in many areas was an unsatisfactory short-term method of dealing with what was a long-term problem.

8. Land utilization was another pressing problem in Africa. Loss of soil fertility, haphazard recruiting methods, different systems of land tenure and other factors had contributed to the economic backwardness of the continent.

9. Africa was a region of economic and social contradictions. To resolve those contradictions would certainly take time, but it was important that the Council should recognize that the problems existed and that it should so order its affairs as to be able to go deeply into the radical causes of those problems and set up workable machinery to facilitate their solution by the governments concerned.

10. Africa had extensive resources. In 1948 it had produced 98.4 per cent of the world's output of diamonds, 80 per cent of the total production of cobalt, 58.9 per cent of the gold, 35.5 per cent of the phosphates, approximately 30 per cent of the chrome ore and manganese, 18 per cent of the copper, 68.3 per cent of the cocoa, 69.5 per cent of the palm oil, 75.5 per cent of the sisal, 40.4 per cent

of the hard fibres, and 15.3 per cent of the coffee. Thus Africa played an important rôle in the world's economy, more important than most people supposed. It was evident that investment for stabilizing Africa's economy and making that continent prosperous was investment for the maintenance of international peace and security.

11. The range of products exported from Africa was very small and was limited almost entirely to those derived from mining and agriculture. A high proportion of the total exports of many African countries and territories was accounted for by one or two products; for example, 96 per cent of the total exports of Mauritius were accounted for by sugar production; 97 per cent of the total exports from Gambia in 1948 by groundnuts; and 90 per cent of the total exports of Liberia by rubber. Experience had clearly shown that, in the development of under-developed economies, it was risky to rely on the expansion of only one or two kinds of production.

12. Another factor which had retarded the economic development of Africa was the fact that the indigenous inhabitants had very little opportunity to enter skilled occupations. The Review showed that, in the areas of permanent European settlement south of the Sahara, skilled occupations were practically closed to the African inhabitants and, consequently, the supply of skilled labour was small and the difference between the pay of skilled workers and unskilled workers was enormous.

The Review described the plans announced by administering authorities for the economic development of territories they controlled; those plans were encouraging, but work on them should be speeded up. The results of the plans had not always been happy; for example, the Tanganyika groundnut scheme which had been heralded in some quarters as the most comprehensive scheme ever launched for the development of backward territories had been frustrated by the inadaptability of the soil, the climate, the lack of adequate access to markets and a shortage of trained personnel. That scheme was an example of a trend which he deprecated -namely, the trend of the administering authorities to concentrate on the production of raw materials for export. Over-emphasis on production for export might cause a lop-sided development of African economy and lead to neglect of production for domestic consumption and for industrial development. Greater efforts should be made to expand industry in Africa.

14. It was with those considerations in view that the Philippines delegation had submitted its draft resolution (E/L.183) on the Review of Economic Conditions in Africa to the effect that the Council should keep under continuous review the serious economic and social problems which affected the welfare and progress of the peoples of Africa, and that it should establish an ad hoc committee to study the factors bearing upon the establishment of a regional economic commission for Africa and to present a report containing recommendations for consideration at the fifteenth session of the Council after consulting the governments of the countries and territories in Africa. In that connexion, a note by the Secretary-General (E/2037) described the activities of the Trusteeship Council and of the Special Committee on Information transmitted under Article 73 (e) of the Charter.

15. It had been pointed out by many speakers that, if it had not been necessary to devote a large proportion of resources to defence production, the development of under-developed areas of the world such as Africa might be proceeding more rapidly. That development was closely related to the volume of defence production: proper attention should be paid to defence by countries whose freedom was menaced; but no more than was absolutely necessary should be diverted from the development of under-developed countries. He wished to make it clear that he entirely approved the action taken by the United Nations in repelling aggression; all the resources needed for repelling aggression should be used for that purpose, but it was most deplorable that so much which could be used for the development of under-developed countries had to be used for defence.

16. Mr. ARKADIEV (Union of Soviet Socialist Republics) said that a large amount of convincing factual material concerning the real economic and cultural situation in Africa had been put before the Council, in particular by the representatives of India and the World Federation of Trade Unions (WFTU). The history of the conquest of African territories by the colonial Powers was full of shocking facts, and the present situation in Africa provided a living illustration of rapacious exploitation of the resources and the people of colonial territories.

17. Africa was one of the richest regions of the world so far as resources were concerned. Of the world's diamond production, 95 per cent came from African mines; Africa possessed half the world's gold and chrome resources, and one-fifth of the world's lead and manganese was produced in Africa. There were also extensive reserves of asbestos, bauxite, iron and uranium ore. But those vast resources did not belong to the people of Africa; they were exported to the countries of Western Europe and to the United States of America. According to the review, out of the 670,000 tons of chrome ore produced in Africa in 1949, 334,000 tons had been exported to the United States of America, and, in 1948, out of the 652,000 tons of iron ore produced, 388,000 tons had been exported to the United States of America.

18. The economy of African territories, like that of other economically weak countries, was based on the production of a very small number of different kinds of raw materials. For example, 86 per cent of the exports of Southern Rhodesia consisted of copper; 60 per cent of the exports of Kenya and Uganda of coffee, cotton and sisal; 70 per cent of Tanganyika's exports of sisal, cotton and diamonds; and 85 per cent of Nyasaland's exports of tobacco and tea. Practically the whole of Liberia's exports consisted of rubber for the United States monopoly "Firestone".

19. The representatives of the countries which exploited the people and the material resources of Africa had asserted that the days of colonial exploitation were over and that, at present, peace and prosperity reigned in the territories they administered. The representatives of France, Belgium and the United Kingdom had asserted that the development they alleged was being brought about in Africa was due to the kindly efforts of the French, Belgians and the British, and to the "assistance"

given by the United States of America. The Belgian representative had contended that the Belgians had been promoting the development of the Belgian Congo for more than half-a-century; he had referred to the ten-year development plan for the Belgian Congo, which he had said would bring about an improvement in the standards of living of the indigenous inhabitants. But a cursory examination of the plan revealed that it did not provide for real development and that its main aim was to make the Belgian Congo even more dependent on the metropolitan country. For example, the plan provided for expenditure amounting to 14,871,000 Belgian francs on transport and electric power development and 1,388,000 Belgian francs for agricultural development; that was a ratio of 12 to 1. It provided a classical example of colonial exploitation. There was no provision in the plan for developing heavy industry, machine building or a chemical industry. The Belgian representative had asserted that, as a result of expenditure under the plan on cultural and social development, the standards of living of the population would be raised; but the sums laid down in the plan for expenditure on culture and social welfare were ridiculously small and quite inadequate for bringing about any improvement in the standard of living. The Belgian representative had asserted that all the resources of the Belgian Congo belonged to the people of that territory, but the Review clearly showed that that was not so. For example, the greater part of the lead produced in the Belgian Congo was exported by Belgian and other monopolies which seized all the profits of that trade. The figures in the Review did not bear out the Belgian representative's statement that the Belgian Congo was a flourishing community. As was stated in the Review, only 7.6 per cent of the native working population of the Belgian Congo worked for wages.

20. The Belgian Congo was a colonial territory into which the United States monopolists had penetrated. The Belgian representative had said that the doors of the Belgian Congo were open to trade with all foreign countries on the same terms; but the result of that policy had only been deeper penetration into the territory's economy by United States capitalists. An example of that was the fact reported in the Review that between 1937 and 1949 the volume of United States exports to the Belgian Congo and Ruanda-Urundi had increased thirtyfold.

21. There had been a similar penetration into the African territories controlled by France; the French representative had stated that capital investment in those territories had brought about economic and social progress; but that assertion was disproved by the facts mentioned in the Review.

22. The penetration of so-called civilized nations into Africa had brought hardship and suffering to the African people. There were terrible stories of the native Africans having been hunted like wild animals. Lord Kitchener, a well-known English colonizer, had correctly stated that, when Suez was passed, the Ten Commandments no longer applied. It might be asserted that those were facts relating only to the past. But the present position was much the same as in the past. For example, in Gambia, the economic regime was such that tens of

thousands of people died of hunger each year. In Nigeria and in Sierra Leone, the tin miners were condemned to hunger and poverty, since their pay, like that of all the indigenous inhabitants of exploited colonial territories, was miserably low. The workers of the Associated Tin Mines of Nigeria and the London Nigeria Tin Mines received only 5d. a day and a small ration of the lowest-quality food. With reference to health, he would point out that, in Nigeria, there was only one doctor for every 133,000 inhabitants and only one hospital bed for every 3,700 inhabitants. In the whole territory, which had a population of some 24 millions, there were only ten dentists. In the report, published on 9 February 1951, of the special mission sent to Nigeria by the United Kingdom Government, it was stated that in the northern regions of Nigeria 31 per cent of the children under 3 years of age who had received treatment in hospital were suffering from under-nourishment, and that 41 per cent of them had died; in the eastern parts of Nigeria, 70 per cent of the children who had received treatment in hospitals had been suffering from under-nourishment; and it was also mentioned in that report that the majority of adult Nigerians suffered from the same trouble. In July 1950 there had appeared in the United States magazine, The Nation, an article which drew a terrible picture of the living conditions of the indigenous African population, and pointed out that taxation was so high that large numbers of the male population of Basutoland had to seek work in other territories; 40 per cent of the males of working-age were forced to live permanently away from home in the Union of South Africa, where they earned wages amounting on the average to only one-tenth of the average European wage. That figure of one-tenth was corroborated by the Review. The Swiss paper Die Weltwoche of 18 May 1951 had contained an article describing labour conditions in the Union of South Africa, and stating that more than 330,000 Africans were recruited yearly for gold and diamond production; that they worked in the burning sun or in the depths of the earth and were housed in tumble-down huts and had no opportunities to see members of their families. In South-African towns, the living conditions of the Africans were extremely bad. In the suburbs of Johannesburg there were more than 80,000 Africans living in huts made of old tin cans. The living conditions of the native population were similar in many other parts of Africa as a result of the "civilizing" work of the colonial Powers. In East and West Africa the natives were kept under strict control. The goods they produced were sold for the benefit of the foreign monopolists, and the quantities of consumer goods made available to them were very small. In the Gold Coast, a marketing board fixed low prices for the purchase of cocoa from the indigenous producers, and then had the monopoly of selling it at high prices. Firms, such as Lever Brothers and the subsidiary company of Unilever, the United Africa Company, had a monopoly of the West-African palm-oil trade and also the groundnuts and copra trades from which they reaped profits amounting to millions of pounds.

23. The representatives of Pakistan and India had given a quite objective account of conditions in Africa

and had already reminded the Council of the racial discrimination and racial segregation in the Union of South Africa.

24. It was not surprising that the indigenous workers began strikes to obtain at least a small increase in wages. It might be said that the United Kingdom Government had passed laws to promote progress in British-controlled territories in Africa. To take just one of those laws, the Colonial Development and Welfare Act of 1940, he would point out that the reason for it was not merely good will on the part of the United Kingdom, as had been asserted, but the disturbances which had taken place just before the outbreak of war because of the frightful conditions in which the indigenous workers lived. During the course of ten years, less than £1 sterling per head had been invested in British colonial territories for improving the social well-being of the population. The bourgeois rulers of African colonial territories were trying to explain away the deplorable conditions in which the indigenous population lived by arguing that production capacity was not sufficient to keep pace with the growth of the population; but that was not the reason: the existing conditions were the result of exploitation. The foreign monopolists who controlled African colonial territories were not interested in expanding those branches of the economy on which economic and social progress in Africa was dependent. They wished to keep Africa as a source of raw materials, for reaping profits and for establishing military bases. In none of those territories was there any significant chemical, metallurgical or machine-tool industry.

25. The economies of colonial and semi-colonial countries, as well as those of the metropolitan countries, had been militarized. In his opening statement, the President had said that the main reason for the deterioration in the rate of development of under-developed countries was increased defence production. It was quite clear that that deterioration was due to strategical stockpiling and militarization, for stock-piling and armaments production had reduced the amount of consumer goods and capital goods available for economic, social and cultural development. The Times of 3 March 1951 had contained an article stating that, in Nigeria, approximately £43 million was to be spent on defence during the financial year 1951/52. That was an enormous sum for such a country. According to the British Africa Review of March 1951, a sum of $\pounds1,000,000$ and later another of $f_{2,100,000}$ had been allocated from the Southern Rhodesian budget for stock-piling. Those were two examples of how African territories were being used for war purposes.

26. In the African territories administered by the United Kingdom and France, trade union activity was severely restricted both legally and in practice. In August 1950, at the time of the disturbances, twenty-one workers of the United Africa Company had been prosecuted and the general secretary of the trade union of the company's employees had been arrested. According to *Reynolds News* of October 1950, more than a hundred workers had been arrested. In May 1950, the Kenya police had carried out a raid on the building of the

Congress of Trade Unions of East Africa; the police had confiscated that organization's documents and had arrested the general secretary and chairman of the union. In Northern and Southern Rhodesia, trade unions had no official status. In the Belgian Congo, special licences were required for the formation of trade unions of indigenous workers. As the representative of WFTU had already pointed out, in French Togoland and the Cameroons, only persons who were able to speak, read and write French or who held a certificate of education granted by the Governor-General were allowed to be trade union leaders. In the Union of South Africa there was unjustifiable discrimination against indigenous workers, especially where trade union activities were concerned. According to Law No. 36 passed in 1936, only European trade unions were considered lawful and could be placed on the register; indigenous workers were not allowed to belong to them. Indigenous workers had no trade unions; they were not allowed to defend their interests, nor to participate in collective bargaining. They were forbidden to strike by law and, if they did, severe punishments-three years' imprisonment and fines of f_{500} sterling—were meted out to them. The restrictions on trade union activities in the French African colonies. Morocco and Tunis, were described in documents E/1990/ Add.12 and E/1990/Add.14. He could see no indication of the economic progress of which the representatives of France, Belgium and the United Kingdom had spoken.

27. The United States monopolies were penetrating deeper and deeper into the African continent. Overriding the objections of the servile governments which administered territories in Africa, the United States had established army and navy air bases there. A typical example of United States penetration into Africa was provided by the participation of the United States in the Tanganyika Concession, Limited. Copper and uranium for making atomic bombs were being exported from Tanganyika to the United States. The Anglo-American corporation of South Africa was obtaining large quantities of gold from South Africa. In Tunis, a United States company called the Société Nord-Africaine de Pétrole, belonging to the Gulf Oil Group, was exploiting that country's petroleum resources alongside French companies. United States capital was forcing the firms of the colonial Powers out of Africa. Tripoli had become a United States base. United Kingdom capital had been forced out of Egypt and Abyssinia by the United States monopolies, Standard Oil, Sinclair Oil, Reynolds Aluminium, Westinghouse Electric and others. In the Belgian Congo, the Union minière de Katanga was controlled by United States monopolists. The economy of the Union of South Africa, which was dependent on gold production, was completely subservient to United States interests. Johannesburg and Cape Town were controlled by United States companies such as the Rockefeller Company, Firestone, Studebaker, Ford and General Motors. Through the Transvaal Investment Corporation, Wall Street controlled more than one hundred companies in the Union of South Africa.

28. British and American trusts were competing for control of the oil resources of Tunis and Morocco. According to the May 1950 number of a United States

journal on marketing, brigades of technical experts of the Standard Oil Company were prospecting large areas throughout Africa. The company of the former United States Secretary of State, Mr. Stettinius, had set up a subsidiary firm which had complete control over Liberia, and that same company owned concerns from Dakar to Addis Ababa. In the New York Herald Tribune of 6 August 1951, it was stated that, as a result of events in the Far East, Africa had become more important to the Western Powers, and that it was expected that in 1952 and 1953 tin production in the Belgian Congo would be raised by nearly 30 per cent. In 1950, Belgian Congo tin production had amounted to 9 per cent of total world tin production. Another example of United States penetration into Africa was the fact that the Geomines Company had received a loan of 1,700,000 dollars in 1950 for buying equipment from the United States of America. It was from the Belgian Congo that uranium was obtained for making atomic bombs.

29. Turning next to the *Review on the Middle East* (E/1910/Add.2/Rev.1), he observed that tragic events were being played out in that vast arena, where the United States and British monopolies vied with each other in the endeavour to capture oil, raw materials and markets.

30. United States policy had been perfectly defined by a high official of the State Department who at the end of January 1950 had stated that the United States had been thrown into the vortex of Near-Eastern and South-Asian affairs because it had had to defend the communications and resources of those areas. The Second World War had weakened the control formerly exercised by European countries in those regions and a vacuum had consequently been created in the vast area adjoining the southern frontiers of the Soviet Union. It followed that United States policy was as much military as economic. The main feature of the Truman doctrine was the creation of a network of military and air bases in the Mediterranean, in Africa and in the Middle East. Fifty-five bases had already been established and others were under consideration. The United States intended to gain domination over the whole area. The alleged American interest in archæology was closely linked with strategy, and the researches undertaken by United States archæologists on Mount Ararat recalled the wanderings of hitlerite "tourists" in the years 1935-1938. United States "archæologists" were also investigating the ancient sources of the Nile " in the neighbourhood of Alexandria ". They were working in South Yemen and in Aden. One result of those researches was the establishment of a military air base of great strategic significance in the very heart of Saudi Arabia, in close proximity to the oil wells of the Persian Gulf. That base would form part of a network stretching from Gibraltar to Iran.

31. Archæological research was accompanied by a form of colonization to which the term "Coca-Cola colonization" had been applied. Factories ostensibly producing various soft drinks were being set up everywhere in North Africa and in the Middle East.

32. A characteristic example of the technique used by the United States monopolists was afforded by the negotiations between the United States and Lebanon in connexion with "assistance" under the Point Four Programme. That assistance was made dependent on certain political conditions, such as the building of two aerodromes and the enlargement of another, the building of air bases, the enlargement of the port of Tripoli and the construction of a motor highway to link Tripoli, Tarsus and Latakia. Further, in the event of a world war, Lebanon must put its strategic bases at the disposal of the United States and must accept a joint Lebanese-United States military command. All expenses incurred in war-time would be borne by the United States, Lebanon agreeing to allow the entry of United States troops into its territory. Last but not least, Lebanon had had to agree to treat the People's Republic of China as an aggressor country and to consider itself as a member of the Western bloc.

33. The consequence of the application of the Truman doctrine in Turkey had been that, in 1951, over 542 million Turkish pounds had been allocated to defence purposes, whereas agriculture had been granted only 36 million Turkish pounds; health services, 59 millions; and the Ministry of Education, 175 millions. The militarization of the Turkish economy was going on apace. The New York Times of 12 June 1951 had announced that the United States had decided to spend 50 million dollars on supplying Turkey with jet aircraft and that that expenditure might even be increased to 100 million dollars. Moreover, according to the Turkish Press, the penetration of Turkey by United States capital had been greatly facilitated by the passing of appropriate legislation, guaranteeing profits to the investors. Those enormous sums allocated to the preparation of a new war could have been profitably spent in strengthening the economic structures of less favoured nations.

34. Yet again he must point to the pertinence of the statement made by the President of the Council at the opening of the present session when he had stated that many under-developed countries had incomplete control over their own natural resources.

35. But the masses had reacted vigorously against those policies of colonial exploitation; national liberation movements had been formed; strikes were on the increase; and workers were fighting for their rights.

36. The Near and Middle East were rich in oil, but United States and British monopolies controlled the production, which had risen from sixteen million tons in 1938 to 100 million tons in 1950 and was expected to reach 500 million tons in 1960. Referring to British control in Iran, the local Press had emphatically stated that, during a period of thirty years, Iran's "ally" had increasingly profited from an unfair agreement and a concession which had given it control over the whole of the country's financial and economic life. According to the Times of 4 June 1951, the United Kingdom Government had earned more from the taxes paid by the Anglo-Iranian Company than the Iranian Government had drawn from all its sources of revenue. According to the Petroleum Times that company's profits for the year 1948/49 had amounted to over £131 million sterling.

Meanwhile, it paid out only $\pounds 8$ million sterling to the Iranian Government for the right of operating the concession.

37. The pressure of foreign capital had increased since the end of the war. Thus the *Economist* of 14 January 1950 had drawn attention to the fact that, in the first three years after the war, United States capital investment abroad had totalled 2,000 million dollars, three-quarters of which had been invested in oil. The enormous sums earned in exploiting dependent and weaker peoples were not devoted to their economic development but merely to filling the pockets of a handful of multimillionaires.

38. Iraq was largely under the control of Anglo-American monopolies; 24 per cent of the shares issued by the Iraq Petroleum Company belonged to United States companies included in the Rockefeller group. The situation in Iraq was particularly curious since, although the annual production of oil amounted to over 6 million tons, the country had no petroleum industry and was obliged to import petroleum products. Meanwhile, the Anglo-American companies paid no customs duties whatever for the export of raw material and the import of refined products into that country.

39. 1950 had seen the completion of an American pipeline running through Saudi Arabia to a Lebanese port on the Mediterranean. United States companies in Saudi Arabia had drawn 27 million tons of oil in 1950, a figure which approximated fairly closely to the 32 million tons of the Anglo-Iranian Company. United States companies were earning enormous profits and the control of the Near East by United States monopolies was being strengthened. The so-called loans and assistance given under the Point Four Programme really meant flooding markets with American goods. According to a British official in Iran, quoted by the Indian Press, that was the main reason for the economic difficulties experienced by Iran at the present time. The same process was at work in Afghanistan, where national production was diminishing and foreign capital was exploiting the existing resources.

40. In Syria, the workers of the Iraq Petroleum Company had protested to the Syrian Government against the exploitation of their people by foreign companies. The Press of the Near and Middle East insisted on the fact that acceptance of help from the United States meant that the Arab countries would lose even the outward signs of sovereignty.

41. He had already referred to the awakening of national consciousness in those regions and to the workers' struggle to attain the right to independent development. The peace movement was also gathering strength, despite police terrorism. The newspaper *Telegraph* had recently reported the complaint of a village in the southern part of Lebanon where the police had occupied houses, taken away the people's hard-earned bread and insulted women simply because some young peasants had signed the Stockholm Manifesto against the atomic bomb.

42. The conclusions of a general survey of conditions in Africa were that no improvements or progress whatever

had been recorded; that the economy of all the countries was still run on typical colonial lines; that no efforts had been made to develop national industries-metallurgical, engineering and chemical-which might assist the African countries in their development; that the one and only purpose of all the plans and programmes of the colonial Powers was to keep Africa as a source of raw materials. As for the African peoples, their standard of living was falling; their wages decreasing; and educational and health services and housing remained inadequate. Child labour was harshly exploited. The colonial peoples of Africa were being oppressed by central and local authorities engaged in political lawlessness, social oppression and social discrimination. The economies of Africa and the Middle East were being militarized and their areas utilized for air-bases and war preparations against the Soviet Union and the People's Democracies.

43. The United Nations and the agencies working under its aegis had done nothing to improve conditions, especially in view of the fact that real betterment could be achieved only in the absence of colonial exploitation and where the peoples were not subservient to foreign capitalists.

44. He had drawn the Council's attention to the remarkable development of those peoples in the Soviet Union which had formerly been the victims of colonial exploitation under the Tsarist regime. The Soviet Union's efforts had been directed to giving them opportunities for economic and social development, for culture, education, art and literature. The results had been remarkable. The republics in Central Asia and all the far-eastern regions of the Soviet Union had acquired industries which helped them to develop. Every year, new towns, roads and electric power stations were built. Those peoples now had their own technicians and scientists. That remarkable flowering of civilization was eloquent proof of what could be done once men were freed from the colonial yoke and were given the opportunity of using their national strength to the full.

45. Mr. ABELIN (France) said that the French delegation had already expressed its views on the excellent *Review of Economic Conditions in Africa* during the twelfth session of the Council at Santiago. His delegation had no criticism to make on it, but wished to submit one observation.

46. The Review examined the position at a particular time and had not placed the facts in perspective so as to show the course of development. The period selected namely, 1948-1949—was unfavourable to France, which at that time had scarcely emerged from the devastation caused by the Second World War. The investment plan his Government had introduced for the African territories in 1946 had not begun to show its effects until after that date. The year 1950 would have provided a better basis for an accurate survey. During that year supplies from the metropolitan country—in particular, capital goods had increased and the investment plan had begun to produce its first big results. The total capital invested was at present nearly 2,000 million dollars, and the effort made by France was being continued at the rate of 700 million dollars per year.

47. As proof of the improvement in the situation, he would point to wage trends in tropical Africa, where, since the date of publication of the Review, wage rates had risen very substantially and an immense effort had been made, on behalf of the indigenous population, to abolish all forms of discrimination. Thus, while the minimum wage index for Paris had risen, between 1938 and 1949, from 100 to 877, at Brazzaville it had risen from 100 to 1200, at Tananarive from 100 to 1500, and at Dakar from 100 to 2000. Price levels had varied in the same proportions in metropolitan France and in the African territories.

48. In that connexion, he disagreed with the Indian representative's statement that wage levels were the principal criterion for assessing the indigenous economic situation, since only one-sixteenth of the adult male population of tropical Africa and one-seventh of the indigenous population of North Africa were wage-earners. The vast majority of the population consisted of cultivators of the soil.

49. In the same connexion, replying to what he would term the systematically critical and systematically tendentious comments of the representative of the World Federation of Trade Unions, he would point out that the minimum wage to which that representative had referred was the wage paid to a worker working one day per month and that it was supplemented by bonuses for industry and long service. The wages paid at Dakar and Konakry, where the natives ate rice, expressed by the representative of WFTU in terms of kilogrammes of rice, were by no means starvation wages: they varied between 3 and 8 kg. a day, whereas the normal consumption of a grown man was 600 grammes a day. In Ubangi on the other hand, where the figure for the minimum wage given by the same representative was 400 grammes of rice, the natives did not eat rice or grow it. Rice was an extremely dear commodity there, owing to the high cost entailed by transport over 1,500 kilometres.

50. It was far from his intention to suggest that African workers were adequately paid. He merely wished to point out that steady progress was being achieved, progress which could be appreciated only in the light of the difficult conditions under which his countrymen were working in Africa. The French African territories, particularly those south of the Sahara, were unfavourable ground for economic expansion owing to their vast area, extreme climatic conditions, poor soil and sparse population which was in a poor physical condition and, for religious or psychological reasons, frequently hostile to all progress. In spite of the difficulties, France had succeeded in bringing about an economic development which, though slow, had even by 1939 completely reversed the previous position. As a result of direct or indirect action, France could boast of three great achievements in those countries in forty years: the complete abolition of famine, which had been almost chronic over very extensive areas, and which had been overcome by a series of technical operations, supplemented by the activities of native provident societies which had gradually instituted and organized the cultivation and storage of reserves of food products; a considerable abatement of large-scale epidemics, so that peoples which had been becoming extinct were showing a steady increase in numbers; and penetration of a hitherto impenetrable continent, by the building of 15,000 kilometres of railway track and 250,000 kilometres of carriage roads.

51. Mention should also be made of the introduction of new crops, agricultural hydraulic and engineering works, the building of ports, the development of technical and school education, zootechnical achievements, and prospecting. As a result, by 1939, France had provided those territories, if not with a modern economy, at any rate with the means of achieving one.

52. The war had imposed a very heavy burden on the African territories; but in 1946 France, which had allowed the African territories under its administration to achieve rapid political progress, had resumed its endeavours to develop and modernize them. The French Parliament had established in that year the French Union ten-year equipment programme.

53. Problems in Africa were very different from those in Asia. Whereas Asia was starving, in Africa there was enough to eat. In tropical Africa there was no surplus population, but conditions were different in North Africa. In Algeria, Tunisia and Morocco, the population had trebled in fifty years and was still growing. There had been a 25-per-cent increase in the past ten years and the present rate of increase was 400,000 a year. Potential agricultural production, however, was increasing still more rapidly than the population.

54. The aim of all French activities in Africa and all the equipment and financing programmes was to raise the standard of living of the African peoples, while avoiding the creation of any disequilibrium due to the introduction of modern techniques among undeveloped peoples. The basic features of the development programme were dictated by the desire to promote the continuous development of African peoples in the economic, health and social fields. Twenty per cent of investments were allocated to housing, public health and education. The local treasuries contributed to the expenditure involved in the development of their areas, but the contribution which they were asked to make was advanced to them by the metropolitan country in the form of long-term loans at a very low rate of interest.

55. From the economic standpoint, the main effort under the plan had been concentrated on capital equipment, though imports of consumer goods had been considerably increased, a fact which answered the criticisms made by the Polish representative on that particular point. With the help of those imports, the inflationary pressure resulting from investments had been effectively combated and they had quite definitely raised living standards, as was evident from the index figures for imported clothing and household articles, which at present stood at 137 and 205 respectively as compared with 1938.

56. The French Administration had also tried to prevent the Africans from being driven helplessly out of their rural setting into the life of an urban proletariat, as a result of their integration into a modern economic system. It had therefore endeavoured to provide the African territories with a sound economic foundation and to give them such protection in health and welfare matters as would lessen the effects of the upheavals, which were only to be expected, in their traditional ways of life.

57. In answer to the Polish representative's accusations, he quoted the index figures for North-African imports of capital goods as compared with 1938, which were 700 for machinery and mechanical equipment, 360 for petroleum products, 350 for vehicles and 250 for cement. 14,600 vehicles had been imported in 1950 into the territories south of the Sahara.

58. The amount of public money which had been invested in the programme since 1948 totalled 340,000 million francs in North Africa and 200,000 million francs in tropical Africa, making a total of 540,000 million francs, or about 1,800 million dollars. Of that amount, nearly four-fifths, or about 400,000 million francs (1,500 million dollars, allowing for changes in the exchange rate), had been provided by the metropolitan country. In 1950, investment per head of population had been 21 dollars in North Africa, four-fifths being financed by France, and, in 1951, French help to Africa would be greater than the assistance, considerable though it was, which the United States would grant to France itself.

59. By 31 March 1951, the financial investments which had been made in Africa since 1948 by public bodies in the metropolitan country amounted to more than threefourths of the total Marshall Aid to France (1,500 as against 1,900 million dollars). Such figures might convince the Indian representative that the modernization of Africa was by no means a matter of "future plans" or mere projects, but of practical achievements, carried out rapidly since 1949 and, more especially, in 1950.

60. The representative of WFTU had stated that, in France, a sum of only 50,000 million francs was provided under the ordinary budget for expenditure in Africa and that a large part of that sum was earmarked for military purposes. It should not, however, be forgotten—as the WFTU representative had done—that France provided 100,000 million francs outside the ordinary budget for the equipment and modernization of the continent of Africa. Those appropriations were made under the extraordinary budget.

61. He then proceeded to refute the allegations made by the representative of WFTU at the 490th meeting that, in Africa, the French Government was developing only export crops, which were profitable to the local European producer and the importer in metropolitan France. Considerable sums had been allocated for the cultivation of rice in French East Africa and Madagascar, while 100 per cent of the cocoa, 95 per cent of oil seeds, and 50 per cent of the coffee and bananas were grown by Africans. In reply to the allegation by the WFTU representative that the African people derived no benefits from the increase in production, so that cotton growers received 36 francs for their product which was then sold at 120 frances after processing, he observed that processing comprised a series of operations (picking, cleaning, transport with four changes of load); that part of the selling price was deducted and paid into a cotton fund which stabilized rates; and that the profit was less than 10 francs per kg. The company which bought the cotton had, moreover, to build housing for its workers and a spinning-mill.

62. Turning to food crops, which the French Administration has been accused by the representative of WFTU of failing to encourage, he said that all those familiar with African conditions knew that the Administration had to contend with the Africans, who preferred "commercial" to food crops. The policy of the indigenous population, whose spokesman the representative of WFTU claimed to be, was therefore diametrically opposed to that which the latter was advocating before the organs of the United Nations.

63. As regards land grabbing by Europeans, another of the charges brought by the representative of WFTU, he pointed out that the land held by Europeans in North Africa represented only one-tenth of the whole area, and that the proportion of land so held to that in native possession was steadily decreasing, more especially in Algeria, where the value of the land held by indigenous Algerians had increased by 600 million francs in 1950. Further, in tropical Africa, no concession could be granted to Europeans except by a vote of the local assemblies, which were elected by universal suffrage and were the sole authority in regard to matters of land tenure.

64. Finally, he pointed out that the accusation that the countries responsible for African territories were not proceeding with the industrialization of those territories was entirely unjustified. In point of fact, Africa had little coal, and it was in the first place necessary to develop sources of power and lay the necessary foundations, both in the economic and in the social sphere. That was what was provided for under the French Government's programmes and what it was now beginning to achieve. It was at the moment impossible to consider treating iron ore locally, owing to lack of coke.

65. Further, industrialization had made a start in North Africa, and as far as was practicable in tropical Africa. The canning plants and vegetable oil factories of North Africa were already competing with metropolitan undertakings. A large proportion of the lead and phosphates and 60 per cent of the cork were treated locally. Cement works, and cardboard and paper mills had been in operation for many years. Steel and aluminium rolling-mills, factories for the manufacture of agricultural machinery, cement and electrical equipment, as well as plant for the production of light alloys, would be installed in Algeria by 1952. Flour and semolina mills were already able to deal with 4 million quintals of grain. In addition, France was carrying out a policy of hydraulic and electric power development, the creation of power being the essential condition for the industrialization of Africa; prospecting was proceeding for oil and coal deposits, of which several were already being worked.

66. The French Government had decided to open up the only coal deposits known in French Africa south of the

Sahara—those at Sakoa in Madagascar, the output of which would amount to 600,000 tons per annum in six years' time. The working of those deposits would call for considerable capital expenditure, as it would be necessary to construct a new railway and a special port. Four large hydro-electric installations, with an average capacity of 20,000 kW were under construction in tropical Africa.

67. He then mentioned some of the more important French achievements in tropical Africa and said that, in addition, medium-sized industrial undertakings had been started since the war by private enterprise, among them vegetable oil and soap factories at Dakar, a peeled-wood factory at Gabon which would require the enlargement of Port-Gentil, etc.

68. Contrary to what the representative of WFTU had alleged, the French Government was anxious to develop small and medium-sized undertakings locally, as they would materially assist the development of overseas territories. To that end it had established, in French Equatorial and West Africa, in the Cameroons and in Madagascar, local credit associations to finance artisans, farmers and small industrialists and to make loans to private individuals for housing. Those associations were "joint" because they associated government action with private enterprise on the one hand, and local with metropolitan capital on the other. Hitherto, however, their resources had consisted almost exclusively of public funds.

69. In the field of social development, the number of elementary classes had, in four years, increased by 40 per cent in Morocco and 30 per cent in French West Africa. Technical and vocational training was being vigorously extended in both North and tropical Africa. The indigenous inhabitants and Europeans received secondary education together. At Dakar, Rabat, Tunis and Algiers, the local *élite* had higher educational institutions at their disposal. Schooling for the whole population was the goal aimed at; it was hoped that goal would be reached in Algeria in 1965.

70. The representatives of the Soviet Union and WFTU had complained that, in certain African territories, education was not given in the local language: it should be remembered that twenty-five dialects were spoken in French West Africa and not one of them was a written language. The object of the requirement that trade union leaders should be able to speak and write French was to maintain the standard of the trade unions, which would cease to be effective and perhaps even lose some of their independence if their leaders were illiterate.

71. He then proceeded to dispose of the criticisms regarding forced labour in the Cameroons made by the Czechoslovak representative at the 491st meeting. The Czechoslovak representative had failed to mention the results of the inquiry on the Cameroons which had been conducted by the Trusteeship Council in 1950 in consequence of the petitions he had mentioned. That inquiry had shown the petitions to be groundless. The minimum wage of a European in the Cameroons was that of a highly skilled employee or workman, whereas the wage of an African was that of an unskilled labourer. Comparison was therefore impossible. Wages were identical for workers of equal skill and efficiency.

72. But, though there was no forced labour in the Cameroons, it did still exist in Czechoslovakia, as was shown by Law 247 of 25 October 1948, of which he quoted articles 1, 2, 3, 4 and 5.

73. Mr. TAUBER (Czechoslovakia), on a point of order, observed that the question raised by the French representative had no connexion with African problems; it could, however, be discussed at the appropriate time, and he would be quite prepared to do so.

74. The PRESIDENT pointed out to the Czechoslovak representative that the Council had already heard a number of observations which had nothing to do with the situation in Africa, and he therefore requested the French representative to proceed with his statement.

75. Mr. ABELIN (France) said that he quite understood that it would suit the Czechoslovak representative to defer discussion on the forced labour system in Czechoslovakia. He begged him, however, to show a little more restraint with regard to territories administered by other countries.

76. He added, in connexion with the same subject, that the labour code for French overseas territories, adopted by the French National Assembly, absolutely forbade forced or compulsory labour in those territories.

77. Reverting to the social achievements of France in Africa, he drew attention to the work done by French doctors in the field of public health: it had been remarkably effective, and was being carried out with even more ample resources than in the past and with the concerted support of the administrative authorities. While in many areas mobile clinics were still the most effective method of operation, a large number of hospitals had nevertheless been established. In 1949, North Africa had 510 hospitals and clinics, and tropical Africa over 225, while in Madagascar there were over 300 medical centres with 13,000 beds. Control of epidemics—in particular, smallpox and typhus—had prevented terrible catastrophes. The arrangements for the care of mothers and children had been improved.

78. After once more emphasizing the difficulties of the work to be done, he concluded by recalling that the Trusteeship Council had in 1950 congratulated France on its administration of the Cameroons¹ and in 1951 on its administration of Togoland.

79. It was, moreover, a heartening reflection that, during the war years when France was weak and to some extent not represented in the African territories, the peoples of Africa had remained faithful to her, which proved their attachment to the mother-country and appreciation of the work of the French administrators. All impartial observers recognized that, of all the disinherited countries, the African countries under the care of France enjoyed the greatest measure of help from abroad. But it was, of course, possible to do better still. He did not think, however, that the establishment of an economic commission for Africa would be a better way of approaching the problem. Africa, unlike Latin America, was not a geographical entity, inasmuch as there were no contacts, no exchanges, no affinities between the various regions of the continent, and Africa's international trade was negligible. Furthermore, the various countries concerned were by no means in favour of such a commission.

80. The two essential purposes to be pursued by an economic commission for Africa—namely, international co-operation and the presence of the United Nations—had already been achieved by other means. Provision was made for international co-operation by inter-African offices, besides which conferences had been held to study road and transport problems, and a commission had been set up to promote technical co-operation in Africa. The presence of the United Nations, moreover, was assured by the work of the specialized agencies and by the application of the provisions of the Charter, such as Article 73, and those relating to the Trusteeship Council and by the periodical survey of the situation undertaken by the Economic and Social Council.

81. To refute certain criticisms, he had described the situation, giving statistics, and had affirmed his Government's firm resolve to continue the work already begun He had done so with sincerity and understanding, which had always been the mainsprings of French policy in Africa. The French Government was determined to continue the work already begun. It had considered that the recovery of France itself was bound up with the awakening of the African territories to modern life, and that its aims should be twofold—viz., to replace capital destroyed and to ensure that under-developed territories progressed harmoniously towards new modes of life. That was why the equipment programmes for France and for its overseas territories covered the same period. It had keenly felt its responsibility to the world community for the equilibrium of vast territories and peoples, the population of which was increasing.

82 There was a long tradition behind French endeavours in Africa, and powerful material resources had also been provided both by the Government and by private enterprise. He could give an assurance that those endeavours would not flag, for France was fully alive to the concept of harmony and solidarity among the peoples of the world.

83. Mr. CORLEY SMITH (United Kingdom) said that he had not wished to interrupt the debate earlier, but must before its conclusion briefly refer to an incident which had occurred at the preceding meeting. The Egyptian representative had been invited to the Council table to join in the discussion on two technical reports. He had used that opportunity to attack the United Kingdom Government on questions which were not dealt with in the reports and which indeed went far beyond the Council's competence.

¹ See Official Records of the General Assembly, fifth session, Supplement No. 4 (A/1306), page 52.

84. He (Mr. Corley Smith) had at the time been inclined to suggest that those observations should be expunded from the record of the meeting. He had refrained from doing so since the President had ruled that they were out of order. For that reason also, he would not make any reply to them. But he assumed that it would be generally understood that his delegation's silence did not imply acceptance of one single word spoken by the Egyptian representative on those issues.

85. Mr. KATZ-SUCHY (Poland) said that the President was undoubtedly aware of how much the Polish delegation appreciated the manner in which he guided the Council's work. Unlike the United Kingdom representative, his delegation held that the Egyptian representative had been wholly justified in talking of the injurious effects of the Anglo-Egyptian treaty on economic development in North Africa. The matter concerned all States Members of the United Nations, and it was legitimate to raise it in a discussion on economic conditions.

86. The PRESIDENT said that he had ruled the Egyptian representative out of order because his remarks were outside the subject under discussion. If the sense of his ruling had not been clear to the Polish representative at the time, the latter should have challenged it and so ascertained the views of the Council.

87. AZMI Bey (Egypt), expressed his regret at having been called to order at the preceding meeting and said that he had bowed to the President's ruling, but that, in view of the statement by the United Kingdom representative, he wished to repeat that he was convinced of having been within his rights in making his observations, and of their entire relevance to the two reviews on the situation in Africa and the Middle East respectively.

88. The PRESIDENT said that he had never for a moment doubted the good intentions of the Egyptian representative. He had acted solely in the conviction that the latter had abused the privilege granted to him by the Council.

89. As President, he always endeavoured to be liberal and, as members knew, he often allowed digressions provided they had some general connexion with the subject under consideration. It was, he considered, advisable to encourage free expression of opinion, but in exchanging views, representatives must not allow themselves to digress too far afield—the more so as the Council had a very heavy agenda and so far progress had not been rapid.

90. Mr. KATZ-SUCHY (Poland) said that he had not challenged the President's ruling because he had considered the incident to be closed. Since, however, the United Kingdom representative had referred to it, he had been obliged to make his point in order that there should be no suggestion that the Council as a whole agreed with the United Kingdom representative's view that the Egyptian representative's observations had been out of order. 94. The PRESIDENT pointed out that he never regarded the challenge of a presidential ruling as a criticism of the Chair, but merely as the expression of a different point of view.

92. Mr. YU (China) also expressed his delegation's appreciation of the President's skill in directing the Council's work, but suggested that the rules of procedure should be applied without discrimination. When making a statement, he had recently been unduly interrupted and yet at the 490th meeting the Soviet Union, Polish and Czechoslovak representatives had used expressions which surely should have been ruled out of order. It did not matter whether the rules of procedure were applied freely or strictly. What mattered was that they should be applied impartially. It might perhaps be expedient to impose a time-limit on speakers.

93. The PRESIDENT thanked the Chinese representative for his observations and said that the rules of procedure allowed considerable latitude. He always endeavoured to interpret them in the way that was likely to prove most helpful and to lead to the best results. He would always be grateful to any representative who would point out to him and to the Council any failure on his part to do his duty.

Allocation of agenda items to committees

94. The PRESIDENT informed representatives that the Social Committee had concluded its work with the exception of item 21. Since the Secretariat had only very recently distributed an important document on that item, the members of the Social Committee wished to have an opportunity to study it. The Co-ordination Committee was also unable to proceed with its work because the Council itself must now deal with the reports submitted by the specialized agencies.

95. He would consequently suggest that item 2 be concluded in the next plenary meeting. He did not wish to impose a time-limit, but would suggest that speakers should not go beyond thirty to thirty-five minutes. It would also be advisable to dispose of item 10, since the Secretary-General would be able to send out a technical assistance mission only after the Council had taken its decision upon the report of the Fiscal Commission.

96. In order to speed up the Council's work, he would suggest that the Co-ordination Committee be asked to deal with items 40 and 49 (b). Finally, he would suggest that the Social Committee should take up item 20.

97. Mr. KHOSROVANI (Iran) considered that the Council could dispose very quickly of item 49 (b), since the idea of inviting certain regional organizations to attend sessions of the Council had been accepted by the General Assembly and the Council itself. He would therefore suggest that it be dealt with at the beginning of the plenary meeting in the afternoon of the following day.

98. The PRESIDENT said that his suggestion had been made in the knowledge that the Pakistani representative had other proposals to make on item 49 (b).

99. Mr. KHOSROVANI (Iran) said that the draft resolution (E/L.179) submitted by his delegation at the 486th meeting on item 49 (b) could perhaps be considered, the discussion of any other proposals relating to that item being deferred till later.

100. Mr. ISMAIL (Pakistan) accepted the proposal of the Iranian representative.

101. The PRESIDENT said that, in the absence of objections, he would suggest that item 20 be referred to the Social Committee and item 40 to the Co-ordination Committee.

It was so agreed.

The meeting rose at 6.50 p.m.