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Survey of recent and prospective trends and fundamental changes
in the field of socio-economic development

National experience in achieving far-reaching social and economic
changes for the purpose of social progress

Report of the Secretary-General

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I. INTRODUCTION

1. The General Assembly, in its resolution 36/19 of 9 November 1981, requested the Secretary-General to prepare, in consultation with Member States, a report on national experience in achieving far-reaching social and economic changes for the purpose of social progress and for safeguarding national independence within the context of the International Development Strategy for the Third United Nations Development Decade, taking into account social aspects of development and the role of existing concepts and practices in the development process, and to submit it to the General Assembly at its thirty-eighth session through the Commission for Social Development and the Economic and Social Council. In response to that resolution, the Secretary-General sent a note verbale on 5 March 1982 to all Member States on this subject, requesting replies by 31 July 1982. As of the end of July three replies had been received. On 10 August 1982 a reminder was sent to Governments requesting replies at the earliest possible date. By the end of September, the latest possible date for preparation of the present report, a total of 11 replies had been received.* Those replies differed in style and content, consisting of excerpts from national development plans or other published documents in three cases and of texts addressing specifically the issue in eight cases. The report is presented under five headings corresponding to the main themes developed in the replies: adapting social policies to changing economic conditions and societal change; social welfare services; social guidelines for economic growth; undertaking agrarian social change; and political and economic framework for social progress.

II. ADAPTING SOCIAL POLICIES TO CHANGING ECONOMIC CONDITIONS AND SOCIETAL CHANGE: THE EXAMPLE OF DENMARK

2. The Government of Denmark notes the changes in social policies which it has initiated in response to the changes in the world economic conditions which began in the early 1970s. These manifested themselves in Denmark in unemployment, estimated in 1980 to have averaged 10 per cent of the total number of persons insured against unemployment and in an adverse balance of trade. The Government has sought to solve those two fundamental problems by a gradual reduction of real growth in overall public expenditure with the aim of expanding the export- and import-competing sectors. With a zero rate of growth in public expenditure, however, there was little hope of both covering actual needs and satisfying the expectations of continued expansion, which had become firmly rooted in the minds of recipients of public social services. Necessary disbursements in unemployment benefits and for the continued expansion of facilities to benefit children, as well as the mounting number of elderly people, have exerted a growing pressure for continued growth in public expenditure, which was hard to resist. As a result, the

* Replies were received from the Byelorussian Soviet Socialist Republic, China, Cyprus, Denmark, Ecuador, Ethiopia, Kuwait, Mauritius, Nigeria, Pakistan, and the Ukrainian Soviet Socialist Republic. In addition, Brazil informed the Secretary-General that it was unable to provide information and the United States of America informed the Secretary-General that it opposed the resolution and therefore did not submit a reply.

public sector has been faced with the steadily growing dilemma of how to reconcile mounting pressures to raise expenditure with the Government's goal of zero growth.

3. Short-term retrenchment initiatives are being developed in order to implement changes in the comprehensive system of social services. These include some restrictions of demand, a higher degree of utilization and progressive introduction of cheaper alternatives. In the child and youth welfare sectors, private day-care centres are being encouraged as an alternative to the more costly institutional-care facilities. A more general measure has been the replacement of taxable income by what is termed social income, a concept taking into account capital assets and excluding some deductions, for calculating income-related benefits, grants and allowances. The purpose of this change is to ensure that revenue from tax, to a higher degree than previously, is distributed according to real need. At the same time, the new manner of calculation was thought to make it easier to cut spending where it did least harm.

4. Given the view that problems of economic imbalance are unlikely to be short-lived or transitory, initiatives have also been taken to dampen long-term growth in public expenditure, comprising measures to update priorities in the social sector, and to restructure spending. With regard to the former, the goal is a reassessment of the distribution of expenditure according to objective and, through sector planning, a redeployment of resources among objectives. The reassessment of goals and resources is being supported by experimental activities at the local level to develop and test new formulas for the solution of problems, with the central authorities responsible for follow-up and dissemination of new information gained.

5. In Denmark's experience, recent trends in the social sphere have increased the severity of welfare problems and altered their content. In the 1970s, the steepest rise in public expenditure on social services was in the area of services to the elderly, due, among other things, to the growth in the number of places in homes for the elderly. The growth of spending on services for the elderly has in recent years slowed as new forms of residential accommodation and allowances were introduced and expanded. Without such innovations, spending on social services in the geriatric sector is certain to have been higher.

6. The economic recession, which over the past 10 years has markedly affected the industrialized world, including Denmark, has limited the resources available to the social sector and, at the same time, has tended to augment the need for social services. In the view of the Danish Government, it is no longer possible in these circumstances to seek improvements in social conditions by the traditional and tried methods. Continued improvements in living conditions, or even the maintenance of the status quo, required intensive efforts to solve the problems by new means. This, in turn, required close study of possible alternative solutions.

III. SOCIAL WELFARE SERVICES: THE EXPERIENCE OF CYPRUS,
KUWAIT AND PAKISTAN

7. Information made available by the Governments of Cyprus, Kuwait and Pakistan focuses on the provision of services as important components of social policy.
8. In Cyprus, the welfare component of public expenditure is being expanded. In 1980, social expenditure constituted about 47 per cent of the total government expenditure and 15 per cent of the gross domestic product. Prominent features of the new policy stressing welfare are the General Health Scheme and wage-related social insurance, giving substantial increases in benefits and income transfers both with regard to social insurance fund benefits and public assistance. With regard to social services, increased expenditure on housing is emphasized. Both the Third and Fourth Emergency Plan, covering 1981-1982 and 1982-1985, extend welfare measures, provide for the further expansion of social services and easing of the housing problem, and are, in general, designed to reinforce the promotion of a more equitable distribution of economic burdens and of national income, as well as the general improvement in the standard of living.
9. The achievements of Cyprus over the last two decades, the Government notes, are both substantial and clear. Life expectancy stood at 73.4 years in 1977 and infant mortality per 1,000 births was 17.2 in 1980, reflecting the general rise in incomes, improvements in the availability of health services, and the extended coverage of social and community services. By 1980, all urban houses and 98 per cent in rural areas had piped water. All villages are now directly linked to the electricity network. About 90 per cent of the population above the age of seven are literate. Universal primary education has been achieved and 88 per cent and 24 per cent of the appropriate age groups are attending schools at the secondary and tertiary levels.
10. The Government of Kuwait regards social welfare policies as complementing the overall strategy of development. On the development side, public investment and policy give high priority to the development of physical infrastructure and modern administrative institutions. Social policies seek to bring about and guide patterns of social change. The latter is manifested in the constitution and body of law, on the one side, and in wide-ranging social programmes in such areas as family welfare, the expansion of educational and health services and of housing to the whole population, on the other.
11. With respect to the family, the Kuwaiti constitution stipulates that national laws should preserve the family structure, strengthen family ties and protect motherhood and childhood under the family. The labour legislation and the Civil Service Act of 1979, for instance, provide for equal remuneration of men and women for work of equal value, non-employment of women with family responsibilities in night work and entitlement to maternity benefits. Under the public assistance programmes, monthly financial assistance is granted to needy individuals, the aged, the disabled, students' families, orphans, widows, non-married daughters and prisoners' families. In 1981, 9.1 million Kuwaiti dinars were distributed to 81,675 families. Rental subsidies of up to 100 Kuwaiti dinars per month are granted to all families residing in leased housing.

12. The expansion of physical and social infrastructure is given a key role in developing the human resources potential of Kuwait. The rapid growth of population, estimated at 6 per cent annually, attributed to improved health services as well as the high rates of economic growth and consequent reliance on expatriate migrant workers, is seen as having brought rapid social change, including demand for more housing. To cope with the growing demand but also to guide patterns of settlement, the Government adopted a system of urban neighbourhoods, entailing the development of wholly integrated local communities, each provided with all essential services such as library, schools, theatre, places of worship, recreational facilities and other social and cultural institutions. The housing stock in Kuwait increased from 113,000 units in 1970 to 180,000 units in 1980 and by 1981, shanty dwellings are said to have been largely eliminated. The country's 1981-1986 Plan calls for the construction of 25,000 limited-income housing units and 11,242 units for moderate-income families and individuals.

13. The Government's policy is to raise in general the standard of living of the population and to diversify the predominantly oil-based economy. The chosen means are the creation of employment and provision of training opportunities for all willing and able citizens, combined with social insurance coverage for all persons employed in the public and private sectors, including the self-employed. Both public assistance and social policies are guided by the goal of developing human resources in concert with the dynamics of social change and rational utilization of the Kuwaiti petroleum resources, by such means as the "Future Generations Fund", financed by the equivalent of 10 per cent of the State's overall budget in any fiscal year.

14. The Government of Pakistan notes that its role in social welfare started with assistance to voluntary organizations and the promotion of voluntary services to the destitute and the poor in all areas of the country. As the scope of voluntary agencies' activities expanded, new governmental structures were established to ensure the vertical and horizontal co-ordination of all social welfare programmes, and to promote local involvement in the planning and implementation of social and economic programmes. The orientation of social welfare policies thus changed from public support of private charity to community development.

15. Under present arrangements, it is the responsibility of the social welfare wing of the Ministry of Health to set at the Federal level professional standards and guidelines for the planning and co-ordination of social welfare policies. In addition, the Federal Government is responsible for developing programmes to train community development leaders for both urban and rural areas, and for providing financial grants to voluntary social welfare agencies. At the provincial level, Directorates of Social Welfare are responsible for planning, implementing and supervising social welfare and community development plans and programmes. The Government of Pakistan notes that it is currently implementing 197 community development projects, of which 97 are in urban, 54 in semi-urban and 46 in rural areas. Each project is intended to serve about 40,000 people in urban areas and between 15,000 and 20,000 in rural areas. A male and a female social welfare officer are assigned to each project; they are expected to motivate and train community leaders, mobilize local resources and initiate and implement social welfare programmes with the help of community development organizations. There are

also over 4,000 voluntary social welfare agencies in the country which supplement government assistance. They provide literacy courses and vocational training, maternal and child welfare services, and undertake relief activities in their communities.

16. A range of programmes has been developed to help integrate women in the development process, particularly those from low-income groups. For instance, Government-sponsored socio-economic and industrial centres provide women with training and employment opportunities: 25 such government demonstration socio-economic centres and 2,116 industrial centres, run by voluntary organizations, are currently in operation. Other government or voluntary activities include mother-and-child homes, in which widowed mothers receive stipends and training for one year, facilities and programmes to assist destitute women, and child welfare services, model orphanages and day-care centres for children of working women.

IV. SOCIAL GUIDELINES FOR ECONOMIC GROWTH: OBJECTIVES PURSUED IN ECUADOR, MAURITIUS AND NIGERIA

17. The Government of Ecuador states that, at the start of the 1970s, neither the Ecuadorian economy nor society were functioning to the satisfaction of the great majority of people. In the early 1970s, economic prospects were transformed with the exploitation of major new oil deposits, and this made it possible to speed up certain changes that had been planned earlier, including agrarian reform and industrialization. Social policy took the form of active State involvement in education, public health, housing and social welfare. Another important element in social policy was the encouragement of participation of large segments of the population. During the 1970s the Government also initiated and implemented tax and civil service reforms as part of its effort to bring about more equitable development and as a complement to its strategy of development through greater reliance on State intervention.

18. The basic aim of agrarian reform was to speed up the eradication of poverty in rural areas. The reforms, as conceived and carried out, were expected to bring about better farming by giving cultivators security of land tenure and use. This in turn implied making them independent of the large estates. According to the most recent evaluation available to the Government, the rural crisis had grown more acute over the last decade. In 1954, there were 252,000 farm holdings of less than 5 hectares. By 1975, the number had increased to 346,880 with an average holding of 1.5 hectares. Over the two decades, 850,000 hectares of land were distributed to 64,000 families, representing only about 37 per cent of the target.

19. The Government's evaluation of conditions in urban areas was that, in a period of rapid economic growth, the benefits had been unequally distributed. The information available to the Government on income distribution in urban areas between 1968 and 1975 suggested improvement in the lower-middle income groups, with the situation of the poorest worsening and the richest improving. In 1968, what were considered as the poorest groups had an average annual income of \$236, and accounted for 43 per cent of the urban working population (receiving about

12 per cent of total income). By 1975, these poorest groups accounted for only about 27 per cent of the population (with 5.5 per cent of income), but their average income had fallen to \$212, implying sharpened inequalities in the lower-income reaches. By contrast, the proportion of recipients of very high incomes increased from about one tenth of 1 per cent to half of 1 per cent of the urban population, with their income share rising from 1.5 per cent to 4.9 per cent of the total.

20. It was against this background of growing rural crisis and persistence of poverty that the functions of the State, the Government of Ecuador notes, were expanded and broadened. The emergence of the country as an exporter of oil in 1972 and the consequent expansion of petroleum revenues accelerated economic growth and increased the Government's capacity and determination to participate in the production process. State-owned basic industries were established and the role of the State in the management of strategic sectors of the economy strengthened. The Government also increased investment in joint ventures and support for some private-sector activities.

21. Since 1972, the demand for consumer goods, durables in particular, has expanded dramatically. With a growing domestic market, manufacturing output more than doubled between 1970 and 1978, and six out of every 100 persons entering the labour market found jobs in industry. Between 1974 and 1979, total employment increased by 3.1 per cent a year, a rate slightly higher than the growth rate of the economically active population.

22. In the view of the Ecuadorian Government, the 1970s saw a profound transformation in the country. The State used the revenues from petroleum to promote productive sectors, chiefly industry. On the social side, the external signs of a society undergoing modernization became clearly visible, especially in terms of the emergence of new social groups. Despite achievements, basic problems remain or have been sharpened. The Government therefore foresees no change in a policy which will continue to be determined by the need to correct persistent inequalities, including concentration of land ownership, rural-urban imbalances and major differences in incomes and access to services.

23. The Mauritian Government drew attention to its 1980-1982 Development Plan, which sets out the country's social and economic strategies. These were devised in response to the difficulties created for Mauritius by the world economic recession and recurring droughts. With regard to the droughts, about 60 per cent of local food consumption is accounted for by imports; these were equivalent to 25 per cent of total imports. Special emphasis was therefore placed in the Plan on measures designed to encourage small planters and sugar estates; the development of alternatives to imported staples, notably rice; and the expansion of protein supply through the promotion of dairy production, and the creation of joint fishing ventures with neighbouring islands.

24. As a result of declining fertility and more schooling, the participation of women in the labour force has increased rapidly. Employment, or lack of it, remains a serious problem for men and women. Policies to make best use of the human resources of the country are thus emphasized in the Plan. Those include

educational reforms to reduce wastage and to improve employment opportunities for school leavers. The public investment programmes during the 1980-1982 Plan also emphasize expanded activities in the development of basic infrastructure. They include measures to develop alternative sources of energy and expand rural electrification and communications. To promote further the process of industrialization, special attention is being given to attracting high-technology industries and to the establishment of related educational and training institutions.

25. Information provided by Nigeria drew attention to the imbalance between the country's pace of social change and rate of economic growth, and the need for public policies that would reduce this imbalance or deal with its consequences. Rapid urbanization and internal migration are identified as important factors in a disruptive pattern of social transformation. The urban population, living in 183 towns, now accounts for about 20 per cent of the total population. The high rate of economic growth is said to have magnified such problems as urban congestion, urban crime, violence and environmental decay, food shortages despite massive food imports, unemployment, acute inequality of income and political power and a general feeling of insecurity.

26. The Government notes that those negative consequences have brought out in clear terms the urgent requirements for Nigeria's social development. An obviously intensifying demand for an affluent life style and for economic prosperity, competing with service to the family, community, state or nation, also served to underline the need to incorporate social objectives in plans and strategies for economic growth. In addition, the specific problems of the physically handicapped and destitute, left by the Nigerian Civil War and the Sahelian drought, had to be addressed.

27. In the light of the disparity between the magnitude of social and human problems and the resources available, the Government decided to adopt and pursue a selective strategy, focusing specific attention on groups most vulnerable to various social ills and economic deprivation: the family and child, women and the aged, the indigent, and the socially, physically and mentally handicapped. In addition, community services designed to encourage community spirit and self-help are emphasized. At the more general level, guidelines for development planning incorporate a number of social objectives, ranging from social justice and equity to the elimination of disruptive cleavages, and emphasize basic needs in such areas as food and nutrition, education opportunities, housing, health and security.

V. UNDERTAKING AGRARIAN SOCIAL CHANGE: CHINA AND ETHIOPIA

28. The Government of China presents an overview of the history and performance of its agrarian reform policies and some lessons from its experience in implementing agrarian, social and economic changes. Land tenure in semi-feudal China is characterized as having been irrational, with more than 70 per cent of the rural population owning only between 20 per cent and 30 per cent of the land, while land rent, usurious loans and exorbitant government taxes or levies reduced the peasant's life to one of semi-starvation. After liberation, the Land Reform Law of 1950 was promulgated, and by 1952 land reform had been successfully completed throughout most of China.

29. The aim and content of land reform, as defined in the Land Reform Law, was to abolish feudal exploitation, bring about peasant land ownership, increase rural productivity, develop agricultural production and prepare the way for industrialization. Most peasant households acquired land after the reform but were often short of manpower, farm animals and farm implements. The organization of the peasantry, particularly the poor and lower-middle strata, in mutual aid societies and co-operatives consolidated the gains of agrarian reform. The need to ward off national disasters, develop production and expand the use of farm machinery gave another strong impetus to the development of production co-operatives.

30. In accordance with the Resolution on Mutual Aid and Co-operation Agricultural Production and the Resolution on Developing Agricultural Producers' Co-operatives, both promulgated in 1953, local governments at different levels provided guidance in getting the peasants organized either into mutual aid teams of a temporary and simple nature for collective farming or into regular mutual aid teams which had a certain degree of division of labour on the basis of collective farming, and a small amount of property owned collectively. The mutual aid teams helped some peasant households to overcome their difficulties in working the land and thus to increase output, but poor land use and inadequate farming techniques hindered production. In order to overcome those obstacles, the Government encouraged the peasants, on the basis of mutual aid teams, to pool their land as shares for unified management. In elementary agricultural producer co-operatives, with relatively substantial public funds, individual peasant households were organized to achieve unified and planned management, but land shares counted in distributing part of the co-operative income. By 1957, 740,000 advanced agricultural co-operatives had been set up. In the advanced co-operatives, all productive assets were collectively owned and income was distributed according to labour.

31. The accelerated implementation of agrarian reforms and the subsequent process of agricultural collectivization is part of the strategy of the socialist transformation of China. The Chinese Government notes the factors which contributed to the successful collectivization of its agriculture. First, the transition from mutual aid teams to advanced agricultural co-operatives was both orderly and proceeded step-by-step. The peasants were first encouraged to form temporary mutual aid teams for the seasonal exchange of labour and mutual self-help, and later permanent mutual aid loans. Those were followed by eliminating agricultural producer co-operatives, in which land was pooled as shares and subsequently transformed into advanced producer co-operatives. Second, the principles of voluntary participation, mutual benefit and exchange at equal value were observed. Peasant households often took the initiative in forming elementary or advanced co-operatives. At the same time, adherence to the principle of mutual benefit was essential in handling relations between the poor and middle-level peasants: at each stage of collectivization, 90 per cent of peasant families were guaranteed an increase in income. Except for obligatory labour and other services, co-operatives undertook the construction of public utilities, and public authorities did not transfer labour force or materials of collective economic organizations indiscriminately and without compensation. Third, a policy of active leadership, persuasion and education and the displayed strength of the collective in the growth of farm production were instrumental in the diffusion of co-operatives and peasant support to agricultural collectivization policies.

32. Several lessons from the experience can be drawn. The implementation of the advanced producer co-operatives was hasty and failed to set up what is described as a proper system of job responsibility, resulting in egalitarianism without adequate incentives for different categories of skill and performance. Similarly, the uneven development of productivity in the vast rural areas was not properly taken into consideration, resulting in the imposition of uniformity on the form and scale of agricultural organizations. While adhering to socialist agricultural collectivization and proceeding from the actual situation of uneven development of productivity, the Government is now establishing various forms of job responsibility in agriculture with the aim of reaping the advantages of the unified management system in the collective economy of agriculture.

33. The strategy and policy framework of Ethiopia since the 1974 revolution, the Government notes, has been one of eliminating the feudal and underdeveloped social structure, creating and strengthening the political and organizational framework for socialist transformation, and formulating and developing priorities for long-term economic development. Before the revolution, 65 per cent of the land had belonged to the royal family and the nobility, and 30 per cent to the church, leaving 5 per cent in the hands of peasants. The great majority of peasants, which represented more than 80 per cent of the population, were liable to arbitrary eviction and rent payments of up to 75 per cent of their gross output. The severe shortage of agricultural surplus and lack of skilled manpower put additional constraints on social and economic development. Average life expectancy, according to the information provided, was about 38 years, with 93 per cent of the population illiterate and only 10 per cent of children attending school.

34. The overthrow of the feudal monarchy and its replacement by the Revolutionary Provisional Military Administrative Council (PMAC) in 1974 laid the foundation for a socialist people's democracy in Ethiopia. The guiding principles set out in the 1974 Declaration on Socialism were elaborated in the 1975 Declaration on Economic Policy of Socialist Ethiopia and the 1976 Programme of National Democratic Revolution. The principal objectives are: redistribution of property rights, through land reform and the takeover by the State of enterprises in the key sectors of the economy; the establishment of "grass-root" institutions; the development of effective centralized planning and administration of development; and the enlargement of the sphere of direct regulation of economic activity by the Government.

35. From a political as well as economic standpoint, Ethiopia's strategy in improving living conditions and establishing the foundation for sustained development puts the main stress on agrarian transformation. According to the Land Reform Proclamation of 1975, all rural land is the collective property of the Ethiopian people and may not be used, exchanged, mortgaged, rented, leased or inherited. By the Proclamation, a ceiling of 10 hectares on size of holdings was set, all tenancy relations abolished, the hiring of labour prohibited and all commercial farms nationalized, with limited compensation. The peasants have been organized into associations, with provisions for self-administration, comprising units of 200 to 400 families, with an average holding of 800 hectares at the village level, and higher bodies at the district, provincial and administrative

regions, and at the national level. Similar people's organizations, such as the Urban Dwellers' Association and Industrial Workers' Association, were established to defend the reforms and to mobilize popular support for the development effort and socialist transformation.

36. The Government of Ethiopia states that it succeeded, through annual development campaigns over the last four years, in arresting the downward production trend and in bringing significant progress in agricultural and rural production and in literacy. Despite the encouraging results, structural constraints, lack of investment and shortage of skills continued to impede the development efforts.

37. On the basis of the experiences gained in successive development campaigns, the Ethiopian Government is preparing a 10-year perspective plan, which will form the basis of future short-term development programmes. With respect to sector policies and strategies, agriculture and rural development, including self-sufficiency in food, are being accorded highest priority.

VI. POLITICAL AND ECONOMIC FRAMEWORK FOR SOCIAL PROGRESS: THE EXPERIENCE OF THE BYELORUSSIAN SOVIET SOCIALIST REPUBLIC AND THE UKRAINIAN SOVIET SOCIALIST REPUBLIC

38. The Byelorussian Soviet Socialist Republic managed to overcome enormous difficulties and achieve a high level of economic and social development. The achievement is due, the Byelorussian Government emphasizes, to the socialist transformation of the social structure, the essence of which was the establishment of common ownership of the means of production; the elimination of exploitation; the institution of a planned economy; the application of the socialist principle of distributing the wealth created in society according to work; guaranteed employment; the creation of a free system of education at all levels, a free health service, and the provision of housing at public expense; and in the broad involvement of the workers in management of public affairs at all levels. Socialist industrialization and the introduction of agricultural co-operatives were specific large-scale programmes designed to change the economic basis of the country. As a component part of the economic system of the Soviet Union, the Byelorussian Soviet Socialist Republic enjoyed the advantages stemming from specialization and co-operation, which guaranteed the most rational use of its manpower and material resources, supplies of energy resources and raw materials, technical and scientific development and a market for its products. In the difficult periods of its development, the Republic received critical help in carrying out its programmes and with the rehabilitation of its shattered economy after the Second World War.

39. Under socialism, it is only through increased labour productivity that the prosperity of the people can be increased, the Government notes. Given the role of qualified personnel in ensuring economic and social progress, prime importance has been given to general education and to the vocational and technical training of the population. The right to free education and to a profession is also guaranteed by the Constitution of the Byelorussian Soviet Socialist Republic. Almost 4 million

out of a population of 9.7 million are currently receiving various types of education, including pre-school education. Much attention has also been given to maternal and child welfare and the improvement of women's working and living conditions. Women have the same rights as men in respect of study and work, including equal pay for equal work.

40. The development of advanced industrial production, highly mechanized collective agriculture, modern science and a high level of culture accessible to all, formed the basis of social progress. In recent decades, the economic potential of the Republic doubled every seven years. In accordance with the theory of scientific communism, which underlines the practical activity of the Communist Party and the Soviet State, the achievement of high rates of economic development has never been regarded as an end in itself. Economic development was seen as a prerequisite for the achievement of the main goal of socialist society - that of ensuring constant improvements in the well-being of the people. The new constitution of the Byelorussian Soviet Socialist Republic, adopted in 1978, stated explicitly that the main purpose of social production under socialism was to satisfy to the fullest extent the growing material and spiritual demands of the people. Several indicators of recent social and economic trends reflected the extent of improvement in living conditions and the dimensions of social progress. The real income of workers increased as social production developed and the educational and vocational training level of workers was raised. Real per capita income grew by a factor of 2.2 from 1965 to 1981. On the basis of the development of production and the growth of the population's income, the consumption of goods and services by the population has been increasing. For example, in late 1981, 72 radio receivers, 74 television receivers, 81 refrigerators and 49 washing machines were in use for each 100 families in the Republic.

41. In addition to remuneration for socially productive labour, an important component of the real income of the population in the Byelorussian Soviet Socialist Republic consists of payments and concessions from the social consumption funds. At the expense of the State and co-operative enterprises, those funds pay for, among other things, educational and health-care services, furnished free-of-charge, provide pensions and social security benefits and maintain sanatoria, holiday homes and tourist centres for workers. The social security system in operation is comprehensive.

42. A major item of expenditure from the social consumption funds is for the construction of housing assigned to workers free-of-charge and for subsidies for the upkeep of such housing. Apartment rentals are deliberately kept at a low level and have remained unchanged despite the increase in the cost of construction and upkeep of housing. On the average, rents cover only one third of maintenance cost. Between 1950 and 1980, more than 2.1 million apartments were built, providing improved housing conditions for 9.8 million people. At the end of 1980, there was an average of slightly more than 13 square metres of useful living space for each town dweller in the Republic. In the improvement of housing conditions, the principle of "a separate apartment for each family" is being put into practice.

43. The Government of the Byelorussian Soviet Socialist Republic notes that the choice of main direction of economic and social change confronting many newly independent States can be facilitated by studying and drawing general conclusions from the experience of other countries which have achieved far-reaching economic and social changes and, on this basis, have attained rapid growth and a steady improvement in the standard of living. The Government notes further that the historical experience of socialist countries demonstrates the high social effectiveness of a progressive transformation of society along the path of socialism.

44. In the Ukrainian Soviet Socialist Republic, the advanced society that has been built guarantees constant growth in the well-being of the people and steadily improving conditions for the all-round development of the person. It contains no social classes or groups, the Government notes, that make their living from the labour of others or by exploiting a hired work-force.

45. The level of education that has been achieved in the Ukrainian Soviet Socialist Republic is demonstrated by the fact that more than half of the present population have received higher or secondary education. Virtually all up to the age of majority were attending some kind of school or pre-school facility. Cultural and health facilities were also highly advanced. A comprehensive system of social security was in place and a wide variety of social needs were provided for out of public funds.

46. Social progress in the Ukrainian Soviet Socialist Republic is based on the development of social production, which in turn is based on the Republic's enormous material and technological potential. In the 65 years since its founding, the Republic has had to overcome not only an inherited backwardness, but also large-scale casualties and extreme damage inflicted in the First World War, later in the civil war and the armed foreign intervention that followed the socialist revolution, and then again, in the Second World War. With seven years of its existence spent in war and 10 in recovery, the present level of social and economic achievement has in effect been reached in less than half a century.

47. The Government of the Ukrainian Soviet Socialist Republic notes that all the elements of social production, distribution and exchange in the Republic were bound also in a single economic complex constituting the Soviet Union. The formation of this single, unified State had increased the possibilities of each of its constituent Republics to achieve far-reaching social and economic changes. In achieving the present level of well-being, it had also been necessary to tailor local needs to possibilities. Intense work was required on the part of the Ukrainian people to increase both the prosperity of society and their own well-being. A third and decisive factor in the development of the Republic, the Government notes further, was the building of socialism, which constitutes the main element of its national experience of achieving far-reaching social and economic changes for the purpose of social progress.

48. The Government of the Ukrainian Soviet Socialist Republic refers to that experience in the context of the development problems currently facing the developing countries. It points to the paramount role of the State in social progress and to the way the ability of the State to discharge this role and fulfil the aspiration of its people depended on its own economic base. The key problem, to which the solution of all other development problems was linked, is that of investment. This problem had to be solved by the Republic in conditions in the 1920s and 1930s of external economic blockade, the Government notes, and significantly less favourable than those currently existing in the developing countries, by relying exclusively on domestic resources, the mobilization of which was made possible by the socialist system. In order to concentrate material, financial and manpower resources to achieve the development objectives, the State made use of many policies, including direct administrative measures, such as centralized distribution of the means of production and raw materials, the compulsory supply of agricultural output to urban areas and the standardization of urban consumption. This made it possible, the Government notes, to ensure strictest economy and distribution of national income in conformity with the demands of both maintaining high levels of investment in modern equipment over prolonged periods and increasing the well-being of people.
