

**UNITED**



**NATIONS**

**REPORT  
OF THE  
COMMITTEE ON INFORMATION  
FROM  
NON-SELF-GOVERNING TERRITORIES**

**GENERAL ASSEMBLY**

**OFFICIAL RECORDS : TWELFTH SESSION**

**SUPPLEMENT No. 15 (A/3647)**

**NEW YORK, 1957**

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## NOTE

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## Part One

# REPORT OF THE COMMITTEE ON INFORMATION FROM NON-SELF-GOVERNING TERRITORIES

### I. Constitution of the Committee

1. The General Assembly, by resolution 933 (X) adopted on 8 November 1955, decided to continue the Committee on Information from Non-Self-Governing Territories on the same basis as set forth in resolutions 332 (IV) and 646 (VII), for a further three-year period.

2. The terms of reference of the Committee set forth in resolution 923 (X) provide that the General Assembly:

"5. *Instructs* the Committee to examine, in the spirit of paragraphs 3 and 4 of Article 1 and of Article 55 of the Charter, the summaries and analyses of information transmitted under Article 73 e of the Charter on the economic, social and educational conditions in the Non-Self-Governing Territories, including any papers prepared by the specialized agencies and any reports or information on measures taken in pursuance of the resolutions adopted by the General Assembly concerning economic, social and educational conditions in the Non-Self-Governing Territories;

"6. *Instructs* the Committee to submit to the regular sessions of the General Assembly reports containing such procedural recommendations as it may deem fit and such substantive recommendations as it may deem desirable relating to functional fields generally but not with respect to individual Territories".

3. In relation to the Committee's programme of work, the General Assembly, in resolution 933 (X):

"*Considers* that the Committee should, without prejudice to the annual consideration of all the functional fields enumerated in Article 73 e of the Charter, give special attention to educational economic and social conditions in turn and should consider the information transmitted in respect of these questions in the light of the reports approved by the General Assembly on such conditions in Non-Self-Governing Territories".

4. The Committee consists of fourteen members: the seven Member States transmitting information on Non-Self-Governing Territories and an equal number of other Members elected by the Fourth Committee on behalf of the General Assembly. The membership of the Committee in 1957 was as follows:

#### *Members transmitting information*

Australia  
Belgium  
France  
Netherlands  
New Zealand  
United Kingdom of Great Britain  
and Northern Ireland  
United States of America

#### *Members elected by the General Assembly*

Ceylon  
China  
Guatemala  
India  
Iraq  
Peru  
Venezuela

All members were represented at the eighth session of the Committee, with the exception of Belgium.

5. The Committee met in New York at the Headquarters of the United Nations, and held sixteen meetings between 22 July and 15 August 1957.

6. Representatives of the following specialized agencies attended the Committee and took part in the discussions: the International Labour Organization, the Food and Agriculture Organization of the United Nations, the United Nations Educational, Scientific and Cultural Organization and the World Health Organization.

### II. Officers of the Committee

7. At its opening meeting on 22 July, the Committee elected the following officers by acclamation:

Mr. Jan Vixseboxse (Netherlands), *Chairman*,  
Mr. Adnan Pachachi (Iraq), *Vice-Chairman*,  
and  
Mr. Gray Thorp (New Zealand), *Rapporteur*.

### III. Sub-Committee

8. A sub-committee was appointed at the 158th meeting of the Committee to prepare a special report on economic conditions in Non-Self-Governing Territories. It was composed of representatives of Ceylon, China, France, Guatemala, India, the Netherlands, the United Kingdom and the United States of America, and was assisted by the Rapporteur. The Sub-Committee elected Mr. Rikhi Jaipai of India as its Chairman. It held seven meetings between 30 July and 7 August.

### IV. Agenda

9. At its 152nd meeting, the Committee considered the provisional agenda (A/AC.35/10) prepared by the Secretary-General. Though no proposal was made for an amendment to the provisional agenda, it was adopted subject to the reservation expressed by the representative of Guatemala, supported by the representatives of India and Iraq, who suggested that the Committee should discuss during its examination of economic conditions the effect on Non-Self-Governing Territories of administrative unions and of the association of Territories in the European Common Market under the Treaty establishing the European Economic Community. On the latter point, the representative of France expressed the opinion that any discussion would be premature.

10. The agenda as adopted is reproduced in annex I to the present report.

### V. Preliminary statements

11. At the 152nd meeting, the representative of France reaffirmed the statements made by his delegation at previous sessions of the Committee concerning the position of his Government as to its participation in the Committee. At the 153rd meeting, the representative of the United Kingdom reaffirmed the reservations of his Government.

12. At the 152nd meeting, the representatives of Guatemala and of the United Kingdom reserved the position of their respective Governments with regard to sovereignty over British Honduras (Belize Territory).

13. At the same meeting, the representatives of Ceylon, India and Iraq reserved the position of their Governments with regard to sovereignty over Netherlands New Guinea (West Irian). The representative of the Netherlands reaffirmed the *de facto* and *de jure* sovereignty of his Government over Netherlands New Guinea.

14. The representative of Guatemala stated that the participation of his delegation in the work of the Committee did not imply its acceptance of the *de facto* situation regarding Territories the sovereignty over which was in dispute, such as Western New Guinea, the Falkland Islands, Gibraltar, etc.

## VI. Economic conditions

15. In accordance with the programme of work laid down in General Assembly resolution 333 (IV) and confirmed in resolution 933 (X), the Committee at its eighth session gave special attention to economic conditions in Non-Self-Governing Territories. For these discussions, specialist advisers on economic affairs were included in the delegations of France, Guatemala, the Netherlands, the United Kingdom and the United States of America.

16. The Committee had before it reports prepared by the Secretariat giving a general review of economic development in the Territories over the period 1953-1956 and analysing topics of particular interest to the Committee. The Committee also had before it a report prepared by FAO on the diversification of agriculture and a report on social aspects of industrialization prepared by UNESCO.<sup>1</sup> At the request of the representative of India, a preliminary study on indigenous systems of land tenure during economic transition was provided to members of the Committee. Furthermore, certain provisions of the agreements relating to the European Economic Community were also made available.<sup>2</sup>

17. The Committee discussed the question of economic conditions and development in Non-Self-Governing Territories from its 153rd to 164th meetings. The Sub-Committee referred to in paragraph 8 above held seven meetings and drew up the report which forms part II of the present report to the General Assembly.

18. Statements on general economic developments were made by all members. General Assembly resolution 933 (X) had invited the Committee to examine the information transmitted under Article 73 e of the Charter in the light of the views expressed in the special reports on economic, social and educational conditions. Accordingly, the debate provided the opportunity for a review of general economic conditions and developments in the Territories and policies and activities of the Administering Members in the light of the observations expressed by the Committee in 1951 and 1954 in its special reports which were approved by General Assembly resolutions 564 (VI) and 846 (IX) respectively.

19. Economic policies being pursued in the Territories under their administration were outlined by representatives of the Administering Members. In the course of statements discussing the extent to which economic trends in the Territories had been maintained, they drew attention to evidence of economic growth provided by statistics on production of primary products, on expansion in industrial development and on the volume and value of exports. Other indicators of economic progress were also cited, such as the increases in investments in Non-Self-Governing Territories and in the rate of gross capital formation. The representatives of France, the Netherlands and the United Kingdom provided a number of details on recent progress in the establishment and implementation of development plans in the Territories under their administration. The representatives of Australia and New Zealand described economic progress in the Territories for which their Governments was responsible. The representative of the United States emphasized the need to examine the economic situation of the Territories in the light of world conditions. He discussed a number of problems connected with economic development in all under-developed areas, including the Non-Self-Governing Territories: inflation, balance of payments, the allocation of resources between industry and agriculture and between infrastructure and immediately productive enterprises.

20. The representatives of Ceylon, China, Guatemala, India, Iraq, Peru and Venezuela also made general statements. In a number of these statements it was emphasized that the economic policies of the Administering Members should be determined by the principles contained in Chapter XI of the Charter. Economic development should be directed to the attainment of the concrete objectives outlined in the report on economic conditions as approved by General Assembly resolution 846 (IX). The value of the economic programmes established under the various development plans was recognized. The opinion was expressed however that, even though there had been a general increase in production and in the expansion of exports, much remained to be done to hasten economic development in Non-Self-Governing Territories. It was claimed that the information available did not permit an accurate assessment of the extent to which the standards of living in the Territories had been raised, but there were indications that more active steps were needed to reduce the disparity between the levels of living in the advanced countries and in the Territories.

21. Following the general debate, the Committee discussed a number of specific aspects of economic conditions and development: external trade; the development of manufacturing industries, with particular relation to government measures for the promotion of industries; the diversification of agricultural production; certain aspects of indigenous land tenure problems; the social aspects of industrialization; and other questions. The representatives of Australia, Ceylon, China, Guatemala, France, India, Iraq, the Netherlands, Peru, the United Kingdom, the United States of America and Venezuela took part in the discussions. Statements were also made by the representatives of FAO and UNESCO. The second part of the present report on economic conditions gives a general consensus of the views expressed.

22. At the opening meeting of the Committee, the representative of Guatemala, supported by the rep-

<sup>1</sup> See part II, annex.

<sup>2</sup> A/AC.35/L.254 and Add. 1.

representatives of India and Iraq, referred to the Treaty establishing the European Economic Community and suggested that the Committee should consider the possible effects on the economies of the Non-Self-Governing Territories. At the request of the representative of Iraq, the Secretariat was asked to circulate the provisions of the Treaty establishing the European Economic Community and the provisions of the Applicatory Convention relating to the association of Non-Self-Governing Territories. The representative of France considered that the European Economic Community could not be of immediate concern to the Committee; the Community would not be established until 1958; the information on the subject could only be transmitted in 1959; and the Committee would not be able to examine it until 1960. He reserved the position of his Government should the question be discussed at the present session.

23. The Chairman pointed out that the Treaty had not been ratified by all the participating countries, so that any consideration of its provisions might be premature. He recognized that some members might feel that references to the Treaty were bound to occur and in that case the Chair would not object to such references provided the debate was confined to economic aspects of the question under appropriate headings of the agenda, which was sufficiently flexible for this purpose.

24. During subsequent discussions, the representatives of Ceylon, Guatemala, India, Iraq, Peru and Venezuela commented on the possible economic effects of the association of the Non-Self-Governing Territories with the European Economic Community.

25. The representatives of Ceylon, Guatemala, India and Iraq expressed apprehensions that, through economic specialization, the economic role of the Territories might be limited to furnishing primary products to Europe which would find in them a market for manufactured goods. The representatives of Guatemala, India, and Iraq raised the question whether the inhabitants of the Territories concerned had been consulted in regard to the proposals. The representative of Peru stated that the impact on the Non-Self-Governing Territories required further examination, while the representative of Venezuela expressed concern over the consequences that might follow the economic integration of the Territories in Europe.

26. The representative of India considered that the association of dependent Territories in the European Economic Community should be examined in the light of the provisions of Chapter XI of the Charter and, as provided in Article 103 of the Charter, if there were any incompatibility of interests the Charter obligations would prevail. It was doubtful whether the investment fund under the Treaty would be adequate for the needs of the Territories and whether the inhabitants of the Territories would share in the formulation of investment policies. He suggested that the Secretariat should co-ordinate its studies with those of the secretariats of the General Agreement on Tariffs and Trade, the Economic Commission for Europe, the Economic Commission for Latin America, and the Economic Commission for Asia and the Far East, and report to the Committee at its next session.

27. The representative of Iraq expressed concern at the far-reaching consequences which might result from the association of the Non-Self-Governing Territories

in the European Economic Community. Increasingly, Territories were moving towards self-government and independence. He found no provision under which Territories could terminate the association. He referred to the Treaty provisions on the free movement of workers and expressed anxiety as to the possible effects of uncontrolled immigration. He associated himself with the suggestion made by India concerning further study of the question.

28. The representative of China considered that the question should not be discussed in detail, as the European Economic Community could not come into effect until 1958. He hoped that the benefits received by the Territories so associated would be comparable to those received by Territories in South and South East Asia under the Colombo Plan for Economic Development.

29. The representative of the Netherlands held that any discussion of the new arrangements under the Treaty was premature. He pointed out that there were political implications outside the competence of the Committee. Notwithstanding these comments, and to allay any misgivings, he could assure the Committee that the association of the overseas Territories was to enable them to share in the expected increased prosperity. As the Netherlands Minister for Foreign Affairs had stated at the twenty-fourth session of the Economic and Social Council, this association would make positive contributions to the accelerated economic development of the Territories and would contribute to their political advancement. The concern of the Administering Members for the advancement of the Territories was illustrated in the provision for an investment fund. The use of the word "association" in the articles in the Treaty did not mean full integration in the European Common Market; its meaning could only be fully understood with a full knowledge of the European Economic Community itself. It would be advisable to await the results of the study which would take place at the Conference of GATT.

30. At the 162nd meeting, the representative of France said that his delegation would make specific reservations if a full debate were undertaken on treaties which were not yet in force.

31. At the 163rd meeting, when the question of the European Economic Community in its relations to Non-Self-Governing Territories was being further debated, the representative of France moved the closure of the debate on item 4 (g) in accordance with rule 118 of the rules of procedure. He stated that, if the closure were not accepted, his delegation would not take part in the Committee's discussion on the matter.

32. The representatives of Ceylon and India spoke against the closure of debate; the motion was rejected by 6 votes to 4, with 3 abstentions. The representative of Venezuela explained his vote against the closure. Following this vote, the French delegation withdrew from the meeting for the remainder of the discussion of this subject.

33. Following the rejection of the closure, the representative of Guatemala stated that the non-administering Members on the Committee were concerned at the possible implications of the European Economic Community and the question required further study.

34. The report of the Sub-Committee was considered by the Committee at its 166th meeting. At the request of the representative of France, a separate vote was taken on part IX of the report containing two paragraphs dealing with the European Economic Community. This part was adopted by 11 votes to 1, with 1 abstention. On the proposal of the representative of India, presented in his capacity as Chairman of the Sub-Committee, the Committee, without objection, approved the addition of a paragraph noting the Committee's comments on international collaboration and technical assistance (A/AC.35/L.262/Add.1.) The report as a whole was approved by 12 votes to none, with 1 abstention.

35. The representative of the United States of America explained that he had voted in favour of the Committee's text since it represented an accurate reflection of the discussion which had taken place in the Committee. He wished to record his Government's belief in the advantageous effects upon the economies of Western Europe which might result from the establishment of a European Economic Community and its hope that similar benefits would accrue to the peoples of the African Territories concerned on a basis of equality and mutuality of interest. His Government considered the proper place to be the Conference of GATT.

36. At the same meeting, the Committee considered a draft resolution submitted by India, Iraq, the Netherlands and New Zealand; the draft was of a procedural character intended to facilitate discussion in the General Assembly. Under it, the Assembly would: (1) approve the report on economic conditions in Non-Self-Governing Territories and consider that it should be studied in conjunction with the reports approved in 1951 and 1954; and (2) invite the Secretary-General to communicate the report to the Members of the United Nations responsible for the administration of Non-Self-Governing Territories, to the Economic and Social Council, to the Trusteeship Council and to the specialized agencies concerned for their consideration. The draft resolution was approved by the Committee for transmission to the General Assembly by 12 votes to none, with one abstention, and is included in annex II to the present report as draft resolution A.

## VII. Educational conditions

37. The Committee had given particular attention to educational conditions at its previous session in 1956 and had drawn up a special report which was approved by the General Assembly by resolution 1048 (XI). The discussions this year were accordingly brief.

38. The Committee examined the summaries which the Secretary-General had prepared of the information on educational conditions in the Non-Self-Governing Territories for 1955 and 1955-1956 contained in the information transmitted by the Administering Members. It also had before it a report on the eradication of illiteracy prepared by UNESCO under the terms of General Assembly resolution 330 (IV).<sup>3</sup> This report summarized the assistance provided by UNESCO in campaigns for the eradication of illiteracy, and included tables showing the estimated distribution of the world's illiterate population around 1950 and the estimated adult illiterates in fifty-three Non-Self-Governing Territories in 1955.

<sup>3</sup> A/AC.35/L.249

39. In the discussion which took place from the 161st to the 164th meetings, statements were made by the representatives of Australia, China, France, Guatemala, India, Iraq, the Netherlands, Peru and Venezuela and by the representative of UNESCO.

40. The representatives of Australia, France and the Netherlands outlined aspects of policy and described recent measures taken in the Territories under their administration since the Committee's education report was prepared in 1956.

41. The representative of Australia reaffirmed that the educational policy of his Government was to educate the inhabitants of Papua so as to enable them increasingly to take a share in their own affairs. An essential element was to teach all the inhabitants to read and write in a common language. He cited figures showing increases in school enrolment, in the number of teachers and in financial assistance. As regards illiteracy, he drew attention to the world-wide character of the problem, as shown by the statistics of UNESCO.

42. The representative of France gave an account, supported by comprehensive statistics, of the progress of education in French Equatorial Africa, French West Africa and Madagascar. The figures showed substantial increases in school enrolment at all levels and an extension of higher education.

43. The representative of the Netherlands described the progress made in Netherlands New Guinea since legislation establishing a new school system had come into force in 1956. The chief characteristic of the new system was a flexibility which enabled education to be adapted to the needs of the population whose development varied between regions.

44. The representative of China agreed that there should be the fullest possible participation of the indigenous inhabitants in drawing up and implementing educational programmes. Referring to the emphasis placed on balanced development in the general development plans in Non-Self-Governing Territories, he stressed the importance of vocational and technical education and hoped that vocational and technical training programmes would be closely geared to the over-all needs involved in the successful implementation of these plans at their various stages and phases. He recalled that UNESCO had formulated a proposal for an international fund to assist the development of primary education in Non-Self-Governing Territories.

45. The representative of Guatemala believed that education should be closely related to the needs of the community and that campaigns of fundamental education should be organized within the scope of general development programmes. In this connexion, he drew attention to the recommendations made by the UNESCO regional seminar on curricula in South Asia which he thought could be usefully followed in the Territories. He stressed the importance of the principle of equality of all races and urged the Administering Members not to relax their efforts to persuade the different races to live together in harmony.

46. The representatives of Guatemala and India regretted that there was not much information in the summaries on the educational policies of the Administering Members, on the progress of the development plans and on the degree to which education was directed to preparing the people for self-government. The representative of India emphasized the importance of secondary education. He urged the speedy



abolition of discriminatory practices in education. He noted UNESCO was currently assisting projects of fundamental education in Africa and hoped the assistance would be extended.

47. With reference to the information on educational conditions contained in the summaries prepared by the Secretary-General, the representative of Iraq suggested that a statistical treatment of this information was insufficient. Vigorous campaigns should be undertaken to reduce the generally high rates of illiteracy in the Non-Self-Governing Territories. He stressed the value of the vernacular in education in helping the indigenous inhabitants to pursue their own cultural aspirations. He drew attention to the useful work that could be performed by teachers' associations.

48. The representative of Peru, while recognizing the efforts of the Administering Members to overcome illiteracy, considered the problem of extreme urgency particularly in view of the constant increase in population and attached particular importance to the extension of primary education. The representative of Venezuela considered that fundamental education and the training for leadership were the two basic educational problems. He noted with satisfaction the resolution adopted by the UNESCO General Conference on school education in 1956 and expressed his appreciation of the assistance provided by UNESCO to Non-Self-Governing Territories through fundamental education projects.

49. In reply to questions raised by the representatives of India and Venezuela, the representative of the United Kingdom clarified a number of points contained in the summaries and gave further information on recent progress in Territories under United Kingdom administration.

50. In reply to the representative of China, the representative of UNESCO informed the Committee that the 1956 resolution adopted by the General Conference of UNESCO proposing the establishment of an international fund had been transmitted to the International Bank. Further information was provided to the Committee by the representative of UNESCO on the assistance of his organization to associated projects of fundamental education and to Member States in the field of vocational and technical education.

### VIII. Social conditions

51. During its examination of economic conditions the Committee, at its 159th to 164th meetings, considered as one of the special topics the social aspects of economic development. The Secretariat had prepared a study on the social effects of economic change in peasant societies.<sup>4</sup> A report on the social effects of industrialization in Africa South of the Sahara in rural areas was introduced by the representative of UNESCO.<sup>5</sup> Statements were made by the representatives of Ceylon, China, France, Guatemala, India, the Netherlands, the United Kingdom and Venezuela.

52. The Committee considered the item on social conditions at its 163rd to 165th meetings inclusive, examining the information on social conditions in the Non-Self-Governing Territories contained in the sum-

<sup>4</sup> Social aspects of economic development: Peasant societies in transition (A/AC.35/L.248).

<sup>5</sup> Social aspects of Industrialization in Africa south of the Sahara in rural areas (A/AC.35/L.250).

maries prepared by the Secretary-General. Statements were made by the representative of China, Guatemala, India and Iraq and by the representatives of the ILO.

53. The representative of the ILO informed the Committee of some recent developments within the competence of that organization. The ILO was at present undertaking a broad survey of labour and social conditions in Africa South of the Sahara, covering the general social and economic background of African labour, and in particular questions such as manpower and employment, industrial relations, wage policies and wage rates, training and labour standards. The survey would be presented to the ILO Committee of Experts on Social Policy in Non-Metropolitan Territories at its fifth session. He also outlined the action taken at the 1957 session of the International Labour Conference on conditions of employment of plantation workers and on discrimination in employment. Drafts for conventions on these subjects were now being drawn up for presentation to the Conference in 1958. Representatives of ten non-metropolitan territories had participated in the 1957 session. A brief account was given of assistance rendered by the ILO to Non-Self-Governing Territories.

54. The representative of China noted that, in the summaries of information which had been made available to the Committee, it had been frequently reported that there had been no significant changes in social conditions during 1955. Many changes were desirable, and he hoped that they would be reflected in the information provided next year. In his view, the problems of economic and social development were interrelated and a concerted attack on these problems was needed. The importance of a balanced development had been emphasized in the objectives of social development drawn up by the Committee in 1954. Greater use should be made of the community development movement by stimulating the active participation of the whole community.

55. The representative of Guatemala claimed that the information contained in the summaries before the Committee was not sufficient to permit an analysis of the social policy or conclusions as to the progress made in the Territories towards social integration. He cited a number of important problems which had both economic and social aspects. He suggested that the Committee should study in greater detail at its session in 1958 social security and welfare measures and the prevention of crime.

56. The representative of India endorsed the view that progress was indivisible, believing that represented as a practical course of policy this would foster balanced all-round development. Information was needed on the broad problem of cultural adaptation under the impact of political and economic change, and the extent and direction of social change. He considered that legislation might play an important role in social reorganization, as a means of removing restrictive practices or abuses. He urged the Administering Members to adopt a more positive policy of social action.

57. The representative of Iraq considered that the summaries should give more information on social policy and conditions. He thought that if, as reported in many cases there had been no significant changes in important aspects of social conditions the conclusions to be drawn were depressing. In order to achieve a better way of life, Governments should encourage

voluntary associations, such as co-operatives, which were essential to the establishment of a free dynamic society. Legislation should supplement other means of social action in the Territories.

## **IX. International collaboration in respect of economic, social and educational conditions**

### **(a) GENERAL DEVELOPMENTS**

#### **(b) INTERNATIONAL TECHNICAL ASSISTANCE**

58. The Committee considered the above sub-items at its 166th meeting.

59. The Committee had before it a report prepared by the Secretariat on decisions taken by the Economic and Social Council and on studies under its auspices, on relations with Governments and specialized agencies and on regional conferences affecting Non-Self-Governing Territories (A/AC.35/L.246), a report prepared by WHO on its activities in Non-Self-Governing Territories (A/AC.35/L.251), a report prepared by UNESCO on services rendered in 1956 to Non-Self-Governing Territories (A/AC.35/L.257), and a report prepared by the Secretariat on international technical assistance and UNICEF aid to the Non-Self-Governing Territories (A/AC.35/L.247). The Committee had also been informed at its 163rd meeting by the representative of the ILO of activities of that organization in the interests of Non-Self-Governing Territories (see para. 54 above).

60. Statements were made by the representatives of Ceylon, China, Guatemala, India, the United Kingdom and the United States of America and by the representatives of FAO and UNESCO.

61. The representative of Ceylon welcomed the increase in technical assistance but doubted whether the assistance was proportionate to needs. He noted that most of the Territories receiving assistance in 1957 were under United Kingdom administration. He urged that greater advantage should be taken of international assistance in the development of all Territories and that the Administering Members should provide more information on technical assistance projects in their Territories. Since other forms of international assistance were also being provided to Non-Self-Governing Territories, he hoped account could be taken of them in future reports.

62. The expansion of technical assistance to the Non-Self-Governing Territories was urged by the representative of China on the grounds that they were among the world's most under-developed areas. He hoped a greater use would be made of scholarships and that the Administering Members would increasingly associate indigenous inhabitants with technical assistance projects.

63. The representative of India noted that the Sub-Committee had made reference in its report to the information before the Committee on international collaboration and technical assistance. He suggested that an account of technical assistance rendered should also include information on the problems met in putting the schemes into practical operation. He sought information on the general principles governing plans for long-term economic assistance to Territories drawing near self-government.

64. The representative of Guatemala stressed the importance of international collaboration in the interests of the Non-Self-Governing Territories. The prob-

lem in many of the Non-Self-Governing Territories was the need for technical knowledge and skills. Much could be done through international collaboration to assist the Territories in their development.

65. The representative of the United States of America said that his Government considered United Nations technical assistance an important factor in the development of under-developed areas, including Non-Self-Governing Territories, and that it fully supported such programmes. He referred to the assistance provided by the Caribbean and South Pacific Commissions in the regions in which they functioned.

66. The representative of the United Kingdom expressed the appreciation of his Government for the assistance provided by the specialized agencies to the Non-Self-Governing Territories under its administration, noting that in general co-operation had increased. The Territories were also participating in the programme by providing training places. He referred to United Kingdom participation in the regional commissions and described some of the work of the Commission for Technical Co-operation in Africa South of the Sahara in providing technical assistance to Non-Self-Governing Territories.

67. The representative of FAO reported to the Committee on activities of that organization in the fields which had been discussed at its present session of particular interest to the Non-Self-Governing Territories. Assistance was being provided in meeting agricultural problems in general as well as in relation to specific problems in individual Territories; examples cited included projects on animal and plant production, staple food production, fisheries, forestry, marketing, co-operatives and credit, nutrition and home economics.

68. The representative of UNESCO outlined the services rendered in 1956 to Non-Self-Governing Territories by that organization, details of which were contained in its report.<sup>6</sup>

### **(c) SCHOLARSHIPS FOR STUDENTS FROM NON-SELF-GOVERNING TERRITORIES UNDER GENERAL ASSEMBLY resolution 845 (IX)**

69. In pursuance of resolution 931 (X), the Secretary-General had prepared a report for the General Assembly on the offers of study and training facilities for students from Non-Self-Governing Territories under resolution 845 (IX).<sup>7</sup> This report set out the progress in the implementation of the scholarship scheme and the publicity given in the period 20 February 1956 to 28 January 1957. As at the last date of the report, fifteen Member States had offered 247 scholarships and 123 applications had been received. During the period 26 July 1956 to 28 June 1957, twelve scholarships had been awarded.

70. The Committee discussed the question of scholarships for students from Non-Self-Governing Territories at its 166th meeting. Statements were made by the representatives of Australia, Ceylon, France, India and the United States of America and by the representative of UNESCO. The representative of the United States gave particulars of scholarships recently awarded by his Government.

71. The representative of India noted the limited number of scholarships awarded out of the total offered under resolution 845 (IX). India had for the past ten

<sup>6</sup> A/AC.35/L.257.

<sup>7</sup> A/3618.

years successfully carried out a scholarship programme of its own for students from some Non-Self-Governing Territories and had no particular difficulties in finding students with the requisite qualifications. In 1956-1957, sixty-four scholarships were offered and fifty-one taken up; for 1957-1958, there were fifty-eight scholarships of which forty-seven were being used.

72. The representative of Ceylon announced the offer by his Government of three scholarships for students from Non-Self-Governing Territories. The details of his offer were being transmitted to the Secretary-General. He noted that, out of 123 applications, twelve scholarships had been granted and seventeen refused; no information was given in the Secretary-General's report of the outcome of the other applications.

73. The representative of Ceylon explained the changes which his delegation thought should be made in the procedures in the light of the situation revealed in the Secretary-General's report. He introduced a draft resolution (A/AC.35/L.260) by which the General Assembly would (1) request Members submitting their observations on the qualifications of the candidates in accordance with paragraph 5 of General Assembly resolution 845 (IX) and Members offering facilities to speed up the necessary procedures; (2) request the Secretary-General to give any assistance that may be necessary to Members concerned and to applicants with a view to expediting the required procedures; (3) invite the offering States to inform the Secretary-General of the use made by the candidates of the scholarships awarded to them; and (4) request the Secretary-General to include in his annual reports to the General Assembly the information on the action taken as a result of this resolution.

74. The representative of Australia recalled that his delegation had not supported the adoption of resolution 845 (IX) since in the present stage of development of the Territories his Government considered that the Administering Members should maintain the right and the responsibility to review candidatures for scholarships. His delegation also entertained doubts on the procedures being followed and would accordingly abstain. That his Government was conscious of its obligation to assist the education of inhabitants of Non-Self-Governing Territories was demonstrated by reference to assistance provided through the Colombo Plan. As at 30 September 1956, places had already been provided for 387 students from Non-Self-Governing Territories in South East Asia which were not under Australian administration. Other Administering Members had also by bilateral arrangements provided a number of scholarships to students from Non-Self-Governing Territories. He asked that the Secretary-General's report include a list of scholarships provided by Administering Members to the Non-Self-Governing Territories.

75. The Under-Secretary explained that it would require further co-operation from Administering Members if the list were to be comprehensive. Some information could be obtained from the UNESCO publication *Study Abroad*.

76. The representative of France stated that he would abstain on the resolution. In connexion with the suggestion made by the representative of Australia, he drew attention to the large number of scholarships offered by France to students from the French Non-Self-Governing Territories.

77. The representative of India proposed the following amendments to the draft resolution submitted by Ceylon:

(1) In operative paragraph 1, to replace the phrase "to speed up the necessary procedures" by "to consider the applications with all possible speed";

(2) In operative paragraph 2, to delete the words "necessary to Members concerned and to the applicants with a view to expediting the required procedures" and replace them by "sought by the Members concerned and by the applicants";

(3) In operative paragraph 3, to delete the words "by the candidates" and to replace "awarded to them" by "awarded by them".

78. The representative of Ceylon replied to the debate. He pointed out to the representative of Australia that his text would enable the Administering Members to review candidatures. He accepted the amendments submitted by India.

79. The Committee adopted the draft resolution by 9 votes to none, with 4 abstentions.

80. The draft resolution as adopted is included in annex II to this report as draft resolution B.

## X. Questions relating to summaries and analyses of information

### (a) METHODS OF REPRODUCING INFORMATION CONCERNING NON-SELF-GOVERNING TERRITORIES

81. In accordance with General Assembly resolution 1052 (XI), the Secretary-General has prepared for the twelfth session of the General Assembly a report showing the comparison of costs of various methods of reproduction of the summaries.<sup>8</sup> This report together with statistics on distribution was placed before the Committee.<sup>9</sup>

82. In his report, the Secretary-General recalled that, up to 1956, the summaries had each year been printed and put on sale with other publications of the United Nations. Taking account of General Assembly resolutions 593 (VI) and 789 (VIII), on the control and limitation of documents, in 1956 the Secretary-General proposed a new system. This system provided that, in two years out of three, the printed volumes of summaries should be replaced by offset fascicles, with consequent savings of the mimeographed documents and the cost of printing.<sup>10</sup>

83. In reporting on the new system, the Secretary-General suggested that, without prejudice to the action of the Assembly:

"(1) The use of fascicles produced by the offset process has not yet lasted long enough for final judgement;

"(2) For purposes of a better distribution of information, a fascicle system for the supplementary summaries, whether the fascicles are printed or prepared by an offset process, is to be commended; and

"(3) Certain delays, which have occurred this year, should be reduced next year, when there may be better elements for a final judgement by the General Assembly."

<sup>8</sup> A/3619.

<sup>9</sup> A/AC.35/L.253.

<sup>10</sup> See *Official Records of the General Assembly, Eleventh Session, Supplement* o. 15 (A/3127), part I, paras. 65-70.

84. The Committee considered the methods of reproducing summaries of information concerning Non-Self-Governing Territories at its 165th and 166th meetings. Statements were made by the representative of Iraq, India and China.

85. The representative of Iraq emphasized that the transmission of information under Article 73 e was a Charter obligation. The summaries of this information should be made available so that they could be consulted and used. He noted that, owing to delay in the transmission of information as shown in the statistics prepared, a number of the fascicles had not yet been distributed. He appealed to the Administering Members to observe the time limits suggested in General Assembly resolution 218 (III). He suggested that, under the new system, if fascicles were delayed, the summaries should be first distributed as mimeographed documents. Another aspect of the distribution related to sales. One of the consequences of the new system was that summaries of information when reproduced as fascicles would not be given publicity as a United Nations publication and would not be placed on sale. He considered that low sales returns should not offset the necessity to make the summaries available to all who might be interested.

86. The representative of India found the new form of reproduction satisfactory, but considered that it should not be necessary to hold up the distribution of a fascicle if part of the information was missing. He thought the summaries of the information transmitted under Article 73 e should be given publicity in United Nations catalogues of publications and asked the Secretary-General whether this was possible. In reply the Secretary-General informed the Committee that a solution to the problem of publicity was being sought.

87. The representative of China regarded favourably the fascicle form of the summaries as likely to provide wider distribution. However, he was concerned that under the new system the supplementary summaries might not be placed before the Committee when it met in the spring and would not be available to the general public. He associated himself with the views expressed by the Secretary-General in his report.

88. As the question of the methods of reproducing the summaries will be considered by the General Assembly at its twelfth session, the Committee did not take any decision on this matter, but transmits to the Assembly this account of the discussions in the Committee.

(b) TRANSMISSION OF INFORMATION UNDER ARTICLE 73 E OF THE CHARTER

89. In accordance with General Assembly resolution 218 (III), the Members transmitting information under Article 73 e of the Charter are invited to send to the Secretary-General the most recent information at their disposal, as early as possible and at the latest within a maximum period of six months following the expiration of the administrative year in the Non-Self-Governing Territory.

90. The information before the Committee at its eighth session related to the calendar year 1955 or the administrative year 1955-1956. The information which had been received was placed before the Committee in the form of fascicles containing summaries in which Territories were grouped according to geographical regions. Since, however, information had not been re-

ceived from the Governments of Belgium and France, a number of fascicles had not been distributed as they could not be completed without the information on the French and Belgian Territories.

91. At its opening meeting, the representative of France explained the reasons for the delay in the transmission of information under Article 73 e on the Territories under French administration for the year 1955. In 1956, a *loi cadre* and enabling legislation affecting the French Overseas Territories had been adopted and, in consequence of the work involved, the preparation of the reports on the Territories had been delayed. The Government of France expected however, to be able to transmit some information to the Secretary-General immediately and the remainder shortly.

92. In reply to an inquiry by the representative of India, the Secretary of the Committee explained that the information on the Belgian Congo had not yet been received. The representative of Guatemala suggested that the Chairman should informally approach the Belgian authorities concerning the transmission of information under Article 73 e of the Charter. The representatives of Ceylon, China, India, Iraq and Peru supported this suggestion.

93. At the 159th meeting, the Chairman informed the Committee that, in response to this request, he had informally approached the Permanent Mission of Belgium which had had no communication to make. The representative of India expressed the disappointment of his delegation. He proposed that the matter should be discussed later in the session and that, in the meantime, copies of the correspondence between the Secretary-General and the Belgian authorities on the transmission of information under Article 73 e should be circulated to the Committee. After the representatives of Ceylon, Guatemala, Iraq, Peru and Venezuela had supported this proposal, the Committee decided to take up the question under item 8 of its agenda and requested the Secretariat to circulate the correspondence.<sup>11</sup>

94. The Committee further considered the question of the transmission by Belgium of information under Article 73 e at its 165th and 166th meetings. Statements were made by the representatives of Ceylon, China, India, Iraq, Guatemala, the Netherlands and Venezuela.

95. Referring to the correspondence exchanged between the Secretary-General and Belgium, the representative of India emphasized that Belgium had accepted under the Charter the obligation to transmit regularly to the Secretary-General information in respect of the Belgian Congo. He suggested that, as it was not certain what decision had been taken by Belgium on this matter, the Committee was not in a position to do more than to bring to the notice of the General Assembly the fact that the information for the year 1955 which should have been transmitted to the Secretary-General in 1956 had not yet been received. The Assembly's attention should also be drawn to the correspondence in document A/AC.35/L.258.

96. The representative of China shared the view that the Committee should report to the General Assembly the delay in the transmission of information under Article 73 e of the Charter by Belgium.

<sup>11</sup> A/AC.35/L.258.

97. The representatives of Ceylon, Guatemala, Iraq and Venezuela expressed grave concern at the delay in the transmission of the information on the Belgian Congo and considered that the Assembly should be informed of the situation. The transmission of information was a Charter obligation; as there had been no change in the nature of the obligations accepted, it was difficult to understand the apparent reversal by Belgium of its position. The representative of Guatemala supported the suggestion that the correspondence circulated to the Committee should be brought to the Assembly's attention.

98. The representative of Iraq considered the situation serious. Citing the correspondence before the Committee and the statements of the Belgian spokesman, he said that Belgium had never questioned its obligations to transmit information under Article 73 e and it had continued to transmit information on the Belgian Congo even after Belgium had withdrawn from the Committee in 1953.

The Belgian Government had also fully agreed that such information should be submitted in time for the Secretary-General to prepare summaries for consideration by the General Assembly, had assisted the Secretary-General in this respect by authorizing the use of official publications and had accepted the Assembly's resolution recommending a six-months time limit for the transmission of information. No explanation had been received by the Secretary-General. However, a *communiqué* from the Ministry for Foreign Affairs of Belgium had been made public 2 August 1957 in which it was stated that Belgium had always recognized its obligations under the Charter and would continue to conform to the exact terms of the Charter in transmitting information on the Belgian Congo to the Library of the United Nations. The representative of Iraq noted that in the terms of the Charter it was to the Secretary-General that the Administering Members were under an obligation to transmit information. It was important in his view that the General Assembly should be informed of the situation as fully as possible.

99. The Chairman invited the Rapporteur to take note of the request of the representative of Iraq, in which he was supported by the representatives of Ceylon, India, Guatemala and Venezuela, that the views expressed should be fully reflected in the report of the Committee. The representative of the Netherlands agreed with the representative of India that the Committee could do no more than to state that no information had been transmitted.

100. At its 166th meeting, the Committee agreed without objection to the proposal, now made formally by the representative of India, that the correspondence between the Secretary-General and the Government of Belgium,<sup>12</sup> with particular reference to the last communication from the Permanent Mission of Belgium, should be brought to the knowledge of the General Assembly.

101. In reply to an inquiry made at the 152nd meeting by the representative of India, at the 167th meeting the representative of Australia stated that his Government intended to transmit information under Article 73 e on the Cocos-Keeling Islands.

102. The representatives of Ceylon, India and Iraq expressed concern at the continued failure of certain

Member States to transmit information concerning their Non-Self-Governing Territories.

## XI. Preparation of the report on progress of the Non-Self-Governing Territories in pursuance of Chapter XI

103. At the 166th meeting, the representative of the Secretary-General made a statement to the Committee on the preparation of the report on progress of the Non-Self-Governing Territories in pursuance of Chapter XI undertaken in pursuance of General Assembly resolution 1053 (XI).

104. At the request of the representative of India, this statement is reproduced *in extenso* and appears in annex III to the present report.

## XII. Future work of the Committee

105. The Committee considered the programme of work for 1958 and the timing of its next session. The Secretariat had prepared a programme of social studies<sup>13</sup> on the basis of the discussions of the Committee at its last session. A suggested outline of the main themes of studies to be prepared by the Secretariat and the specialized agencies was set out in an annex under general headings: family studies, public health studies and mass communications. At the 158th and 161st meetings, the Committee had also decided to refer to its next session two studies prepared for the current session: a study on land tenure and the study on economic change in peasant societies (A/AC.35/L.248). In the light of these developments, and in accordance with Article XIII of the Financial Regulations of the United Nations, the Committee was informed of the financial implications of the printing of the special study on social conditions arising from its programme of social studies in 1958.<sup>14</sup>

106. The Committee discussed the programme of studies at its 164th and 165th meetings. Statements were made by the representatives of China, India and Venezuela and by the Secretary of the Committee.

107. The representative of India considered that, while the scope of the studies outlined in the programme was in general satisfactory, the family studies should not be limited to urban areas. Studies would be useful on rural housing problems and on social assistance provided to rural and urban populations, with reference to both traditional and legal measures. He also hoped that full treatment would be given to the growth of population in the Territories. Referring to the estimated costs of the special study, he opposed any restriction of the scope of the studies which might be prejudicial to the work of the Committee.

108. The representative of Venezuela also supported the proposed programme. He suggested, moreover, the inclusion of an additional summary embodying general conclusions regarding changes in social institutions and systems of social control in the Non-Self-Governing Territories. He suggested the inclusion of an additional study on changes in social institutions and problems of social control in the Non-Self-Governing Territories.

109. The representative of China agreed with the view that due attention should be paid to the rural

<sup>13</sup> A/AC.35/L.252.

<sup>14</sup> A/AC.35/L.259.

<sup>12</sup> A/AC.35/L.258.

family and its problems. He suggested that a further study might be undertaken on community development since this was one of the most successful means of bringing about social change in its most comprehensive form.

110. In response to the various suggestions, the Secretary of the Committee submitted that some of the material might more effectively be included in the long-term report requested by the General Assembly under resolution 1053 (XI); others would require consideration in the light of the progress of other studies such as the general studies on community development. With regard to what several members of the Committee had described as the brevity of the information contained in the summaries, the Secretary explained that the Secretary-General had summarized the information transmitted to him under Article 73 e on the basis of the instructions of General Assembly resolution 218 (III). Account would be taken of the suggestions which the Committee had made at its present session both in the social studies for 1958 and in the preparation of summaries.

111. The representative of UNESCO assured the Committee of the continued co-operation of the organization and indicated that UNESCO would collaborate with the Secretariat on the preparation of the studies outlined in the programme.

112. The Committee decided to give special attention to social conditions at its next session and agreed that the Secretary-General, in collaboration with the specialized agencies, should undertake a programme of studies on the basis of document A/AC.35/L.252, taking into consideration the comments and suggestions made by members of the Committee.

113. On the question of the date of the next session, the Committee, after hearing the views of the representatives of the United States and China, decided to request the Secretary-General to make arrangements for the convening of its next session in the spring of 1958.

## ANNEX I

### Agenda of the Committee

<i>Item</i>	<i>Documents</i>	<i>Summary records A/AC.35/SR.</i>
1. Opening of the session	A/AC.35/INF.15 and INF.16 and Rev.1 and Add.1	152
2. Election of Chairman, Vice-Chairman and Rapporteur		152
3. Adoption of the agenda	A/AC.35/10 and Rev.1 and L.240	152
4. Economic conditions in Non-Self-Governing Territories:		
(a) General development in the light of the previous reports on economic conditions approved by the General Assembly	A/1836, A/2729, A/AC.35/ L.242, and Corr.1, A/AC.35/ L.245, L.255, L.256	153, 154, 155
(b) External trade	A/AC.35/L.244 and Corr.1	155, 156, 161
(c) Development of manufacturing industries	A/AC.35/L.241	156, 157, 158
(d) Diversification of agricultural production	A/AC.35/L.243	157, 158, 159, 160
(e) Indigenous land tenure in relation to agricultural productivity		158, 159, 160, 161
(f) Social aspects of economic development	A/AC.35/L.248, L.250	159, 160, 161, 162, 164
(g) Other questions	A/AC.35/L.254 and Add.1	160, 161, 162, 163, 164
5. Educational conditions in Non-Self-Governing Territories:		
(a) Questions arising out of the reports on education approved by the General Assembly	A/3127, Part II; A/AC.35/L.249	161, 162, 163, 164
(b) Information on education contained in the summaries prepared by the Secretary-General	A/3602, A/3603, A/3606 and Add.1, A/3607, A/3608, A/ 3609	161, 162, 163
6. Social conditions in Non-Self-Governing Territories:		
(a) Questions arising out of the reports on social conditions approved by the General Assembly	A/2908, Part II	163, 164, 165
(b) Information on social conditions contained in the summaries prepared by the Secretary-General	A/3602, A/3603, A/3606, A/3607	164, 165
7. Future work of the Committee		
(a) Programme of social studies for 1958	A/AC.35/L.252, L.259	165
(b) Date of the 1958 session	A/AC.35/L.240	164, 165
8. Questions relating to the summaries and analyses additional to those treated under previous items:	A/3602, A/3603, A/3606 and Add.1, A/3607, A/3608, A/ 3609, A/3619, A/AC.35/ L.253, L.258	152, 159, 165, 166, 167

<i>Item</i>	<i>Documents</i>	<i>Summary records A/AC.35/SR.</i>
9. International collaboration in respect of economic, social and educational conditions in Non-Self-Governing Territories:		
(a) General developments	A/AC.35/L.246, L.250, L.251, 166 and L.257	
(b) International technical assistance	A/AC.35/L.247	166
(c) Scholarships for students from Non-Self-Governing Territories under General Assembly resolution 845 (IX)	A/3618, A/AC.35/L.260	166
10. Preparation of report on progress of the Non-Self-Governing Territories in pursuance of Chapter XI: action taken by the Secretary-General	A/AC.35/L.240	166
11. Approval of the reports to be submitted to the General Assembly:		
(a) Report on economic conditions	A/AC.35/L.262, L.263	166
(b) Report on the general work of the Committee	A/AC.35/L.264 and Corr.1	167

## ANNEX II

## Resolutions submitted for the consideration of the General Assembly

The Committee on Information from Non-Self-Governing Territories submits the following draft resolutions for the approval of the General Assembly:

*Draft resolution A*

REPORT ON ECONOMIC CONDITIONS IN NON-SELF-GOVERNING TERRITORIES

*The General Assembly,*

*Considering* that, by resolution 564 (VI) adopted on 18 January 1952, it approved the special report drawn up in 1951 as a brief but considered indication of economic conditions in the Non-Self-Governing Territories and the problems of economic development,

*Considering* that, by resolution 846 (IX) adopted on 22 November 1954, it approved a further special report on economic conditions as a supplement to the 1951 report,

*Noting* the report prepared in 1957 by the Committee on Information from Non-Self-Governing Territories on economic conditions,

1. *Approves* this new report on economic conditions in the Non-Self-Governing Territories and considers that it should be studied in conjunction with the reports approved in 1951 and 1954;

2. *Invites* the Secretary-General to communicate the 1957 report on economic conditions in Non-Self-Governing Territories to the Members of the United Nations responsible for the administration of Non-Self-Governing Territories, to the Economic and Social Council, to the Trusteeship Council and to the specialized agencies concerned for their consideration.

*Draft resolution B*

SCHOLARSHIPS FOR STUDENTS FROM NON-SELF-GOVERNING TERRITORIES UNDER GENERAL ASSEMBLY RESOLUTION 845 (IX)

*The General Assembly,*

*Having taken note* of the report presented by the Secretary-General to the General Assembly at its twelfth session in compliance with resolution 931 (X),

*Noting with satisfaction* the further response to resolution 845 (IX) inviting Member States to extend offers of facilities for study and training to inhabitants from Non-Self-Governing Territories,

*Taking into account* the interest in the offers indicated by the steadily increasing number of applications,

1. *Requests* Members submitting their observations on the qualifications of the candidates in accordance with paragraph 5 of General Assembly resolution 845 (IX), and Members who offer facilities, to consider the applications with all possible speed;

2. *Requests* the Secretary-General to give any assistance that may be sought by the Members concerned and by the applicants;

3. *Invites* the offering States to inform the Secretary-General of the use made of the scholarships awarded by them;

4. *Requests* the Secretary-General to include in his annual reports to the General Assembly information on the action taken as a result of this resolution.

**Preparation of the report on the progress of the Non-Self-Governing Territories in pursuance of Chapter XI: statement made by the Under-Secretary at the 166th meeting**

By resolution 1053 (XI) adopted on 20 February 1957, the General Assembly invited the Secretary-General, in collaboration with the specialized agencies concerned, to prepare, for submission to the Assembly at its fourteenth session in 1959, a report on the progress that has taken place in the Non-Self-Governing Territories since the establishment of the United Nations. The Assembly invited the Secretary-General to keep the Committee on Information from Non-Self-Governing Territories regularly informed of the progress of the report.

A meeting of the officers of the United Nations Secretariat and representatives of the specialized agencies was held on 19 July 1957. The specialized agencies represented were the International Labour Organisation, the Food and Agriculture Organization of the United Nations, the United Nations Educational, Scientific and Cultural Organization and the World Health Organization. The International Bank was unable to be represented, but indicated its willingness to assist.

The subjects discussed at this meeting included the organization of work, the distribution of sections to be drafted by the various secretariats, the timetables to be observed in the preparation and submission of the reports, and the desirable length of contributions.

The report will be divided into three main parts. The first part will consist of an introduction emphasizing general trends in the Territories as indicated by the information transmitted and the discussions in the General Assembly. The second part, in which the specialized agencies are mainly concerned, will be a summary and analysis in the various functional fields of the information presented where appropriate for the Territories in general or for groups of Territories. A third part will consist of separate summaries presenting briefly the basic conditions in each of the Territories, with particular reference to the changes which have taken place between the first and last years covered.

In this last connexion, it was suggested that the years 1946 and 1956 as the first and last years to be covered should be observed with flexibility. In some cases information on particular subjects might be more detailed in one particular year owing to certain important events or activities such as the holding of

special surveys, inquiries or censuses. The choice of the first year, therefore, should be dictated by specific circumstances and, as regards the last year, the secretariats would naturally take account of the latest information available.

General agreement was reached on the timetables to be observed subject to further discussion of a few particular points. The meeting also agreed that the tentative length of the separate contributions should be established at an early date by inter-secretariat discussion. In general, it may be noted that the object in view is to obtain contributions by the end of 1958 in order that the report may be co-ordinated in early 1959 for submission before the opening of the 1959 session of the General Assembly.

The information to be transmitted in 1958 will thus be of considerable importance in the preparation of the report. In particular, the Secretariat expressed the hope that the Administering Members concerned would be able, in their 1958 communications, to provide material under section C of the explanatory preface to the Standard Form (General Assembly resolution 551 (VI)) giving a survey of the principles and practical measures showing general trends in the Territories.

As regards other information, the Secretariat will make available to the specialized agencies the information transmitted under Article 73 e, and the specialized agencies will use their normal information channels to obtain any official supplementary information that proves essential for the presentation of their contributions to the report. In the case of countries and territories on which information is no longer transmitted, any information provided in the functional fields will be limited to information covering the years when the Territories were subject to Article 73 e, and conditions will not be covered for Territories where information was transmitted only briefly before the first Standard Form in 1947 came into use.

In conclusion, I should state that the arrangements so far made take into account the views expressed by the representatives of the specialized agencies at inter-secretariat meetings, and that the respective agencies are now taking steps to plan their contributions to the report.



## REPORT ON ECONOMIC CONDITIONS IN NON-SELF-GOVERNING TERRITORIES

I. Introduction<sup>1</sup>

1. The Committee on Information from Non-Self-Governing Territories consists of the seven Members of the United Nations which, as responsible for the administration of the Territories, transmit information to the Secretary-General under Article 73 e of the Charter, together with an equal number of non-administering Members of the United Nations elected by the Fourth Committee on behalf of the General Assembly.<sup>2</sup>

2. The Committee examines summaries and analyses of the information furnished by the Administering Members on economic, social and educational conditions in the Territories. It is invited to submit to the General Assembly reports containing such procedural recommendations as the Committee may deem fit and "such substantive recommendations as it may deem desirable relating to functional fields generally but not with respect to individual Territories" (resolution 933 (X)).

3. In 1951, and on a second occasion in 1954, the Committee prepared special reports on economic conditions in the Non-Self-Governing Territories.<sup>3</sup> The General Assembly, by resolution 564 (VI), approved the 1951 report as a brief but considered indication of economic conditions in the Non-Self-Governing Territories and of the problems of economic development, inviting the Secretary-General to communicate it to the Members of the United Nations responsible for the administration of Non-Self-Governing Territories, to the Economic and Social Council, to the Trusteeship Council and to the specialized agencies concerned. The Assembly, by resolution 846 (IX), took similar action in respect of the 1954 report.

4. In 1957, the Committee was again called upon to pay special attention to economic conditions in the Non-Self-Governing Territories. It undertook this on the basis of the information transmitted by the Members responsible for the administration of the Territories and in the light of the views expressed in its 1951 and 1954 reports.

5. For its discussions the Committee had before it studies prepared by the Secretariat of the United Nations, the Food and Agriculture Organization and the United Nations Educational, Scientific and Cultural Organization, as well as summaries of the information that had been transmitted by the Administering Members relating to economic conditions up to the end of 1955 or to mid-1956. The studies are listed in the annex and, together with the summary records of the Committee's discussions, should be regarded as part of the present report.

<sup>1</sup> The draft of the present report was prepared by a Sub-Committee of the Committee on Information from Non-Self-Governing Territories, composed of the representatives of Ceylon, China, France, Guatemala, India, the Netherlands, the United Kingdom of Great Britain and Northern Ireland and the United States of America.

The members of the delegations who served on the Sub-Committee were: Mr. Y. Duranowamy (Ceylon); Mr. Hsi-kun Yang (China); Mr. Michel de Camaret, Mr. G. Tourot and Mr. A. Warnod (France); Mr. Ramiro Aragón (Guatemala); Mr. Rikhi Jaipal (India); Mr. Ch. J. Grader (Netherlands); Mr. B. O. B. Gidden and Mr. Percy Selwyn (United Kingdom); Mr. James A. Lynn (United States).

6. The Committee appreciates the assistance it received from the representatives of Australia, France, the Netherlands, New Zealand, the United Kingdom and the United States of America, who provided details supplementing the information transmitted under Article 73 e.

7. By resolution 933 (X), the General Assembly reiterated its invitation that Members should attach to their delegations persons specially qualified in the functional fields within the Committee's purview. The Committee in 1957 had the advantage of the presence of economic advisers in the delegations of France, Guatemala, the Netherlands, the United Kingdom and the United States. These experts greatly assisted the Committee by providing new information and by contributing to the discussions.

## II. General

8. The Committee examined a report<sup>4</sup> prepared by the Secretariat, on the basis of the information provided by the Administering Members, outlining the main features of economic developments in Non-Self-Governing Territories from 1953 to 1956. Included were some of the major policy statements made on behalf of the Administering Members on the objectives of economic policies, information on the development of production for local consumption and the rate of increase of certain imports of particular importance to the inhabitants, a brief note on the expansion of transport facilities and power, and an examination of information on the national income and the standards and levels of living to be found in various Territories.

9. This information was considered by the Committee in the light of Chapter XI of the United Nations Charter and of the general principles contained in the Committee's 1954 report. The report stated that the fundamental aim of economic policy was to develop the Territories in the interest of all sectors of the population, to raise the standard of living by increasing individual real purchasing power, and to increase the total wealth of each Territory in order to make possible higher standards of social services and administration.

10. From this fundamental aim the Committee in 1954 defined the concrete objectives of economic policy. These objectives read as follows:

(a) To remove the obstacles to economic development by modifying where necessary the basic structure of the economy;

(b) To stimulate economic growth through which the standards of living of the peoples will be raised

The Sub-Committee elected Mr. Rikhi Jaipal (India) as Chairman.

The Rapporteur of the Committee and the representative of FAO also participated in the debates of the Sub-Committee.

<sup>2</sup> Members transmitting information are: Australia, Belgium, France, the Netherlands, New Zealand, the United Kingdom of Great Britain and Northern Ireland, and the United States of America. The elected members serving in 1957 were: Ceylon, China, Guatemala, India, Iraq, Peru and Venezuela.

<sup>3</sup> *Official Records of the General Assembly, Sixth Session, Supplement No. 14, (A/1836)*, pp. 25-39; *Ibid.*, *Ninth Session, Supplement No. 18, (A/2729)*, pp. 14-30.

<sup>4</sup> A/AC.35/L.245.

and an increase obtained in their national output and improvement in their productivity;

(c) To establish and improve the capital equipment of the Territories so as to provide a firm basis for future development;

(d) To promote those types of economic activity, whether primary or industrial production, in which the Territories are best fitted to engage, having regard to the balance of their economies and the advantages of external trade;

(e) To secure the equitable distribution amongst the peoples of the material benefits of the economy as expressed in the national income;

(f) To create a firm economic basis for political, social and educational programmes, taking into account the basic cultural values and aspirations of the peoples;

(g) To conserve and develop the natural resources of the Territories for the benefit of the peoples;

(h) To create conditions conducive to standards of health and of social welfare which will help to develop moral and civic consciousness and responsibility, so as to enable the people to take an increasing share in the conduct of their own affairs;

(i) To work towards fully developed economies capable of taking their appropriate place in the world economy.

11. The fundamental principles and the purposes to be pursued in the administration of Non-Self-Governing Territories are defined in Chapter XI of the Charter and they are applicable to all Territories, large and small. There are many deficiencies in economic resources, and there may be shortcomings in the steps taken to make the best of existing resources, but it is to be noted and appreciated that the economic policies since 1954 as outlined in statements of the Administering Members continue to stress the objectives defined by the Committee in that year. The French *loi-cadre* of 23 June 1956, in its provisions relating to the objectives of economic policies in Territories under French administration, has empowered the Government to take measures intended to raise still further the standards of living in the Territories, to promote economic development and social progress and to facilitate economic and financial co-operation between Metropolitan France and the Territories. Emphasis is also being placed on the participation of the peoples in the formulation of economic policies. In this connexion, the Netherlands representative cited a statement that the execution of a social-welfare programme implies the "auto-activity" of the peoples themselves, to be realized only if they understand the programme, wish to bring it to fruition and are able to cope with its execution. In the same spirit, the United Kingdom representative cited from Western Nigeria a statement in which social development was defined as the bringing to a community a vision of the better way of life which by their own efforts they can build for themselves.

12. The economies of the Non-Self-Governing Territories since 1953 have generally continued to develop in line with the long-term trends of growth apparent from the post-war period onward. While there has been no drastic structural change, there has been a further shift towards a monetary economy and the areas of

subsistence economy unaffected by world trade are now few and far between. It is by no means certain that the change has yet been reflected in improvements in the living conditions of the indigenous peoples in some of the Territories. Doubts were expressed in the Committee whether, for example, in some territories in Africa the local production of food has kept pace with the growing population or whether the expansion of export crops has brought sufficient returns to compensate for deficiencies in local food production. Such situations are difficult to judge since information on the production of food crops for local consumption is still scanty. In general, some members of the Committee felt that economic progress in Non-Self-Governing Territories was slow, and that a wide gap still existed between the standards of living of the Territories and those of the administering countries.

13. In some Territories where the monetary economy has been long established, there is great dependence on a single export crop or a single mineral. This dependence may in part be due to the limited character of the resources and potentialities of the Territories. Specialization, moreover, may contribute to higher productivity and thus to the economic welfare of the communities. But the resulting vulnerability of the economies of such Territories is great.

14. Subject to these considerations, and reserving to a later section particular comments on the external trade of the Non-Self-Governing Territories, the Committee here notes that, although a change in export values or in the national income may reflect only a change in prices and may not involve any real changes in the local economy, Administering Members reported substantial economic progress in real terms over the past four years.

15. Several significant indicators were cited by representatives of the Administering Members as evidence of progress.

16. In the Territories administered by the United Kingdom, the gross domestic product is estimated to have risen by about 7 per cent between 1954 and 1955 and by a further 4 per cent between 1955 and 1956. The volume of exports of primary products was some 17½ per cent higher in 1956 than in 1953; the volume of exports of bauxite, iron ore, coconut oil, copra, coffee, tea and timber rose by more than 50 per cent over the period. In terms of constant prices, the rate of gross capital formation in 1956 was some 75 per cent higher than in 1948. Currency in circulation in the Territories rose by 23 per cent between the end of 1953 and the end of 1956; bank deposits rose by 25 per cent; local loans and advances by banks rose by 64 per cent, showing the extent to which commercial banks are finding local outlets for their funds and decreasing the proportion remitted to London.

17. For the overseas Territories under French administration, information supplied to the Committee marked that, after 1954, when economic expansion reached a new high, a further increase in export production in 1955 was offset by lower world prices for cocoa and coffee, which are of special importance for these Territories. This had obliged the authorities to continue to expand the combination of measures designed to shelter the producer in the Territories from price fluctuations and to provide him with reasonable remuneration. As examples of material advance, the Committee was informed that, between

1948 and 1957, the production of French West Africa increased at a rate of approximately 9 per cent annually; and that the economic evolution of French Equatorial Africa has been characterized by the modernization and expansion of the rural economy, a steady improvement in the quantity and quality of agricultural products, a considerable increase in exports, and the emergence of mining and processing industries. In Madagascar, the national income had in ten years risen by 53 per cent and in 1955 was 38 per cent higher than in 1949.

18. The information before the Committee also provided examples of economic expansion as represented in particular services and commodities. In 1954, the Committee noted that the production of electric power in thirteen Territories which were non-self-governing at that time (Belgian Congo, French Equatorial Africa, Morocco, Gold Coast, Kenya, Nigeria, Tunisia, Uganda, Malaya, Singapore, Hong Kong, Jamaica, Trinidad) had increased from 1,850 million kilowatt hours in 1947-1948 to over 4,000 million kilowatt hours in 1952-1953, or by about 120 per cent in five years. Between 1953 and 1955, in twelve Territories (Belgian Congo, French Equatorial Africa, French West Africa, Kenya, Nigeria, Northern Rhodesia, Uganda, Malaya, Singapore, Hong Kong, Jamaica, Trinidad) production had increased from 3,300 million kilowatt hours to 5,400 million kilowatt hours, or over 60 per cent in two years. The 1954 report similarly gave examples of the increased imports and local production of cement as a symptom of economic expansion and figures since then provide further evidence of development. Between 1953 and 1955, the production of cement, measured in metric tons, increased from 248,000 to 405,000 (63 per cent) in the Belgian Congo, from 60,700 to 129,000 (115 per cent) in French West Africa, from 33,000 to 130,000 (294 per cent) in Kenya, from 57,000 to 91,000 (59 per cent) in Northern Rhodesia and from 17,000 to 50,000 (194 per cent) in Uganda.

19. These and other figures given to the Committee presented a generally favourable picture of the economic expansion in the last few years. Yet, this picture has its dark side. In particular, it is uncertain in many cases to what extent the indigenous rural communities, which form at least 90 per cent of the population of the Territories, are benefiting from the economic expansion that is taking place.

20. There are also general principles which the Committee should stress.

21. The Charter of the United Nations provides in Chapter XI that the Members which have or assume responsibilities for the administration of Territories whose peoples have not yet attained a full measure of self-government recognize the principle that the interests of the inhabitants of these Territories are paramount. This obligation and the doctrine of the sacred trust render unacceptable any policy in which priority is given to interests other than those of the inhabitants.

22. In 1954, the Committee pointed out that economic development can only be considered as satisfactory if it improves the standard of living and well-being of the indigenous populations. It is essential that the utilization of the resources of the Non-Self-Governing Territories should be in the best interests of their inhabitants and should lead to the attainment of a maximum degree of self-reliance and to the establishment of a sound and stable economy. The measure-

ment of changes in the economic conditions of the populations is difficult and any exact calculation is impossible. In certain cases it is not clear to what extent the local peoples have directly benefited from the various elements of material progress recorded in the information before the Committee. However, production and consumption have increased, and this should mean an improvement in welfare and in levels of living. An increase certainly appears to have occurred in the production of many subsistence and export crops. The domestic production of industrial consumer goods, though still at its earliest stages in most Territories, has increased and a significant shift in the importation of consumer goods towards higher quality and price categories has taken place. Passenger and freight traffic have been increasing at a steady rate. So has the production of electric power. There are increases in the national income in those Territories for which relevant data are available. From all these points, and even taking into account the growth of population and the effects of inflation, it may be concluded that in a number of the Territories there has been an increase in the *per capita* income of the indigenous population and in the available facilities for the improvement of economic, social and educational conditions of communities, families and individuals.

23. At the same time, the Committee recognizes that there are some Territories whose natural resources, as so far ascertained, cannot without considerable and long-term external assistance provide reasonable conditions of living for the population even at its present size. In other instances, difficulties may arise with the transition from a subsistence way of life to an exchange economy, the former giving real if limited satisfactions and the latter stimulating new personal aspirations and calling for new relationships in community life. These situations should be faced, and are being faced in many cases, by co-operation between the representatives of the Administering Members and the peoples of the Territories. They suggest that, of the concrete objectives of policy outlined by the Committee in 1954 and reproduced in paragraph 10 above, one of the most important purposes is to create conditions conducive to standards of health and social welfare which will help to develop moral and civic consciousness and responsibility, so as to enable the people to take an increasing share in the conduct of their own affairs.

### III. Development plans

24. In its 1954 report, the Committee commented on the progress of development plans in Non-Self-Governing Territories, notably in the Belgian Congo and in the Territories under the administration of France and the United Kingdom. It commended the policies of planned governmental investment typified by these plans. It noted the changes made in the early plans with a view to alleviating poverty by improving productivity. It made the generally recognized point that economic policy should be integrated into a general policy of development and that, as shown in many of the development plans themselves, it may not be possible to increase economic productivity unless a vigorous policy is pursued for the expansion of social and educational services and the improvement of social and educational standards.

25. Since 1953, long-term development plans have been continued and extended in a large number of the Non-Self-Governing Territories. Data given on the

progress of these plans show in many cases an expansion of the resources used and a broadening of the purposes of the plans.

26. The objective is not so much to make a financial contribution to desirable projects as to set in motion a process of balanced development based on scientific research and supported by material and technical assistance. In the light of experience, certain plans have been revised in ways that emphasize the interdependence of the economic and social aspects of development. The revisions have also reflected the conclusion that, while the formulation of ten-year plans is useful in indicating general objectives, concrete programmes should be formulated in terms of shorter periods. Accordingly, a number of plans are now based on a four or five-year period, a change in programming which not only has practical advantages, but which also may make more effective the participation by the Territories in the development of the programmes and in their implementation and adaptation as interpreted by local needs and aspirations.

27. The importance of scientific research as providing a sound basis for economic development has become ever more widely appreciated. Expenditure on research has come to figure more prominently in development programmes. The cost is largely borne by grants under the development plans. The Committee noted examples of the establishment of research foundations having long-term appropriations with wide freedom in research.

28. Information on the recent progress of development plans were placed before the Committee in a report<sup>5</sup> prepared by the Secretariat and further information was supplied by representatives of Administering Members, in particular by the representatives of Australia, France, the Netherlands and the United Kingdom.

29. For the United Kingdom Territories since 1945, some £135 million has been spent from metropolitan sources under the Colonial Development and Welfare Acts, and £120 million is being made available for the period 1955-1960. Grants-in-aid to the poorer Territories have also been widely used for development purposes, the grants-in-aid for 1956-1957 totalling £18.9 million. Further assistance results from the access to the London money market enjoyed by the Territories and the status given to their stock, as a result of which over £150 million has been raised by local governments since the war. To this should be added the operations of the Colonial Development Corporation which, up to the end of May 1957, had approved projects totalling £85 million for the promotion or expansion of agricultural, industrial and other enterprises in colonial development.

30. In the case of France, the first four-year plan resulted in the expenditure of nearly 300,000 million francs directed largely to the establishment of the essential infra-structure for economic development. The second four-year plan, initiated in mid-1953, aims more directly at the expansion of production, agricultural development and such social measures as town and country planning. The funds approved from the metropolitan budget for the second programme total 250,000 million francs. The metropolitan country has thus allocated for the development of these territories approximately 8 per cent of the total investments made from public funds since 1946.

<sup>5</sup> A/AC.35/L.242.

31. Available information for the United Kingdom Territories suggests that Governments and other public bodies plan to spend rather more than £150 million per annum on development over the next few years. Of this, it is hoped to raise over £30 million per annum from external loans, about £15 million per annum from Colonial Development and Welfare Funds, between £15 and £20 million per annum from local loans, and the rest from local revenue surpluses and reserves. Territorial Governments are thus looking to their own resources for over half of the cost of their development projects. In Territories under French administration, local budgetary participation in the financing of the cost of development programmes, initially set at 45 per cent, has been reduced gradually to 10 per cent in order to enable the budgets to meet the increase in charges under earlier programmes. The result is that France is meeting 90 per cent of the costs, although local contributions have been substantial in French West Africa, and in some instances in Madagascar almost matched the Fonds d'investissement et de développement économique et social des territoires d'Outre Mer contribution. In the Belgian Congo the development programme continues to be financed not by metropolitan grants but chiefly by means of loans contracted by the Territory.

32. The Belgian Congo situation is in contrast with the general financial position in the Non-Self-Governing Territories. In many of the Territories, continued and increased assistance from the metropolitan country is necessary to ensure economic development. This applies to some Territories which are preparing for independence or self-government in the near future. If the new societies are to face the future with reasonable confidence in the economic prospects, substantial financial assistance may be required.

33. The sums expended on development from metropolitan sources and the sums secured under metropolitan guarantees for development are impressive when considered as a whole but do not fully meet urgent needs, particularly in the Territories which are not attracting private capital. In some areas, the main limitations on expanding the rate of public development are the lack of technical and administrative staff and an insufficiency of trained workers. In other regions finance is the principal limiting factor. In some cases, domestic resources can be mobilized by raising tax levels or by extending taxation to groups not at present paying their due share. Nevertheless, the deterrent effect of high rates of taxation on enterprise may outweigh the need to increase government revenue, and where, as in many Territories, the taxable capacity is low because of low personal incomes, the marginal yield of any increase in taxes may be small.

34. The Committee noted with interest that several Territories under United Kingdom administration have been examining the basis of the financial relations between the Territories and London with a view to the establishment or extension of local money markets in the Territories. Proposals for the establishment of territorial central banks made in reports of the International Bank for Reconstruction and Development are of particular interest in this connexion, since such banks could help to establish local markets and make available more local funds for development. In this connexion, the Committee noted with satisfaction the establishment of central banks in French West Africa and French Equatorial Africa.

35. Nevertheless, the establishment of a central bank or of a local money market will not necessarily provide sufficient funds for development. In addition to the sources available to the public authorities in the Territories and in the metropolitan countries, other investments will require to be stimulated before the economic development of the Territories can meet the needs of their people. Far greater investment from private sources, territorial, metropolitan and foreign, is required. Indeed, the effectiveness of investments made under government development programmes in present circumstances is largely governed by the extent to which public funds are supplemented by private investment. The importance of public investment is largely that it creates the necessary conditions conducive to increased production. The climate for private investment in many cases needs to be improved by the extension of basic facilities such as harbours, roads, communications and power, together with the basic services required to improve the health and education of the peoples. A number of measures of a financial character also need further consideration. In particular, the metropolitan Governments should take action, as they have already done in many cases, to see that the metropolitan tax systems do not frustrate the efforts of the Territories to encourage private investment. Similarly, where not already in existence, treaties should be negotiated with foreign countries for the purpose of relieving undertakings in the Territories from double taxation.

36. Private capital from the metropolitan countries or from within the Territories will in many cases be inadequate to finance development. For the Territories, and particularly for those in an advanced stage of political development, conditions should be provided and guarantees offered by which, with due regard to the public good and with public understanding, the investment should be encouraged of capital from abroad directed towards the increased productivity on which the future of the Territories and of their peoples will mainly depend.

37. The establishment of well-balanced development programmes requires several conditions: an extensive research programme intended to provide an inventory of existing resources; a balance between short-term profit-yielding projects and more basic and long-term undertakings; and the consideration of all implications of development not only economic, but also educational and social. The Committee emphasized in 1951, and again in 1954, the value of the increased participation of the peoples in the planning of economic programmes, in the general supervision of their execution and as managers and technicians in the separate undertakings. According to data submitted to the Committee in 1957, increasing participation by the local public authorities in the preparation and application of the programmes has been a characteristic feature of recent developments. A similar trend has been observed with regard to the participation by the indigenous inhabitants. In a number of Territories there are elected legislatures and ministries composed largely of local representatives, and the development plans are drawn up by committees responsible to the appropriate ministers who, in their turn, are responsible to local opinion. Many of the plans reflect the peoples' own interpretation of the emphasis which they desire to place on various forms of development. Whatever the details of the plans, the progress of representative institutions in the Non-Self-Governing

Territories has meant that the plans are being prepared to an increased degree by bodies responsible to the elected representatives of the peoples and are increasingly being brought into execution by these bodies.

38. The information before the Committee, including the additional information supplied by representatives of several of the Administering Members, indicates the desirability of an ever-widening association of the representatives of the peoples in the elaboration and implementation of the programmes until the stage is reached when the Territories initiate and implement their own chosen forms of development. The programmes of development in Non-Self-Governing Territories do not make economic sense if the basic political objectives, with which they are inextricably connected, are not part and parcel of the general design.

#### IV. External trade

39. Summary tables were submitted to the Committee showing developments in the external trade of the Non-Self-Governing Territories during the years 1953 to 1955.<sup>6</sup> Additional information on conditions in 1956 was provided by representatives of the Administering Members.

40. In general, there has been an increase in the external trade of the Territories. The volume of exports of United Kingdom Territories in 1956 was 17.5 per cent higher than in 1953. The value of exports was 24 per cent higher. The value of imports increased by 28 per cent in the same period. In Papua under Australian administration, the value of exports for the period 1955-1956 was 35 per cent higher than for 1952-1953 and, over the same period, the value of imports more than doubled. For the Belgian Congo, the current value of exports for 1955 was 15 per cent higher than in 1952, although imports showed a decline of some 6 per cent. In the African Territories under the administration of France, the volume of exports and imports continued to increase in 1955; there was a value decline owing mainly to a fall in export prices. From 1950 to 1955 exports increased in volume from 1,900,000 tons to 4,025,000 tons and in value from 98 to 177 thousand million francs. The proportion of external trade with countries outside the franc area has been steadily increasing: exports to these countries reached in 1955, 31 per cent of total exports as compared with 24 per cent in 1950. The proportion of semi-manufactured and industrial products in total exports increased from 14 per cent in 1954 to 16 per cent in 1955 for the French Territories as a whole, and reached 21.6 per cent for French West Africa.

41. In 1954, the Committee recognized the significance of the action taken by marketing boards and the *Fonds de soutien*. The need for arrangements for stabilization of income of producers was emphasized by the 1955 decline in prices of some major commodity exports of Non-Self-Governing Territories. Owing to reserves accumulated in previous years of higher prices, marketing boards in United Kingdom Territories were able to absorb this fall and to continue to pay satisfactory prices to producers. In the Territories under French administration, a general system of price stabilization was introduced and stabilization funds for most major products were established in 1955. With the assistance of advances from the Metropolitan Treasury through the National Stabilization Fund

<sup>6</sup> A/AC.35/L.244 and Corr.1.

for Overseas Commodities, remuneration of producers was maintained at a satisfactory level. The steps taken to strengthen the territorial producers on the metropolitan market were described to the Committee as marking outstanding progress in the economic organization of overseas production and trade. For a similar purpose of giving guarantees of stability to the producers, information on the measures taken by the metropolitan countries for long-term bulk purchases of the products of the Territories was mentioned as instances of favourable trade relations established through the action of the Administering Members.

42. There were no significant changes in the structure of the foreign trade of most Non-Self-Governing Territories whose exports in most cases remain limited to one or a few primary commodities. While variations in prices of individual export products have been substantial, with considerable repercussions on the economy of the Territories concerned, there was no uniform general trend in the Territories as a whole. Little further progress has been made in the stabilization of world prices of basic commodities, apart from bringing into force an international tin agreement. There has been a gradual, if slow, decline in the share of the external trade of many Non-Self-Governing Territories with the metropolitan countries and with other territories of the same currency area. The widening of markets for exports and sources of supply for imports, seems to indicate some progress towards a greater economic independence. It may also reduce the cost of imports and thus improve the price-cost relations and the competitive character of the exports of the Territories.

43. These are currents indicative of general movements which are difficult to evaluate in their short-term manifestations. Some members of the Committee considered that the trading relations of many Territories were restricted by their lack of independent currency. On the other hand it was pointed out that the United Kingdom Territories were free to trade with any country they wished apart from restrictions applying to all members of the sterling area and that their use of sterling-backed currency involved no limitations on this freedom. Some members drew the attention of the Committee to an aspect of monetary policy which has had repercussions on the trend towards the freedom of external trade. They pointed out that inasmuch as the Territories have no issuing institutions of their own and as, therefore, there is not in these Territories an autonomous administration of foreign exchange resources, the practical results of the measures for liberalizing external trade may be limited so far as the general interests of the inhabitants are concerned. It was pointed out that issuing institutions do exist in Territories under French administration. However, both for commercial reasons and for the purpose of encouraging capital investments, it may be desirable in certain instances to develop territorial monetary systems. As has been suggested in an earlier passage, the changing situation in the monetary relations between many of the Territories and the metropolitan countries is one of the most significant developments of recent years, but it must be emphasized that both trade and these monetary relations would benefit from an increased autonomy on the part of the Territories.

44. The Committee stresses this particular point, not only because it regards it as desirable for some Territories to develop monetary systems of their own,

but also because it wishes to re-emphasize the viewpoint, that so long as Members of the United Nations remain responsible for the administration of Territories whose peoples have not yet attained a full measure of self-government, policy must be directed firmly towards creating favourable conditions in all fields which in practice contribute to the paramountcy of the interests of the inhabitants.

45. The Committee was interested in the part played by the local population in external trade and particularly in the share of proceeds of exports accruing to them. Some members felt that an excessive share of the proceeds of exports from certain Territories accrued to external investors: the large-scale purchasing of agricultural products, their transport and processing mainly benefit non-indigenous and extra-territorial interests; mining, while it encourages ancillary industries, is largely limited in its direct benefits to the Territories, to the payment of wages for lower paid employment and to taxes. On the other hand, it was pointed out that the external companies had done a great deal to stimulate the economics of the Territories in which they operated. In so far as external capital was required to develop the Territories, the Committee considered that it was only reasonable that such capital should be allowed reasonable returns.

46. The share of indigenous producers in export production and the participation of indigenous traders should be increased. As has been illustrated by the successful developments in a number of cases, the extension of co-operative marketing to export crops is one way of increasing the share of indigenous interests in the development of the Territories. Another aspect of policy, which has also been illustrated in certain Territories, is the extension of commercial training in order to create the business and professional skill necessary for encouraging local inhabitants to play a larger part in the trading operations of the Territories.

47. Finally, the Committee recognizes that the external trade of the Non-Self-Governing Territories in part is determined by natural conditions and that the adverse effects which may result from these conditions are being partially remedied. There are, however, certain observations made by the Committee in 1954, which merit repetition.

48. The question of the exports of Non-Self-Governing Territories raises the problem of the preference given on the markets of the Administering Members to certain products of the Territories. The latter clearly find it advantageous for their production to be supported by an assured outlet on the metropolitan market. Such a policy may, however, have some drawbacks. It is for the Non-Self-Governing Territories to judge whether these drawbacks are adequately offset by the advantage of a stable metropolitan market and the financial assistance given in certain cases by the Administering Members during periods of falling prices. Some long-term agreements providing for bulk purchases of the Territories' products by the Administering Members have proved beneficial, particularly when the Administering Members have accepted the principle of a periodic review of the terms of contracts, in the light of conditions on the international markets and the trend of the prices of the imports paid for by these exports.

49. As was also stated in 1954, the same problem of trade policy arises with regard to imports. There is no fundamental objection to the Territories obtaining

most of their supplies from the Administering Members, or from the same currency area provided that this trend is not forced and that prices in effect in the metropolitan country are not too high. The import policy of the Non-Self-Governing Territories should be based on world prices, in order to benefit from international competition.

## V. Industrialization

50. In its reports of 1951 and 1954, the Committee examined various aspects of industrial development in Non-Self-Governing Territories. The information before it in 1957 provided further instances of industrial expansion in the Territories. These have occurred mainly by taking the processing of the territorial raw materials a further stage towards the production of finished products for export and in meeting local demands for consumer goods requiring comparatively simple manufacture.

51. The Administering Members have declared themselves favourably disposed towards the establishment and development of local industries. There remain, however, some points that require consideration. Under the Ten-Year Plan for the Belgian Congo, for example, the promotion of industries is to be encouraged, subject, *inter alia*, to the costs comparing favourably with the prices of similar imported products. The Plan also proposes that the initiative should be left to private interests and that State intervention should be considered only in the case of certain basic industries. Some Members of the Committee suggested that limitations of this type are too rigid.

52. Moreover, although industrial development in many Territories is approved in principle, a note of caution is often sounded when practical action is under consideration. Such an attitude can be readily understood. The basic natural resources, the availability of capital and of technical personnel, the degree of economic and social evolution of the Territory, the level of living of the populations and their purchasing power, the existence and potentialities of local, regional and international markets are all factors influencing the views of the authorities responsible for the progress of a given Territory when the advisability of promoting industrial development is being considered. While recognizing the considerations that must thus result, some Members of the Committee expressed some concern lest over-emphasis on private initiative might slow down industrial development when existing conditions are not conducive to it.

53. Industrialization should not be regarded as an end in itself but as one of the means of raising the income and levels of living of the population. Local conditions may limit the range of manufactured products which can be made and sold. Where very favourable conditions exist for particular crops or products the general interest of a Territory may be best served through the increase of their production and sale in return for manufactured goods from abroad. But, where conditions are suitable, industrial production will assist in raising living conditions and is essential for diversifying and strengthening the territorial economies.

54. The encouragement of new industries in the Non-Self-Governing Territories should not therefore be governed wholly by criteria of price possibilities, important as these may be to the individual undertakings. The Governments should take account of the

broader economic and social needs of the Territories. In considering particular policies and projects, consideration should be given to the possibilities of employment that may be offered to indigenous workers, the relationship between modern industries and traditional skills and the chain reaction of economic development which some industries produce in contrast with the insulated character of others. Some Members of the Committee stressed the advantages offered by a network of small industries providing consumer goods for local consumption in contrast with the more spectacular and more hazardous possibilities of the large and highly capitalized undertakings requiring possibly costly equipment and highly skilled technical staff. Nevertheless, where, as through the existence of power resources, conditions are particularly favourable for larger industries, the Governments should encourage their development. Some Members suggested that from the point of view of an increase in national income it is sometimes preferable to use natural resources and employ national labour which would otherwise remain idle to the detriment of the community, even though one would have to accept a temporary increase in the price of goods.

55. The Secretariat study submitted to the Committee in 1957 was not intended to describe progress achieved in industrial development but to indicate the measures adopted by the Administering Members for encouraging the degree of industrialization considered suitable to local conditions.

56. The principal source of finance for industrial development in most Non-Self-Governing Territories is private capital. The statements already made in this report on the general need to encourage private capital and to provide guarantees for private investments in the Non-Self-Governing Territories applies to industrial development with special force, since in this field the private entrepreneur may be able to offer the greatest skill and experience. The Governments therefore usually, even when providing finance for the promotion of industrial development, leave the running of the businesses to private industries. It was suggested that conditions conducive to private initiative should be promoted.

57. In some of the Territories the Governments have made loans to encourage local manufactures. Institutions specializing in promoting industry have been set up, as well as, in some cases, industrial development corporations which undertake the establishment of manufacturing industries either on their own account or through subsidiary bodies. The metropolitan countries have also provided direct financial assistance and taken part directly in the establishment of industrial undertakings. Nevertheless, some Members of the Committee are concerned that the development of industries is left to private initiative to such a large extent. They consider that reliance on private investments which, in the circumstances of many of the Territories, is most likely to be directed to the further development of existing plantation and mining undertakings, will not ensure a sufficiently rapid and diversified industrial development. They therefore urge the Administering Members to accept a more active role for Government authorities in industrial development, to increase the present proportion of public funds allocated to industry in the development programmes of the respective Territories and, in appropriate cases, to sponsor or to operate pilot plants for new industries.

<sup>7</sup> A/AC.35/L.241.

Other Members feel that it is appropriate for Governments to establish and pursue policies which encourage industrialization, but that generally the establishment and operation of individual industrial plants should be left to private enterprise. They also feel that all things considered private enterprise usually leads to the most efficient operation of industry. Still others think that the role to be played by Governments in promoting industrial development should be considered in the light of the individual circumstances of the Territory concerned.

58. The Non-Self-Governing Territories do not as a rule make a wide use of protective tariffs as a means of shielding local manufactures from competition from imports of a similar nature. In some cases, import dues are reduced or waived on equipment for new factories and on the raw materials which are to be processed. Many Territories apply a quota system on imported manufactures and this may assist local industries. Reciprocally, the quota policies adopted by the metropolitan countries may favour the admission into these countries of the industrial products of the Territories. In Territories where there are export duties, these are sometimes used to promote the disposal of local manufactures in external markets or to discourage the exportation of raw materials needed for local industries.

59. The general attitude which this Committee has outlined in speaking of external trade indicates the reservations which need considering in respect of protective measures. Some of the measures which the Territories are following to protect nascent industries are no doubt justified by immediate needs. They should not be regarded as satisfying the needs of a long-term policy. Discriminatory measures hampering competition may prove detrimental to the efficient development of the enterprises enjoying protection. They may result in unjustified price increases which will have to be borne by the local populations. They should be used only in the interest of the population of the Territories to enable the establishment or expansion of industries which, at least at an early stage, would be unable to resist to competition of imported industrial products.

60. In some Non-Self-Governing Territories the Governments grant tax concessions to industry and, in particular, to new undertakings of a pioneer type. Among the incentives of this kind most frequently used are the reduction or temporary waiving of taxes on profits, the right to apply in the initial stages of new industries accelerated rates for the depreciation of plant and machinery and the authorization to carry over losses from one year to a longer period in calculating profit and loss. In the Territories under French administration approved undertakings have since 1953 had the advantage of the guarantee offered by exempting them from tax increases for periods up to twenty-five years. In Territories under United Kingdom administration legislation has been adopted from 1947 onwards in the Caribbean region to encourage pioneer industries by means of a number of tax concessions and this legislation has more recently been extended to West Africa.

61. The tax holiday providing exemption from taxation on profits for a number of years may be spectacular and may encourage new investments. Some Members of the Committee doubt its value for the generality of cases. Investments in new industries may earn little in the initial years of the undertakings so that any exemption from taxation on profits may

be illusory or may only encourage undertakings with a high degree of mobility to take advantage of a temporary situation to establish short-lived undertakings which will not contribute to the permanent prosperity of the Territory concerned. It may also be difficult to distinguish between the exemption for new undertakings and the exemption which should be extended to existing undertakings diversifying their manufactures. This does not mean that no encouragement can be given by way of tax concessions. In particular, as has already been stated, in relation to private investment in general, agreed action should be taken to avoid the cancellation in practice by tax policies pursued in capital exporting countries of concessions granted through reduced territorial tax rates.

62. In general too much importance should not be attached to income tax exemptions and similar measures. Effort should rather be concentrated on stimulating industry by improving the basic public services. This does not imply any neglect of the particular needs of industry that can be met by government action. The Committee noted with satisfaction the cases where Governments are making use of means of promoting industry, such as industrial research, vocational technical education, surveys, studies of domestic and foreign markets with a view to establishing outlets for local products, and the development of sales by advertising and trade negotiations.

63. As the Committee stated in 1954, since industrialization is only one aspect of economic diversification and since economic and social progress are part of a single if complex process of modernization, public agencies for industrial research and development should be vested with broad functions; where they work in conjunction with private operators they should associate the operators in the risks of the enterprise rather than using them on a commission or similar basis; and their programmes should operate through the devolution of responsibility to territorial and local authorities representative of the inhabitants. In the particular undertakings representatives of the inhabitants should, as far as is possible, participate in management.

64. Particular importance should be attached to vocational and technical education. In 1956 in its report on education in Non-Self-Governing Territories,<sup>8</sup> the Committee noted the major developments that had taken place in this field from the character of primary schooling, to the development of secondary education up to the establishment of technical colleges for senior students providing education to the degree level. The Committee in 1957 reiterates the view expressed in 1956 that further development in vocational and technical education, the integration of this education in systems of general education, its planning in relation to the over-all prospects of the Territories and to the actual and potential labour market for semi-skilled, skilled and professional posts demand close attention. Complementary to this educational policy, the Territories in their industrial planning will need to take fully into account their educational structure and the potential availability of trained workers, technicians and managers.

65. Industrial development may well lead to revolutionary changes in the structure of society. A number of considerations and safeguards should be borne in

<sup>8</sup> *Official Records of the General Assembly, Eleventh session, Supplement No. 15 (A/3127), part II, paras. 36-39.*



mind. Industrial development should not threaten the land rights of the indigenous peoples. Any immigration involved should not be of such proportions as to alter the basic character of the society in the Territory. There should be no colour bar in industry in any Territory. Provision should be made for training and for the holding of increasingly responsible posts in management by members of the indigenous population. There should be adequate conditions of employment and proper provision for housing. Wherever possible, there should be local participation in the financing of development. In general, industrial development should not in any way endanger general development in all its aspects and should be in harmony with the traditions and aspirations of its peoples. These considerations do not justify inaction. On the contrary, they suggest the kind of positive measures which should be included in programmes of industrial development in the Non-Self-Governing Territories in order to lead to the best results.

66. The information supplied to the Committee by representatives of the Administering Members outlined some of the measures that are being taken.

67. In Territories under United Kingdom administration the Government holds that three types of industry generally have initially favourable prospects: import-replacement industries, i.e., production of consumer goods and capital goods (such as cement) previously imported; the initial processing of agricultural and mineral products previously exported in crude form; and servicing and repair industries such as engineering works. Industrial development has developed rapidly in Hong Kong, which has entered the world market on a considerable scale with a wide range of manufactured products. The United Kingdom Territories' output of cement in 1956 was eight times what it had been in 1950, and there were large increases in the output of electricity in several Territories. There has been a large expansion of soap production in the Federation of Malaya, textile production in Northern Nigeria, edible oil output in Trinidad, and various developments in Jamaica and Kenya. On the whole, however, industrial production is still of minor importance in most Territories, although the United Kingdom representative stated that Governments are endeavouring to remove existing obstacles by improving basic services such as communications, power and water supplies, by extending technical education, and by taking steps to enlarge local markets by increasing incomes generally.

68. The representative of France stated that in the Territories under French administration the effort of industrialization extends to large as well as to small industries. The vast potentialities of hydroelectric power in tropical Africa, amounting to two-fifths of the world's resources, which can be produced there much cheaper than in Europe, are held to justify the establishment of heavy industry for processing of minerals for which power is a major cost component. In the action that is being taken the industries are to be established by private enterprise but often with considerable financial government participation. The French Government also encourages small-scale industry which is of more direct interest to the indigenous population, in order to broaden the basis of the local economy and to create greater economic stability. Processing industries frequently obtain by priority the required raw materials and enjoy tariff and quota protection from foreign competition. Fiscal import duties

which exist in all Territories and are established by local legislatures, without intervention by the metropolitan authorities moreover provide to local industries a protection against imports as well from the metropolitan country as from foreign countries.

## VI. The rural economy

69. Industrialization will not change the basic economy of the majority of Territories in the immediate future. Most of the populations will for many years be engaged in forms of agriculture so that rural development will be the key to their economic integration and national stability. The policies of the Governments should aim at broadening the foundations of the territorial economy but in the main progress will continue to depend on the direction and speed of rural development, to which indeed suitable industrial development should be designed to contribute.

70. During recent years, agricultural exports continued to expand. Although in 1955 and 1956 world prices of some crops failed to maintain the levels of 1954, on the whole, the export producer, whether a plantation or a single peasant family, benefited from the trade situation. Information on production for local consumption is less adequate, but it appears that, while the production of the starchy staple crops has generally continued to increase, there are still serious deficiencies in the production of the more nutritionally valuable foods and thus in the quality of the diet.

71. In 1954, the Committee, on the basis of an analysis prepared by the Food and Agriculture Organization of the United Nations, stressed the importance of encouraging greater agricultural diversification and the need for selectivity in future agricultural development plans. In 1957, FAO submitted a further study on agricultural diversification.<sup>9</sup>

72. The lack of diversity is a major feature of agricultural production in most of the Territories. The staple crops produced for domestic consumption consist largely of starchy staples. The range of agricultural exports is comparatively narrow in many territories. There is sometimes and in some areas an imbalance between production for local consumption and export. Diversification is also needed on individual farms including crop rotation and animal husbandry.

73. The progress that is being made towards greater diversification is often slow. Many factors require consideration. These include climatic and soil conditions, the demographic situation and the particular circumstances of the Territory's agricultural development. Population pressures often make it desirable to cultivate crops with high yields per acre and, where there is potential unemployment, to maintain those crops which support the largest possible number of workers. The establishment of new export crops requires a careful assessment of world markets and local conditions. The replacement of the dominating crops which provide maximum yields and employment may result in a decline in income and employment. In many cases diversification may be considered as an insurance against the risks resulting from over-specialization and while often necessary, should not be increased at a cost which may appreciably reduce the Territories' income derived from crops that have already found an established place in overseas markets. With food crops for local consumption, although their diversifica-

<sup>9</sup> A/AC.35/L.243.

tion is essential in order to improve diets through increased output of protective foods, here also there are difficulties, such as the smaller yields of some of the beneficial crops, the need for refrigeration and storage, and also for nutritional education.

74. All these considerations indicate that to bring about diversification, either in the Territories' economy as a whole or on the separate farms, action and encouragement by Governments will be needed over a long period. In many cases the distribution of planting material, free or at reduced prices, has been found a useful beginning. Demonstration plots and other extension methods are also used and settlement schemes permitting supervision over cropping systems have resulted in more varied production. Credit and guaranteed prices may be provided and the organization of marketing facilities is of special importance. On these matters, and, in general, on the methods used to establish alternative crops, a greater exchange of information is desirable, since so many Territories are facing the same difficulties.

75. The present situation of world agriculture calls for a more selective approach to the expansion of agricultural production. In most Non-Self-Governing Territories a policy of diversification should be actively pursued. It will often have a beneficial influence on nutrition and health and facilitate more rational farming. It should be considered a necessary part of a balanced effort to strengthen the economy and raise levels of living. For success, diversification needs the co-operation of the rural population and the acceptance by them of new crops and techniques. The training of local leaders is essential. Agricultural extension services should pay particular attention to encouraging suitable forms of diversification and should operate with a high measure of decentralization.

76. In 1951 and 1954, the Committee drew attention to certain aspects of land problems, in particular stressing the need and the action taken to restrict land from alienation to non-indigenous inhabitants. In 1957, some members of the Committee drew attention to certain situations where they consider alienation has been excessive. But the Committee's chief attention this year was focussed on a first discussion of indigenous land tenure problems during periods of economic transition. The Committee decided that the question would be further explored as part of the study of social conditions in Non-Self-Governing Territories which the Committee will take up in 1958. The following comments are accordingly tentative and general.

77. In Non-Self-Governing Territories land is the basic resource of the indigenous peoples. Land should not be considered as an economic asset only or even primarily; land legislation and policies should take into account all the wider social and political ramifications of the development of society. Any programme for the so-called modernization of existing systems may fail if attempted as a form of a change in land use without full regard to other economic and social factors. Customary forms of land tenure for example, which are sometimes regarded as obstacles to increased productivity, have their roots in the social structure of society and cannot be changed without changing the society itself. It was suggested that to increase productivity customary forms of land tenure should be modified.

78. Nevertheless, the basic conditions governing the traditional indigenous systems of land tenure have

largely disappeared since the extent of available land is becoming limited as a result of increasing populations. Soil exhaustion and erosion create serious problems where traditional forms of agriculture impinge on increasingly restricted areas of land. The existing land systems limit incomes, discourage or prevent agricultural change, deprive the peasants of guarantees in the possession of land and make it difficult to organize agricultural credit. Notwithstanding the fact that in many Non-Self-Governing Territories family and group ownership of land remains prevalent and shows a high degree of flexibility and adaptability under varied conditions, cash crops, increasing populations and the impact of more individualistic patterns of social and economic behaviour mean that old tenures are giving way and that more individual titles to land are emerging.

79. The assumption that under pressure of modern economic forces a satisfactory land-tenure system would automatically evolve, well adjusted to the requirements of present economic and social conditions, does not hold true. A lead must be given by Governments. This may involve a basic reorganization of the land tenure system by law, which should also include adequate provisions to deal with the defects of individual tenures sometimes occurring in an exchange economy: chronic indebtedness, fragmentation, landlordism and the creation of a class of landless unemployed.

80. Representatives of Australia, France and the United Kingdom gave a number of examples of successful action to improve and diversify indigenous agriculture, to check soil deterioration, to consolidate holdings, to settle nomads and in general to obtain agreed solutions to local problems. In particular, the representative of France stated that under new legislation, Article 713 of the French Civil Code, by which ownerless land belongs to the State has been revised in its application overseas. He stated that recent legislative provisions empower the administering authorities to recover the land, which has already been granted as concessions but which is not yet being utilized, with a view to its redistribution to communities for the needs of populations short of land for cultivation.

81. The various examples show that the imposition of even necessary land and agricultural reforms gave poor results. When the administrations are supported by experts who can win the confidence of the people, the populations, in very diverse situations, have agreed to change and have often accelerated its pace beyond the most optimistic forecasts. The Committee was interested in these examples as instances of agrarian revolutions supported by the populations which may permanently alter the whole picture of indigenous agriculture and greatly improve the whole rural economy of many Territories. It hopes that agrarian reform by popular consent will be encouraged and extended and that information will be exchanged on problems and solutions.

## VII. Social aspects of economic development

82. Economic development should be pursued not as an end in itself, but as an integral part of a broad programme of general action. Many adjustments to new social conditions are required as a result of economic change; many economic problems cannot be solved without solutions to the accompanying social problems. But the policies to be followed will have to

strike a balance between social and economic development and will involve the interdependence of economic and social action. Accelerated economic development may assist in overcoming critical phases of social transition, provided that, within the desirable limits of governmental action, the social conditions indispensable for economic progress have been laid down.

83. The Committee will in 1958 consider social conditions in Non-Self-Governing Territories. A number of questions on social development raised in the debates of this year should be further examined on that occasion. For the purposes of the present report, the Committee emphasizes certain questions of social change which may be particularly affected by changing economic conditions. Two studies were examined. One, prepared by UNESCO, considers certain social aspects of industrialization in Africa South of the Sahara.<sup>10</sup> The other, prepared by the Secretariat, examines the general social problems of peasant societies during periods of economic transition.<sup>11</sup>

84. The UNESCO report suggests that in rural Africa, there are both disturbing and stimulating effects of industrialization. As examples of the first type of effects there are the increase in social inequality, marriage instability and the inadequate investment of industrial earnings in the predominant rural sector of the economy. Examples of the stimulating effects are the improvement of levels of living, the greater availability of goods and services, the improvement, in some cases, of housing and the creation of markets. A number of other consequences were mentioned in the Committee which may, in different circumstances, have a favourable or unfavourable effect on the local society, such as changes in the tribal structure and labour migrations. In many parts of the Territories, industrialization is in its early stages. Studies of the areas concerned would make it easier to supervise the resulting adaptation, the balance between the changes, the adaptation of customary land tenure and land use systems and the means of securing a better social reconstruction. The Committee hopes that studies of this kind will be encouraged and the results made available to those who have to tackle similar problems.

85. Economic progress should be fostered through the fullest use of the elements of the traditional pattern that can be adapted to new purposes. The foundations may thus be laid for the social growth of society and for fostering the means by which those more energetic in the vanguard of economic change will take up corresponding social responsibilities. The economic progress of Non-Self-Governing Territories, it was argued in the Committee, cannot be effected except at some cost to the social values of traditional institutions. But, where levels of living are low, economic advance is one of the first necessities of social policy and through it should be created new conditions under which new social institutions can evolve or traditional institutions take on new meaning.

86. In the combination of economic and social forces, the part played by the co-operative movement may be of particular importance. Co-operation, the structure of which may extend from the smallest units to territorial-wide organizations, provides an important means by which individuals and groups can combine their isolated efforts in wide programmes of

economic and social development. The processes of co-operation require the assistance of those familiar with business methods under modern conditions. Hence, there is need for the training of staff and the education of members of the societies, through which co-operative organizations may enable traditional customs of self-help and mutual aid to find new expression and broader application.

87. The development of co-operative societies in the Territories should be an important factor in social progress and prepare the people for the transition to a modern economy. There has been a steady spread of co-operative organizations in some areas. The representative of France outlined French experience in this field. The early *sociétés de prévoyance*, in spite of their contributions to progress, proved too bureaucratic. When, however, they were replaced by co-operative societies, setbacks occurred leading to the conclusion that any new start should be carefully organized with due attention to better education and social reform. The present situation is that, established on firmer bases, the new societies are showing promising enterprise and are operating under local indigenous boards and with adequate staff and technical advice. Other encouraging instances of co-operative development were furnished by the representatives of Australia, the Netherlands and the United Kingdom.

88. In the Territories, the co-operative system has been developed in diverse forms suggesting that many extensions of the movements are possible. The success of the "multi-purpose" and particularly of the "better living" co-operatives in Asia indicates that there may be still unexplored possibilities for establishing the co-operative movement on a wider basis more appealing to the people and meaningful to their largest numbers. By linking the co-operative movement with the basic needs and aspirations of the people, it may be associated more closely with economic and social reconstruction and its effectiveness increased.

89. Another promising area of combined economic and social operations is provided by the community development movement. The movement is designed to promote better living for the whole community with the active participation and on the initiative of its members. It is a phase of general development which can be realized only through the creative participation of the people in the whole process of change. The movement provides a wide range of social incentives to economic effort and makes the narrow economic objectives subordinate to broader social goals and purposes. The interaction between the local group and the wider environment bridges differences between traditional institutions and the exigencies of progress and creates conditions for the further economic expansion as a part of an orderly evolution of the indigenous society towards modern forms and standards through its own institutions and talents. Very similar aims may be followed in programmes for the encouragement of the indigenous peasantry under *paysannat* schemes which are reported to have given good results in the Belgian Congo and in French Equatorial Africa.

90. There is a close connexion between these developments and the evolution of the economic services which operate under local government control. Local organizations such as exist in a number of territories should be capable not only of mobilizing forms of voluntary action but also of taking care of the routine management of established public services and providing for their expansion. In the long run, community

<sup>10</sup> A/AC.35/L.250.

<sup>11</sup> A/AC.35/L.248.

development schemes cannot fully succeed unless they are carried out through local councils or with their full co-operation. Where community development policies have taken root, they have sometimes led to a reform of the local administration directed towards building up efficient and representative local government institutions able to provide and run the services needed by the people.

91. In all these forms of social development an important point is the training of leaders on as wide a scale as possible. The successful evolution of the society in transition depends to a great extent on the co-operation of the Administering Authorities with the representative elements of the population. One of the immediate tasks of social policy is the promotion of popular leadership in all areas and in all sectors of agricultural or urban communities.

92. At its 1955 session, the Committee expressed the view that the development of popular leadership calls for appraisal of the training policies and programmes both in respect of scope and extent, and in terms of social content. The Committee pointed out that any training programme concerned mostly with imparting technical skills or training staff required by official organizations would not be sufficient. A broader conception is needed of the place and functions assigned to central training institutions as workshops of social policy and as cultural and training centres for many types of leaders and agents in social development. The purpose of training should be not merely the increase of technical efficiency, but above all the development of the creative potentialities of the people through better understanding, the encouragement of initiative and the formulation of common ideals and purposes.

93. Interesting information was supplied to the Committee on a number of general aspects of social policy in Non-Self-Governing Territories, for example, the extension of measures of social security and housing programmes. Since the Committee will be paying special attention to social conditions in 1958, it does not include in its present report any summary of this discussion. It wishes to refer, however, once again to the *Report of International Definitions and Measurement of Standards and Levels of Living*,<sup>12</sup> prepared by a United Nations Committee on Experts in 1953. It suggests that in its studies, the Secretariat should attempt to assess the information transmitted on standards and levels of living as affected by economic development in the Non-Self-Governing Territories by reference to a wide range of factors relating to the principal aspects of economic, social and educational conditions.

### VIII. International and regional co-operation

94. The Committee, in its 1954 report on economic conditions, welcomed the information before it at that time on international technical assistance furnished to the Non-Self-Governing Territories for economic development and on the operations of the specialized agencies and regional inter-governmental commissions of particular value to the Territories. Since 1954, technical assistance has continued to be rendered to the Non-Self-Governing Territories by the United Nations and the specialized agencies under the Expanded Programme of Technical Assistance and under the regular programmes. Assistance has been also pro-

vided by the International Bank for Reconstruction and Development and the United Nations Children's Fund.

95. With the rise in 1955 of the general level of activities under the entire expanded programme, the Technical Assistance Board has recognized the need to give special attention to the Territories which are about to reach independent status; this is reflected in the rise in the cost of projects to Non-Self-Governing Territories, both in actual amount and in percentage of the total costs. Of the thirty projects which may be broadly classified as being directed primarily towards economic development and for which assistance has been approved for 1957 under the expanded programme in fifteen Territories, seven are for surveys and general development; four for improving soil and water resources; eleven for plant and animal production and control of diseases; three for vocational training; five for co-operatives or marketing.

96. A number of Non-Self-Governing Territories have acted as host countries for conferences and seminars. In 1956, seventeen Non-Self-Governing Territories provided facilities for study for thirty-one fellows under the expanded programme and fifty fellows under the regular programmes of the specialized agencies.

97. In the period 1952-1956, the International Bank for Reconstruction and Development sent missions to assist in the planning of general economic development in five Territories: British Guiana, Jamaica, Nigeria, Singapore and the Federation of Malaya. By the end of 1956, a number of loans had been made to the Non-Self-Governing Territories. A total of nearly \$200 million was lent by the Bank for various branches of development in Non-Self-Governing Territories of Africa in the period between 1951 and 1956.

98. Aid furnished by the United Nations Children's Fund (UNICEF), totalling \$8,191,900 has been approved for 100 projects in forty-one Non-Self-Governing Territories in the period from early 1952 to mid-1957. Of these, eighty programmes in thirty-nine Territories are currently receiving help from the Fund. Most of the twenty projects previously assisted are being continued by the Governments concerned. Aid for forty-two new or continuing programmes in twenty-two Territories was approved during 1956 and in the first half of 1957.

99. The United Kingdom Territories in South-East Asia continued to participate in the Colombo Plan for co-operative economic development in South and South-East Asia. The fifth annual report of the Consultative Committee emphasized the role and importance of technical assistance in economic development. The Plan has been extended to June 1961.

100. Technical assistance has also been provided to the Non-Self-Governing Territories by the United States through its International Cooperation Administration. In March 1955, a survey team reviewed a number of possible activities in Kenya, and recommended several projects in agriculture, health, education and community development. Arrangements were made for sending technicians to study cattle disease in Nigeria; expansion of technical education in Sierra Leone; establishment of a trade training centre in the Gambia; and a large agricultural development programme in the Western Region of Nigeria. In the Caribbean region agreements were signed in June 1955 for new technical co-operation programmes in Jamaica

<sup>12</sup> United Nations Publication, Sales No. 1954.IV.5.

and the British Honduras, and in British Guiana technical assistance was provided for specific projects, such as soil analysis, resettlement, reclamation work, rural youth activities, and poultry and hog raising. In Africa, expenditure on the ICA programme, from 1 July 1951 to 31 December 1956, amounted to \$US5,945,000 in Territories under French administration; \$US5,108,000 in Territories under United Kingdom administration and \$US57,000 in Territories administered by Belgium.

101. The degree to which projects of technical assistance are integrated into the long-term development plans vary from Territory to Territory, but there is a tendency not only for assistance to increase but also for it to change its scope. The first somewhat isolated schemes are succeeded by programmes in which a number of the international organizations are called upon to play their role.

102. In regard to international discussions and inquiries on economic advancement, the Committee received information on the activities of the Economic and Social Council at its twenty-first, twenty-second and twenty-third sessions. The World Economic Survey of 1955 indicated that, despite an unparalleled rate of total world economic activity, in only a few of the under-developed countries had *per capita* economic growth been consolidated to a point where it might be considered to be self-cumulating. In the under-developed countries perhaps the most significant advances lie not so much in the physical expansion of productive capacity as in the evolution of a social climate favourable to economic development. The Council recommended that attention should continue to be focussed, in future surveys, on long-term problems of general interest (resolution 614 D (XXII)), and that the attention of Governments should be invited to the importance of surveying their human and material resources and their needs, with a view to their fuller utilization (resolution 614 C (XXII)).

103. Both national action and international co-operation are necessary for helping under-developed countries to advance their economic development. In the formation and administration of their trade and production policies, the Economic and Social Council recommended in resolution 614 B (XXII) that Governments should take into account the possible effects of their policies on other economies and particularly on the economic development of under-developed countries, which are heavily dependent on trade in primary products and on a reasonable stability in prices. It also recommended that under-developed countries should make every effort to diversify the markets for their products by such measures as the acceleration of industrialization, the development of new markets, and the diversification of production.

104. In describing the activities undertaken by the Secretariats of the United Nations, the regional economic commissions, the specialized and other United Nations agencies with a view to assisting Governments to promote industrialization and productivity, the Council indicated that problems of industrialization in certain regions such as Africa and the Middle East had so far received little attention. The Council looked forward to intensified implementation of the programme of work, with special attention to the needs of Africa and the Middle East and with particular emphasis on studies that would provide practical assistance and guidance in the industrial progress of

the under-developed countries (resolution 649 A (XXIII)).

105. The Economic and Social Council has also suggested that Governments undertake specific studies on implementation of land reform measures and their impact on production, living standards and economic and social development (resolution 649 B (XXIII)), and that Governments encourage in the less developed areas, especially in the fields of agriculture and fisheries and in general fields of community development, the organization of co-operatives and of elementary and advanced training for their staff and information for their members and that they bear in mind that technical assistance is available to the Governments of under-developed countries to promote the development of co-operatives (resolution 649 C (XXIII)).

106. A recommendation by the Council that Governments conduct a population census during the ten-year period 1956-1965, preferably around 1960 (resolution 622 B (XXII)), has been supplemented by a request for studies of the improvement of census and vital statistics in Africa, and exploration of the desirability and feasibility of early establishment of demographic training and research centres in the region (resolution 642 B (XXIII)).

107. The Caribbean Commission, the South Pacific Commission and the Commission for Technical Co-operation in Africa South of the Sahara have continued their work in their respective regions. A number of regional conferences were also held by, or under the auspices of, various specialized agencies. The subjects covered by regional co-operation through conferences, missions, experts and training courses included; problems of economic planning and development; the role of external aid; agricultural development in relation to economic development as a whole and industrialization; the financing of agriculture; the establishment of a pasture and livestock institute; statistical questions connected with the 1960 world census of agriculture; forestry, marine fisheries; hydro-biology and inland fisheries; river development; town and rural planning and development; land settlement; community development; home economics and nutrition, co-operatives; the promotion of trade; the study of population trends and improvement of statistical methods.

108. During the discussions, further information was given to the Committee on the activities of international and regional organizations affecting Non-Self-Governing Territories. The Committee notes the value of the services that can be provided to the Territories by organs of the United Nations, the specialized agencies and regional commissions. It expresses the hope that, in accordance with the principles laid down in Article 73 d of the Charter, co-operation will be still further developed with the specialized international bodies with a view to the practical achievement of the purposes set forth in Article 73.

## IX. Other questions

109. The Committee referred to the Articles on the association of Overseas Countries and Territories contained in the "Treaty Establishing the European Economic Community" and the provisions of the "Applicatory Convention Relating to the Association of the Overseas Countries and Territories with the Community".<sup>18</sup> These agreements were signed in

<sup>18</sup> A/AC.35/L.254 and Add.1.

Rome on 25 March 1957. They therefore fall outside the period covered by the information transmitted under Article 73 e which was considered at this session of the Committee. Certain members maintained that their consideration by the Committee at this stage exceeded the Committee's terms of reference. Other members, however, held that a report on economic development in Non-Self-Governing Territories prepared in 1957 would be unrealistic if account were not taken of developments which might be of far-reaching significance for the Non-Self-Governing Territories under the administration of Belgium, France and the Netherlands.

110. Some of the members who commented on the possible effects on the Non-Self-Governing Territories of the proposals for a European Common Market, stated that their views were to be regarded as tentative

and that further information would be required before definitive opinions could be formed. They expressed concern, however, lest the proposals retard the economic development of the Territories and their industrialization and lead to their integration in an economic system in which they might be largely limited to the furnishing of primary products. The question was also asked whether the inhabitants of the Non-Self-Governing Territories had been consulted on proposals which might be of such importance to them. Other members, reiterating the view that for the present any discussion in the present Committee would be premature, suggested that the international aspects of the agreements would be considered by other agencies of international co-operation, in particular at the forthcoming Conference of the General Agreement on Tariffs and Trade.

## ANNEX

### Studies on economic conditions in Non-Self-Governing Territories

The Committee considers that the summary records of the discussions at its eighth session on economic conditions in Non-Self-Governing Territories together with the following studies which were considered by the Committee should be regarded as part of its present report:

1. Government measures for the promotion of manufacturing industries in Non-Self-Governing Territories (Secretariat) A/AC.35/L.241
2. Progress of development plans (Secretariat) A/AC.35/L.242 and Corr. 1
3. The diversification of agricultural production (FAO) A/AC.35/L.243
4. External trade (Secretariat) A/AC.35/L.244 and Corr. 1
5. Economic conditions in Non-Self-Governing Territories 1953-1956 (Secretariat) A/AC.35/L.245
6. Social aspects of economic development (Secretariat) A/AC.35/L.248
7. Social aspects of industrialization in rural areas in Africa south of the Sahara (UNESCO) A/AC.35/L.250