

ECONOMIC AND EMPLOYMENT COMMISSION

Fourth Session

SUMMARY RECORD OF THE SEVENTY-THIRD MEETING

Held at Lake Success, New York,  
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**CONTENTS:** Economic development of underdeveloped countries (including consideration of the reports of the second and third sessions of the Sub-Commission on Economic Development) (discussion continued)

<u>Chairman:</u>	Mr. WILSON	Australia
<u>Members:</u>	Mr. de SELLIERS*	Belgium
	Mr. NUNES GUIMARAES	Brazil
	Mr. SMOLJAR*	Byelorussian Soviet Socialist Republic
	Mr. DEUTSCH	Canada
	Mr. SILVERIO	Cuba
	Mr. BYSTRICKY	Czechoslovakia
	Mr. de SEYNES*	France
	Mr. SAKSENA*	India
	Mr. FOE	Norway
	Mr. MOROZOV	Union of Soviet Socialist Republics
	Mr. HALL	United Kingdom
	Mr. LUBIN	United States of America

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Representatives of Specialized Agencies:

Mr. EZEKIEL	Food and Agriculture Organization
Mr. LOPEZ HERRARTE	
Mr. DEMUTH	International Bank for Reconstruction and Development
Mr. VAN DER VALK	International Monetary Fund

Consultants from Non-Governmental Organizations in category A:

Mr. WOODCOCK	
Mrs. FUHRMANN	International Co-operative Alliance
Miss SENDER	American Federation of Labor

Secretariat:

Mr. CAUSTIN	Secretary of the Commission
Mr. VARLEY	Assistant Secretary of the Commission

ECONOMIC DEVELOPMENT OF UNDERDEVELOPED COUNTRIES (INCLUDING CONSIDERATION OF THE REPORTS OF THE SECOND AND THIRD SESSIONS OF THE SUB-COMMISSION ON ECONOMIC DEVELOPMENT) (discussion continued)

Mr. NUNES GUIMARAES (Brazil) speaking as a member of the Commission, recalled his statement at its first session in which he had stressed that the Economic and Social Council not only could, but should, suggest such measures as it deemed useful or necessary for the general welfare of all nations, and work out, together with the countries or areas involved, a complete plan for the development of their economy. The initiative for such plans should be taken equally by the countries concerned and the Council; the latter, taking into account data furnished the Secretariat, should decide what aspects of the economy of a particular country or all countries should be stimulated. The Council should then recommend a complete plan to the Governments of the respective countries including measures for technical assistance and financial measures which might be taken jointly with the appropriate specialized agencies. Needless to say, all steps contemplated by the Council were subject to the approval of the countries concerned.

The Commission was not called upon to discuss theoretical questions, but to consider measures to cope with present and future economic problems. In view of the fact that a Committee on Organization had been appointed to review the terms of reference of the Sub-Commissions, he thought that the Commission should be less critical of the latter's report. Moreover, over-lapping of work and insufficient co-ordination between the United Nations and specialized agencies increased the difficulties of making positive suggestions; Dr. Rau's suggestions in the annex of the report were designed to meet that difficulty.



The annex to the report contained a number of somewhat ambitious proposals which might be examined at a later, if not at the present, session in conjunction with the considerations in Professor Fisch's paper on Economic Stability. While it was not possible at the time for the Sub-Commission to make recommendations in respect of individual countries, the report contained a number of concrete suggestions in respect of such matters as extension of credit to small farms, (a suggestion by Mr. Morozov), inflationary dangers inherent in the implementation of economic development programmes and the role of the co-operative organization in promoting economic development and social welfare.

As to foreign investment, Mr. Nunes Guimaraes believed that the report should have emphasized the function of foreign capital in the economic development of the underdeveloped countries, and the problem of attracting foreign private capital.

Certain types of foreign capital investment, in particular in such vital fields as transportation and power, were of great importance in development programmes; lack of transportation, for instance, constituted one of the major obstacles to economic development.

In conclusion, Mr. Nunes Guimaraes felt that in spite of its shortcomings, primarily in the field of private foreign investment, the report should not be called unsatisfactory.

Mr. WOODCOCK (International Co-operative Alliance) stated that his organization supported the various methods proposed to assist underdeveloped areas, although it felt that there should be greater emphasis on making the miracles of modern science available to the people of those countries.

His organization's proposal to promote co-operative techniques in underdeveloped areas was designed to advance the social and economic well-being of the peoples concerned, and at the same time to further their independence through the development of democratic processes.

Methods to develop co-operative technique included (1) adult education, (2) organization of credit, (3) building up of income, (4) marketing supplies and (5) purchasing agricultural supplies.

Adult education played an important part in the development of underdeveloped areas, and had had good results in Denmark, Sweden and Nova Scotia where it had helped to raise the peoples' standard of living. The facilities and experience acquired in the Nova Scotia programmes could be used in a world-wide adult education programme. Considerable success in the field had also been achieved in Ohio.

The development of credit resources involved the co-ordination and use of small amounts of private savings. Credit unions existed in India, China, the United States and many parts of Europe. The experience acquired in that field could also be utilized in the elaboration of similar self-help programmes for underdeveloped areas.



Co-operative marketing organization was most useful in helping to build private income, and technical knowledge in the different marketing fields was available in the co-operatives throughout the world.

Mr. Woodcock referred, in that connexion, to Israel as a striking example of the important and beneficial part played by credit, consumer and producer co-operatives. That country's Constitution specifically encouraged the development of co-operatives, and a Department of Co-operatives had been created in the Government.

Purchasing of farm supplies was an important factor in increasing agricultural production through mechanization. There were two main types of farmers' co-operatives -- farm equipment co-operatives or tractor pools which purchased machinery operated by the farmers, and farm machinery factories which produced farm equipment.

Co-operative organizations also provided valuable services in the fields of insurance, medical care, housing and rural electrification. By bringing electric power to 2,500,000 farmers in the United States, rural electric co-operatives had increased agricultural productivity and stimulated the growth of thousands of small rural industries.

Speaking of co-operative factories of which there was a great number in the United States, the United Kingdom and Sweden, Mr. Woodcock pointed out that it would probably take some time before they could be established in underdeveloped areas.

In conclusion, the representative of the International Co-operative Alliance noted that many specialized agencies such as ILO and FAO were dealing with the question of co-operatives. In almost every nation represented in the United Nations the co-operatives had become an accepted part of a free economy; they were non-profit and their primary objective was to serve the public welfare as well as the welfare of their members.

Mr. BYSTRICKY (Czechoslovakia) stated that the Council resolution 139 (VII) B, instructing the Commission to define the central problems of economic development had not been fortuitous; indeed the discussion in the Commission had brought out the need to clarify the concept of economic development, and repeated consideration of the matter, if seemingly tiresome, was nevertheless necessary.



The question of economic development deserved constant and the closest possible attention chiefly because of the unbalanced situation in various parts of the world. The contrast between highly-developed and rich countries on one hand, and backward countries on the other, was one of the main sources of international friction; if the former wished to increase their riches, it was also understandable that the latter should be anxious to improve their conditions. It was in the interests of all countries to do away with that discrepancy in order to ensure peace and prosperity throughout the world.

There could be no question of development when the natural resources of a backward area were exploited to enrich a few individuals while the people of that country remained in abject misery, as had happened in the case of oil production which was concentrated in the hands of two large oil combines. Development required that the resources of a country should be utilized for the benefit of the people.

The United States representative, in considering that development meant utilization of science in production, selection of seeds and development of machine shops, had confused development of science and technique with economic development. Unless properly organized, scientific development could have an adverse effect upon the economic development of a country; a new machine, while marking great technical progress, might be a further cause of unemployment, thus reducing purchasing power and blocking economic development.

The United States representative was also mistaken in opposing agricultural development to industrialization. Development involved all natural resources, and it went without saying, that arable soil should not merely be cultivated, but brought under industrialized cultivation. Experience had shown, however, that industry, not agriculture, ensured a high standard of living, and the report had rightly pointed out industrialization was the decisive factor in the development of a country, and ensured, to a certain extent, its independence. The greater the number of people living on the land, the smaller their output, and the greater the industrialization, the greater the output.

Furthermore, every country needed to have a basic industry best suited to its conditions but that industry did not necessarily have to be a steel mill or an automobile factory; there was hardly a country



in the world which did not have coal, water, oil or some other natural resource making it suitable for some branch of basic industry. The human brain, too, was a natural resource; countries like Switzerland and Czechoslovakia, which were poor in natural resources, had utilized human skills to become two of the most highly industrialized countries of the world.

Mr. Bystricky did not agree with the view that in some countries light industry was more essential than heavy industry. While light industries were, of course, desirable, they were the first to be affected by economic crises and countries solely dependent on light industry were exposed to political and other pressure by the more highly developed countries.

As to the question of foreign investments, it was quite different from the picture which had been drawn of honest investors confronted with avaricious Governments which took away from them what they had built up. It frequently happened that foreign investors did not merely concern themselves with production, but meddled in the political affairs of the country concerned and were responsible for changes of governments as recent events had shown. What was more, investors had caused wars in the interest of profits.

In reply to the reference to Rumania by the Belgian representative at a previous meeting, Mr. Bystricky pointed out that while Rumania was one of the richest countries of Europe, its population had been among the poorest; 80 to 90 per cent of its oil production, metallurgy and chemical industry had been in the hands of foreign investors, while the peasant used a wooden plough.

As to the United States representative's view that fear of political uncertainty, nationalization and other factors constituted a barrier to the flow of capital to certain countries and should therefore be dissipated by them, Mr. Bystricky noted that fear generated by the Committee on Un-American Activities and the State Department caused many investors to be guided by political, and not economic considerations. If that fear were overcome, capital would flow and would bring adequate profits and receive good security.

The Sub-Commission's report had a number of short-comings; paragraph 21, for instance, stated that unsettled conditions in international political relations impeded economic development.



That was not correct, as it was the existence of underdeveloped countries which constituted one of the causes of international friction. The political situation was usually but an external expression of economic conditions. He therefore preferred the definition given in the Sub-Commission by the member from the USSR.

On the whole, the Sub-Commission had fulfilled its task well, and while some of the principles might have been stated differently, the report would serve as a guide for further progress. Members of the Commission should not forget that they were experts giving advice, and that it would be for the respective Governments to take the appropriate action. Reserving his position with regard to a few points in the report, he supported it in general and moved that it should be approved and submitted to the Economic and Social Council.

Mr. SAKSENA (India) pointed out that he was participating in the work of the Commission for the first time. His impression of the criticism that had been made of the third-session report of the Sub-Commission on Economic Development (E/CN.1/65) was that it was somewhat severe. He wished to answer some of the points brought out in the criticism and to explain the aims of the report. Its faults were those of omission as many problems within the purview of the Sub-Commission were unexplained.

The report began with a reiteration of the general principles of economic development which had been set forth in the reports of earlier sessions of the Sub-Commission, namely, reliance on the national resources of the underdeveloped countries themselves for economic development, and international co-operation in the spirit of the United Nations Charter. In the report under consideration emphasis had perhaps been shifted somewhat but, as paragraph 3 of part IV of the report explained, the Sub-Commission's approach to the problem of financing economic development had been based on those twin principles.

Paragraph 4 defined the implications of economic development in underdeveloped countries. The process of development was a balanced application of capital equipment and technology towards full utilization of national resources. Stress was laid on industrialization as the decisive phase of economic development. In countries which had the necessary resources and markets, that meant development of heavy industries. The emphasis placed by the last sentence of paragraph 4 on industrial development was justified. Underdeveloped countries often had a high degree of agricultural development which needed no additional emphasis, but could not improve their economic status without industrial

/development.



development. An opinion similar to that expressed in the report was supported by the ILO in a resolution passed at the Asian Regional Conference in New Delhi in 1947 concerning agricultural over-population and industrialization.

Paragraphs 5 to 10 dealt with the utilization and increase of domestic financial resources, and foreign exchange resources obtained by export trade, for purposes of economic development. Although the role of foreign finance was subordinate, it might play an important part in enabling underdeveloped countries to obtain foreign equipment and technique. The report had included the warning that the introduction of foreign capital should not be made on conditions detrimental to the national interest and sovereignty of the underdeveloped countries, or linked with political or economic privileges for capital-exporting countries. It stressed the fact that Governments were responsible for increasing financial resources, and channeling and promoting their full utilization for economic development. Sources of financing economic development included such projects as construction of factories and increase of agricultural production.

The report stressed the domestic aspects of financing economic development. Those aspects were dealt with in paragraphs 11 to 21, inclusive. Individual Governments should determine what methods were to be followed in order to accelerate the flow of domestic finance and "to increase, mobilize and appropriately channel domestic resources available." The Sub-Commission did not attempt to recommend specific measures for the different countries. It formulated general principles concerning policies favourable to such action on the part of the Governments. To increase savings, levels of income must be raised. Raising income levels called for investment policies to expand productive equipment and to increase the rate of productivity of the national economy. Savings often went into unproductive channels or were useless and even harmful to economic development. They should therefore be mobilized by the Governments in order to assure that they would find desirable outlets. Such mobilization in underdeveloped countries depended to a large extent on the development of agriculture. The Sub-Commission therefore recommended the provision of cheap credit for small farms, and supplying of equipment, seeds and fertilizers on accessible terms. It also urged the Secretary-General, the International Monetary Fund and the International Bank for Reconstruction and Development to make further studies of the financial problems of the underdeveloped



countries, with a view to improving methods of granting long-term credits to agriculture and industry.

The Sub-Commission pointed out that the provision of finance alone would not ensure development; savings must be channeled into useful development projects designed to generate further finances. Unless such channeling was kept under control, however, there was danger of inflation.

Concerning fiscal policies which might be adopted in underdeveloped countries to meet the dangers of inflation and to increase wealth, the Sub-Commission pointed out that internal inequalities of distribution of income hampered economic development by reducing living standards of the people, caused excessive demand for imported luxury goods, transferred funds abroad, and prevented growth of domestic markets. It recommended the adoption of appropriate fiscal policies to distribute incomes more equitably.

The provisions of fiscal policy had, in the opinion of Mr. Saksena, been dealt with by the Sub-Commission from the point of view of classical economics, but that did not render the conclusions in the report invalid.

In paragraph 21, the Sub-Commission referred to political disharmony and unsettled conditions in international political relations, and their effect on economic development. Mr. Saksena would have preferred to have that paragraph omitted.

In paragraphs 22 through 25, the Sub-Commission recommended further studies of post-war price relations in trade between underdeveloped and industrialized countries, so as to cover the most recent movements in those fields. The Secretariat should also study the possibilities of inter-governmental commodity arrangements. The Governments of underdeveloped countries should decide how to increase, mobilize and utilize foreign exchange assets; their use of such assets would depend on the assistance which the International Monetary Fund could give them in maintaining equilibrium in their balance of payments.

The principles governing the use of foreign financing, which were enumerated in paragraph 26 of the report, were self-evident truths.

Paragraph 27 emphasized the importance of avoiding burdensome conditions in the period of maturity and interest rates of loans in order to reduce the strain on underdeveloped countries of servicing foreign investments, and at the same time heighten the security of repayment.



Paragraphs 28 to 30 gave a fair appraisal of the views of capital-exporting and capital-importing countries concerning conditions for the entry of private foreign capital, such as provisions for domestic participation in the capital structure of enterprises promoted by foreign companies, domestic participation in the management of such concerns, the obligation to re-invest locally a part of the profits, and to give technical training to nationals of the country.

Paragraphs 30 to 32 dealt with the security of private investments abroad, transfer of profits, and management of concerns operating abroad.

In paragraph 33 the Sub-Commission recommended relief from double taxation in some form which would not deprive underdeveloped countries of revenue from taxation on economic activities, property and income within their territories.

Paragraph 34 recommended that any bilateral treaties on foreign investments which might be drawn up between capital-importing and capital-exporting countries should be consistent with the rights and obligations of Member nations under the United Nations Charter, and should promote the economic development of the underdeveloped countries. If a slight bias had been shown by the Sub-Commission in the paragraphs on foreign investments, it was in favour of the underdeveloped countries. Mr. Saksena considered that the Sub-Commission had taken a fair approach to the subject in its support of the weaker country.

He deplored, however, the inclusion of the second and third sentences of paragraph 36 in the report. It was useless to refer to inter-governmental financing on a political or military, rather than economic, basis. Such a reference constituted a serious error of judgment.

Paragraphs 37 and 38 dealt with financing through international agencies, such as the International Bank for Reconstruction and Development. The Sub-Commission had stated, in its first report, that the funds available for such financing were entirely inadequate and should be increased within the framework of the United Nations. The third report confirmed such an appraisal.

Paragraphs 39 and 40 recommended that other means of foreign financing should be explored. Annex A of the report suggested the creation of a new international agency, "The United Nations Economic Development Administration, or UNEDA", to finance projects of economic development



in underdeveloped countries which were not financially productive in a banking sense, to aid in the execution of programmes of economic development, and to co-ordinate the distribution of technical assistance made through the United Nations. The creation of such an organization had been criticized on the ground that it duplicated the work of the International Bank, which was "established to finance development projects for which private capital was not available, provided the projects were productive and that reasonable prospects of payment existed".

The International Bank in its Memorandum (E/CN.1/71), had stated that it was prepared to expand its activities in underdeveloped countries by making loans to finance sound and productive development projects, if repayment with interest were guaranteed. The International Bank's interest rates were 4 or 4 1/4 per cent. Underdeveloped countries would find it difficult to pay such rates. The Bank applied rigid tests in judging whether or not a development project was a sound and productive investment. Many development projects, such as education and health measures, were not financially productive, but they deserved loans without interest, long-term loans, or grants. They were beyond the scope of the International Bank. Some other means of financing such development projects should be explored. UNEDA should therefore be given further consideration.

Another criticism which had been made of the Sub-Commission's report was that it did not suggest practical measures to be taken for economic development and was idealistic rather than realistic. The diversity of economic life of underdeveloped countries, the basic differences in their political institutions, their varying ideas on economic theory and the unsettled economic conditions throughout the world made it impossible to recommend more specific methods for economic development. The mobile factors of production, such as labour, technical training and skill, were not allowed to find their own level, as certain countries erected barriers preventing it. As each country was a separate economic unit, independent of natural resources and the extent of development or industrialization achieved, the Sub-Commission could not find lines of economic development equally valid for all countries. The Sub-Commission should in the future define underdeveloped areas and draw up a list of countries with similar types of problems. It would then be in a better position to formulate principles according to which the economy of various homogeneous groups of countries could be appraised and to propose methods by which they could chart their own plans for economic development.

/ The Sub-Commission



The Sub-Commission should specify the parts of the economy of each group of countries which should be improved and note the special features which did not meet the criteria; it should consider the requirements of each group of countries. It should recommend measures to assure production, consumption and distribution in the various groups. To increase production, several factors should be stressed, such as rehabilitation and development of sources of raw materials, development of hydro-electric power, provision of machinery and other agricultural and industrial equipment, training of technical personnel, improvement of methods of agricultural production and of systems of land tenure, co-operative farming, marketing of surplus products, transportation and communications.

In regard to sources of raw materials, Mr. Saksena recalled that, during the post-war era, production had decreased because of dislocation, destruction and lack of machinery. A plan of development should be considered by the specialized agencies of the United Nations. In regard to financing, stress should be laid on the utilization of domestic capital. As a result of dislocation, destruction, low standards of living, decreased production, and the adverse balance of trade, the populations of underdeveloped countries had not been able to accumulate savings. Shortages of currencies and difficulties connected with holdings of foreign assets must be considered.

While appreciating the USSR representative's remarks concerning India, which had been made at the previous meeting, he wished to say that India did not intend to live in the past. It had progressed rapidly in recent years and must be still further developed.

In referring to the remark of the representative of Norway that the risk involved in financing development projects might be covered by some system of international insurance, he requested further clarification of that idea.

Mr. Saksena observed that the representative of the United States had been scathing in his criticism of the report of the Sub-Commission. He felt that the vehemence of his attack had transgressed the bounds of legitimate criticism.

As for the suggestion of the United States representative that savings might be increased through lotteries, he wished to say that various Governments had considered such measures and found that they were unacceptable because the populations of underdeveloped countries had no savings, their income must be increased and lotteries tended to undermine the living standards of the low-income groups. With regard



to the argument that fear was the greatest cause of economic insecurity and to the suggestion that measures should be taken to attract foreign investments as the representative of the International Chamber of Commerce has said at a previous meeting, Prime Minister Nehru had given assurances regarding the point raised by the United States representative, but one could still not see a line of investors. The creation, in the capital-exporting countries, of favourable conditions for investment was as necessary as guarantees from capital-importing countries to assure free flow of capital.

The underdeveloped countries needed technical skill and training, and equipment, more than they needed advice.

Many of the opinions expressed in the report were shared by the underdeveloped countries and frequently, as in the case of the current debate, the representatives of the more developed countries tended to give advice which might be more appropriate if given at a proper time and in more moderate doses. Mr. Saksena felt that some criticisms of the report were unfair. He urged that the Sub-Commission's report should be given more tolerant consideration and more realistic study.

The CHAIRMAN pointed out that the Sub-Commission had been requested, at the previous session, to deal with specific rather than with general questions and that the criticisms which had been directed against its report had been based on the feeling that it had not adequately fulfilled its task. Those criticisms had not been directed against the individual members of the Sub-Commission.

In view of the fact that the Commission had a number of other items on its agenda, the Chairman requested members to make their remarks as brief and as pertinent as possible.

Mr. BOE (Norway) expressed complete agreement with the Chairman's interpretation of the criticism to which the Sub-Commission's report had been subjected.

In reply to the representative of India, Mr. Boe explained that in suggesting a scheme for insurance to cover risks in the financing of development projects, he had in mind the practice of life insurance corporations which anticipated "good" and "bad" lives. In the same way an organization for the insurance of development projects could determine which projects appeared valuable and which appeared less valuable and could underwrite them accordingly.



Turning to the question of technical assistance in economic development, the representative of Norway said that he was very impressed by what had already been done in that field not only by the Commission itself and by the specialized agencies, but also by Member Governments, non-governmental organizations and other bodies. He felt, however, that the various activities deployed in that field might usefully be integrated into a co-ordinated whole, and suggested that the Commission might study measures to ensure such co-ordination. Mr. Boe drew attention, in that connexion, to certain aspects of the work of such specialized agencies as UNESCO, the Food and Agriculture Organization and the World Health Organization. The Commission should consider whether projects such as the pilot project conducted by UNESCO at Haiti should be promoted on a more extensive scale; what financial provision should be made to enable the Food and Agriculture Organization, which had been financed out of UNRRA transfer funds, to continue its beneficial activities; what measures should be taken to ensure that more organizations followed the example of the World Health Organization in setting aside a part of their budgets for purposes of technical training. Mr. Boe felt that there was a certain deficiency in existing provisions for technical training for industry; that was another problem which the Commission should study.

The representative of Norway wished to make some suggestions on ways in which technical assistance might be promoted.

In the first place, countries which were not in a position to make substantial financial contributions could extend guest fellowships to technicians from other countries. Such fellowships would not only further international understanding; they would ensure an exchange of technical knowledge which would be extremely valuable in training experts for work in underdeveloped areas. Mr. Boe recalled in that connexion that fellowships were already provided by Canada, the United Kingdom, the United States and Norway. He suggested, therefore, that an appeal might be made by the United Nations urging other Member Governments to make similar arrangements.

In the second place, measures should be taken to induce experts to collaborate in the preparation of plans for new industries in underdeveloped areas and in the operation of such industries during their initial stages. Experts might be unwilling to leave their countries unless they received an assurance that by so doing they would not lose opportunities for personal advancement at home. The



United Nations should therefore appeal to the countries in which experts were available, urging them to give such assurance. Mr. Boe recalled that similar arrangements were normally made by private corporations in respect to those of their employees who undertook assignments abroad.

Thirdly, it would be useful to convene a conference for the study of the problem of achieving a greater standardization in technical education. Mr. Boe felt that the UNESCO was the organ most fitted to undertake such a task.

In conclusion, the representative of Norway moved the adoption of the resolution contained in Annex A of document E/CN.1/W 52 and reserved the right to move formal proposals in connexion with the question of technical assistance and to discuss certain problems relating to the financing of development projects after the Commission had received the draft report of the Rapporteur.

Mr. SMOLIAR (Byelorussian Soviet Socialist Republic) wished to refute the statements made by the representative of Belgium at the seventy-second meeting. Conditions in the Belgian Congo, both from an economic and from a political point of view, were very unsatisfactory. The indigenous population was grossly exploited; conditions of forced labour and child labour were prevalent; wages were far below the minimum wages of workers in Belgium; the general standard of living was deplorable. In such circumstances, the Byelorussian delegation had been obliged to refer to the political aspects of the question; political and economic progress were intimately related and it was impossible to further the economic development of the Belgian Congo without taking political factors into account.

Mr. de SELLERS (Belgium) stated that the allegations of the representative of the Byelorussian SSR were devoid of foundation, a fact which many independent observers who had visited the Belgian Congo could confirm.

The CHAIRMAN requested the representative of Canada to inform the Commission of his plans for the meeting of the Committee on Organization.



Mr. DEUTSCH (Canada) suggested that the Committee should meet on Wednesday, 18 May. Time would be saved if, prior to that meeting, members would communicate to the Secretariat their suggestions concerning the draft report he informally circulated among the Members of the Committee.

The CHAIRMAN expressed the hope that the Rapporteur would be able to place his draft report before the Commission at its next meeting, on 16 May, as it would serve as a basis for discussion. He asked that members should submit to the Rapporteur, in writing, any suggestions which they wished to have included in that report. Formal proposals for recommendations to be submitted by the Commission to the Economic and Social Council should be moved at the following meeting.

The meeting rose at 5.25 p.m.