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ECONOMIC AND SOCIAL COUNCIL

Monday, 13 April 1959, at 3.30 p.m.

Twenty-seventh Session

MEXICO CITY

OFFICIAL RECORDS

CONTENTS

President: Mr. Daniel COSÍO VILLEGAS (Mexico).

Present:

Representatives of the following States: Afghanistan, Bulgaria, Chile, China, Costa Rica, Finland, France, Mexico, Netherlands, New Zealand, Pakistan, Poland, Spain, Sudan, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela.

Observers for the following Member States: Argentina, Belgium, Brazil, Canada, Colombia, Czechoslovakia, Greece, Hungary, India, Israel, Japan, Norway, Peru, Philippines, Romania, United Arab Republic, Yugoslavia.

Observers for the following non-member States: Federal Republic of Germany, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Bank for Reconstruction and Development, International Monetary Fund, World Health Organization.

The representative of the International Atomic Energy Agency.

AGENDA ITEM 5

Economic development of under-developed countries (E/3203, E/3208, E/3212 and Corr.1 and Add.1, E/3213 and Add.1 and 2, E/3218 and Corr.1, E/3219) (continued):

- (a) Industrialization;
- (b) Land reform;
- (c) Sources of energy
- 1. Mr. Zahiruddin AHMED (Pakistan) pointed out that, side by side with the fortunate persons who were blessed with almost everything, there were hundreds of millions in the world who were barely able to feed and

clothe themselves. That precarious situation engendered a deep feeeling of frustration among the less fortunate peoples. Furthermore many of those peoples had recently attained independence, which had further stimulated their aspirations and filled them with new energy for the struggle to improve their living conditions and restore the balance among all nations. It was imperative that those new energies should be directed into the proper channels if the desired changes were to be brought about, not through war or revolution but by the peaceful method of international economic co-operation.

- 2. The under-developed countries were not in a position to change their condition drastically by their own efforts. In the first place, the necessary technical knowledge and financial resources were mainly in the possession of the advanced countries; in the second place, the under-developed countries were caught in a vicious circle, in which poverty set in motion forces which so reacted upon one another as to maintain that state of poverty. That vicious circle could be broken only by an international co-operative effort of vast magnitude. It was sometimes stated that the now advanced nations had themselves been under-developed countries; that was true, but they had never faced difficulties on the scale of those with which the under-developed countries of the present day had to contend. For the latter, the relation between population and resources was usually less favourable and population trends more dangerous. The opportunities offered in the eighteenth and nineteenth centuries by the international capital market and by emigration no longer existed, and the under-developed countries were not surrounded by backward areas which they could exploit as markets for their manufactured goods and as sources of raw materials. Lastly, the social revolution had evoked in the under-privileged peoples an impatience which had now to be taken into account.
- 3. In support of the conservative argument that economic growth should be a gradual process, it was argued that too fast a rate of development was liable to set up inflationary pressures which might do irreparable harm to the stability of the countries concerned. That was certainly a weighty argument, but, while he hoped that the countries concerned would be able to find the golden mean between development and stability, he felt that if one of those two interests had to suffer it was better to opt for development than for stability.
- 4. There could be no assurance of economic development unless the importance of the problem and the need to solve it were fully recognized. That was not the only condition to be met, but it was certainly a necessary one. The Pakistani delegation therefore considered it highly

desirable to undertake a world-wide programme for the education and guidance of public opinion, in order to prepare the peoples to play their proper part in solving the problem.

- 5. Most under-developed countries had predominantly agricultural economies, and experience showed that such economies tended to be unstable. Industrialization, therefore, was of prime importance, and for that reason the Pakistani delegation had repeatedly stressed the need to establish an organization with the exclusive task of dealing with the problem of industrialization in underdeveloped countries and of co-ordinating the actions of the various United Nations organizations to that end. Pakistan would not press for the establishment of a separate agency for that purpose, at any rate at the outset, but felt it essential that a self-contained unit with a reasonable number of staff should be established. He hoped that the Council would take an early decision to that effect.
- 6. In stressing the importance of industrialization he had no intention of underrating that of agricultural development. In fact, even with the development of industry, agriculture would probably remain the backbone of the economy of the under-developed countries for many years to come. The two main lines of action to promote agricultural development were those of land reform and the stabilization of raw material prices.
- 7. With regard to land reform, land tenure systems varied widely from country to country and it would be futile to aim at uniformity in the matter. International action had by and large to be limited to the collection and dissemination of information. Pakistan, for its part, had recently carried out far-reaching land reforms in order to break up excessively large holdings while at the same time preventing undue fragmentation.
- 8. The subject of raw material prices was of paramount importance. Most of the under-developed countries depended upon the export of a few raw materials for the bulk of their foreign exchange earnings, and the violent fluctuations in raw material prices, coupled with the adverse movement of the terms of trade, had made their economies extremely vulnerable. The Pakistani delegation had already stressed the need for international action to remedy that situation, and in particular for concerted action by the producers and consumers of raw materials. Thought might be given, in particular. to the conclusion, commodity by commodity, of stabilization arrangements to cover as many commodities as possible; intensive research to find new and increasing uses for raw materials, especially those subject to competition from substitutes; and the expansion of international liquidity with a view to the adoption of "compensating measures" to counteract the effects of fluctuations in primary commodity trade. The expansion of the reserves of the International Monetary Fund (IMF) presented a possibility in that direction which should be studied.
- 9. Another requisite for economic development was the mobilization and expansion of the resources of international credit. Some decisions had already been taken on those lines, including the decisions to increase

- the capital of IMF and the International Bank for Reconstruction and Development (Bank). The Pakistani delegation hoped that similar steps might be considered in the cases of the International Finance Corporation (IFC) and the Special Fund. In addition to international organizations, many institutions provided funds for economic development on a bilateral basis; in the United States, for example, the Development Loan Fund provided loans repayable in local currency; such assistance was invaluable to the borrowing countries, most of which faced a severe shortage of foreign exchange. It was to be hoped that the Development Loan Fund's resources would be increased, and that other advanced countries would follow the example set by the United States.
- The flow of private capital to the under-developed countries was of vital importance to their economic growth; it not only provided them with foreign currency but also enabled them to benefit from the technical skills and pioneering spirit of the investors. Many under-developed countries had endeavoured to attract and safeguard private investment. By way of illustration, he mentioned some of the incentives offered by Pakistan: free remittance of profits; free repatriation of capital, subject only to the foreign exchange position of the country; equal treatment for foreign and national undertakings with regard to the recruitment of labour and the purchase of land; and exemption of the salaries of foreign technicians from taxation for two years. Those efforts had not, however, produced the expected results, perhaps because Governments and leaders of business and industry in the capital-exporting countries had not done their part in providing the necessary incentives. The capital-exporting countries should give serious consideration to the possibility of encouraging private investment abroad — for example, by modifying their tax systems to allow capital invested abroad to benefit from the tax concessions given by the capital-importing country - and should, above all, undertake an extensive campaign to educate and guide public opinion in that respect.
- 11. Mr. SALINAS RAMOS (International Federation of Agricultural Producers), speaking at the invitation of the PRESIDENT, said that his Federation comprised forty-five national organizations of producers and agricultural co-operatives, belonging to twenty-eight different countries. The purpose of the organization, whose members met annually to exchange experience, draw conclusions and make practical recommendations, was to promote the well-being of those who lived off the land and to guarantee them adequate and regular remuneration.
- 12. In order to feed a constantly increasing population, farmers had redoubled their efforts, but it was essential that a controlled increase in agricultural output should be accompanied by a progressive expansion of markets. General prosperity depended on agricultural prosperity, and the greater the purchasing power of the agricultural producers the more the industrial sector would flourish.
- 13. The Federation took an active interest in technical assistance programmes, which were a factor essential to progress. In addition, its members co-operated with

conditions favourable to capital investment. With an understanding of common problems and with generous co-operation, it would be possible to solve the problems created by the poverty, hunger, economic exploitation and social insecurity of millions of human beings. 14. The peoples of under-developed countries and of countries in course of development were striving to feed themselves better and to obtain land on which to live with dignity. The Federation stoutly maintained that the world's food surpluses should be distributed in the areas where they were most needed. Furthermore, it had asked the United Nations to lay down a body of principles for the reform of the agrarian structure and the land tenure system. It had constantly proclaimed that its

affiliated organizations were endeavouring not merely to

make mankind aware of the unnecessary poverty in the

world, but also to mobilize the world's human, technical and economic resources to the greatest possible extent

in order to set in motion the constructive forces without

which there could be no increase in production and

consumption and consequently no rise in the level of

living.

the Governments of their respective countries in creating

15. In that connexion he cited the case of Mexico, where the revolutionary order rested upon two essential foundations which were laid down in the Constitution: agrarian reform and labour legislation. The Mexican organization affiliated to the IFAP, the purpose of which was to improve rural well-being in the interest of the general well-being, was a firm believer in those great democratic principles. Agricultural producers were firmly convinced that progress required not merely a plentiful output, but also the rational distribution of that plenty for the benefit of the whole of mankind.

16. Mr. VOUTOV (Bulgaria) said that it was necessary to appraise the practical results of the enormous volume of research which the United Nations had been doing for the last fourteen years to assist the economic development of the under-developed countries. Although the urgent need of measures designed to promote the rapid industrialization of those countries and thus to raise their levels of living had been stressed repeatedly, the United Nations had not yet made the decisive contribution expected of it, and the question was still, to a large extent, in the survey stage.

17. The Bulgarian delegation, in common with many others, regretted that the various United Nations bodies which had considered the question of assistance to the under-developed countries, and in particular the question of industrialization, had in most cases adopted a purely theoretical and one-sided approach without offering any practical and feasible proposals. The studies made had admittedly been necessary, and thanks were due to the authors for their efforts, but they nevertheless seemed open to the criticism that they had not yet advanced beyond the theoretical stage, and that they had persistently refused to take into account the experience acquired and the results achieved within a very short span of time by the socialist countries.

18. The under-developed countries, which had expected the United Nations to take vigorous steps to give them

the aid they required, were beginning to show a certain scepticism. It would be wrong to disappoint them further by pursuing the work at the same pace. His delegation was convinced that every country could, with a properly planned economy and with the assistance of other more economically advanced countries, obtain decisive results both in industrialization and in agriculture. That conviction was supported by the remarkable progress made by the Bulgarian people during the fifteen years which had passed since the end of the Second World War.

Before its liberation, Bulgaria had been one of the most backward agricultural countries in the world, and, when compared with twenty-eight European, American and Asian countries for which statistics had been compiled, it had the lowest per capital revenue, after India. The light industry which had been established there had depended entirely on the import of raw materials from abroad. In both town and country, employment opportunities had been inadequate and the population had lived in ignorance and poverty. With a population of only 7,700,000, Bulgaria had now built up a heavy industry, enlarged and improved its light industry, intensified construction and developed many of its natural resources. It was now seventeenth among the world's coal-producing countries. Its production of electric energy had increased ten-fold between 1939 and 1957 and its total industrial production was seven times greater than it had been in 1944. Since 1945 the country had been developing metallurgical industries, and it now produced substantial amounts of both ferrous and nonferrous metals. It possessed forty-eight machinery construction plants. Part of its cement production, which had increased 400 per cent in less than twenty years, was exported to other socialist States and to countries such as the United Arab Republic, Saudi Arabia, Argentina and Pakistan. Furthermore, besides having recently established a chemical industry, the country now possessed pharmaceutical plants which not only met the needs of the population but were also able to export. The Government was spending considerable sums on geological research, in order to be able to provide industry with the raw materials which it needed. That investment had led to the discovery of iron ore and copper deposits and of large oil beds. On the completion of its third five-year plan, in 1962, Bulgaria would take its due place beside such industrial countries as Italy and France.

20. Industrialization had enabled Bulgaria not only to export the products of its heavy and light industry but also to construct and equip complex establishments abroad. In the United Arab Republic, for example, Bulgaria had built, inter alia, a dam and an electric power station, and in the People's Republic of China it was building ten electric power stations. In certain branches, Bulgaria was in a position to provide technical assistance to other countries. Those examples refuted the assertions of those who warned the Council of the alleged danger that countries undergoing industrialization would encounter great difficulties and upset their trade balance.

21. Thanks to industrialization, Bulgaria had been able to modernize its agriculture and to increase the output

of its farms, improve stock-breeding, eliminate unemployment among the peasants and raise rural incomes substantially. The national income had more than doubled between 1939 and 1957, and was expected to increase even more within the next few years. Bulgaria had become a modernized industrial and agrarian country; its industry, which had accounted for only 27 per cent of the country's total production in 1939, had contributed 58 per cent of the total in 1957.

- 22. Side by side with the swift growth of industry and the modernization of agriculture, the Bulgarian Government had furthered the development of science and culture. One of the first tasks which it had undertaken after the end of hostilities had been the elimination of illiteracy. At the present time, 169 out of every 1,000 persons in Bulgaria were students. The corresponding figures for the academic year 1954-1955 were 132 in Italy, 137 in the United Kingdom, 149 in France and Belgium and 150 in Sweden.
- 23. The abundant material assembled by the Secretariat and by the various groups of experts could serve as a basis for the elaboration of concrete proposals regarding the rapid industrialization of under-developed countries. The work done thus far, however, had wrongly concentrated on the particular problems connected with the construction of specified industrial establishments, whereas the question of industrialization should be considered against the background of the general economic development of a given country or region. Bulgaria did not wish to impose its own organization on anyone, but it felt that its experience could be of guidance to countries striving for economic development.
- 24. One important problem to overcome was that of countries which relied for their welfare on the export of only a few commodities, and which were therefore severely affected by fluctuations in the price of those commodities on the world market. A study should be undertaken of the relation between the price of commodities and industrial products, with a view to taking steps at the international level to assist those countries in maintaining the price of their products at a certain level. The losses sustained by the under-developed countries by reason of unfair prices often greatly exceeded the volume of international assistance which they received in different forms.
- 25. With regard to the industrialization which must form the basis of the economic development of under-developed countries, the United Nations could assist by financing industrial development programmes through an economic development fund.
- 26. Technical assistance could also play an important part in that connexion; it would be useful to take advantage of the aid offered by the socialist countries in the form of experts, laboratory equipment and scholarships. Furthermore, the Secretariat should organize international conferences of scientists for the exchange of theoretical and practical knowledge on the principal technical, economic and scientific problems. Such an exchange, which would lead to a better knowledge of each country's achievements, would facilitate the industrial development of the under-developed countries.

- 27. In conclusion, he said that the Bulgarian delegation thought that it would be useful to set up a body to deal with questions pertaining to industrialization. It consequently supported the proposal to that effect made by the USSR representative.
- 28. He proposed to state his delegation's views on land reform and sources of energy in the Economic Committee.
- 29. Mr. KEMSLEY (International Confederation of Free Trade Unions), speaking at the invitation of the PRESIDENT, recalled that in March 1959 the ICFTU had convened a World Economic Conference of Free Trade Unions at Geneva which had been attended by representatives of fifty-five free trade unions in thirty countries and, among others, by representatives of the Economic Commission for Europe and of several specialized agencies. Of the fourteen recommendations adopted by the Conference (see E/C.2/521) three had a direct bearing on the Council's work. The first urged all Governments to further the economic and social development of under-developed countries, especially in the matter of food, housing, clothing, education and vocational training. The second invited the underdeveloped countries to prepare development programmes, and the third requested the wealthier countries to devote at least 1 per cent of their national income to financial assistance to the under-developed countries.
- 30. The publication entitled Management of Industrial Enterprises in Under-developed Countries 1 contained much interesting matter, but the ICFTU had been struck by certain serious omissions. For example, it considered that increased productivity, however desirable it might be, mattered relatively little to countries where the shortage of manpower already caused serious problems, and that, when there was increased productivity, the workers should share in its benefits. Further, the document contained no mention of the important role which democratically selected trade-union representatives could play in labour/management relations. Again, the underdeveloped countries should be encouraged to adopt legislation to facilitate collective bargaining. As to the shortage of skilled labour and trained personnel for managerial posts in the countries undergoing industrialization, it was necessary to stress the interrelationship between low wages and lack of adequate training and educational facilities on the one hand, and low productivity on the other. The report could also have mentioned the work done in the field of vocational training by the International Labour Organisation (ILO). Finally, although there were some fifteen paragraphs devoted to the use and maintenance of equipment, the important problem of industrial health and safety had been wholly overlooked.
- 31. On the other hand, the ICFTU had been glad to note that the survey entitled *The Development of Manufacturing Industry in Egypt, Israel and Turkey* ² devoted two pages to the role played by the free trade unions in raising wages. Similarly, the article entitled "Labour Aspects of Management", in the second issue of the

¹ United Nations publication, Sales No.: 58.II.B.5.

² United Nations publication, Sales No.: 58.II.B.4.

Bulletin on Industrialization and Productivity,³ rightly stressed the need for close consultation between management and representatives of the workers.

- 32. So far as land reform was concerned, the ICFTU held that agricultural workers should be given access to the land and that agricultural co-operatives should be encouraged. The ICFTU also favoured the calling of an international conference on new sources of energy and hoped that it would be invited to participate.
- 33. In conclusion, at a time when certain countries were endeavouring to develop their economy through the use of forced labour and the regimentation of the masses, the ICFTU wished to reaffirm its belief that the best economic progress could be achieved through democratic and humanitarian means.
- 34. Mr. Mohamed AHMED (Sudan) said that, among the major international problems, the question of the economic development of under-developed countries came next in importance to that of peace. Moreover, there was a connexion between the two questions, since poverty gave rise to discontent and insecurity and was therefore not unrelated to the division of the world into antagonistic blocs. Unfortunately, the development of those countries was a long and difficult task, as it set in motion certain forces which constituted obstacles along its way, such as demographic expansion, disturbance of the balance of payments, inflationary pressures and unequal distribution of national income. Thus, it was perhaps even more difficult to continue the economic development of a country than to initiate it.
- 35. At the present time, the deterioration in the terms of trade was probably the most serious preoccupation of the under-developed countries which exported raw materials and imported manufactured products. The Sudan, for example, which derived most of its export earnings from the sale of long-staple cotton, had suffered severely from the fact that the price of that commodity had fallen by two-thirds in three years. In such conditions, no country could spare the resources necessary for the methodical execution of a development programme. The trend of the commodities market was due partly to structural causes, especially over-production and competition from synthetic products, but the situation was further complicated by the fact that each country followed the policy which it considered to be most advantageous, sometimes not hesitating to resort to such practices as dumping and multiple exchange rates. The underdeveloped countries should of course strive to diversify their production, but that was a long-term task and the only effective solution to the problem of fluctuations in commodity prices seemed to lie in concerted action by producer and consumer countries. In recent years there had been no lack of efforts in that direction, but they had been far too dispersed and only the United Nations could provide the necessary co-ordination.
- 36. Economic development brought up the question of the respective advantages of public and private initiative. Although they were convinced of the merits

- of free enterprise, most of the under-developed countries felt that Governments should act as pioneers in the field of economic expansion. The project entitled "Government goals of economic policy and the private sector" in the report of the Advisory Committee on the Work Programme on Industrialization (E/3213, paras. 41-50) described the problem very satisfactorily, and the members of the Advisory Committee had done such excellent work that it seemed desirable to renew their mandate in 1960. Governments should take steps to encourage investment in the private sector, but such steps were never sufficient. The important question was that of guarantees, because private investors were not willing by themselves to take the risk. In that connexion he praised the United States investment guarantee programme which was entrusted to the International Co-operation Administration. That, however, was an isolated case and a similar system should be considered on a world-wide scale. The experts of the United Nations and the specialized agencies had an important part to play in working out investment programmes, and the recent establishment of the Economic Commission for Africa held out great hopes for the countries of that continent.
- 37. The report of the Secretary-General on land reform (E/3208) was very valuable, but some aspects of that question would deserve more detailed study, especially the economic and social implications of land reform and the exchange of information on the subject between Governments in the same area, and also the problem of seasonal farm workers and wage levels in agriculture.
- 38. As regards technical assistance, the United Nations and the specialized agencies were rendering great services to the under-developed countries. The Sudanese Government had been particularly fortunate in securing the assistance of a United Nations expert specializing in tax systems.
- 39. He proposed to offer more detailed observations in the Economic Committee on certain aspects of the question before the Council.
- Mr. HERRERA (Chile) congratulated the Secretariat on the publication of documents which enabled the Council to study profitably the question of the economic development of under-developed countries. One of the goals which countries in the process of development should set themselves was the encouragement of an inflow of international public capital, while not neglecting the possibilities of private investment. For many years the Chilean Government had been supporting that policy in international organizations, and several recent events in that connexion gave ground for encouragement. The Inter-American Development Bank, comprising all the countries of Latin America, had just been established at Washington, the resources of the Bank and the IMF were about to be doubled, and the United Nations Special Fund justified many hopes with respect to the near future.
- 41. However, the prerequisite for an appeal to international public and private capital was a sound monetary situation. The Latin American countries, which had had

⁸ United Nations publication, Sales No.: 59.II.B.1.

long experience of monetary instability and inflation, now realized the virtues of financial and monetary stability. They knew that a country should not live beyond its means, and that it should draw up a balanced budget, exercise strict control over credit and see that wages did not rise more rapidly than productivity. In most of the Latin American countries, however, the application of such methods gave rise to difficulties. Their economic resources were limited, with the result that measures of that nature might well cause unemployment and economic and social tensions. That should be borne in mind by the agencies concerned with international financing, which should help those countries without insisting that they should first stabilize their domestic economies. If they did not, an improvement might perhaps be achieved, but it could well result in dangerous economic stagnation. In the case, for example, of countries producing nonferrous metals, such as Bolivia and Chile, the collapse of prices in 1957-1958 had resulted in a reduction in foreign currency holdings, which had further contributed to slowing down the rate of economic development. The IMF was of course the organization par excellence to which States should turn when confronted with balance-of-payments difficulties, but it would be desirable for the Bank to synchronize its investment policy with the operations of the IMF in order to assist countries in their task of economic stabilization.

- 42. In conclusion, he drew attention to the fact that the application of traditional methods to the economic and monetary situation of the under-developed countries gave rise to such problems that it might be advisable for the economists to work out new ideas which took better account of realities and which would make it easier to find the necessary solutions.
- 43. Dr. COIGNEY (World Health Organization), speaking at the invitation of the PRESIDENT, reminded the Council that the Mexican Government and medical authorities, which had undertaken valuable work in the field of health, maintained close co-operation with WHO.
- 44. There was universal agreement that economists should draw their inspiration not from economic considerations alone, but also from humanitarian principles, and the part played by WHO in the economic and social development of countries all over the world was governed by its awareness of that interdependence of economic and human problems. He would attempt to describe the activities of WHO relating to the direct or indirect improvement of the state of workers' health, which was an indispensable condition of that development.
- 45. The health problems in the field of industrial development could be considered from three points of view: protection of workers against occupational accidents, health measures to be applied in industrial plants, and the organization of medical services for the population of industrial centres.
- 46. The industrial hygiene projects of WHO relating to the protection and, where necessary, rehabilitation of workers made it possible to train large numbers of medical and para-medical staff for the purpose of increasing the services available to the population. As

regards occupational risks, it should be pointed out that factories attracted large numbers of persons who were completely ignorant of the dangers to which they were exposed, which made it necessary not only to educate the workers themselves but also to adapt an entire population, accustomed to another way of life, to its new environment. Those problems were often more acute in the countries which were in process of industrialization, since industrialization often promoted the establishment of small enterprises where the risks were greater than in large ones. Those aspects of the problem called for programmes requiring the co-operation of specialists in health administration and education, sanitation and perhaps even psychiatry.

- 47. In the mushroom towns appearing in the wake of industrial development, hygienic conditions often left much to be desired. The key problems were therefore those of housing and urban planning, health education, protection of mothers and children, nutrition and the control of communicable diseases. A recent committee of experts on the planning of medical care had studied the organization of medical services in industrial centres. They had been of the opinion that out-patient treatment and home care were the first services which should be made available to the people of such towns, and that provision should be made for a health centre as soon as the plans for industrialization were drawn up.
- 48. Stress should be laid on the question of the control of communicable diseases, in view of the serious long-term economic and social consequences of such diseases. In the past decade, over 400 million persons had already benefited from campaigns conducted with WHO assistance against malaria, tuberculosis, venereal diseases, treponematosis, yaws and bilharziasis.
- 49. Malaria was an obstacle to industrial development when manpower had to be recruited from malarial areas or when factories had to be established in such areas. Over seventy countries, including Mexico, had undertaken the eradication of that disease and, in view of the growing resistance to insecticides displayed by the vectors, execution of the eradication programme had become an urgent necessity. In the case of the campaign against tuberculosis, WHO had taken into account the effects of the disease on productivity and industrial development. It was well known that tuberculosis spread rapidly when a country was becoming industrialized, and it was WHO's opinion that the vaccination of all non-immunized persons at the time of their recruitment would result in an appreciable reduction in the rate of tuberculosis in industry. He emphasized the dangers of venereal disease, yaws and bilharziasis from the point of view of the availability of manpower, and mentioned the projects undertaken by WHO to combat those diseases and the important assistance provided by the United Nations Children's Fund in that domain.
- 50. Among the projects concerning industrial productivity and development, mention should be made of those designed to strengthen public health agencies and to improve nutrition and sanitation. Improvement of nutrition helped to increase the productivity of manpower, and certain sanitation projects were indispensable

to the development of industry. Thus, in the countries which were in the process of industrial expansion, the supplying of water, the disposal of waste and the development of sanitary engineering would result in an appreciable improvement in living conditions which would promote economic development.

51. In co-operation with other specialized agencies, WHO was studying the problems raised by the peaceful uses of atomic energy, which had an important bearing on industrial development. Mention should be made in particular of studies on the various aspects of protec-

tion in the use of isotopes, protection against radiation and safety measures in installing nuclear reactors.

52. The World Health Organization was convinced that the establishment of satisfactory health standards was an integral part of any programme of economic development, and that WHO, thanks to the assistance which it was providing in the public health field to many countries, was making a substantial contribution to economic and industrial development.

The meeting rose at 6.15 p.m.