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President: Mr. Raymond SCHEYVEN (Belgium).

Present:

The representatives of the following countries: Argentina, Australia, Belgium, China, Cuba, Egypt, France, India, Philippines, Poland, Sweden, Turkey, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Venezuela, Yugoslavia.

Observers from the following countries: Brazil, Chile, Iraq, Netherlands.

The 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.

Economic development of under-developed countries: integrated economic development (E/2384 and E/L.500) (continued)

[Agenda item 4]

1. Mr. STANOVNIK (Yugoslavia) considered that the debate on integrated economic development should not be confined to the further study of certain aspects of the problem which the Council had already examined in 1952. The foundations should now be laid for an over-all plan.
2. In the first place, it was obviously essential to have a clear idea of the meaning of the expression "integrated economic development". It would certainly be a mistake to interpret it merely as the agglomeration of all the possible aspects of economic development. The Yugoslav delegation understood it to mean, primarily, the orientation which should be given to development and long-term planning, which should relate only to the essential and decisive factors of development.
3. Methods of industrial planning naturally varied from one country to another, but the main object was to study means of accelerating economic development. There was no longer any need to stress that the increase of capital investments played a primordial role in that connexion; that was an essential condition for any progress and the Yugoslav delegation intended to raise the subject again at the Council's summer session. It was still more important to determine the direction to be given to accelerated economic development. In that connexion, there was no universal formula which could be applied indiscriminately to all under-developed countries, but the problem of integrated development had some common aspects which should be synthesized.

4. The very useful working paper before the Council (E/2384) laid special stress on the study of problems raised by the transition from a subsistence economy to a market economy. In that connexion, the authors emphasized the importance of small-scale industrial enterprises and the part which might be played by development corporations. He thought, however, that it was necessary to go further and, taking the present report as a point of departure, to undertake a more detailed study of the proposed industrialization, not as a means of transition, but as a basis for integrated development.
5. The Yugoslav delegation believed that industrial development should evolve concurrently with the development of agriculture and of non-agricultural raw materials. In view of the fact that under-developed countries were mainly agricultural and that their population was usually high and had a low productivity, it was important to ensure that the objective of development plans should be not only to increase productivity by means of new investments and by modernizing cultivation methods, but also to create new possibilities for the employment of the surplus rural population. In order to prevent inflation from counteracting the effects of economic development, it was essential to provide outlets for surplus manpower, while increasing agricultural production and the output of raw materials.
6. The Yugoslav delegation wished to stress that it was opposed to any tendency towards autarchy in connexion with the industrialization of under-developed countries. Such development should lead to the expansion of the world market, to trade relations based on the equality of the negotiating countries and to a greater degree of integration in world economy. The existing economic situation lacked stability because the world was divided into two categories of countries, those which produced raw materials and those in which the raw materials were processed into manufactured goods.
7. The industrialization of countries which were in the process of development gave rise to a number of other problems, especially that of priorities. It was obvious that there could be no uniform answer to the question whether heavy or light industry should be developed first, or whether industry should be directed towards the production of goods for export or towards reducing the need for imports; that depended entirely on the conditions peculiar to each country.
8. The question of the geographical distribution of industry also could be solved in various ways. Thus, although the concentration of industry in towns held the advantages of lower cost and of enabling existing enterprises to expand, it entailed the serious disadvantage of preventing the extension of the benefits of technical progress to rural areas and consequently failing to promote the development of intensive agriculture, which would be achieved by industrial decentralization. Moreover, it might become necessary to take into account considerations other than the increase of national income, such as questions of nationality in countries whose populations comprised several ethnic

groups, the question of the distribution of employment and the problem of the development of backward areas. There again, only a complete study could provide the material for a satisfactory solution.

9. Another question was whether the best solution was provided by large factories or small-scale industry. The former type of enterprise was based on a highly-developed division of labour and on the use of many high-precision and specialized machines. Although that method made it possible to economize manpower, increase productivity and lower cost prices, it also required considerable initial investments and was not conducive to the gradual transformation of society.

10. As regards the question of relative costs, the classic theory that the international division of labour was dependent on relative costs was no longer valid in modern times, when the objective was to secure full employment in every country. In under-developed countries which were on the threshold of industrialization, the production costs of some branches of activity would exceed the current prices on the world market. Nevertheless, those countries would direct their economy towards those branches of activity to absorb the national manpower and would consequently be obliged to protect their economy, as all industrial countries had been obliged to do in their time.

11. Although he acknowledged the usefulness of the Secretariat's working paper, he thought it would be advisable to annex to it Mr. Prebisch's study on theoretical and practical problems of economic growth (E/CN.12/221) as well as the analyses concerning the preparation and economic appraisal of development plans. He believed that he was expressing the Council's wish in stressing the advisability of compiling a special study of the results of experience acquired in planned industrialization and in the modernization of agriculture. Although he did not wish to go so far as to make a formal proposal on the matter, he was convinced that such a study could only benefit by close co-operation between the regional economic commissions and the Department of Economic Affairs of the Secretariat. The Council might ask the Secretariat to undertake the preliminary work, even if it subsequently instructed a group of experts to draft a new working paper.

12. Mr. VAN LAEYS (Belgium) paid a tribute to the Secretariat for its work which the Belgian delegation appreciated because of its originality and bold opinions.

13. There were two main proposals for consideration: one dealing with subsistence economies and the other with corporations for financing development.

14. The first proposal displayed a commendable sense of reality. In a penetrating analysis, the document drafted by the Secretariat brought out the fact that the problem of the economic development of under-developed countries was more organizational than financial. He was pleased to note that the authors of the document had taken into account the extent to which the under-developed countries could draw on their own resources. A development programme so conceived had better chances of being implemented, as it would only require minor assistance from the industrialized countries.

15. He stressed the social interest of the project because it made the development of rural communities possible and tended to prevent the congregation of large colonies of workers in the towns. The project

thus fulfilled in every respect the objectives which the Council was trying to achieve, including a general rise in standards of living.

16. He also endorsed the conclusions which the authors of the working paper had submitted on development corporations in paragraph 85. Like them he felt that the matter deserved close study and that, before thinking of establishing new ones, the achievements of the existing development corporations should be examined in detail.

17. Mr. REYES (Philippines) felt obliged to point out, after a first reading of the Secretariat working paper, that the Council and the General Assembly in the course of four years had already framed some twenty resolutions on the integrated economic development of under-developed countries.

18. It was therefore perhaps justifiable to wonder when the Council would consider it time to pass to implementation. The studies made by the experts seemed to have reached the stage where their conclusions could serve as a basis for practical action. That was doubtless so in the case of the study on the proposed special fund for grants-in-aid and long-term, low-interest loans for economic development.

19. It was not always possible clearly to distinguish the dividing line between the study stage and the action stage. In practice they were often parallel and simultaneous. Although the studies on methods to increase productivity and those dealing with land reform and the rational utilization of non-agricultural resources were still incomplete they had already led to practical results in many countries.

20. The Philippine delegation was making those comments because it wished to emphasize that the drafting of a new report, like the one mentioned in the draft resolution contained in document E/L.500, should in no way impede the implementation of industrialization programmes already under way. Like the Argentine delegation, his delegation thought that a new study, stressing industrialization in the general context of economic development, deserved favourable consideration.

21. The dividing line between under-developed countries and industrialized countries was no longer so well defined as might be thought from the often arbitrary classifications met with in reports or in statements made by some representatives. It was too frequently forgotten that there was a category of intermediate countries such as India. He recalled that, at the Second Regional Conference on Trade Promotion held at Manila in March 1953, the Executive Secretary of the Economic Commission for Asia and the Far East had pointed out that India was no longer just a raw materials exporting country, but that it was at the moment exporting quite a large number of manufactured commodities. As the Chilean observer had remarked at the previous meeting in respect of Chile, other nations too were striving energetically to expedite industrialization.

22. There was thus hardly any need to dwell on the interest which the recommendations in the joint draft resolution in document E/L.500 had for all countries which had reached a similar stage of development. The Philippine delegation would therefore support that text, reserving the right to present whatever further observations it deemed useful at a later stage. Careful study of the economic development corporations and of the measures for developing subsistence communities would certainly call for more detailed observations by the Philippine delegation.

23. He then commented on the observations of the representative of the International Chamber of Commerce at the previous meeting with regard to General Assembly resolution 626 (VII). After recalling that the Philippine delegation had supported that resolution in the Second Committee and the General Assembly, he expressed his astonishment at the fact that the ICC representative had construed it in a way which a reading of the text did not justify. The Philippine delegation appreciated the ICC representative's apprehensions about the guarantees which the private owners of capital wished to have before investing their money abroad, but it could scarcely be asserted, as that representative had done, that General Assembly resolution 626 (VII) gave the owners of capital the impression that they could not count on the security of their investments. To refute the assertion, he quoted the resolution in question which recommended Member States "to have due regard . . . to the need for maintaining the flow of capital in conditions of security, (and) mutual confidence". The representative of the International Chamber of Commerce should recognize that the provisions of that resolution were in conformity with the spirit of the Charter and the principles of the draft covenants of human rights.

24. Mr. JUNG (India) said that his delegation had carefully studied the working paper prepared by the Secretary-General. It regretted that section I did not mention certain important resolutions such as those on land reform adopted on the initiative of a number of countries including Pakistan and India. On the other hand, section II dealt very effectively with the transition from subsistence to exchange.

25. On the whole India had at the moment an exchange economy, but the development of some rural areas which still had a subsistence economy was being given particular attention in economic and social planning. The subsistence and exchange sectors were closely linked and the plans for integrated economic development, designed to double *per capita* income as quickly as possible, distributed India's national resources according to the following percentages: agriculture and community planning, 17.4; irrigation and electric power, 27.2; transport and communications, 24; industry, 8.4; social services, 16.64; reconstruction, 4.1; miscellaneous, 2.5.

26. The production level and material welfare of a community depended mainly on the cultivable area per inhabitant and on production plant. To expedite capital formation, unexploited resources should be worked and some of the resources so far used for the production of consumer goods should be reallocated. The under-developed countries had a certain advantage in that respect, inasmuch as they had ample manpower more or less unused, but they would have to train much of that manpower before they could use it effectively. The accumulation of substantial cash income, before production reached a certain level, might lead to inflation. In those circumstances the under-developed countries must either oblige their populations to accumulate substantial savings or maintain an appropriate rate of progress. The two solutions had their advantages and disadvantages. Each country must choose according to how it was placed, taking into account three main factors: the rate of population increase, the relationship of capital formation to the increase in national production and the amount of national income available for investment.

27. As for the subsistence sector, the problem was to diversify and modernize the means of production in order to shorten the gap between living conditions in that sector and those in the exchange sector. Village industries could play a leading part in that connexion. It must not be forgotten that the products of the major industries were causing markets to shrink more and more and forcing craftsmen to swell the ranks of the agricultural workers. The public authorities must therefore concentrate on the development of the cottage industries just as much as on increasing agricultural production. That was the policy followed by the Indian Government. The establishment of village or cottage industries required planning to encourage local initiative, effective co-operation and an economic atmosphere in which they could operate successfully. The estimates made by the Indian Government showed that the development of the cottage industries would make it possible to increase the number of employed persons by two million per year as against 400,000 if the main industries were developed.

28. One of India's main objectives was to create the conditions required to ensure better utilization of human resources. For that purpose, the Government was guided by the following principles: A preference for methods calling for manpower rather than capital; the maximum use of available manpower; the limitation, at the initial stage, of cash income; speeding up of capital formation; the improvement of technology and labour output; control over the rate of replacement of industrial plant in order to avoid unemployment among specialized workers; distribution of capital with due regard to the need for a rapid increase in employment possibilities. The elimination of under-employment in an under-developed economy was a long-term problem, particularly for countries with very dense and constantly increasing populations.

29. Subject to the above considerations, the Indian delegation supported the conclusions in paragraphs 61 to 65 of the working paper drafted by the Secretary-General.

30. He recalled that the representative of a non-governmental organization had stated, no doubt on the basis of the ECAFE survey (E/CN.11/362) in which it was said that India had experienced a slight recession in the second quarter of 1952, that India's industrial production had decreased. The conclusion was wrong. In fact, agricultural and industrial production had increased in 1952; immediate action to check the recession had been very effective. He quoted statistics to support his assertion. India was endeavouring to develop its resources in order to fulfil the purposes set forth in its Constitution. Democratic methods were sometimes rather slow, but they were the only ones which made genuinely creative activity possible.

31. The Indian delegation felt that the analysis in section III of document E/2384 was too general and abstract. The Secretary-General should include in that study precise information on the operation of development corporations in several countries. Moreover, the question should be studied in relation to the aid that could be given by the industrialized countries by providing capital and making available their technical knowledge.

32. The Indian delegation, which was one of the sponsors of the draft resolution contained in document E/L.500, would only urge the adoption of the ideas put forward in that proposal, in whatever form the Council would find suitable. The important thing was to continue

the study of the question of industrialization of under-developed countries, regardless of whether large-scale or handicraft industries were to be set up.

33. Mr. ARMENGAUD (France) recalled that, in his double capacity as expert in technical research and Senator representing French nationals resident abroad, he had always taken a particular interest in the problems of economic development of under-developed countries.

34. The French delegation noted with satisfaction that after having attempted in preceding years to study separately the economic situation in industrialized countries and that in under-developed countries, the Council appeared to have given up that artificial distinction in favour of an over-all examination of general economic questions, while discussing separately certain definite technical points. The work of the present session was well organized from that point of view, since in connexion with item 3 of the agenda delegations had been able to discuss world economic problems, while item 4 dealt with a particular and technical aspect of the development of under-developed countries. After a general debate on world economic trends and prospects, the members of the Council should look directly for ways of expediting the solution of that particularly important and urgent problem.

35. Thanks largely to the work of the Economic and Social Council, world public opinion had become aware of the position of under-developed countries. That was a first result worth noting; but it was necessary to go further and to proceed from the stage of understanding to that of real international co-operation. Nations must agree to give up some of their present advantages in the interest of world economic progress; until the need to do so had been fully understood and accepted, the political basis essential for large-scale action would be lacking. The situation tended to deteriorate as time went on, for the rates of economic development in the two main categories of countries diverged more and more.

36. In addition to progress in the field of ideas, the United Nations had been responsible for the preparation and practical realization of effective development programmes. Moreover, it had always endeavoured to encourage and prepare national and international action on the technical level as was shown by the Secretary-General's working paper. Much remained to be done in that field and the earlier recommendations of the General Assembly still applied. Nevertheless, the document before the Council was of great interest and the methods recommended in it merited attention. No possible solution of the problem, not even a partial one, should be neglected. It should be remembered that the progress already made would lead to further progress, and that each time a difficulty had been overcome additional resources became available for another step forward.

37. The French delegation wished to congratulate the Secretary-General on the working paper. Section II of that paper had been particularly well done; it summarized with admirable conciseness the concepts of subsistence and exchange economy. Another document should, however, give an estimate in figures of how many people throughout the world would be directly affected by the proposed development. The French delegation approved of the ideas presented in the working paper and therefore had no comment to make on the general recommendations contained therein. It would be noted that the Secretary-General indirectly drew attention to the dangers of an economy based on the intensive exploita-

tion of a single primary product, and emphasized that the development of an exchange economy depended on a regular rise in the standard of living in all countries and therefore demanded a maximum utilization of local resources. With regard to the choice of site for the new industries, it would seem to be advisable at present to take into account the relative density of the population in the various regions of a given country, a method which would hasten the transition from a subsistence to an exchange economy.

38. In any case no problem was capable of a final solution; the problem of the financing of development corporations, dealt with in section III of the document, presented serious difficulties. According to the Secretary-General, the necessary funds had to come from outside sources. The idea was correct, but quantity was of paramount importance. Events had belied the hopes entertained several years earlier; while circumstances seemed more favourable today, the supply would always fall short of the demand, which was enormous. National savings were apparently inadequate and government policy with regard to subsistence sectors was influenced by the chronic shortage of capital. Because funds were limited, a very serious choice had to be made. It was to be hoped that the under-developed countries would not devote too large a share of their resources to subsistence economy and that they would not fail to mobilize their natural wealth so as to engage in international trade.

39. The use to which foreign investments were put was important. There were conflicting doctrines on the subject, and different solutions were possible in different cases. It was not enough to solve the problems of foreign participation in domestic firms, of double taxation, and of amortization of foreign capital; in addition, as the representative of the International Chamber of Commerce had remarked (694th meeting), a certain amount of security had to be provided for the capital invested. Foreign capital could not possibly be attracted if it was threatened with extraordinary measures taken on the pretext of ensuring internal security or combating speculation. Legislation should offer effective protection to investments; fair regulations were necessary to achieve that end. The investors had duties too. Freedom had to be paid for; demands acceptable in the past could no longer be made, and the needs of development entailed certain obligations with regard to the distribution of investments. In a way, capital had to be asked to underwrite an insurance policy to protect the economic system which it favoured. Part of the available funds had to be invested in enterprises which would be profitable only in the distant future or indirectly. He cited as an example the United States Tennessee Valley Authority which had not paid dividends but which had created new wealth to the benefit of the entire national economy. The *Seventh annual report of the International Bank for Reconstruction and Development*, which described several financing operations in under-developed countries, contained suggestions for a possible line of action. In any case, the greatest flexibility would be required and a wide range of solutions should be envisaged. As far as possible, each territory should enact legislation constituting a kind of charter of foreign investments and defining precisely the rights and duties of each of the contracting parties.

40. Such a spirit of co-operation would make harmonious economic development possible. The remarkable survey *Aspects of Economic Development in Africa* (E/2377) prepared by the Secretariat showed what

results had been obtained in a vast continent through the use of methods based on such principles. The document dealt in particular with organizations not unlike finance corporations. France had had considerable experience with national investment corporations, both in the metropolitan area and in the under-developed territories under its administration. In France itself, the *Fonds de modernisation et d'équipement*, owing to the utilization of what Mr. Mendès-France called "a share of the forced savings", had made it possible to finance some large-scale public enterprises. French coal, gas and electricity had benefited greatly from large new investments which, in the present state of the market, might not have come from private sources. It was now necessary to finance the secondary activities of those enterprises, such as the synthetic chemical industry. For that purpose, corporations of a new type had been created, disposing of both public and private capital. In other words, a neutral sector had made its appearance, half way between the public and the private sector, and the lessons to be drawn from that experience would no doubt be of interest for the economic development of countries rich in coal or water power.

41. In the under-developed territories under French administration, investments had been made by the *Caisse centrale de la France d'outre-mer*, the FIDES, the FIDOM, and the mining research and investment bureaux. The action had been on a somewhat limited scale, but it had made certain undertakings possible and had opened up certain prospects.

42. The French delegation thanked the Secretary-General for his efforts and asked him to continue them in order to facilitate positive achievement in the economic field and to aid governments with his advice.

43. With reference to the seven-Power draft resolution, France considered that the general studies proposed were limited in their interest. It would be better to concentrate on well defined and specific questions which would lead to practical conclusions that could be applied forthwith. The French delegation therefore viewed the draft resolution with strong misgivings.

44. Mr. WADSWORTH (United States of America) said that one of the principal aims of the United Nations was the continuous improvement of economic and social conditions throughout the world. That aim could be achieved only if the under-developed countries were in a position to keep increasing their production of goods and services. The United Nations had helped in the preparation of the necessary statistics and economic studies to bring about a better understanding of the problem on the international level; it had served as a rostrum for the discussion of the delicate questions involved; and lastly it had helped Member States to solve their problems of economic and social development.

45. Section I of the working paper prepared by the Secretary-General showed how many studies had already been carried out by United Nations in the field of economic development and of integrated economic development which was but an aspect of economic development. Sections II and III dealt with two specific questions: the importance, at the early stages, of developing small-scale industry and other enterprises based primarily on the utilization of local resources; and the part played by a development corporation in a programme of integrated economic development.

46. The Secretary-General had examined those questions from a theoretical point of view without making any recommendations; he had shed light on the

problems but had not proposed any solutions. The United States delegation considered that he had been right, as the measures to be adopted must necessarily vary according to the conditions prevailing in each country. It agreed with the Secretary-General that the questions discussed in sections II and III required more detailed study in the light of the experience of certain countries. Paragraph 3 of the operative part of the draft resolution before the Council seemed to provide for such studies.

47. A number of delegations had expressed disappointment over the fact that the document contained no specific recommendations regarding integrated economic development. Yet that was easy to explain; general studies could not take the place of careful plans drawn up by the countries concerned. Those were questions that could not be solved in the abstract. Each country must itself define the purposes and scope of its economic development, having regard to its resources and the effect of its development on its economic and social structure. The regional economic commissions could be of great assistance in that connexion as could certain advanced States which could conclude bilateral agreements with the countries concerned.

48. The draft resolution called for the establishment of a group of experts to prepare a report on integrated economic development. The United States delegation doubted the usefulness of such a general study in view of the voluminous documentation already in existence; other delegations seemed to share that doubt. It might perhaps be more useful for the Council to invite the specialized agencies, regional economic commissions and some of its functional commissions to devote special attention in their work to the programmes listed in the annex to resolution 451 (XIV) section B, paragraph 10.

49. Mr. BROTOS (Uruguay) said that while the concept that industrialization was a pre-requisite for the economic development of under-developed countries had by now become an axiom, that axiom was not equally applicable in all cases. Any country that wished to become industrialized must obviously take account of its natural resources, the stage of economic development it had reached and other special circumstances. The Secretary-General had brought that out in his working paper.

50. Section II contained an excellent analysis of the problems raised by the transition from a subsistence to an exchange economy. To promote its economic progress, a country in the process of development must strengthen its subsistence sector with a view to raising the population's standard of living, which was essential to increased productivity. Moreover, industrialization should not lead to the neglect of the other economic activities. Predominantly agricultural countries must improve their agriculture. Thus while in the process of industrialization those countries must endeavour to bring prices down and to increase agricultural production through the use of modern methods and machinery.

51. It could be argued that the radical change produced in an agricultural country by an industrialization unaccompanied by considerable improvement of its base economy would be contrary to the interests of the country and against the principles of the United Nations in the sense that it would not contribute to the much-needed increase of world production of foodstuffs. In the under-developed countries, particularly those which were predominantly agricultural and not over-populated, improvement of the subsistence economy and agricultural progress would do much to prevent depo-

pulation of the rural areas and undue concentration of the activities in urban centres. On the other hand, after those conditions were achieved, industrialization was essential to provide opportunities of productive employment to the excess population resulting from a higher rate of population growth and mechanized agriculture.

52. The problems involved were complex and could not be effectively solved without careful study on the basis of which each country could work out plans best suited for its own conditions. The Uruguyan delegation, as one of the sponsors of the draft resolution before the Council, wished to emphasize that industrialization of countries in the process of development could not be examined independently of the general problem of the world economic situation. Indeed, the industrialization of those countries would become meaningless and all efforts to that end would have been vain if the markets which were to serve as outlets for production were closed by protectionist measures. That was why the solution of problems of industrialization must go hand in hand with the establishment of an equilibrium between the economies of under-developed and of industrialized countries.

53. The PRESIDENT called upon the representative of the International Co-operative Alliance.

54. Mr. WOODCOCK (International Co-operative Alliance) said that the co-operative movement took a deep interest in the question under discussion because it itself had sprung from the industrial revolution in Western Europe and its development had been closely linked with the development of industry and agriculture and credit facilities which had followed. The history of the co-operative movement had shown its self-help character to be a powerful stimulus to popular action.

55. The International Co-operative Alliance was a federation of co-operatives in thirty-three countries with a total membership of 113 million consumers or primary producers; almost one-third of its members lived in under-developed countries. Half a century of experience had demonstrated that co-operative organization could be more effective than any other agency in combating certain evils, such as rural usury, from which consumers and primary producers were suffering. Co-operative organization was simply a tool of joint action in the

hands of its members; as with any tool they must learn how to use it. Education in human relations, methods of democratic organization, and commercial practice were important results.

56. In communities passing from a subsistence to an exchange economy the co-operative movement helped its members to pay off their debts, taught them to save and to use their savings wisely; at the same time it was an excellent school for the development of a civic spirit and good neighbour relations, and encouraged men to take an active and intelligent part in the economic and social progress of their country.

57. ICA noted with satisfaction the part assigned to the co-operative movement in the programmes worked out by the regional economic commissions and the specialized agencies. It felt, however, that in some fields the co-operative form of organization could play a still more important part. For example, where electrification was concerned, public electric power plants should be complemented by co-operatives of consumers which would provide an organized market.

58. On the other hand, ICA wondered whether the fullest possible use was being made by development agencies of the experience of some European countries in co-operative organization. Most of those countries recognized the pressing need to help under-developed countries; they were prepared to receive qualified students in their co-operative enterprises and educational institutions and to help in recruiting experts in organizing and administering co-operatives. ICA considered, in spite of all that had been done, that the search for competent persons had not always been entirely successful. The organizations affiliated with ICA were prepared to offer their full co-operation in that regard.

59. In conclusion, he repeated that co-operatives were a means by which their members could raise their own standard of living through self-help. The remarks he had just made applied not only to the problem under consideration, but to many other questions examined by the Council looking to social progress through economic development.

The meeting rose at 12.40 p.m.