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President : Sir Ronald WALKER (Australia)

Present :

Representatives of the following States, members of the Council: Algeria, Argentina, Australia, Austria, Chile, Colombia, Czechoslovakia, Ecuador, France, India, Iraq, Japan, Luxembourg, Senegal, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Yugoslavia.

Representatives of the following States, additional members of the sessional Committees: Cameroon, Ghana, Indonesia, Iran, Italy, Madagascar, Mexico, United Arab Republic, United Republic of Tanganyika and Zanzibar.

Observers for the following Member States: Bulgaria, Central African Republic, Greece, Ireland, Israel, Pakistan, Philippines, Poland, Romania, Spain, Sweden, Venezuela.

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

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

AGENDA ITEMS 11 AND 12

Activities in the field of industrial development
(E/3869, E/3921 and Add.1)

Training of national technical personnel for the accelerated industrialization of developing countries (E/3901 and Corr.1, Add.1, Add.2 and Corr.1)

GENERAL DEBATE (*continued*)

1. Mr. LUCIC-LAVCEVIC (Yugoslavia) said that the Committee for industrial Development, in its report on its fourth session with its proposals and conclusions (E/3869) and the Commissioner for Industrial Development in his

important statement (1340th meeting) had provided useful answers to some of the questions relating to the industrial development of the developing countries, which was the prerequisite for economic and social progress. On the other hand, the Committee had raised a number of problems whose solution fell within the competence of the Council and the General Assembly, with the assistance of all the Member States.

2. As a member, Yugoslavia had voted for resolution 1 (IV) of the Committee for Industrial Development, on the holding of symposia on industrialization (*ibid.*, para. 118). The regional symposia and the international symposium in question would be the first opportunity for the developing countries to explain how they envisaged the development of their industries, to set forth their programmes and to draw attention to problems accompanying the implementation of those programmes. As the industrial countries would take part, those symposia would afford an opportunity for a general manifestation of solidarity with regard to assistance for industrialization and the co-ordination of assistance programmes. The Yugoslav delegation regarded the symposia as the logical outcome of the work of the United Nations Conference on Trade and Development; no significant change in the structure of world trade was possible without the industrial development of the developing countries. Yugoslavia would therefore participate in the international symposium on industrialization and was prepared to take an active part in its preparation. It was also eager to contribute to the work of the regional and sub-regional symposia, and fully supported the recommendations in their regard contained in resolution 1 (IV).

3. The United Nations had already done a great deal to promote the transfer of technical "know-how", but the developing countries lacked trained personnel capable of turning that knowledge to account, and some way must be found of helping them to work out their industrialization programmes and at the same time to train the requisite personnel. The proposal that the United Nations should establish in the developing countries offices for the planning and implementation of industrial projects was of the greatest significance. Of the proposals made by the Commissioner, the Yugoslav delegation attached special importance to the formation of a panel of approximately 200 high-level specialists for each of the major sectors of industry, drawn from as many countries as possible; they would be consulted by correspondence and would periodically visit developing countries to see how the industrial projects were progressing. Consideration should also be given to the possibility of setting up *ad hoc* technical working groups which would meet for short sessions

whenever there was a need to undertake a major survey in a specific branch of industry or to assess the applicability of certain technical developments.

4. Realizing that many developing countries found it hard to train highly skilled personnel themselves, Yugoslavia had already provided them with assistance in the training of cadres, either through the United Nations or under bilateral agreements. It was ready to co-operate with the Centre for Industrial Development in the training of highly skilled personnel in the developing countries and to receive students or study groups desirous of extending their knowledge in those branches of industry which were already relatively advanced in Yugoslavia.

5. His delegation also attached great importance to the continuation of the Centre's work on the elaboration of economic and technical parameters for various branches of industry included in the development programmes of the developing countries. Convinced as it was that such questions should be approached from a practical standpoint, it welcomed the Commissioner's proposal concerning the extension of the programmes and the new approach towards them.

6. The Yugoslav delegation considered the specialized seminars to be held towards the end of 1964 or in 1965 very useful; but agreed with the Commissioner on the necessity to study closely the results achieved by those seminars, in order to see to what extent the developing countries had benefited from them.

7. His delegation had voted, in the Committee for Industrial Development, for the two draft resolutions submitted by it for the Council's consideration: draft resolution I, concerning the need to strengthen the Centre for Industrial Development and to make adequate budgetary provision for it; and draft resolution II, recommending the establishment of a specialized agency for industrial development (*ibid.*, chapter VII). In the latter connexion, the United Nations Conference on Trade and Development had recommended a similar course of action (see E/CONF.46/139, annex A.III.1), with the support of all the developing countries, i.e., those most vitally interested in accelerating their industrialization. There was no incompatibility between the two draft resolutions; they were, in fact, mutually complementary. Even if the establishment of a specialized agency were to be postponed for a short time, the idea could not be abandoned, and until it materialized, United Nations activities must be expanded to meet so far as possible the needs of the developing countries.

8. The decision to deal with the training of national technical personnel at the same time as industrial development showed that, in the Council's opinion, the two problems were closely connected. His delegation considered that the excellent report by the Secretary-General (E/3901 and Corr.1, Add.1, Add.2 and Corr.1) would make it possible to obtain a clearer idea of the national and international aspects of technical training from the point of view both of existing needs and of accelerated development. It fully endorsed the conclusions in the report on the need to assess technical manpower requirements and the relevant projects in the light of the eco-

omic, and especially the industrial, development programmes of the developing countries. It found that the proposals concerning future action to be taken, both by the developing countries and the international organizations constituted a solid basis. It attached special importance to the efforts exerted by the developing countries with a view to training their own technical personnel. Those efforts could yield satisfactory results if they were supported by the international community. The Yugoslav delegation therefore believed that the co-ordination of the activities of the United Nations family in that connexion should be entrusted to the Centre for Industrial Development or to a specialized agency for industrial development, which would co-operate closely with the regular programme of technical assistance, EPTA the Special Fund and the appropriate specialized agencies. It supported the Secretary-General's suggestion that his report should be communicated to Governments, the specialized agencies, the regional economic commissions and to the Committee for Industrial Development for comment (E/3901, para. 104). It was of the opinion, however, that it was not necessary to wait until the end of the General Assembly's session before doing so, and that the Council could decide to take action forthwith, thus enabling the General Assembly to take into account the views expressed by all concerned.

9. Mr. KRALIK (Czechoslovakia) observed that the Council was now dealing with one of the most important problems of the modern world — the industrialization of the developing countries and the contribution which the United Nations family could make to that effort. His Government had always attached the greatest importance to those questions and it understood the industrialization of the developing countries to mean a steady advance towards the establishment of an industrial structure that would enable those countries to process their raw materials in the best possible conditions and to prepare them for export, and would provide adequate financial resources for their economic development. His Government's aim at the present time, therefore, was to assist the developing countries to expand their production without interference by foreign monopolies. It was convinced that that was the only way to give the developing countries an equal and genuinely independent status in the international division of labour and in international economic co-operation.

10. With regard to the question of establishing a specialized agency for industrial development, the Czechoslovak delegation considered that a decision to set up such an agency would meet the requirements of economic progress in the developing countries and thus help to solve the problem of "central leadership" referred to by the Advisory Committee of Experts on the industrial development activities of the United Nations system, in its 1963 report.¹ Nevertheless, his delegation had no intention of signing a blank cheque and would prefer to withhold agreement to the establishment of such an institution pending specific information on its terms of

¹ Official Records of the Economic and Social Council, Thirty-sixth Session, Supplement No. 14 (E/3781), annex VIII.

reference, its membership and the budgetary and financial arrangements to be made. It would prefer a really effective organization to some purely symbolic body which would do no more than emit hopes and good intentions.

11. As to the international symposium and the regional symposia on industrialization, his delegation had always considered such meetings as preparatory steps to international meetings of wider scope. In its reply to the Secretary-General, his delegation had made clear its view that the Headquarters Secretariat should prepare a programme covering all the preparatory stages and should even adapt its own organization in order to avoid dispersal of effort. It therefore considered that the two draft resolutions submitted by the Committee for Industrial Development, far from being contradictory, were complementary, although his delegation was convinced that the proposal to establish a specialized agency should be supplemented in some way by the recommendations of the Conference on Trade and Development. It reserved the right to submit proposals on the subject.

12. His delegation fully appreciated the work done by the regional economic commissions in connexion with the organizing of the regional symposia and the approach of those commissions to the agenda and to the preparatory work. As representing a member country of ECE, however, it was surprised to find that the authors of the report had devoted only seven lines to the activities of ECE in that connexion and to the help which it could provide; that was all the more difficult to understand since ECE, in its resolution 14 (XIX) (see E/3887, part III), had offered its assistance in preparing for the symposia, furthermore, without any additional funds being allotted to cover the work involved. His delegation was of the opinion that an adequate appropriation should be made in the budget.

13. Mr. RUSTAMOV (Union of Soviet Socialist Republics) said that his delegation had noted from the Secretary-General's report on the training of national technical personnel, that many countries in Africa, Asia and Latin America had taken active steps to promote national education and had achieved excellent results. The situation was therefore improving, but a large proportion of the inhabitants of those countries was still illiterate because they had not had an opportunity of acquiring any education; the magnitude of the task confronting the United Nations was therefore apparent. The Secretary-General's report was to be commended because it gave an account of the existing situation and defined the objectives to be attained.

14. The USSR and its various component republics possessed very wide experience in the matter of specialized training. Despite past difficulties very similar to those at present confronting the developing countries, those republics now possessed a network of technical schools and universities providing for the needs of 65 million people. In the Uzbek Soviet Socialist Republic alone, there were 7,000 schools, attended by 2 million pupils.

15. In the USSR, national education had provided the the best possible basis for technical training, which took

into account the needs of the national economy and embraced over a thousand trades and professions. In the past fifteen years, more than 5 million technicians and skilled workers had been trained in its vocational and technical training establishments. Starting from the bottom, a large number of workers were reaching the higher levels, even of engineering. 6,500,000 students were at present attending technical universities and institutes. In the Uzbek Soviet Socialist Republic alone there were 30 institutes for higher specialized training and 86 specialized secondary schools, with 218,500 students.

16. The USSR had always attached great importance to the training of national technical personnel in the sense of the Secretary-General's report. Technical institutions in the Soviet Union had already trained over 7,000 students from Asia, Africa and Latin America; furthermore, in the past six or seven years over 3,000 trainees from those regions had received practical training in enterprises in the USSR. The amount of assistance provided by the USSR would be appreciably larger if the appropriate United Nations bodies made more use of it.

17. In view of the importance for the developing countries of accelerating training, the USSR had welcomed the Secretary-General's report and the recommendations which it contained. It hoped that the Council, when taking action in the future, would bear in mind the fact that, in many developing countries, there was no assessment of requirements and no planning in connexion with the training of national technical personnel, that control was not in the hands of the State and that vocational training programmes were not always related to the plans for developing industry as a whole. The role of the Special Fund in that work should also be clarified.

18. In regard to symposia, the United Nations should hold an interregional symposium in 1965 on the planning of schemes of training for technical personnel, with all the regional economic commissions participating. His country supported the proposal to hold international and regional symposia on industrialization. It endorsed the resolutions of the regional economic commissions concerning the questions to be dealt with at the symposia; those agendas should help the developing countries to discuss the most urgent problems arising in connexion with their development plans.

19. Mr. SWARUP (India) stressed the vital role of industrialization for the economic advancement of the developing countries. Industrialization alone, however, did not provide a key to development; it must proceed within over-all planning for all the major sectors of activity. Two important questions which were closely linked had been discussed in the Committee for Industrial Development: the establishment of machinery to promote industrial development in the developing countries and the holding of international and regional symposia on industrial development. In that complex field, centralization of work had both advantages and disadvantages. More particularly, the risk must be avoided of a central agency laying down uniform policies for all countries, irrespective of differences in needs. The Indian delegation, which, at the Conference on Trade and Development, had

voted for the recommendation on the expansion of United Nations activities in the field of industrialization, hoped that, pending the establishment of a new specialized agency, the Centre for Industrial Development would be able to undertake work promoting the industrialization of the developing countries. He supported the United Kingdom representative's suggestion that the committee on manufactures, which was to be set up by the proposed Trade and Development Board, should deal with the promotion of trade and, more particularly, with the export of manufactures and semi-manufactures from the developing countries.

20. His delegation favoured the holding of an international symposium and of regional symposia to discuss problems of industrialization in the developing countries. It hoped that adequate preparatory work would be undertaken for those symposia at the national, regional and international levels.

21. With regard to the training of technical personnel — a very important factor for the industrialization of the developing countries — his delegation supported the basic ideas outlined in the Secretary-General's report. It particularly approved the idea of intraregional arrangements for the training of technical personnel (see E/3901/Add.1, paras. 242 to 253) and also supported the proposals for the preparation of guides or manuals on vocational guidance, the use of audio-visual aids, and the like (*ibid.*, para. 256).

22. In conclusion, he pointed out that the importance of technical training should not lead to the complete neglect of general education. That was a major problem which should be settled in accordance with needs and available resources. At first, India had been unable to give due priority to basic education, since it had had more urgent problems to resolve. Nevertheless, great efforts had been made in that direction since independence. India's third plan provided for free, compulsory education for all children between the ages of six and eleven, and the allocation for national education under the present plan was twice as large as under the preceding one.

23. Mr. CUBILLOS (Chile) recalled that the United Nations had a decisive role to play in the industrialization of the developing countries. In the absence of adequate resources and appropriate machinery, effective action was impossible. It was true that the Centre for Industrial Development and several specialized agencies, such as ILO, UNESCO and FAO and, of course, the IBRD were making great efforts, which deserved encouragement. Yet those at times bold efforts were still dispersed. Each of the specialized agencies was operating in a particular sector of economic and social development, and none was aiming at the industrialization of the developing countries. It was therefore necessary to establish a centralizing body equipped with adequate resources. The developing countries had submitted numerous proposals on the subject, which had unfortunately remained a dead letter owing to the opposition of the advanced countries. The argument that the United Nations lacked the necessary resources to set up a new specialized agency or that such an agency would

duplicate the work of others was not convincing. If the United Nations was to take effective action in the field of industrialization, special machinery must be established. He urged the advanced countries to reconsider their position; Chile would continue to work for the establishment of the body recommended by the Conference on Trade and Development and desired by all the less advanced countries.

24. His delegation welcomed draft resolution I of the Committee for Industrial Development calling for a strengthening of the activities of the Centre for Industrial Development on the understanding that it was intended as a provisional measure pending the establishment of a specialized agency, which would alone be capable of undertaking long-term action. His delegation also approved the proposals for holding an international symposium and regional symposia, which would provide an opportunity of assessing the needs of the developing countries with regard to industrialization. He was glad to note that the relevant meetings scheduled by ECLA would themselves take the form of symposia.

25. Mr. WILLIAMS (United States of America) said that no one denied that industrialization was an essential prerequisite for economic development. There was no disagreement on that point, but views differed as to the means to be adopted in order to accelerate industrial progress in the developing countries. The question was whether the existing United Nations machinery should merely be shifted into high gear or whether a new specialized agency should be set up. One day, a new vehicle might be necessary; but until that necessity had become clearly apparent, it was not desirable to set up a new body. The problem did not involve a clash between idealistic and budgetary considerations nor was any desire to avoid a proliferation of agencies implied. It was simply a question of how the job could best be done. His delegation thought that the United Nations should go ahead using the means available and turning existing resources to the best possible account. Draft resolution I of the Committee for Industrial Development should provide a basis for action. The Centre for Industrial Development, when equipped with adequate staff and funds, should be able to help in identifying those practical combinations of resources, men and money which would enable the less developed countries to move ahead with industrialization. It was unfortunate that some delegations had concluded that disagreement over means connoted a lack of awareness of United Nations obligations in the matter. It was even more unfortunate that a non-governmental organization had used the opportunity accorded it of addressing the Council to bring ideological charges of a kind which the Council itself had long since avoided.

26. His delegation endorsed resolution 1 (IV) of the Committee for Industrial Development, concerning an international symposium and regional symposia on industrial development. Such symposia could be extremely beneficial, if they were adequately prepared. Requests for them might be considered technical assistance projects and be financed within the 16 per cent of EPTA funds earmarked for regional and interregional projects. The

timing and programme of the international symposium should await the conclusions of the regional and sub-regional symposia.

27. He commended the report of the Secretary-General on the training of national technical personnel, which would greatly assist the United Nations in pursuing its work on industrial training. His delegation had prepared a draft resolution² calling the attention of Governments to the need to give priority to the preparation of well-planned requests for assistance for training in all the various aspects of industrialization. It hoped to submit that draft resolution to the Economic Committee very shortly.

28. Mr. MATSUI (Japan) congratulated the Commissioner for Industrial Development on his admirable statement. He was glad to note that the Centre for Industrial Development was steadily expanding its activities, particularly in the field of research and the preparation of projects.

29. Referring to draft resolution I, on organizational changes in the Centre for Industrial Development, he hardly thought that the Council could take a decision on that important question without first considering how the Centre could obtain the best possible results within the framework of its present structure and with the financial resources available to it, and without knowing exactly what the developing countries expected from the Centre.

30. With regard to the possible establishment of a specialized agency for industrial development, he drew attention to the problem of co-ordinating the activities of the various international organizations. At the eighteenth session of the General Assembly the specialized agencies, in pursuance of Council resolution 969 (XXXVI), had submitted observations on the report prepared by the Advisory Committee of Experts. The FAO, in particular, had stressed the difficulty and complexity of co-ordinating the activities of the new body which it was proposed to create with those of existing agencies. But neither the General Assembly, nor the Committee for Industrial Development, nor the Economic and Social Council had examined the observations submitted by the specialized agencies (A/5535 and Add.1 to 5).

31. Moreover, the Council should take into consideration the statement of ACC in paragraph 133 of its twenty-eighth report:³ "While concurring that it is desirable to take steps to ensure that the leadership and impetus necessary for expanded action are effectively provided, the ACC attaches great importance to avoiding such a fragmentation of the general field of economic policy as to make effective United Nations action more difficult."

32. For the above reasons, the Japanese delegation saw no need to establish a specialized agency for industrial development. In its view, the best way of enabling the United Nations to play its proper role in the field of industrialization was to find appropriate means of

strengthening the activities of the Centre, in particular by determining the needs of the developing countries and inviting them to request the Centre's assistance.

33. With regard to resolution 1 (IV) of the Committee for Industrial Development, concerning the international symposium and regional symposia on industrial development, his delegation thought that an international symposium would open up new prospects for the Centre's work, and it accordingly supported the resolution. It thought, however, that it would be more logical to start by organizing regional and sub-regional symposia on industrial development so that the participants in the international symposium could take advantage of the results obtained at the regional and sub-regional levels.

34. No country could become industrially developed if its own technicians did not possess the training necessary to enable them to continue the work begun with foreign aid. In his opinion, the Secretary-General's report on the subject of training merited careful study by the experts of the various countries and by the Committee for Industrial Development. He accordingly supported the Secretary-General's suggestion that the Council take note of the report and request the Secretary-General to transmit it to Governments, the specialized agencies, the regional economic commissions and the Committee for Industrial Development for their comments and recommendations and to report to the Council on the subject as and when appropriate.

35. Mr. WEIDINGER (Austria) supported draft resolution I of the Committee for Industrial Development, which outlined a programme that would enable the Centre to play the part of an activating and catalytic agent, centrally concerned with industrial development policy. The implementation of the dynamic work programme set out in operative paragraph 1 would constitute a big step forward along the road leading towards the industrialization of the developing countries.

36. The United Nations should possess an appropriate instrument for carrying out its tasks in the field of industrialization; but the Austrian delegation did not believe that the establishment of a new specialized agency would solve the problems of industrial development. Several of the specialized agencies were already dealing with questions relating to industry, and the creation of a new agency would make it even more difficult to co-ordinate the activities of the various members of the United Nations family. The Centre was hampered in its work by the absence of detailed projects, which was why the draft resolution, in paragraphs 8 and 9, invited the attention of Governments of developing countries to opportunities for obtaining increased assistance by formulating new project requests.

37. The first step towards accelerating the industrialization of the developing countries was to help them to prepare projects. Consequently, his delegation strongly supported the resolution I (IV) of the Committee for Industrial Development, proposing the holding of an international symposium and regional symposia on industrial development, which would make it possible to

² Subsequently issued as document E/AC.6/L.302.

³ *Official Records of the Economic and Social Council, Thirty-sixth Session, Annexes, agenda items 4 and 6, document E/3765.*

draw up a list of all the needs and plans of developing countries and to make an inventory of the resources which the industrialized countries could spare for assistance programmes. The Committee for Industrial Development could later examine the results of the symposia and submit proposals for a consolidated programme of work for the Centre for Industrial Development.

38. The implementation of those two resolutions would make it easier for the Centre to meet the needs of the developing countries and to co-ordinate the work of the United Nations family of organizations.

39. Mr. MIGONE (Argentina) said that the importance of industrialization in economic development was now recognized by all developing countries. The problem was to find means of intensifying the industrialization process.

40. The question had been considered by the United Nations Conference on Trade and Development, which had attempted to find a concrete solution for the difficulties hampering industrial progress in the developing countries. Despite differences of opinion, there was good reason to hope that practical measures to that end could be taken in the near future. Although it acknowledged the value of what had been done by the Centre for Industrial Development, Argentina would support the establishment of a specialized agency for industrial development. It also considered that the Centre's role should be strengthened pending the establishment of the new agency.

41. Referring to the statement by the United Kingdom representative at the 1340th meeting, he wished to make it clear that his delegation recognized the importance of the work in industrial development done by the ILO, UNESCO, FAO, IBRD and several financial organizations. Nevertheless, an organization with the special function of promoting industrial development could, without interfering with their work, give the other specialized agencies very useful directives and co-ordinate the various activities relating to industry. Furthermore, his delegation did not consider that the Committee for Industrial Development should deal with the preparation

of projects, since that would not facilitate co-ordination of the work being done by the various organizations.

42. Mr. WEBER (Luxembourg) said that it was a welcome fact that all countries now recognized the important role played by industrialization in economic development and the need to intensify international activities in that connexion. Among other things it was important that the developing countries should be helped to find the necessary funds for purchasing capital goods and export outlets for their manufactured goods. But, in a world in which hunger prevailed, industrialization should not take place at the expense of agricultural development.

43. His delegation commended the Centre for Industrial Development for the work it had already accomplished. It had produced an impressive number of studies on programming and policies of industrial development. Those studies should not, however, be purely theoretical and should take into account the needs of the various countries. Particular attention should be paid to pre-investment studies in the industries of special interest to developing countries, and in that connexion his delegation wished to mention the excellent work done by the Special Fund.

44. Members of the Council appeared to recognize the need to strengthen the means of action at the Centre's disposal and its role as co-ordinator of United Nations activities in industrial development. That being so, and in view of the results already obtained, his delegation failed to understand why it was desired to set up a new specialized agency to deal with the subject.

45. With regard to the international symposium and the regional symposia, his delegation thought that no effort should be spared to ensure that those meetings achieved the desired results.

46. His delegation also attached special importance to the problem of training national technical personnel for the accelerated industrialization of developing countries, and it approved the recommendations contained in the Secretary-General's report on that subject.

The meeting rose at 1 p.m.