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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, Mexico, United Arab Republic, United Republic of Tanganyika and Zanzibar.

Observers for the following Member States: Brazil, Bulgaria, Central African Republic, China, Greece, Ireland, Pakistan, Romania, Sweden, Ukrainian Soviet Socialist Republic.

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

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, World Health Organization, World Meteorological Organization.

The representative of the International Atomic Energy Agency.

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 and Add.1, Add.2 and Corr.1)

GENERAL DEBATE

1. The PRESIDENT invited the Council to consider items 11 and 12 of the agenda together. Under item 11,

1340th meeting

Monday, 3 August 1964

at 3.20 p.m.

PALAIS DES NATIONS, GENEVA

the Council had before it a report by the Secretary-General on international and regional symposia on industrial development (E/3921 and Add. 1) and the report of the Committee for Industrial Development on its fourth session (E/3869) which contained in chapter VII draft resolutions I and II for action by the Council; draft resolution II had been the subject of a recommendation by the United Nations Conference on Trade and Development (see E/CONF.46/139; annex A.III.1). Under item 12, the Council had before it a report by the Secretary-General on the training of national technical personnel for accelerated industrialization of developing countries (E/3901 and Corr.1 and Add.1, Add.2 and Corr.1).

2. Mr. ABDEL-RAHMAN (United Nations Commissioner for Industrial Development) said that at its fourth session the Committee for Industrial Development had, as in previous years, reviewed the activities of the United Nations Centre for Industrial Development and had given special attention to the programmes of technical co-operation financed through the United Nations regular programme, EPTA and the Special Fund. It had also considered, as a separate item, the participation of the Centre for Industrial Development in the preparations for the United Nations Conference on Trade and Development and had reviewed the activities of the organizations of the United Nations family in the field of industrial development. As the Committee's report contained a detailed account of its deliberations he would confine himself to commenting on the three resolutions which it had adopted.

3. The Secretary-General had reported to the Committee the result of consultations he had held pursuant to General Assembly resolution 1940 (XVIII), and the Committee, after careful deliberation, had adopted its resolution 1 (IV) (see E/3869, para. 118) in which it had welcomed the suggestion of holding symposia on industrial development. It had requested the Secretary-General to submit to the Council proposals concerning the organization of the symposia and the subjects to be discussed as well as budgetary estimates for their adequate financing. The Committee had suggested that the Centre for Industrial Development should assume responsibility for the preparatory work for the symposia, and had invited the regional economic commissions and specialized agencies and the Governments of Member States to co-operate with the Centre in that work. The Committee had assigned high priority to the undertaking of surveys and studies by the Governments of the developing countries, and had directed the Centre for Industrial Development to provide any assistance that might be required in the preparation of those surveys and studies.

4. A summary of replies of Governments of Member States and a tentative estimate of the budgetary requirements for the regional and international symposia, as well as proposals in respect of items that might be discussed, were contained in the Secretary-General's report (E/3921 and Add.1). In the provisional summary of financial implications of actions of the Council (E/3941), the Secretary-General also referred to the international and regional symposia on industrial development, indicating that revised budgetary estimates would have to be submitted to the General Assembly at its nineteenth session following further consultation with the regional economic commissions and in the light of the discussions of the Council. It was considered essential that the programme of symposia be considered and budgeted for as one self-contained integrated activity; the individual symposia should not be regarded as separate projects, but as parts of one operation which would be carried out in stages.

5. The industrial symposia, it was believed, would involve the undertaking of surveys and studies at the national, regional and international levels over a period of some two years. Those special studies and surveys would provide, at a minimum cost, with a minimum effort and in a minimum time, a much-needed opportunity for analysing and clarifying essential policy issues as well as for analysing and clarifying branch by branch and country by country the technical and economical problems involved in the industrialization of developing countries. Such an effort would be an essential and useful basis for future programmes of industrialization, for co-operative activities at the regional and international levels and for establishing on a solid foundation the programme of the United Nations in the field of industry.

6. In its second resolution (resolution 2 (IV)) (see E/3869, para. 160), the Committee had recommended the Council to request the Secretary-General to make any necessary changes in organization and procedures required in order to enable the Centre to carry out a dynamic programme of activities involving a number of specified principles and functions. The Committee had been given a break-down of the cost of implementing the resolution, which was estimated at \$1,100,000 per annum. The Secretary-General had indicated that if the Council adopted draft resolution I submitted to it by the Committee, he would draw TAC's attention to the programme proposals it contained, seek TAC's advice on the extent to which regular budget provisions for technical programmes could be applied to industrial development activities and subsequently prepare revised estimates for the 1965 budget. The provisional budgetary estimates for 1965 took those financial requirements into account, but only in a partial manner.

7. Under the proposed programme of activities, the Centre would have the role of an activating and catalytic agent, centrally concerned with industrial development policy and over-all progress in the field of industrialization, and capable of promoting appropriate arrangements by the developing and advanced countries with a view to meeting the opportunities and needs of industrialization through the availability of adequate facilities and services.

Panels of scientists and technical specialists of recognized standing in various sectors of industry would be established to advise the Centre by correspondence on the different aspects of its activities, and *ad hoc* working groups of high-level experts would be established to deal with some specific technical subjects upon which they would submit reports to the Committee for Industrial Development. The provision of a more adequate service of technical and industrial documentation was also recommended. The Centre would be required to assist the developing countries in establishing adequate technical information services. Furthermore, the undertaking of a periodic world industrial development survey to provide a review and assessment of the developing countries' industrialization programmes and progress was recommended. The Centre would also be required to establish close contacts with the advanced industrial countries with a view to directing their activities towards the industrialization of the developing countries. He had visited several industrialized countries in Europe during the last few months and had found the responsible authorities in those countries interested in and ready to support the activities of the United Nations in the field of industrial development as outlined in the Committee's resolutions.

8. In its third resolution (resolution 3 (IV)) (*ibid.*), adopted by a majority vote, the Committee had recommended the Council to recognize that there was an urgent need for the establishment of a specialized agency for industrial development within the framework of the United Nations. The ACC had indicated that it would follow with interest developments regarding the establishment of a specialized agency for industrial development (E/3886, para. 89). The United Nations Conference on Trade and Development had also considered the possibility of establishing a specialized agency for industry, and had enumerated in its recommendation on the subject the functions of such an organization. If draft resolution II was adopted, the Secretary-General would be called upon to prepare a study on the scope, structure and functions of the agency, including draft statutes and information on the steps required to bring such an organization into operation, taking into account the views expressed by the Committee on Industrial Development, the Conference on Trade and Development and the Council. That study would be submitted to the General Assembly at its nineteenth session.

9. Those three resolutions fully reflected the views and opinions of the members of the Committee with regard to programmes of work in the field of industrialization and with regard to the United Nations machinery in the field of industrial development. The Centre for Industrial Development would welcome the adoption of draft resolutions I and II, which would provide general policy guidance for its work within the United Nations family of organizations. A majority of members of the Committee had approved of all three resolutions, while some had had reservations concerning one, but had approved the other two. The United Nations Secretariat had already started considering in detail the requirements for the implementation of the resolutions.

10. It was essential that effective co-operation be maintained and developed within the United Nations family of organizations in the field of industrial development so as to avoid unnecessary duplication and to promote more effective programmes. To that end, the Centre was required to follow closely the activities of the various organizations in fields bearing on industrialization, undertake with them joint projects and make arrangements for adequate reporting about such activities to the Committee for Industrial Development and to the Council. In that connexion, the ACC had observed in paragraph 87 of its most recent report (E/3886 and Corr.1 and Add. 1) that the Centre for Industrial Development would have to devote adequate resources to developing working contacts with the agencies active in the fields related to industrial development, and that it would welcome the adoption of measures which would enable the Centre to carry out its responsibilities in that respect. The Commissioner for Industrial Development was required in paragraph 88 to consult with other agencies with a view to submitting, if appropriate, concrete proposals with regard to the present machinery of periodic inter-agency meetings. Although that machinery had served a useful purpose, it was thought that the time might now have come to give it a more formal status.

11. On the basis of initial contacts he had been able to establish during the past few weeks with some of the specialized agencies, he was convinced that further progress could be made in securing co-operation in the activities relating to industry. The Director-General of UNESCO had seconded a staff member to work in the Centre for a period of six months, and close co-operation was envisaged with the ILO. Useful discussions were being held with the Special Fund administration concerning new forms of industrial projects most suited to the requirements of the developing countries. Some new ideas were under consideration with regard to the utilization of the services of senior industry consultants in the field of technical assistance jointly with more junior resident experts. The Centre would be ready to second its staff and advisers, if requested, to help in the establishment and review of country and regional industrial activities under the different aid programmes. It had maintained close co-operation with the regional economic commissions both in connexion with current activities and in the studies concerning the regional and international symposia. Exchanges of staff members and advisers between the Centre and the regional economic commissions had taken place and might develop further in the future. Welcome support had been given to that policy by the executive secretaries of the regional economic commissions.

12. The proposed new machinery for trade would naturally give rise to some problems of co-ordination with the existing or proposed machinery for industry. It might be worth considering whether in some cases the existing and the proposed machinery could be adapted so as to serve better a common cause and maintain effective action.

13. During the past year the Centre had co-operated closely, through the Sub-Committee on Education and

Training of the ACC, in preparing the report on the training of national technical personnel for accelerated industrialization of developing countries. The report explored problems relating to the surveying of requirements of technical personnel for industrialization, and the needs in terms of volume and type of training, as well as the expenditure and physical facilities involved. It appeared that lack of data had been a major obstacle in fully assessing the efforts made by the developing countries in training their technical personnel and by the advanced countries in providing training facilities. Although the report contained some valuable information and could be commended as a co-operative undertaking, it had not fully exhausted the subject. A study, within an appropriate framework, of the practical problems posed by the large-scale training requirements of the developing countries was clearly warranted.

14. It was desirable that the Centre for Industrial Development should establish closer contacts with the national, regional and international bodies active in the field of industrialization, both in the developing and the industrialized countries. Such bodies, whether private, public or intergovernmental, accumulated through their normal activities a wealth of experience and knowledge in industrial matters. He was sure that in many cases they would be pleased to make their experience available to the United Nations. Furthermore, he had reason to believe that it might be possible to invite such bodies to contribute to the studies and activities of the United Nations. The Committee for Industrial Development recommended that such contacts be made, but it was felt that much of the initial action required for that purpose would best be realized through the proposed regional and international industrial symposia. The contacts could later be maintained and developed through the programme of technological information, panels of correspondent advisers, *ad hoc* groups on special problems, and, above all, through the system of country reporting and the World Industrial Development Survey. With better contacts, there would be ample opportunity for co-ordination and co-operation between the work of the Centre for Industrial Development and relevant national, bilateral and multilateral activities.

15. He sincerely hoped that through the implementation of the resolutions approved by the Committee for Industrial Development and with the guidance which would be obtained from the discussions in and action taken by the Council and the General Assembly, it would be possible to evolve gradually a set of activities and procedures of action for the programme of industrialization which would be both realistic and imaginative. Activities and procedures would have to be realistic if they were to lead to the most effective utilization of the available resources in staff and funds in spite of the diversity of opinions and the difficulties which accrued from the complex nature of industry. At the same time, they would have to be imaginative so that current activities could be conducted with a flexibility that would create an adequate basis for further expansion as and when deemed advisable.

16. Mr. PATIÑO (Colombia) recalled that it was only recently that priority had been given to industrial develop-

ment. Five years ago, neither the Committee for Industrial Development nor the Centre for Industrial Development was in existence; the office of United Nations Commissioner for Industrial Development had been created only two years previously. The comparative lateness with which the United Nations had begun to play a part in industrialization was due to the fact that the international community had only recently become aware of its responsibilities in the matter of economic development. However, the acceptance of its role by the United Nations was now very definite and had been made manifest in recent decisions of the Council and the General Assembly and in the various actions by the Secretariat, the Special Fund and EPTA.

17. The documents which had been submitted to the Council, and the excellent introductory statement of the Commissioner for Industrial Development made it clear that the interest of the United Nations in industrialization would not be transient, but constant and growing.

18. His delegation would state its views in the Economic Committee on the various questions raised in the documents before the Council, but wished to refer at that stage to the two draft resolutions submitted to the Council by the Committee on Industrial Development on the subject of United Nations machinery in the field of industrial development. Consistent with its attitude in that Committee, the Colombian delegation would support both draft resolutions.

19. The purpose of draft resolution I was to strengthen considerably the Centre for Industrial Development, an objective which would be welcomed by all the developing countries. In that connexion, he paid a tribute to the United States delegation which had sponsored the draft that had led to the unanimous adoption of that text by the Committee for Industrial Development.

20. Unfortunately, draft resolution II relating to the need to establish a specialized agency for industrial development had not met with the same unanimous support in the Committee. His delegation, for its part, had invariably supported the setting up of such a specialized agency, and was glad to note that the majority of the members of the Committee for Industrial Development shared its views. It also noted with gratification the adoption by the United Nations Conference on Trade and Development of its recommendation on the same subject by a majority of 81 votes to 23, with 8 abstentions.

21. He would not repeat the arguments in favour of setting up such a specialized agency, since those arguments were well known to the Council, but asked those who opposed it to state their objections. So far, no genuine arguments had been put forward; it had merely been asserted that United Nations activities in the industrial field should be carried out through the Secretariat and that the establishment of a new body would contribute to an undesirable proliferation of international agencies.

22. That approach ignored the magnitude of the task facing the United Nations in the industrial field. The Centre for Industrial Development represented a step in

the right direction, but its possibilities were subject to limitations which a specialized agency would not experience. No one would claim that an agricultural development centre, or a public health development centre, within the framework of the Secretariat, could replace FAO or WHO, for example.

23. While his delegation supported the strengthening of the Centre, it was strongly in favour of establishing a new specialized agency without which the United Nations could not expect to carry out activities comparable to the many others which it already performed in the economic and social spheres and those it would soon begin to perform with regard to international trade.

24. Nor was there any validity in the assertion regarding the proliferation of international agencies. The number of such agencies could clearly not be held to be excessive until all the exigencies of world co-operation had been met. It was not the desire to avoid the proliferation of agencies but rather the failure to recognize fully the United Nations responsibilities in the matter which lay behind the opposition to the establishment of a specialized agency.

25. In fact, the controversy went much deeper than a mere dispute over institutional machinery. It reflected an opposition between those who urged that international co-operation should carry out its mission fully in the contemporary world, and those who feared the advent of comprehensive co-operation for economic development. An idealistic view of world solidarity clashed with budgetary considerations, and it was surprising to find a parsimonious attitude adopted with regard to economic development by countries which had in other cases given such admirable examples of high-minded generosity.

26. The consent of the major Western Powers was undoubtedly necessary to set up a new specialized agency. The developing countries were neither able nor willing to force the hand of those Powers with their votes and must endeavour to convince them. However, since the representatives of the wealthy countries of the West, who had heard those of the developing countries for so many years on that subject, had not shown any signs of comprehension, notwithstanding the justice of the cause, he failed to see how it would be possible to obtain the desired objective by means of a propaganda effort. It was a matter of deep concern to his delegation that those countries whose power conferred upon them special responsibilities in the matter should continue to oppose a proposal of such great importance, which his delegation would continue to support wholeheartedly.

27. Mr. SEN (World Federation of Trade Unions), speaking at the invitation of the President, said that WFTU had for many years been stressing the fact that industrialization was the key to economic development, the primary condition for economic and social progress. The developed countries, with a few exceptions, had all become developed by industrializing. The conclusion was so evident that it would not need to be stated, were it not for the fact that the primary importance of industrialization in development had so often been ignored or denied. Unfortunately, the special interests which opposed the

industrialization of developing countries still exerted considerable influence on the policy of international bodies. In WFTU's opinion, the line of division, of contradiction and of possible conflict, was not between North and South, but between exploiters and exploited, between the powerful interests in certain developed capitalist countries which wished to retain their privileged position in international economic relations and those who wished to do away with those privileges and establish relations based on equality and mutual advantage. The industrialization of developing countries would benefit the peoples of all countries by raising world production, spreading the benefits of science and technology and bringing vast new forces into the effort to achieve further scientific and technical advances for the advantage of humanity as a whole. The workers in the developed capitalist countries, together with the peoples of socialist and developing countries, had every interest in working for that aim.

28. The backward areas of the world had been, for the most part, the traditionally colonial or semi-colonial regions, which had been exploited as sources of cheap raw materials and foodstuffs and as spheres of investment. That had been the main reason for their backwardness. Many of these countries, on gaining their independence, faced considerable difficulties in their efforts for independent national development because of their economic weakness, which left them subject to various degrees of economic pressure. Although some of these countries had begun to lay the foundations of key industries, their total industrial production still remained too small to have any significant effect on their economies. That was borne out by the fact that the share of manufactures in the total production of developing countries still amounted to barely 7 per cent.

29. That lack of industrialization in the developing countries meant that they were completely dependent on imports to satisfy most of their needs for manufactured goods, whether for consumption or equipment. Because of that dependence, they had been exploited in the so-called free world markets, and the terms of trade were moving consistently against them. Furthermore, market manoeuvres led to drastic fluctuations which particularly affected countries dependent on one or two primary exports. The foreign monopolies which dominated a great deal of their trade took advantage of their weak economic situation to depress the prices of raw materials and to sell manufactured goods at inflated prices.

30. The best way to diversify the economies of the developing countries and eliminate the present inequitable division of labour was to build an adequate industrial base. At the same time he did not wish to minimize the importance of the development of agriculture into a modern sector of the economy able to serve the needs of society, and it must be remembered that almost two-thirds of the population of the developing countries still depended on agriculture. But industrial development itself stimulated the pressure for radical agrarian reform, while industry had, as one of its main functions, the provision of the necessary equipment, chemical products, etc., which had to be applied in modern agriculture. On

the other hand, far-reaching agrarian reform could help to promote industrialization and to accumulate the necessary resources for investment. If the conditions of the peasantry were improved, the home market could be expanded and industry assured of the raw materials it needed. Industrialization, by creating more employment, drew manpower from agriculture, thus reducing under-employment and stimulating more efficient use of manpower.

31. Still beset with problems of backwardness, the developing countries found it difficult to achieve a fast rate of industrial growth. A great deal of effort was now being devoted to persuading the developing countries that the way out of their difficulties was to provide specially favourable conditions for foreign capital. The WFTU had often stressed the fallacy and the danger of that policy for developing countries. Industrialization could make no real headway until the penetration and influence of private foreign capital into the economies of the developing countries had been completely ended, and major foreign enterprises and companies in those countries had been nationalized. Domestic private capital in the developing countries could play only a limited role in the process of industrialization because investment in industry, and, in particular, heavy industry, had too many uncertainties to be attractive to capital that was seeking safe and easy profits. Private investors found it more advantageous to look to trade, to land purchase and speculation, to luxury building or possibly to light industry. It was the state sector of the economy which could really play an effective role in the accelerated development of industrialization. The profits of the public sector could provide the funds for investment which could be directed towards key points in the economy where its influence in overcoming obstacles and bottle-necks and in stimulating expansion was greatest. In that way the impetus to development could be sustained.

32. A country had to rely mainly on its own resources for industrialization, though a certain amount of external aid was necessary. It was the duty of the colonial Powers, which had exploited those countries for many decades, to extend aid to them in their struggle for economic development. However, the aid must go to the sector decided by the receiving country, in particular for the building of industries, including heavy industries. A change in the terms of trade of the developing countries with the developed capitalist countries, based on principles of equality and mutual benefits, and the nationalization of foreign monopoly capital could go a long way to meet the paucity of financial resources which those countries were experiencing.

33. Trade and aid from the socialist countries were increasingly providing means for the developing countries to obtain equipment for industrialization on favourable terms. Furthermore, by acquiring a choice of partners in the process of economic development, it was becoming possible for the developing countries to end their former complete dependence on the capitalist monopolies.

34. Rapid industrialization also required parallel progress in the social sector, notably by way of improvement

in the working and living conditions of the workers and peasants. That was not only for reasons of justice, but as a necessary basis for the continuation of industrialization. The policy of attempting to increase revenue by passing the main burden on to the working people rather than to the richer sections of the population only resulted in the decline of real wages and incomes and in the reduction of total consumption. Heavy taxes on lower-income groups, wage restraints, rising prices, etc., led to the restriction of the internal market and weakened the sections of the population whose positive contribution was essential for development. The aim of industrialization and of economic development in general would be defeated if the gains thereby achieved did not steadily return to the people who worked to produce them.

35. The creation of a specialized agency for industrial development should make it possible for the United Nations to give its constant and continued attention to the question and to take practical steps for assisting developing countries in industrialization in accordance with their wishes and needs. It was important that the international trade union organizations should participate in the activities of such a specialized agency, for that was a field which directly concerned the workers and their living and working conditions.

36. The holding of international and regional symposia on industrial development would also be useful in concentrating attention on the obstacles in the way of rapid industrialization and on effective means of overcoming those obstacles. The symposia should concentrate not so much on the technical problems of industrialization, but rather on the underlying political and economic problems. The social aspects of industrialization also deserved special attention in the symposia and in the studies or other work carried out under the auspices of the Council. The interregional seminar to be held at Minsk in August 1964 might be a welcome step in that direction.

37. The WFTU welcomed the fact that a study on social planning in relation to industrial development was to be submitted to the Committee for Industrial Development at its fifth session. It felt that subsequently priority should be given to a thorough study of such questions as the impact of democratic agrarian reform on industrialization, the impact of changes in social structure and of nationalization on the accumulation of resources for industrial development, the role of the public sector in accelerated industrialization and the role of trade unions and similar organizations in the planning and implementation of programmes of industrial and social development.

38. In view of the importance of those subjects and their direct relation to workers' conditions, it suggested that the international trade union organizations should be invited to send representatives to participate in the international and regional symposia on industrialization and in any similar activities planned by the Council.

39. As regards the question of the training of technical personnel for accelerated industrialization, he said that in providing manpower for the new industries in developing countries, the question of technical skills, voca-

tional and specialized training of skilled industrial labour and technicians was of vital importance. The acquisition of new vocational skills and knowledge was an urgent and difficult task facing those countries. International assistance in vocational training could be of great value not only in making reports and recommendations and in organizing theoretical courses, but in providing direct training in new production methods and in training engineering and technical personnel to run the new factories built in those countries and ultimately to develop them and to design and build their own. Any activities directed towards the protection of "know-how", the monopoly of knowledge for private profit or the retention of production secrets had no place in genuine assistance.

40. Technical training was a problem of direct concern to the trade unions and their members. Consultation and participation of trade unions, both at international and national levels, were essential for the proper application of all technical training programmes for workers. In particular, such consultation and participation should be an integral part of all programmes of technical and vocational training introduced on the advice of the United Nations and its subsidiary bodies.

41. The WFTU considered that the training of women workers was of special importance. At present women suffered from serious discrimination in training, in obtaining jobs, in wages and in promotion. They were generally condemned to inferior unskilled work and the lowest level of semi-skilled jobs; access to certain skills was closed to them altogether. The situation of women workers, for historical and cultural reasons, was especially difficult in many developing countries. The Council should therefore take and advocate special measures to end that discrimination wherever it existed. It should ensure that no such discrimination was practised in any technical aid and training given under the programmes of the United Nations and its subsidiary bodies. The experience of the socialist countries in eliminating discrimination against women workers could be of great help in that connexion. The Second World Conference on the Problems of Women Workers, convened by the World Federation at Bucharest in May 1964, had given a great deal of attention to that point. It had adopted a Charter of Economic and Social Demands of Women Workers, which gave an important place to the elimination of discrimination in technical training.

42. Mr. P. BARTON (International Confederation of Free Trade Unions), speaking at the invitation of the President, said that ICFTU had accumulated considerable practical experience in the field covered by item 12 of the agenda by promoting vocational training schemes in the developing countries and by mobilizing the assistance of trade unions in industrialized countries to that end.

43. While it was now generally agreed that vocational training must be given high priority among the various instruments of development, there was still a basic conflict of views between those who understood it to mean the training of high-ranking staffs and those who took it to mean training at all levels of economic activity.

ICFTU favoured training at all levels, for good empirical reasons. In Japan, it had been decided as long ago as 1886 to introduce universal education with the main emphasis on primary schooling; in India, on the other hand, little attention had been paid until recently to primary education, with the result there were too many universities and not enough primary schools. That India should now have recognized the paramount importance of primary education was a practical lesson to other developing countries, and the success of the Japanese approach should help the United Nations to avoid erroneous conclusions such as those reached at the Conference of African States on the Development of Education in Africa, held at Addis Ababa in May 1961, where certain authorities had urged the need to divert resources from primary to secondary education.

44. The ICFTU's insistence on vocational training at all levels was based on several empirical reasons, both economic and social in nature. In the first place, one of the tasks of vocational training was to develop a positive attitude towards labour, which was impossible unless the training was conducted at the lowest level. Secondly, the economy needed all kinds of workers, not just professional people, and capital could only be used to the best advantage if there was a proper equilibrium between intellectual and manual workers. Thirdly, in poor countries, where the population rarely came into contact with any aspect of modern technology, manual workers needed a more thorough technical training than in industrial countries, where the people automatically acquired a high degree of general technical culture. That need was felt most strongly at lower levels, where the worker's general technical "know-how" was more important than a specialized craft. Fourthly, the use of modern machinery by insufficiently trained workers inevitably led to a high accident rate, accelerated wear and tear, and so forth. Fifthly, in the absence of comprehensive training programmes for workers the rural populations flowing into the industrial centres would inevitably lose the traditional craft skills which could serve as a starting point for the general "know-how" required in industry. Sixthly, vocational training mainly concentrated on the upper layers was bound to widen the gap between the elite and the bulk of the population, which was already one of the most serious obstacles to balanced development. Lastly, such training sooner or later entailed, as its logical counterpart, various schemes which combined vocational training of manual workers with forced labour. The 1962 report of the ILO Committee of Experts on the Application of Conventions contained rich factual material in that regard.

45. There was thus a need for a far higher proportion of skilled workers in the developing countries, for they had to perform many functions which in industrialized countries would be discharged by semi-skilled or even unskilled workers. But there was no reason why the division of functions among the upper levels of industrial manpower in such countries should reflect that which prevailed in the industry of advanced countries. On the contrary, a somewhat different division of labour became possible: many of the jobs which, in an industrialized country, would be entrusted exclusively to senior techni-

cians could be performed by skilled workers — as had once been the case in the industrialized countries themselves. That was an important point, because vocational training was of course less expensive for skilled workers than for higher-level technicians.

46. He did not agree with the idea implied in the Secretary-General's report on the training of national technical personnel, that the developing countries had reached a stage at which their skilled labour and training requirements could be forecast in much the same way as in the industrialized countries. The ICFTU was convinced that such an over-all approach could have indicative value only and could not provide a basis for a programme of action. The main emphasis should be on training conceived as a mass programme on the spot in each economic unit. Vocational training centres should be created to that effect, perhaps on a tripartite basis. That should go hand in hand with the creation of a dense network of labour exchanges, also run on a tripartite basis. Only by co-operating closely with the latter could the vocational training centres make sure that the workers were taught those skills for which there was an effective demand in industry. Projection and planning on the national level could not be effective unless it was complemented and corrected by a more pragmatic approach, such as could be expected from institutions operating in direct contact with the actual production process. Co-operation between labour exchanges and vocational training centres could also help to solve the problems of vocational guidance.

47. The ICFTU was glad to note that the idea of creating work opportunities was now spreading rapidly. He had in mind particularly the organization of small investment work on a large scale, financed mainly by the allocation of food surpluses from the industrialized countries, recently undertaken in connexion with the Freedom from Hunger Campaign. The ICFTU had some experience in that field, especially in the use of voluntary labour to build vocational training premises which were then used by the builders for the acquisition of industrial skills. Experience had shown that such operations could be conducted at very low cost, provided they were approached on a decentralized basis.

48. He had expected that the Secretary-General's report would give some indication of the over-all scope of the problem, and in particular that it would have drawn conclusions from studies like that undertaken at Cairo University on the relation between funds required for adequate training and over-all investment. There were other disturbing omissions: for instance, it had initially been decided that "technical personnel of the intermediate and higher levels" should cover not only foremen, engineers and management, but also skilled workers. But chapters 1 and 4 (see E/3901/Add.1) contained no information whatever on skilled workers, being exclusively devoted to engineers and scientists. He hoped that the Secretariat would fill that gap in future.

49. The difficulties encountered in offering some global indication of training requirements and the possible costs motivated the recommendation, in paragraph 73 (*ibid.*), that the developing countries should endeavour to

train economists and statisticians and to set up their own planning organization units specializing in manpower analysis and forecasting. While the developing countries would have to face such tasks in ten years or so, the comprehensive approach should for the time being be confined to international bodies, and the resources available for training purposes should be devoted to the personnel actually needed in industry. There was certainly no danger of over-training resulting from a failure to forecast needs, since their magnitude could hardly be over-estimated.

50. Sir Keith UNWIN (United Kingdom) said that, since the debate on industrial development at the Council's thirty-sixth session, that subject had been exhaustively examined in various other United Nations bodies; as a result, there was now even wider awareness of the needs and problems involved. A seminar devoted to the industrialization problems of less developed countries would shortly be held at Cambridge University, and he hoped that the Commissioner for Industrial Development would be able to attend.

51. There now seemed to be general agreement on a number of points. Firstly, there was general recognition of the crucial role which industrialization must play in the middle stages of a country's advance towards achieving a self-sustaining rate of growth. Secondly, it was recognized that industrialization and diversification of the economy must be part of balanced over-all development. Thirdly, there was now a general disposition to avoid discussing what might be called the ideology of the subject, and the proper methods for promoting industrial development, it being now agreed that each country must work out its own road to industrial salvation.

52. The practical question was how the United Nations could supply more effective assistance to the developing countries in tackling the difficult problems of industrial development. The establishment of a new specialized agency was regarded by many as the only method by which progress could be made, while unwillingness to accept that idea was interpreted as opposition to the very process of industrialization. His country had opposed the creation of a new agency in the conviction that it was neither the quickest nor the most effective way of ensuring that the United Nations provided more assistance in the industrial field. There were other ways of achieving that object, and his Government was prepared to contribute its fair share of the additional resources that might be needed for the purpose.

53. The principal United Nations agencies assisting in the industrial development field were, and should continue to be, the IBRD group of institutions. The IBRD, IDA and IFC were all making a major contribution to industrial development. As the second largest contributor to the IBRD group, the United Kingdom was making a major effort to assist industrial development, and his Government was determined to go on supporting those valuable institutions. Other parts of the United Nations family were contributing substantially to the technical assistance required in the pre-investment stages of surveying, project formulation and so on. The Special Fund,

in particular, was making a direct contribution in the field of manufacturing industry. If the technical assistance programmes were not at present doing more in the industrial field, the reason was not so much lack of means or machinery as the lack of suitable projects. The preparation of projects in that field was complex, and many of the countries which needed industrial projects were precisely those which were least equipped to formulate them. What was needed, therefore, was more practical assistance in the early stages of project preparation.

54. It was in that type of activity that the Centre for Industrial Development could make a valuable contribution. He paid a tribute to those responsible for getting the Centre under way and expressed the view that the present Commissioner should now be encouraged to expand his activities and should be supplied with additional staff and resources where necessary. In the Committee for Industrial Development, and later in the United Nations Conference on Trade and Development, proposals had been put forward by the United States of America, his own country and others indicating how the Centre should develop; his delegation still regarded those proposals as a basis for a rapid and effective expansion of United Nations activities in the industrial field. He would particularly like to see a strengthening of the promotional activity of the Centre for the stimulus it could provide in helping countries to prepare projects for the Special Fund and other institutions. In that process resources need not be diverted from other important activities.

55. The leader of his delegation had already referred to the need for co-ordination between the Committee for Industrial Development and the Committee on Manufactures which was proposed as a subordinate body to the Trade and Development Board (see E/CONF.46/139, annex A.V.I). There should be no difficulty in defining the relative roles of those two bodies: the former should concentrate on the promotion of industry, including manufacturing industry, while the latter should concentrate on the problems of international trade in manufactured goods. While there might be some fields in which the interests of the two bodies would tend to overlap, with reasonable self-restraint on the part of both Committees there need be no real conflict. What would be needed above all would be co-ordination of the activities of the Committees themselves as well as of the branches of the Secretariat which served them. If the same sort of practical relation could be maintained between the different parts of the Secretariat and the new branch as had been maintained between the existing sections, there should be no serious difficulty. With regard to the Secretary-General's idea that certain subordinate bodies might be so organized as to serve two masters, his delegation was not yet convinced that that would be a satisfactory solution in the present instance; there were two distinct purposes to be served, and it might well be necessary to maintain two separate Committees served by different sections of the Secretariat working closely together.

56. As regards the proposal to hold an international symposium on industrial development and to stage in

advance a series of regional and sub-regional symposia (see E/3921, para. 1), his Government favoured that project and hoped that the symposia would bring together those with industrial experience and those seeking it, into relatively small groups, devoted to clearly defined subjects. From meetings of that type could accrue practical and precise guidance as to the methods and the kind of assistance that the United Nations should give to developing countries in the industrial field. However, as had been pointed out by the Commissioner for Industrial Development in his introductory statement, that process involved the active and positive participation of the developing countries themselves.

57. It would be particularly valuable for each developing country participating in the symposium to undertake a preparatory survey of its own industrial achievements, its needs and potentialities, adding perhaps a statement of the major internal obstacles to further industrialization and the extent to which those obstacles might be surmounted with the aid of a particular international agency or of developed countries.

58. It might thus be possible to bring out the extent to which industrialization depended on political, social and cultural changes. The national surveys could also cover such basic economic data as population, communications, agriculture, and national *per capita* income and its rate of growth. He hoped that the symposia would help to identify more precisely the practical problems facing the developing countries as they became industrialized, and that they would make an important contribution towards the formulation of solutions. In particular, there should be full discussion of the scope for sub-regional co-operation in setting up large-scale industry. In many developing countries, the small size of the market was a hindrance to the development of efficient self-supporting industry, and sub-regional co-operation might therefore be essential. The point was one which had received considerable attention from the regional economic commissions, and the recent industrial survey missions in east and west Africa provided excellent examples of the practical help which could be given towards finding regional solutions.

59. His delegation also believed that the symposium could profitably examine the scope for promoting the technical development of indigenous industries and the use that could be made of research organizations in other countries. The problems involved in making use of technical information brought in by firms which set up factories in developing countries could also be reviewed. A practical approach along those lines would amply repay the substantial effort which would be necessary to set the symposia in motion.

60. His country was ready to contribute bilaterally and multilaterally, both in expertise and in the form of contributions to an enlarged budget, to ensure that help could be practically, effectively and productively provided in the places where it was most needed.

61. Mr. VANDRIES (International Labour Organisation) said that the extremely interesting debate which had taken place showed that the common effort which had

gone into the organization of the Industrial Development Centre had produced useful results. The ILO, like the other bodies which had co-operated in the matter, had the feeling that it had participated in a very worthwhile effort.

62. He wished to give the assurance, on behalf of his organization, that that co-operation would be continued, and he expressed the hope that it would be possible to achieve, by means of continued joint efforts, the objectives which would be defined by the Council.

63. Since the Commissioner for Industrial Development had stated that it was intended to give a wide distribution to the Secretary-General's report on training of national technical personnel, he indicated that the ILO wished certain corrections and adjustments of detail to be introduced into that report before it was produced in final form for circulation to Governments. He would submit to the President a list of the adjustments and corrections in question.

64. Mr. SHOEB (United Nations Educational, Scientific and Cultural Organization) said that the Secretary-General's report clearly showed the great importance and magnitude of the problem of the training of national technical personnel. General Assembly resolution 1824 (XVII) had given clear directives for the report, by calling for estimates of the requirements for such training and of the available possibilities in the matter, for information concerning methods of training and progress in training personnel from the developing countries in the industrially developed countries and — most important of all — for proposals and recommendations.

65. The primary reports of the two inter-secretariat working parties on technical education and vocational education and on manpower assessment and educational planning had called for a considerable volume of work in that diversified field within the terms of reference of that resolution.

66. As indicated in the Secretary-General's report, careful attention should be given to the basic problem of adapting educational and training institutions in developing countries to meet their specific needs of development, and UNESCO had devoted considerable efforts, both within its secretariat and in the inter-secretariat working parties, to shedding some light on that subject, which lay at the root of self-sustained economic development.

67. The information and data gathered by the UNESCO secretariat had already proved of immense value and would be of greater value still when the Secretary-General's proposals and recommendations were implemented. General Assembly resolution 1824 (XVII) mentioned the intermediate and higher levels of technical personnel but did not refer specifically to scientific research workers. The UNESCO's experience in planning technological education had shown that higher education, i.e., the training stage of technologists and engineers, was closely linked with post-graduate work, both in basic research and applied research. Trained scientific workers were as important to self-sustained development as the

technicians and skilled workers had been at the initial stages of development. The need for highly trained personnel became more acute as a country advanced on the road to development.

68. General Assembly resolution 1824 (XVII) had referred to the need for adequate facilities for scientific education and technical personnel, and UNESCO had planned and was executing some thirty Special Fund projects in Africa, Asia and Latin America for the

specific purpose of training personnel and disseminating scientific and technical information.

69. The Secretary-General's report embodied so much material and study that it would be of advantage to Governments to give it their considered attention and to comment on the proposals and recommendations therein contained on the basis of their own experience.

The meeting rose at 5.30 p.m.