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PROVISIONAL SUMMARY RECORD OF THE ONE HUNDRED AND  
THIRTY-FIRST MEETING

held at the National Hall, Lagos, on Wednesday,  
15 February 1967, at 9.45 a.m.

Chairman: Mr. AYIDA (Nigeria)

Secretary: Mr. SYLLA

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of the agenda)(continued)  
Economic co-operation in Africa (item 6 of the agenda)

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WELCOME TO NEW MEMBERS OF THE COMMISSION (item 4(a) of the agenda)  
(continued)

The CHAIRMAN invited the Commission to express its views on the admission of Gambia, Botswana and Lesotho to membership in the Commission and, accordingly, on the amendment of paragraph 5 of the Commission's terms of reference.

Mr. DEBRAH (Ghana) said that as Botswana, Gambia and Lesotho had already been admitted to membership in the United Nations, they should automatically become members of the Commission. Paragraph 5 of the Commission's terms of reference, which contained the list of States members was amended ipso facto. His country welcomed the admission of those three brother countries to the Commission.

Mr. ARTEH (Somalia) associated himself with the statement of the Ghanaian representative.

The Ghanaian proposal was adopted unanimously.

ECONOMIC CO-OPERATION IN AFRICA (item 6 of the agenda)

Mr. MENSAH (secretariat) said he wished to re-emphasize one point made by the Executive Secretary in his opening statement. For practical purposes, the African countries should be divided into groups within which an effective network of inter-State economic relations could be established. But such economic contacts must not be confined within too rigid boundaries. In many cases and for many commodities, natural economic groupings would cut across the boundaries of the sub-regions as now defined. In fact, a number of countries had already applied to join the inter-governmental arrangement in several sub-regions.

The organization of sub-regional groupings was not yet complete. In eastern Africa, ten out of the fourteen potential member Countries had already joined the Economic Community of Eastern Africa. In North Africa, the four Maghreb countries had established a system of close co-operation. But a framework for economic co-operation between the Maghreb countries, on the one hand, and Sudan and the United Arab Republic on the

other, had yet to be found. The representatives of the West African countries had just recommended to their Governments the setting up of machinery for consultation and negotiation in that sub-region. Only a small number of countries had so far indicated their definite agreement to the setting up of machinery for economic co-operation. In that connexion, the statement by His Excellency Lieutenant-Colonel Gowan, had given a positive lead. In Central Africa, the UDEAC system had already been set up and had led to the establishment of a Customs Union and to the wide-ranging co-ordination of economic development policies between five countries of the sub-region.

With regard to the proposed programme of work for the 1967/68 biennium, he hoped that the East African Common Market would shortly be reconstructed. As soon as ECA knew what form the Common Market would take, it could make proposals concerning trade relations between that nucleus of countries and the other countries in the sub-region. The problem of linking Zambia to Malawi and providing the two countries with outlets to the Indian Ocean through East Africa was also being dealt with. United Nations Development Programme had recently approved a pre-investment study on improved transport links within the East African Common Market area. The problem of linking Ethiopia and Somalia with other countries in the sub-region was yet to be seriously tackled. Burundi and Rwanda had also requested assistance in improving their routes to the Indian Ocean, as well as in rehabilitating the Congo basin transport system, which had been seriously dislocated in recent years.

The Maghreb countries had requested the United Nations to formulate proposals for negotiations on the liberalization of trade among them in a selected list of goods. All the countries of the North African sub-region had also requested assistance from the secretariat in working out means of increasing co-operation in tourism, ocean shipping and air transport. A common industrial research institute had also been set up, which, in the coming biennium, was to sponsor a common agricultural research programme to deal with erosion, reafforestation and irrigation.

The countries of Central Africa had requested the assistance of ECA and other international agencies in working out a system of agricultural specialization and in studying the establishment of transport links within the sub-region.

The sub-regional meeting in West Africa had revealed the special interest of the countries of that area in the possibilities of co-operation in the fields of transport and energy. Before that meeting, schemes had already been worked out at the secretariat level for possible programmes of trade liberalization in the sub-region. Meanwhile, the two countries of the West African sub-region which belonged to the Franc Zone had, together with Mali, negotiated a new structure for a Customs union.

During the past two years, one of ECA's principal aims had been to demonstrate the possibilities of a much broader industrial development than would be feasible on the basis of national policies pursued in isolation. The ECA secretariat had attempted to mobilize assistance from all the more advanced countries with a view to converting pre-feasibility studies into fully "bankable" projects. The response from the more advanced countries had so far been disappointing. Nevertheless, in the last few years, some of those countries had announced their readiness to support economic co-operation in Africa. Some had even declared their preference for multinational projects.

The problem of co-operation in air transport transcended sub-regional boundaries. In the coming years, the secretariat would make further attempts to rationalize and extend inter-African air transport links.

It was obvious that, as intra-African trade expanded, the African countries would have to make arrangements to ensure that such trade was facilitated by means of intra-African payments arrangements. Constructive measures in that regard had recently been taken in East Africa. Although they had different currencies, Kenya, Uganda and Tanzania had entered into an agreement on the free convertibility of those currencies

as a means of preserving the essential basis of the East African Common Market. By contrast, the existence of separate non-convertible currencies in the rest of the continent seemed to curtail the prospects of working out satisfactory payments arrangements designed to increase trade. It was the earnest hope of the secretariat that the association of Central African Banks set up under the aegis of ECA would promote the adoption of trade and payments agreements.

The secretariat would be glad if the various sub-regional groups would give it specific directives regarding the projects on which they wished it to concentrate. The guidance of member Countries on the following questions would be particularly welcome to the secretariat:

- (i) The scope of trade liberalization considered desirable and feasible in each sub-region;
- (ii) The transport links that were thought desirable;
- (iii) The measures regarded as suitable for establishing permanent technical machinery for the promotion of economic co-operation in each of the sub-regions;
- (iv) The need for the secretariat during the coming biennium to maintain contact with agreed representatives of each sub-region to assist it in mobilizing external assistance and in making the necessary arrangements for the successful implementation of the programme of economic co-operation in Africa.

Mr. ABDEL MUTAL (Sudan) said he was gratified by the fruitful work done by the Commission in the economic and social fields during the past two years. It was, however, possible to widen the scope of co-operation still further. For instance, where monetary matters were concerned, attempts to establish an intra-African payments union would tend to reduce both monetary and credit problems and would considerably facilitate exchange transactions. Similarly, action taken to expand transport networks would provide a solution to what was generally described as "the African bottleneck". With regard to public administration, the Commission was to be congratulated on giving special attention

to the training of qualified personnel. In all those fields, co-operation could be increased by collaboration with the specialized commissions of the Organization of African Unity.

International aid in the technical or financial fields which was channelled to African States through the Commission would be used to greater advantage than if it reached those States individually under bilateral arrangements. It was no secret that Africa needed capital, whether in the form of loans or grants. There, too, assistance given through the Commission would be more satisfactory, both with regard to the volume of capital and the terms of credit. There was no doubt that the African Development Bank would be a most valuable instrument for stimulating the economic progress of the African countries. It was regrettable that the great Powers had not shown goodwill by making more capital available to the needy countries up to the prescribed limit of 1 per cent of their gross national product. It was to be hoped that the Commission and the African Development Bank would succeed in obtaining greater assistance.

Economic development could not, however, be achieved solely by means of foreign capital. Progress could be attained only through self-help, and the African States alone were in a position to ensure the economic and social development of the continent.

The post-war divisions had put a brake on the development of the African countries, which had been assigned the role of suppliers of raw materials to the metropolitan countries. The only obstacles to international trade so far tackled were those which hampered the commercial relations of the great industrial Powers, and the economic gap between those Powers and the developing countries had steadily widened.

He was glad to be able to inform the Commission that a five-year plan had been drawn up for the Sudan, for which a national committee would be responsible. The new plan, which differed considerably from the previous ten-year plan, provided for the completion of promising projects not yet fully executed and for development of the traditional sector.

He hoped that ECA would continue to play a key role in the development of Africa, provide the machinery for consultation and co-operation, and serve as an important centre for scientific and technical research.

Mr. ALASSANE (Dahomey) said that his delegation proposed to analyse the economic situation in Africa from an international standpoint, since the progress of the African continent was so closely bound up with the general situation in the world as a whole.

The developing African countries were greatly preoccupied with problems of agricultural production and productivity. Progress had been achieved during the last few years, as the African Governments had now realized that external aid was only a supplement and could not yield results unless production was intensified and modernized in the countries concerned. The desire of the African countries to help themselves was obvious, and yet the over-all agricultural picture in the developing countries showed an alarming decline in production and productivity.

The conclusions reached by the FAO Conference in Rome in the summer of 1966 raised in a particularly urgent form the question of the need for wide-spread agrarian reform as the only means of staying off an imminent food shortage. The report submitted by the Under-Secretary for Economic and Social Affairs to the General Assembly at its twenty-first session led to similar conclusions. It was pointed out in that report, inter alia, that the developing countries which had only recently been cereal exporters were now compelled to import them. Similarly, recent studies had established a relationship between stagnation in the agricultural production of the developing countries and their spiralling population growth.

The measures recommended at Geneva in 1964 to promote the marketing of tropical products seemed to have remained at the stage of pious hopes. The failure or even the absence of the negotiations advocated by UNCTAD, coupled with a hardening in the position of the consumer countries, had been accompanied by a substantial drop in commodity prices, while the prices of imported manufactured articles had steadily risen.

There had, lastly, been a slowing down in the flow of capital to the less favoured regions and the developing countries were being compelled to float new loans to pay their old debts.

Africa, like Latin America, Asia and the Middle East was thus in a catastrophic situation. While the growth rate in the industrialized countries was approximately 8 per cent, the corresponding figure in the developing countries was barely 6 per cent.

The Commission was the ideal forum for establishing the objectives of a concerted and non-competitive African economic policy. The report of the Executive Secretary rightly stressed the need for individual efforts by countries to stimulate rational progress in agriculture and for the adoption of a concerted policy for integrated and complementary industrial development by the governments of a given region.

During the past two years, ECA had been largely engaged in a re-appraisal of the economic resources of Africa and in the preparation of a development strategy at the regional and sub-regional level. That task seemed to have been undertaken systematically, although the growing number and volume of documents transmitted to governments was somewhat disquieting. The Commission was to be congratulated on its efforts to bring about a gradual decentralization of activities, and also on defining priorities and drawing up programmes of work for each biennium. If the targets for economic progress defined in the Commission's programme were to be achieved, the individual governments would have to exert themselves and display a willingness to co-operate with the other member States.

Like most African States, Dahomey lived by agriculture, and was at present attempting to replace its subsistence economy by a market economy. It had drawn up plans for the formation of buffer stocks. Mineral prospecting was being intensified and iron, lignite and phosphate deposits had been discovered in the country. Dahomey was planning to build sugar and ground-nut oil refineries and a match factory.

The efficiency of those industrial complexes could be substantially increased if other States would join Dahomey and Togo in their operation. The policy of economic integration desired by member States might be hampered by the proliferation of similar industries in the same region. It was therefore necessary to work out a strategy for specialization and marketing; that could be done through inter-governmental machinery for co-operation, which it had been decided to set up at the sub-regional meeting at Niamey in October 1966.

It was necessary to be realistic and recognize that sub-regional groupings were the prerequisite for any planned development, as the great financial Powers were interested in multinational projects, which offered the best guarantees.

The African countries would have to pool their energies if they were to survive the present reduction in the flow of foreign aid.

Mr. LAMANA (Chad) pointed out that ever since his country had been taking part in the work of ECA it had always emphasized the need for the African countries to work towards the economic integration of the continent, which would be the corner-stone of its political unity. That would be a long-term task and would have to begin with the establishment of a sub-regional economic unions, forming viable market areas. The Central African Customs and Economic Union, of which his country was a member, was the first achievement of that type.

The ECA sub-regional offices would be an invaluable tool for regionalization if they played the part expected of them.

However, unity did not mean uniformity; the special characteristics of each State had to be respected. Chad was a land-locked country, with a chiefly agricultural economy that was based almost exclusively on a single crop - cotton - and extensive livestock raising. The country lacked mineral and energy resources, and problems of transport and access dominated all others.

At the Seventh Session, his country's delegation had stressed three points that it felt were essential to African development: the search for sources of finance, especially through sub-regional development banks the speedy dissemination by ECA of simple, clear and practical information, and the training of medium-level staff in the public and private sectors. Too often the only conclusion of very scholarly and conscientious studies was to point out problems and list possible solutions; the important thing was to direct the countries towards practical solutions, which could always be suggested without going against the grain of national susceptibility.

Financing should be provided by means of middle- or long-term loans, depending on the aim of the operation envisaged. The sub-regional development bank should give its full attention to means for granting credits rapidly and without excessive formalities, in order to encourage investment.

It would be desirable for technical assistance to produce reports accessible to all and easily utilisable, which refrained from proposing solutions that would be too expensive.

The African countries also had material needs, which raised the problem of training users.

His delegation was gratified by the decision to publish in 1967, a study on the economic situation in the sub-regions but an annual study might be ineffective. It would be better if the secretariat of the Commission speedily distributed simple quarterly economic notes making it possible for the countries to reorient their policies in time.

The active assistance of the Commission in the drafting of sub-regional trade and marketing expansion plans would also be valuable. Most African countries produced for sale and sold abroad raw materials for which world prices were steadily falling, in order to obtain manufactured goods whose prices were steadily rising; that was Africa's great problem. In that field as well, speedy distribution of short quarterly notes would be desirable.

Raw material prices would have to be stabilized so that the primary rural and agricultural people of Africa might be able to count on certain receipts; sudden rises in price enriched only the middlemen - they benefited the producers only later, and incompletely.

As Chad belonged to a monetary zone, financing of the balance of payments deficit on a clearing basis was less of a problem than for other countries, but his country still took an interest in all measures aimed at improving the balance of payments of African countries. It was also gratified to see that the role of private investment and suppliers' credit was included in the Commission's programme.

His country noted with satisfaction that the Commission was providing advisory services for the development of the Lake Chad basin and that a water resources development institute was going to be established. The seminar on non-conventional forms of transport would be of interest to his country's technicians; owing to its geographical

situation, his country could not afford to ignore the search for new means of breaking out of its isolation, such as hovercraft, hydrofoils and all types of carriers.

The standardization and stabilization of maritime freight rates was another important question for his country, as everything it received from abroad was burdened with exorbitant transport costs. The seminar on tourism would also be of interest to it.

Lastly, he hoped to see the Central African Sub-regional Office headed by a national of one of the States in the sub-region. ECA action in Central Africa would thus gain in effectiveness.

Mr. AHMED ISMAIL ABID (Somalia) pointed out that the members of the Commission and the secretariat should try to assess how far the Commission had carried out the important tasks assigned to it. It was not in any spirit of fault-finding that he wished to indicate some inadequacies from which most of the developing countries of Africa suffered.

The advisory services and training facilities provided so far under the ECA technical assistance programme were not such as to promote a rapid take-off for the recipient countries. The reports drafted as part of advisory services created a sort of intellectual indigestion, and a few seminars here and there could not train the large numbers of middle- and lower-grade workers that the African countries needed most. Agriculture, livestock and cottage industries needed not so much top experts as men capable of conveying the message of the research farm and the laboratory to the people at the grass roots. So training facilities through the medium of local languages were necessary, as were large-scale programmes for training personnel able to implement development plans. The Commission's technical assistance programme needed a reorientation, and the advisory services should be replaced by concrete projects and by the establishment of training institutions. The services of experts did not produce results commensurate with their very high cost.

Bilateral assistance also often failed to fulfil its purpose. It too often depended on the political objectives both of the donor and recipient and too often took the form of commodity loans or tied loans, thus disturbing existing trade channels and preventing the recipient from getting the benefit of international competitive prices. The hang-over of colonial rule, the costly terms on which external assistance was obtained and the obligation to repay loans in convertible currency meant that the balance of external accounts of most developing countries was in a chronic unfavourable state and that the repayment of interest and instalments of previous loans often even amounted to more than the inflow of capital. Lastly, the burden of their debt was proving beyond their means. It would not be easy to find a solution, but the present session should provide an occasion for giving thought to the problem and suggesting some remedy.

The Governments of recipient countries had sometimes been criticized for not fulfilling their part of the undertaking. It was true that the recipient should play an important part in providing capital, manpower and services, but the circumstances of each country should be taken into account or many of them might be left far behind, for there was a widening gap not only between the developed countries and the developing countries, but also between the developing countries themselves. In the least fortunate countries, an initial investment was needed to break the vicious circle of poverty and low productivity.

The promotion of regional economic co-operation was one of the Commission's chief tasks. The Commission had from time to time given thought to promoting co-operation at the sub-regional level, particularly in resolutions 142(VII) and 145(VII). In this connexion, it was gratifying to note the establishment of the Economic Community of Eastern Africa. On the other hand, it was very regrettable that in June 1966 Kenya had thought fit to revoke the Somali Airlines traffic rights to Nairobi, despite the joint efforts by ECA and ICAO to promote the development of air transport in East Africa; at the same time, Somali nationals were refused permission to enter Kenya. It was true that the two

countries had an unsolved problem between them, but such an attitude on the part of Kenya was a direct hit at sub-regional co-operation. In a geographical area to be transformed into an economic community, it was essential that international links should be facilitated rather than hampered.

The establishment of industries was absolutely necessary for economic development. In seeking potentialities for the industrial development of the various countries, it was necessary to establish balanced national economies and to respect the interests of every country. For example, Somalia had great potentiality for the establishment of food-processing industries, particularly those based on bananas, grapefruit and meat products. It also had large deposits of gypsum. Somalia, which also had great potential for fisheries, would welcome extension of FAO aid to East Africa to cover a study of fish resources and movements of fish off the East African coast.

Finally, as developing countries had to spend considerable amounts in foreign currencies on feasibility reports, as well as on the preparation of designs for civil works, as they had to issue tenders for, and supervise the construction of, such works; he suggested that advisory services in this matter should be established for the benefit of the countries in the region. That was a sector in which the assistance of ECA could be very fruitful.

Mr. MATOVU (African Development Bank) said that the main purpose of the ADB was to contribute to the economic development and social progress of its member countries, either individually or jointly. It attached great importance to projects intended to benefit several member countries or to make their economies complementary and thus promote expansion of their trade. Currently, twenty-nine independent African countries had subscribed the equivalent of \$214 million, a small sum in relation to needs, but one that represented a substantial sacrifice on the part of the members and a clear determination to work together. It was hoped that the African States which were not yet members of the Bank would soon join it.

The Bank had a staff of eighty persons representing eighteen African nationalities. As and when required, it called upon the services of consultants from African and non-African governments and other international institutions. It commenced operations on 1 July 1965. More than twenty project proposals had been received, a few of which were multinational. It had sent missions to several countries to examine specific projects.

The Bank also intended to co-finance specific projects with other agencies, and non-member countries could provide technical assistance, but one of the most effective forms of co-operation envisaged in the Bank's charter was the contribution of funds from capital-exporting countries. For that purpose, the Bank had set up a special fund - the African Development Fund - and had invited the capital-exporting countries to contribute in convertible currencies. Contributions would be used either for grants or for low-interest loans with long repayment periods to finance projects which, although not directly remunerative, were crucial; the ordinary resources of the bank would be used to finance other projects through loans on normal terms.

The Bank had established a scheme of co-operation with the United Nations Development Programme (UNDP) which would inter alia place at its disposal the services of experts in order to help it to prepare and evaluate projects. The total value of the assistance to be provided by UNDP would be about \$3 million over a period of five years. The Bank, on its part, would provide counterpart staff and administrative services. Such collaboration was most realistic and promised to be fruitful.

The Bank was interested in regional and sub-regional economic co-operation, which would make it possible to establish markets of sufficient size. It had already carried out reconnaissance in the fields of agriculture, transport, power, iron and steel, telecommunications and tourism. It was particularly interested in the generation and distribution of electric power, which was a pre-condition to the establishment of manufacturing industries and cold storage for agricultural products.

With regard to road and rail transport, ECA had already initiated several general studies and some were still in progress, but feasibility studies would still be required and engineering studies of specific projects would have to be carried out. Further, agreement would be needed among the States concerned to implement plans that might be drawn up by their experts with the assistance of international institutions such as the ADB.

The Bank offered to its members technical assistance in the preparation of loan applications, in which it supplemented ECA.

Africa had to produce more food and raw materials, not only for export but also to enable it to establish industries based on such materials, or processing such produce. Industrial and agricultural development must go hand in hand. The Bank was therefore interested in irrigation and land reclamation schemes, fisheries, dairies, cattle ranches and the exploitation of forest and mineral resources. It was looking forward with interest for the establishment of industries to

process products and, perhaps later, industries producing agricultural machinery, fertilizers and pesticides.

Africa should bear in mind the vulnerability of economies depending on a few primary products, which were subject to the vagaries of the weather or fluctuations in world prices. Therefore it was simultaneously necessary to diversify agriculture and prepare industrialization.

Speaking of industrialization, he referred to the importance of small-scale industries, which needed relatively small capital and did not call for very advanced skills but through which it was possible to achieve savings in imports, and thus in foreign exchange, provide employment to local people and assist in the development of African entrepreneurship and help to train managerial staff.

The Bank was empowered to grant loans to national development banks in member countries, which was not the least of the services that it could render. It was prepared to contribute its own quota to the implementation of soundly conceived schemes that would allow the African countries to achieve a satisfactory rate of development on a national as well as a continental basis.

Mr. TEVOEDJRE (International Labour Organisation) said he wished to describe what seemed to him to be the best means of furthering the Commission's work and also to give a clearer picture of the ILO's position in the United Nations family and of its role in the African continent.

In the first place, it was necessary to define three basic concepts, that of development, that of co-operation and, lastly, that of African Unity and economic or political integration. It was a question of determining what part the ILO could play in efforts to clarify those three concepts and to translate them into reality.

He warned the Commission against making the serious mistake of confusing development with a slavish imitation of the way of life of European countries. One of the most curious economic phenomena of the century was to be seen in Africa. Most of the countries imported from abroad articles or products which they could manufacture or produce locally. Such a disregard of the natural environment was the opposite of development, which might be defined as growth based on aid, development of the available sources and qualitative improvement through personal effort. The function of the ILO was to draw attention to the profound importance of authenticity and individuality. Work, whether it concerned an individual in his profession or the mobilization of a whole community, whether it involved an intellectual or a material investment, was the only true source of development. In drawing attention to that principle, the ILO was remaining true to its proper role. The purpose of the Organisation which had been set up by Albert Thomas in 1919 and which was now one of the oldest in the United Nations family was to enhance the importance of labour, to reaffirm respect for the worker and to ensure his protection at the international level.

Co-operation might be defined as an exchange between partners with mutual respect for each other's individuality and differences in character. It must therefore meet certain requirements. Africa must,

in the first place, continue to affirm its existence. Its institutional and administrative machinery must be independent and stable, since co-operation could exist only between genuine partners. If co-operation was to exist, Africa must avoid ideological conflicts which might thwart the legitimate aspirations of its peoples. Co-operation was an association of peoples jointly seeking a balanced course in a spirit of endeavour and understanding.

The ILO had long ago defined its world-wide and regional aims. In its view, efforts at co-operation must transcend national communities, but a good government could not disregard the policy dictated by the geography of its country. The only alternative to Africa's present isolation based on individualism and to the leveling-out process with which it was now threatened lay in regional organization and integration. That was precisely what ECA was proposing.

Africa should be grateful to the Executive Secretary of ECA for having developed the regional structure of the Commission, which had been conceived in terms both of unity and diversity. The regional approach which had been adopted would lead to a better understanding of the realities of so immense a continent as Africa.

Following the example of the United Nations, the ILO had undertaken a decentralization of its own activities and had established its regional machinery. Africa had to be considered both as a whole and in its diversity. The ILO's regional office for Africa, which was at Addis Ababa, was responsible for co-ordinating all the Organisation's activities in Africa; it would, in particular, be responsible for co-ordinating those of the sub-regional offices to be established in Algiers for the Maghreb, Cairo for the north-eastern area, Dar-es-Salaam for the central area and Lusaka for the southern area.

The ILO wished to identify itself with Africa, its problems and its workers. There was not a single African State where its presence was not felt, and the Commission would shortly receive a brief report giving a comprehensive account of its work. The latter mainly related to the training and organization of labour as a prerequisite for development, to the training of qualified personnel for the management of economic activity, and to sound and equitable labour administration. Where political and social affairs were concerned, attention should be drawn to the important work being done by the International Institute for Social Studies at Geneva, established by ILO. Similarly, the international centre for advanced technical training at Turin was open to skilled workers wishing to improve their qualifications.

In the belief that the training of workers and qualified personnel was the key to economic growth in Africa, the ILO placed its experience and the services of its officials and experts at the disposal of the continent in the firm resolve to further international co-operation. It proposed to collaborate closely with the Economic Commission for Africa and with the Organization of African Unity, with which it was already associated through an agreement. It hoped that the African Governments, employers and workers would form a united front for production and development.

Mr. SOLODOVNIKOV (Union of Social Soviet Republics) said he was confident that the peoples of Africa would succeed in overcoming the obstacles to social and economic progress which still beset them. The Soviet delegation supported those peoples in their efforts to put an end to the policy of racialism and apartheid pursued by the Government of South Africa. It also supported the General Assembly resolution terminating the mandate of the Republic of South Africa over South West Africa. The Soviet Union was co-operating with the African countries in opposing the racist regime in Rhodesia. It also supported the African freedom fighters battling against the Portuguese colonialists in Angola, Mozambique and so-called "Portuguese" Guinea. The Soviet delegation believed that ECA could implement its resolution 94(VI)

immediately by authorizing Angola, Mozambique and South West Africa to participate in its deliberations as associate members.

In spite of some progress, the newly independent African nations had not yet remedied the grave economic legacy inherited from the colonial era. Industrial growth had not yet led to a radical reconstruction of the national economies of the African States. Food production was lagging behind population growth, and Africa's needs for qualified national personnel were far from being met.

The Commission would have to strive to solve the main problem confronting the African nations, that of securing economic independence. Only profound social changes could remove the obstacles in the way of agricultural and industrial development. Possession of capital was not enough. It was also necessary to have the right social conditions for rapid industrialization. The public sector had a decisive role to play in the economic development of the African countries, and the Commission's secretariat should pay more attention to that problem.

African countries had great difficulty in finding outlets for their semi-manufactured and manufactured products in Western markets. The Soviet Union supported their efforts to improve the conditions of their foreign trade.

The African countries needed an inflow of economic aid, and it was only natural that such aid should be granted to them by the capitalist States which had been pumping enormous profits out of Africa for so many decades. Unfortunately, however, neither the volume nor the terms of Western aid were satisfactory. The statistics of the volume of aid did not reflect the outflow of capital represented by the substantial dividend and interest payments which the African countries had to pay foreign investors. Those countries should not accept foreign private capital unless it was intended to be used to promote national development plans. The aim of economic and social progress should be to enable countries gradually to dispense with financial assistance from abroad.

The Soviet Union welcomed the progress made in regional co-operation in Africa, which was one of the prerequisites for economic development. It was, however, necessary that the economic groupings to be set up should rebuff all attempts to turn them into appendages of the various blocs of developed States. Economic co-operation must not be prejudicial to the national interests of the African countries.

The Soviet Union was seeking to strengthen its ties of economic co-operation with the independent countries of Africa. In 1965, the total value of its trade with those countries, which had doubled since 1960, had amounted to 500 million roubles or almost US \$550 million. The USSR was at present trading with twenty-four African countries. More than 57 per cent of its exports to the African countries consisted of machinery and equipment. Its imports from those countries consisted not only of the traditional commodities but also of goods manufactured by the national industries. The long-term credits which it granted to the African countries for economic development totalled over 1,500 million roubles. The USSR was currently assisting in the construction or expansion of 830 enterprises in Africa, 118 of which were already in operation. About 70 per cent of the credits granted were channelled into the development of national industries.

The Soviet Union also helped the African countries in training their national personnel. More than 5,000 young Africans were attending institutions of higher learning in the USSR and over 10,000 young Africans were receiving technical training there. A large number of local technicians had also been trained on the construction sites of the enterprises built with the assistance of the USSR. Thousands of young Africans were studying in institutes and schools in Africa, built and fitted out with the assistance of the USSR.

The Soviet Union took part in the United Nations Development Programme, but did not believe that activities under that Programme fully met the aspirations of the independent African nations. The choice of projects was still inadequately co-ordinated with national

development programmes, and the contributions of the USSR, the Ukrainian SSR and the Byelorussian SSR were being under-used. The German Democratic Republic was not allowed to take part in the technical assistance activities of the United Nations.

The Soviet delegation accordingly wished to make three specific proposals. First, the ECA secretariat should be requested to study the conditions under which the African countries had access to the world market and suggest specific measures for their improvement. Secondly, the ECA secretariat should be requested to prepare a report on the flow of financial resources into and out of Africa, showing, in particular, the amount of interest and dividend payments to foreign investors. Thirdly, the Soviet Union was prepared to allocate funds from the unused part of its technical assistance contributions to the United Nations to finance a regional vocational training school or a regional training centre which would operate in Africa under the auspices of ECA.

Lasting peace was vital to the harmonious growth of the developing countries. Mr. Mboya had rightly pointed out that the war in Viet-Nam was an obstacle to international co-operation and to the development of the African countries. The Soviet Union believed that the war of aggression which the United States was waging in Viet-Nam was a threat to international co-operation and hindered the work of the Economic Commission for Africa.

He hoped that, during its eighth session, the Economic Commission for Africa would succeed in solving some of the most acute problems that were delaying the progress of the African countries.

The meeting rose at 12.55 p.m.