

52143

UNITED NATIONS  
ECONOMIC  
AND  
SOCIAL COUNCIL



PROVISIONAL

E/CN.14/SR.133(VIII)  
18 February 1967

ENGLISH

Original: FRENCH

ECONOMIC COMMISSION FOR AFRICA  
Eighth session  
Lagos, 13-25 February 1967

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

held at the National Hall, Lagos,  
on Friday, 17 February 1967, at 9.30 a.m.

Chairman:

Mr. AYIDA (Nigeria)

Secretary:

Mr. SYLLA

CONTENTS:

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

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Participants wishing to have corrections made to this provisional summary record are requested to write them on two copies of the record and to send the corrected copies to the office of the Secretary of the Commission (Mr. A. SYLLA) as soon as possible. If necessary, the corrected copies may be sent by post to the office of the Secretary of the Commission, Economic Commission for Africa (P.O.Box 3001, Addis Ababa, Ethiopia), after the session, to arrive not later than 30 April 1967.

ECONOMIC CO-OPERATION IN AFRICA (agenda item 6) (E/CN.14/346, E/CN.14/352, E/CN.14/351, E/CN.14/354 and Add.1, E/CN.14/366 and Corr.1, and E/CN.14/386) (continued).

Mr. BRIGHT (Liberia) said he had noted with keen interest those sections of the reports submitted by the Executive Secretary which dealt with economic co-operation in West Africa. His Government had long attached great importance to co-operation throughout the continent and especially in West Africa. Two years before Ghana had become independent, his Government had invited that country's authorities to discuss co-operation, particularly in the economic field. Again in 1959, after Guinea had become independent, Liberia acted as host to the presidents of Ghana and Guinea for joint discussions of the problem. That same year, his Government had convened a preliminary Conference of African Businessmen, a second session of which had been held at Casablanca in 1961. Those meetings had given the representatives of thirteen African countries the opportunity to explore avenues of economic co-operation; thanks to ECA assistance, they had made possible the establishment of the African Development Bank. Lastly, in 1961, after many West African countries had become independent, his Government had acted as host to a conference of African Heads of State and Government, at which the possibility of achieving co-operation in the continent had been considered. All those meetings had expressed themselves in favour of co-operation and had led to a decision that the first steps should be taken at the sub-regional level. At least ten other meetings had since been convened, both at the technical and the ministerial levels, in an effort to translate into effective action the desire for co-operation that had been displayed. Unfortunately, it had to be admitted that substantial progress had not been made in economic co-operation. The funds and resources spent in organizing the conferences would have gone a long way towards financing the engineering studies for the road network which had already been discussed at the West African Transport Conference held in Monrovia in 1961.

His country had no intention of forcing the other countries of the region to take decisions contrary to their own interest or against their will. It merely wished to remind them of the decisions which had been taken in principle and to stress the urgent need for specific action.

Africa had many friends prepared to provide assistance as soon as the Governments concerned had reached agreement on joint projects and programmes of co-operation. The Governing Council of the United Nations Development Programme had recently considered the question of international assistance to Africa, and had taken a special interest in regional projects. He was sure that the same was true of other United Nations organs and bodies.

In that connexion, his delegation wished to make a few proposals concerning economic co-operation in West Africa. First, the Commission should, at its eighth session, request the West African States to submit to the Executive Secretary by 15 March 1967 their views on the draft articles of association for the establishment of a West African Economic Community, which had been recommended by the Niamey sub-regional meeting. Secondly, as soon as replies had been received from at least seven Governments, the Executive Secretary should convene, by 30 April 1967, a meeting of accredited ministers or plenipotentiaries for the final adoption of the articles of association. Thirdly, member States should make every effort to send representatives at the appropriate level to the meeting. Fourthly, the success of any arrangement for co-operation would depend on an effective secretariat, which should be established as soon as possible, either by the West African Governments themselves or, as had been proposed, in conjunction with ECA. Fifthly, the ECA secretariat should make a thorough analysis of the key aspects of economic co-operation. Lastly, it should undertake a limited number of detailed studies and projects bearing on sub-regional co-operation.

His delegation did not underestimate the need to establish regional economic co-operation and co-ordinate action at the sub-regional level. It considered, however, that sub-regional co-operation was an important step in that direction.

He wished to stress the importance of the project for establishing a West African iron and steel complex. His Government had taken several steps in that connexion since the Commission's seventh session. Consultations had taken place, with all the countries of the sub-region which had agreed in principle to the establishment of an iron and steel authority within the framework of the general system of economic co-operation in West Africa. With respect to the plant to be set up in Liberia in view of the positive reaction of the International Bank for Reconstruction and Development and other financing institutions, his Government had commissioned several pre-investment studies. That phase of the project was being carried out with the assistance of UNIDO and the financial aid of UNDP. The ECA secretariat had also provided extensive technical assistance, in conformity with the decision taken at the Bamako Conference. It was to be hoped that the implementation of the project would represent a first step towards close co-operation in all spheres between the countries in the region.

Mr. BAHIZI (Democratic Republic of the Congo) said he thought that economic co-operation in Africa was primarily a question of harmonizing production plans, trade and research on economic development. Before being introduced at the regional level, co-operation must be achieved between neighbouring States or at the sub-regional level.

With regard to the harmonization of production plans, industrialization would enable the African countries to raise their standards of living and buttress their political independence. In view of the obstacles which international finance placed in the path of economic progress by the young nations, close co-operation among those nations was essential. In Africa, a start could be made in sub-regional co-operation by taking stock of each country's potentialities defining priority goals and

drawing up concerted development plans. Such a division of labour would call for a study of financing and implementation conditions for the projects. In that connexion, ECA would have to persuade the developed countries to institute what Mr. Mboya had called a "Marshall Plan for Africa".

With regard to trade, only an "open-door" policy would make possible closer co-operation among the African countries. Free trade groupings had been set up and it was important for them to lower trade barriers in favour of their neighbours in order to facilitate broader co-operation. His country had already contributed to that development, as its trade with other African countries showed a clear excess of imports over exports.

The African countries must pool their efforts in the field of research. In addition to the continent's existing facilities, his country made available to the African countries a number of economic, industrial and scientific research institutes and centres mainly located at Lovanium University (Kinshasa) and at Lubumbashi University.

Increased co-operation was also needed in the training of professional staff. Instead of sending their students to the developed countries, where they chose a subject of study not yet offered in their home countries, the African States should encourage them to attend African universities. That would both make it possible to justify the substantial sums invested in those institutions and to avoid cutting students off from the realities of their environment, while guaranteeing them a solid training.

One of the most important forms of co-operation should be the harmonization of national economic infrastructures. Such harmonization assumed special importance in regard to transport, particularly rail transport.

Unfortunately, Africa was at present divided, not only by the language barrier, which was easily overcome, but, what was much more serious, by the methods of economic co-operation inherited from the former colonial Powers. As the Nigerian representative had so aptly pointed out, because of preferential tariffs, some African countries

were often obliged to buy the commodities they needed from developed countries rather than African countries. African unity would only be achievable on a basis of economic unity. The African countries were also divided by their fiscal arrangements and customs tariffs and by their differing monetary systems, factors which constituted a major obstacle to effective economic co-operation. For that reason, his Government had noted with satisfaction the action taken by the Executive Secretary of ECA to speed up the economic integration of Africa by dividing it into four large sub-regions. Unfortunately, development was lagging in West Africa. His Government was determined to continue and strengthen the "open-door" policy it had hitherto followed, and its objectives had once more been approved by the summit conference of African Heads of State which had just been held at Kinshasa. The seven Heads of States who had attended the conference had expressed their full support for the Congolese people's struggle for economic independence. They had also set up two committees, one of which would be responsible for security matters and the others for transport and communication problems. Experience in the Congo clearly showed that security was a prerequisite for economic progress.

The experience gained by the Democratic Republic of Congo was certain to be of interest to the other countries of the continent. For that reason, he wished to give a brief account of his country's achievements and projects. The Congolese leaders considered that planning was a responsibility of the Government, and one of its most important functions. They thought that the Congo should base its middle and long-term objectives on the general trends of the economy over the last twenty years. In fact, when the Congo was still a Belgian colony, its economic and social development was ensured by planning. The first ten-year plan (1950 - 1959) made it possible to establish an infrastructure, thanks to which the annual growth-rate of the Congolese economy reached 11 per cent during the period 1950-1955, as against 7 per cent before. During the same period, the capital investments made averaged 22 per cent of the gross national product. Those facts showed the dynamism of the Congolese

economy. In view of the existence of almost unlimited resources in agriculture, mines, manufacturing industry and energy, that dynamism should guide the Government in its economic development policy. As it intended to double the national income by 1975, the Government was taking measures to industrialize the country, to undertake the construction of the great Inga project and to stimulate agricultural production. In the light of those objectives it had been possible to determine the broad policies of the future five-year plan, which would begin in 1968. Until that time, those responsible for the Congolese economy had decided to take interim measures affecting agriculture, fisheries and the diversification of industry. Financing would be provided partly out of public funds and partly by means of long-, middle- and short-term loans negotiated by the Government. There was an obvious relationship between the general objectives of the five-year plan and the immediate measures taken under the interim plan.

With regard to agricultural problems, the Office of the High Commissioner for Planning had worked out an over-all programme for the development of the three economic zones of the country. That programme included a complete study of the current situation of agriculture in the country, as well as of the question of a recovery in agriculture. The first problem was that of supervisory staff for farmers, which had to be reinforced. Similarly, there would have to be changes in the current system for marketing products, which was chiefly based on consumption of own production. Notably, it would have to be made possible to bring products into the urban centres, so as to facilitate trade between the town and the countryside.

Such structural obstacles had been associated with political obstacles; the rebellion had caused an exodus to the towns and had encouraged speculation and certain illicit traffic with neighbouring countries. In order to make it possible to eliminate that evil, the efforts made in the domestic framework would have to be supplemented by close collaboration with such countries.

Those obstacles could be overcome, thanks to the country's vast resources in human potential and the possibilities of action open to the public authorities. The labour force had remained intact and capital had not suffered to the point of making any recovery impossible. Numerous measures were envisaged, notably in fisheries, food crops and animal production, which would be accompanied by parallel action on problems of supervision, infrastructure and finance.

For the industrial sector, it was necessary to increase production, while allowing existing industries to work at full capacity and establishing industries to produce capital goods. Currently, industrial production represented about 40 per cent of total national production. The mining products from the Congo held a prominent position in the world market and provided the country with considerable foreign exchange revenue. The manufacturing industry was highly diversified and in full process of expansion: its rate of growth had been about 13 per cent during the 1960-1965 period. However, it was mainly in the textile, chemical, food-processing and building materials industries that progress had been most rapid. Thank to the development of the industrial sector it was already becoming possible to meet most of local demand. The Congolese industry therefore played a leading part in the economic life of the country.

Mr. M. MEHIRI (Tunisia) noted with satisfaction the progress made by ECA in its efforts to rationalize its structure and to provide for itself proper instruments of action so that it could more effectively play its part in the economic development of the continent. The past two years had been marked by the increased activity of the Sub-regional Offices, which had become genuine centres for reflection and research, and which, on the basis of local realities, attempted to ensure the integration of greater and greater economic areas. Similarly, the various meetings organized to examine problems of paramount interest had been very useful, since it had been possible to organize a joint meeting with the OAU ad hoc Committee of Fourteen at Addis Ababa in 1966 to determine the most effective methods of intensifying intra-African trade.



He was also gratified at the efforts made to harmonize the positions of the African countries at the Second United Nations Conference on Trade and Development. Similarly, the African countries should not remain aloof to the concerns of countries participating in the Kennedy round. They could consult with one another at the meeting of the 77 which was planned to be held at Algiers with the other developing world countries so that they could present a common front at the second United Nations Conference on Trade and Development. They would have to try to influence the positions of the privileged countries in order that the latter would take their vital interests into account. The constant disturbances in trade flows and the sometimes spectacular declines in the prices of the primary products exported by the developing countries were serious obstacles to their economic expansion. Tunisia had not been spared by such disturbances, which had been all the more damaging to it as they had been motivated by political considerations. The bases of international trade would have to be relaid in such a way as to ensure the developing countries an adequate and steady income.

Despite the progress made, the economic development of the African continent was proceeding too slowly. The meagre rate of growth was explained by the inadequacy of capital investment. The income of the peoples was very low, and foreign aid, very much below what was needed, was coupled with more and more intolerable conditions. He agreed with Mr. Mboya that foreign aid could not currently be considered as the essential basis for any development planning. To ensure the economic growth of the continent they would need massive foreign aid that would not be reflected in a constant deterioration of the terms of trade, an aggravation of the burden of debt and new difficulties in the balance of payments. The privileged countries would have to adapt their aid to the real needs of the beneficiary countries. However, it was for the developing countries themselves to make the structural reforms that would allow them to increase their domestic capacity for financing capital investment.

The Executive Secretary of ECA had rightly emphasized that foreign capital, both public and private, would probably be forthcoming in the desired quantity as and when the governments mobilized the human and material resources of their countries more completely and took the measures necessary to create a climate favourable to investment. That was the strategy that must serve as the basis for development planning.

First of all, it was necessary to increase national savings. By reducing the rate of increase in operating expenditure and improving tax policy, governments should be able to increase their savings substantially. In the same way, by sustained action in the sector of educating their citizens, it should be possible to increase the savings of individuals and enterprises and to reduce capital transfers to the minimum. That was how Tunisia had been able to make a very substantial increase in the ratio of investment to the gross national product, which had risen from 14 to 28 per cent between 1960 and 1965, a period during which domestic savings also grew. In order to maintain gross fixed capital formation at a high level, that policies would be continued, and it was planned that gross domestic savings should reach the level of 17.5 per cent of the gross domestic product. Thus Tunisia's external deficit in goods and services could be reduced from 10 to about 4 per cent of the gross domestic product by 1970.

He was happy to note the importance that ECA attached to the problem of training. The recommendations of the Working Party on Manpower and Training that recently met at Addis Ababa would have to be implemented. Tunisia was trying to lay the foundations of manpower planning and to collaborate in that sector with the other African countries. In addition to the fellowships that the Tunisian Government had offered through OAU, the forthcoming establishment of an African insurance institute in Tunis would contribute to the training of competent African cadres. The efforts of ECA, the Dakar Institute and the other African training centres, as well as of UNITAR, should make it possible to carry through the important task of vocational training for the younger generation.

The efforts made by ECA to achieve economic co-ordination in the North African sub-region deserved to be emphasized. In June 1966, at the Tangier meeting, the countries concerned responded to resolution 142(VII) by submitting projects for complete economic integration and by manifesting a joint determination to establish among the Maghreb countries a vast market that would in large measure be open to the other sub-regions of Africa. Solid results had been achieved and the countries of the sub-region knew that they could count on the active assistance of ECA.

In conclusion, he wished to refer to the Second United Nations Regional Cartographic Conference for Africa, which was held at Tunisia from 12 to 24 September 1966. The report of the Conference contained resolutions which it was important to implement, in particular one concerning the establishment of an ECA cartographic committee, because that would be an important subject along the road to intra-African scientific and technical co-operation.

Ato ABDURAHMAN (Ethiopia) said he wished to touch on the African continent's economic and social problems before discussing the ECA programme of work. Africa was beset by hunger, disease and ignorance. Economic development was therefore an essential means of alleviating those ills, but the question of how to achieve those ends remained unanswered. The method of trial and error was impracticable; concerted action and common methods were necessary.

The Commission had been set up to study economic development problems and find the best ways of solving them. It had so far diagnosed, defined and analysed the problems, and had in particular stressed the urgent need to develop agriculture and education in order to counter hunger and unemployment. It had already declared that it had completed the first phase of its work, that of making studies and intended to go on to the second phase, that of implementing programmes and assisting member States with their economic and social projects. The programme of work submitted by ECA for the coming biennium still, however, seemed to be dominated by preliminary and general studies, which were unlikely to lead to speedy action. In his opinion, ECA should revise its programme of work and submit specific proposals, especially for increasing agricultural production and expanding industry. Co-operation among African countries was also hampered by a lack of information on trade opportunities and practices. The programme of work should, therefore, be revised in that respect, too, and a change in the administrative machinery of ECA should perhaps be considered.

Mr. CHARPENTIER (France) said he had a number of comments to make on developments in the economic situation and the problems it posed for African economic development.

The total figures for 1965 and the estimates for 1966 showed that international trade had continued to grow during that period, but that the developing countries had not fully achieved the targets they had set themselves. The position in regard to commodity trade was still disquieting. In 1965, cocoa prices in real terms had fallen to the

lowest level since 1930 and coffee prices had been maintained with difficulty. Generally speaking, the price index of primary commodities, which had risen approximately 7 per cent between mid-1965 and mid-1966, had since declined.

On the whole, even if economic conditions were not too unfavourable for the time being, the actual structure of the commodity markets apparently remained unchanged. As several speakers had pointed out, the deterioration in the terms of trade still remained a particularly troublesome problem and it was essential to redouble efforts to find a solution.

In that general context, he wished to give a brief account of the part played by France in the expansion of trade and in aid for development. In 1966, France's trade account with the developing countries in Africa had shown a very much larger deficit than in 1965. That had tripled, between 1962 and 1966, enabling the African countries to secure, through their trade with France, resources to assist in balancing their over-all external accounts and in financing their domestic development.

France's contribution to the development of the African continent was not limited to trade. Allocating, as it did, 1.85 per cent of its national income to external aid, France was still the chief donor country in relative terms and the second in absolute terms. Over half that aid went to the African countries, and was given on favourable terms, since 80 per cent of France's official aid was in the form of grants. The contributions of private capital took the form of investments rather than of more or less long-term credits.

France was also seeking to improve the programming of its aid and the procedures involved. It appreciated the importance of planning for the African countries and it had therefore supported their efforts to draw up development plans. From that standpoint, training was crucial, a fact which explained why the proportion of technical assistance in French aid had risen from 20 to 27.5 per cent between 1962 and 1965.

In the special case of Algeria, France was gratified that a formula for agreement relating to oil and industry had been worked out, a formula which marked a felicitous innovation with respect to methods.

But increased trade or the provision of financial and technical assistance was not enough to solve the problems facing the developing countries. A more rational organization of trade between unequal economic partners was requested which would call for some modification of the principles of economic liberalism.

As long as commodities accounted for practically 80 per cent of the export earnings of the developing countries (90 per cent in the case of the African countries) and the international community took no steps to prevent the continuation of short-term fluctuations and long-term deterioration in commodity prices, it would be impossible for those countries to make any economic forecasts or to base their economic and social development in their exports. Since the possibilities for increasing the volume of exports were limited, the emphasis would have to be placed on prices, which must be fixed at equitable levels and maintained by concerted action.

In trade, the principle of equality operated in the same way as the principle of liberty. In situations of inequality, equality of principles and rules degenerated into injustice. Inequality between partners in economic competition required that products exported by under-developed countries should encounter fewer obstacles than those marketed by the developed countries. Hence the idea of preferences which France, like other countries, was upholding in international organizations.

France would continue to give unqualified support to any consistent and realistic proposals put forward by inter-African organizations with a view to fostering economic co-operation in Africa. It was in that spirit that it would continue to collaborate with ECA.

Mr. GOLDSCHMIDT (Observer for the United States of America) speaking at the invitation of the Chairman, said that the disappointing rates of growth in Africa reflected the failure of the States members of the United Nations to meet the objectives of the Development Decade. As the Under-Secretary for Economic and Social Affairs had said, the difficulties of certain problems had not been accurately sized up in the first flush of enthusiasm over independence.

Africa had made progress, but there was still a long road to tread. It now had a chance of tackling its problems with the assistance of various programmes which gave meaning to the provision of the Charter of the United Nations, which stated that the Organization "shall promote higher standards of living, full employment, and conditions of economic and social progress and development". Africa could now also draw upon a whole range of new techniques. The advances in energy, information, transportation, communications, medicine and agriculture were among the miracles of the age. Africa could similarly benefit from institutions such as the African Development Bank, OAU and ECA, and it had an enlightened leadership, which recognized its needs and was finding ways of meeting them. The accomplishments of ECA and other African institutions substantiated the hopes of the United States for the optimum development of Africa.

In referring to the strategy for economic development, previous speakers had often placed emphasis on the importance of self-help. Mr. Mboya had rightly pointed out that the task of developing Africa was one for Africans working in co-operation. The United States shared that view and regarded the priorities established by ECA as sound. The United States Government had always placed the greatest emphasis on sufficient food, education and health. It was ready to assist multinational projects in education, health, communications, transportation, energy and agriculture, either through voluntary programmes or through its contribution to the United Nations Development Programme and the specialized agencies. Studies and surveys financed by the United States would soon be undertaken on the establishment of a telecommunication link between Lagos and Abidjan.

Other surveys would deal with improvement of transport in Central Africa and the development of energy in West Africa.

The pragmatic regionalism in which President Johnson was a firm believer required the co-operation of all. The United States, for its part, would do its utmost to further such co-operation.

Mr. MANFREDI (Observer for Italy), speaking at the invitation of the Chairman, said that the Italian Government would continue to assist in Africa's development by means either of bilateral or of multilateral agreements, in other words, through the various regional or international bodies.

The aid given by Italy sometimes assumed a special character because of the structure of the Italian economy. He had in mind, in particular, the construction of giant dams to increase the energy resources of Africa and facilitate irrigation. Italy also participated in road and railway programmes, as well as in communication projects. Italian aid took the form of the despatch of technicians and the granting of credits.

The Italian Government intended to increase its collaboration with the developing countries through bilateral agreements. It would offer fellowships for study in Italy, finance the building of Italian schools in Africa and send experts to that continent. It would participate in the financing of economic plans and studies. Italy had concluded agreements with a number of African countries which were already in operation.

An International Centre for Advanced Technical and Vocational Training had been inaugurated at Turin in March 1966 under an agreement with the International Labour Organisation. The Italian Government, Italian private industry and the municipality of Turin had contributed \$36 million towards the construction of that Centre, the annual operating cost of which would amount to \$1.5 million.

Italy was close to Africa and its prosperity was bound up with that of Africa. It was convinced that the efforts undertaken by the African countries would be crowned with success.



Mr. PREBISCH (United Nations Conference on Trade and Development) said that the reason why the main objective of the United Nations Development Decade would apparently not be achieved - as the observer for the United States had also noted, with regret - was largely that the international community had not yet recognized the need to adapt itself to the extraordinarily rapid progress made in technology, which would necessitate changes in at least three sectors.

First, the spread of modern techniques and the raising of income in the developed countries led to changes in the demand for all kinds of products. During the past twenty years, instead of taking measures to counteract the unfavourable incidence of such changes on the exports of developing countries, the industrialized countries had reacted with new restrictive measures on the flow of goods from the developing countries, not only primary products but also manufactured goods, for example, textiles.

Secondly, technical development required the mobilization of considerable financial resources, both locally and internationally. However, the financial assistance granted by the industrialized countries to the developing countries was continuously deteriorating, in relation to the gross income of the industrialized countries, and even in terms of the volume of aid. Unless measures were promptly taken to correct the situation, very grave consequences would follow.

Thirdly, the majority of the developing countries had not yet recognized the need to adapt their economic and social structures to developing technology. The whole effort of international co-operation might fail unless that essential transformation were made.

It was necessary to stop casting all the blame on the developed, or on the developing, countries; both groups shared the responsibility for building international co-operation, and the moment had arrived for truly co-ordinated and synchronized action in that direction. It was admittedly not easy to change structures in the developing countries,

but that task would be less difficult if the necessary trade and financial measures were taken to accelerate the rate of growth of the developing countries. There was hope that the second United Nations Conference on Trade and Development would discuss that cardinal problem and would manage to find a starting point for the necessary joint action. The most important thing was to quantify the problems so as to work out commensurate solutions.

Both in trade and finance, some subjects seemed to be mature for immediate action and should allow of solution.

In trade, there had since the first Conference been distinct progress in the attitude of the developed countries to a system of trade preferences in favour of the developing countries. Even if, as was hoped, the Kennedy Round led to a general 50 per cent reduction in prevailing Customs tariffs, the industrialized countries would have to grant additional reductions for goods - both primary products and manufactures - from the developing countries. All the developing countries, and not only those which were already partly industrialized, would immediately benefit from such measures.

His organization was currently preparing a report on trade between the socialist countries and the developing countries, the expansion of which might be facilitated by increasing trade between east and west.

Africa should not repeat the mistake made by Latin America, which, at a time when world trade was in recession, split up into about twenty economic units, each of which made the same efforts at industrialization at great cost. Times had changed and Africa could make a bold bid for regional and sub-regional integration by profiting from the experience Latin America had gained since the war. The Latin American Free Trade Association might still need to assert itself, but the Central American Common Market was a reality and a success. Nothing had happened to justify the misgivings entertained when it was established. On the contrary, everyone in the countries concerned recognized that the Common Market was an important factor in the development of the region. Successful efforts at

integration had already been made in Africa and the nuclei established should initiate new flows of trade and new experiments in integration.

At its last session, the Trade and Development Board invited the UNCTAD secretariat to co-operate closely with the regional economic commissions to promote regional and sub-regional integration. He gave an express undertaking that he would personally do his best to secure all possible assistance from UNCTAD to ECA, such collaboration between two United Nations agencies was, indeed, both natural and easy. He would also do his best to ensure that UNCTAD provided ECA with assistance with the minimum of delay. Administrative delays were not the natural order of things and could be modified. As an example, the Economic Commission for Latin America (ECLA) had been able to establish a pool of experts, with UNDP, so that experts were, if necessary, made available within a few days. Why could the same sort of arrangement not succeed with ECA, an organization to which the African countries look for leadership?

It was encouraging that President Johnson, in a statement made only a few days before, had supported the idea of pragmatic regionalization and had proposed granting financial and technical assistance for African multinational projects through the African Development Bank. In Latin America, the Inter-American Development Bank was playing a great role.

In the field of finance, there were two questions on which agreement was not very far away. The first was the questions of supplementary financing. The International Bank for Reconstruction and Development (IBRD) had, in this connexion, drawn up a project which governmental experts who met recently at Geneva regarded as very good. Although some of the big countries were still reticent, there would certainly be a large measure of agreement for that project at the second Conference. The so-called "supplementary" financing would be in addition to the basic financing provided by international agencies.

The second question was that of buffer stocks. It was essentially a financial problem, since no organization was responsible for pre-financing such stocks. There was also another obstacle, namely, prices. However, in the special case of cocoa, certain encouraging signs gave hope that fresh negotiations might lead to a satisfactory arrangement, without the risk of resultant over-production. In that connexion UNCTAD had prepared a preliminary report containing some modest proposals.

Special emphasis must be placed on the importance of international measures as far as agricultural products were concerned. The developing world would run a great risk unless it reacted swiftly to correct a certain tendency to division into vertical compartments and returned to multilateral systems.

The final point to which he wished to draw the attention of the Commission was the imperative need to take special steps in favour of the least developed countries. International assistance should be apportioned according to the level of development attained. The UNCTAD secretariat had taken particular interest in that question, which the Trade and Development Board had decided to place on the agenda of the next Conference.

In conclusion, he expressed his firm conviction of the need for continued dialogue and the developing countries should play their part in the very important political and economic transformations which would occur in the world within the next ten years. They could do so by clarity thinking and objectivity of purpose.

Mr. BRIGHT (Liberia) thanked the Secretary-General of UNCTAD on behalf of all the members of the Commission and suggested that the text of his speech should be considered as a Commission document; the ideas that he had enunciated would be considered during the discussion on agenda item 9 (Relations with other members of the United Nations family).

The CHAIRMAN said that the proposal would be considered by the drafting committee.

Mr. POGNON (Organization of African Unity) pointed out that economic co-operation had pride of place in the aims and objectives of OAU, whose Charter called on the African Governments to pool their natural and human resources as a matter of duty, in order to improve the living conditions of their peoples.

The Economic Commission for Africa had already carried out an important task, likely to promote realistic decisions in order to ensure the economic growth of the African countries. The studies carried out by ECA showed the immense wealth of the continent; they gave grounds for faith in the future, provided that Africans were determined to co-ordinate their efforts to identify and exploit all those resources. The Commission had, to its credit, made Africans aware of the similarity of their problems and characteristics. There were clear parallels between their legislation, methods of administration, accounting and statistics of the various schools - English, French and other - that were currently held in esteem in Africa. The Commission had completely succeeded through its work in defining what was technically possible in Africa's struggle for development; that work had already resulted in a movement bringing African countries closer together.

As the impetus had been given, it seemed necessary to consider the future of the various attempts made at economic co-operation. Care would have to be taken that such attempts were not neutralized and did not accentuate the economic inequalities between various States and parts of Africa. Also, the emergent harmonization should gradually spread until it covered the entire continent.

Some of the multinational re-groupings that had been made, or were being made, centred around similarities inherited from the colonial period and were aimed at preserving the advantages of the co-operation that had existed before the countries gained their sovereignty. Other

experiments, including the four sub-regional associations promoted by ECA, implied co-ordination of the various methods of administration and planning in groups of neighbouring countries. In the first case, there was a great risk of strengthening the former economic dependence on Europe, without decisively intensifying trade with other African States and even with partners in the association. In the second case, there was a danger that the development of a group of countries would turn out to the detriment of the others and would tend to make each part of Africa inward looking.

It was therefore essential to establish permanent negotiations among the African States in order to avoid too flagrant inequalities in their development. Such permanent negotiation raised the problem of the sacrifices that each would have to make in the common interest. It implied a constant adaptation of national policies to achieve the harmonious development of all. It was vital for that essentially political enterprise to succeed, if the efforts of ECA were to bear fruit.

In that spirit he had proposed at Niamey in October 1966 that, by a rational division of labour, OAU should become the centre for such negotiations and should make politically viable the projects that ECA had prepared technically. His Organization could become the forum in which were negotiated arrangements calculated to remove the political obstacles that might hamper the economic development of Africa. It could also bring about the necessary mutual concessions.

If his Organization were to play that role, two conditions would have to be fulfilled. The first was that all the African States members of OAU should undertake to persuade the multinational groupings to which they belonged to pool their experience. The second condition was that specific rules should be laid down to guide OAU in any attempt to compose differences among African States in regard to economic co-ordination.

With that end in view, it would be useful to draw up a statement or work out a charter on African economic collaboration. Rules already existed within the framework of ECA and OAU, but not in a sufficiently comprehensive form. As in the case of human rights, the basic requirements should be formally laid down, without necessarily imposing any binding obligation on States. In such a document, the African States would undertake to co-ordinate their economic activities with those of their neighbours, foster the development of their associates as well as their own, harmonize their transport and communications, and refrain from curtailing any programme for economic co-operation with neighbouring countries because of temporary political friction.

The general secretariat of OAU hoped that the African States would take speedy steps with a view to the definition of such principles. The present session would be a historical one if it initiated such action.

The meeting rose at 1.20 p.m.