

UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



48308

Distr.
LIMITED

E / CN.14 / TECO / 8
2 January 1970

ENGLISH
Original : FRENCH



ECONOMIC COMMISSION FOR AFRICA
Technical Committee of Experts
Addis Ababa, 9-14 February 1970
Item 6 of the provisional agenda

THE UNITED NATIONS SECOND DEVELOPMENT DECADE
AND ITS IMPLICATIONS FOR THE AFRICAN REGION

M69-3261

United Nations Development Decade

The current decade was designated as the United Nations Development Decade by the General Assembly in 1961. Each developing country was asked to set its own growth rate, taking as an objective a minimum annual growth rate of 5 per cent by the end of the ten-year period. Member States were called upon to pursue policies and to take measures aimed at helping the developing countries achieve that goal (resolution 1710 (XVI)).

Over the years, the operation of the Decade has been the subject of periodic review, particularly by the Assembly and the Economic and Social Council, on the basis of progress reports by the Secretary-General.

In his 1966 progress report, the Secretary-General reaffirmed an earlier conclusion that progress during the first half of the Decade had been disappointing. He warned that, unless the world community was prepared to give a massive impetus to development, it was unlikely that the Decade's objectives would be achieved.

In 1966, the Assembly took the first step towards preparatory work for the designation of the 1970's as the second United Nations Development Decade. It requested the Secretary-General, among other measures, to elaborate a preliminary framework of an international development strategy for the next Decade.

The Centre of Planning, Projections and Policies (CDPPP) relating to development, which is one of the large administration divisions of the Department of Economic and Social Affairs at the United Nations Secretariat and thus staffed by United Nations officials, has undertaken in liaison with the regional economic commissions and the specialized agencies various studies to define the overall picture of what could be expected from the second Development Decade. Its work was directed toward fixing a final minimum objective of a rate of growth at 6 to 7 per cent for gross domestic product to be attained by all developing countries by 1980. A specialized branch for the second Development Decade has been created within the ACC Sub-committee where the CDPPP, the regional commissions, and the specialized agencies can more easily put into agreement their work, methods, and concepts for the preparation of the next Decade.

Moreover, in July 1965 the Economic and Social Council created a Committee for Development Planning. This Committee is composed of 18 experts who are not United Nations officials and who are to put their experience with plans and development at the service of the United Nations organizations for its planning and projections work.

Three African experts are part of this Committee. At the start, these were Mr. Nazif A. Deif, who at that time was Finance Minister of the UAR, Mr. Mohammed Diawara, Minister of Planning of the Ivory Coast, and Mr. P.N.C. Okiglo, economic adviser of the Federal Republic of Nigeria. The first session of this committee took place in New York, and it was decided there that the following sessions would be held successively in each of the large developing regions of the world. The second session, devoted to Latin America, was held in Santiago, Chile in April 1967. No African member of the Committee attended. The third session, devoted to Africa, was held in Addis Ababa in May 1968. Of the African members of the Committee, only Mr. Deif was present. In order to emphasize the importance which the African countries attached to the second Development Decade, the CDPPP and the ECA had jointly invited at United Nations expenses five Ministers of Planning from African countries (Tunisia, Mali, Kenya, Zambia, Ethiopia) to attend this session. Only the Ethiopian Minister accepted the invitation. The obvious preponderance of East African States in the invitations was intentional in light of their lack of representation on the Committee.

By the end of 1968, a 54-member Preparatory Committee for the second United Nations Development Decade was established to draw up a development strategy which would carry forward the objectives of the first Decade (resolution 3411 (XXIII) of 17 December 1968).

In the resolution, the Assembly instructed the Preparatory Committee to prepare a draft of a strategy which would enunciate both general and sectoral goals and objectives for the 1970's. It was requested to recommend concerted policy measures to be taken at the national, regional and international levels to realize these goals and objectives, and to make suggestions on an evaluation and implementation mechanism for the second Decade.

The Preparatory Committee was further instructed to prepare this draft on the basis of studies, conclusions and proposals formulated by organizations of the United Nations system. It was asked to take into account the comments of governments.

The specialized agencies and other United Nations bodies were requested to accelerate their preparatory work for the 1970's. The Trade and Development Board of the United Nations Conference on Trade and Development (UNCTAD) was called upon to continue its efforts to reach maximum agreement on trade and development issues of basic importance to the elaboration of the proposed strategy.

The Preparatory Committee was also asked to submit a preliminary draft of the strategy to this year's Assembly session through the Economic and Social Council, and to complete the draft early in 1970.

The Committee is composed of the 27 States members of the Economic and Social Council and 27 States members designated for 1969 by the President of the Assembly.

The 14 countries representing Africa are: Algeria, Burundi, Cameroon, Chad, Congo (Brazzaville), Libya, Mauritius, Nigeria, Sierra Leone, Tunisia, United Arab Republic, United Republic of Tanzania, Upper Volta and Sudan.

The Preparatory Committee met in New York from 23 February to 4 March and from 14 April to 2 May; in Geneva from 30 June to 11 July and in New York from 29 September to 11 October 1969.

The Committee for Development Planning met again in New York in March 1969 for its fourth session which had not been originally planned but which allowed it to fix its work programme in liaison with the newly created Preparatory Committee. Two new African members were named to the Committee for Development Planning, Mr. Tom M'Boya, Minister of Planning of Kenya, and Mr. Paul Kaya, Administrative Secretary of the Guaranty and Mutual Assistance Fund of the Council of the Entente States, as replacements for Mr. Diawara and Mr. Okiglo.

The Committee for Development Planning held its fifth session in Bangkok in May 1969. Mr. M'Boya and Mr. Kaya participated in this session, but Mr. Deif was unable to attend. At this session, it was accepted that the rate of growth of 6 per cent for the whole decade, indicated as desirable by the Preparatory Committee could be reached, but only through considerable effort by the developing countries and increased financial assistance from developed countries.

In its report (A/7525 and Add.1-3) on its three sessions, the Committee said it had made progress in outlining the broad framework of the strategy and in defining the goals and objectives of the Decade. It proposed as a working hypothesis, the figure of "around 6 per cent" as the target for the overall growth rate of the gross national product of the developing countries during the Decade.

The main objective of the proposed overall growth target, the report stated, should be to promote a sustained growth which could lead, especially in the developing countries to higher standards of living, full employment and conditions for economic and social progress and development so as to facilitate the process of narrowing the gap between the developed and developing countries.

The Committee also reached agreement on a list of key areas for international co-operation for development, in which policy measures should be considered for fulfilling the objectives of the Decade. Further, it agreed that the proposed strategy should consist, in principle, of a preambular declaration and four main sections: on the specification of objectives; policy measures designed to fulfil those objectives; review and appraisal of both the objectives and the policies; and mobilization of public opinion.

The Economic and Social Council reviewed the Committee's reports in August. It noted with satisfaction the agreement reached so far on the list of key areas for international co-operation. However, it expressed concern that progress in outlining the broad framework of the strategy and in defining the goals had not so far been matched by agreement on concerted policy measures for realizing those goals and objectives, especially in the field of trade and development.

In this connexion, the Council expressed concern that little progress had been achieved by the UNCTAD Trade and Development Board in preparing the UNCTAD contributions to the Decade. It hoped the Board would reach agreement on this question at its ninth session which began in Geneva on 26 August (resolution 1447(XLII) of 5 August 1969).

The Council also reaffirmed its earlier decision that in formulating the goals and programmes of the Decade, account should be taken of the necessity for the progressive integration of social and economic goals and programmes.

Governments and organizations of the United Nations family were called upon to make additional efforts in their contributions to the preparatory work for the Decade, so that a preliminary draft of the proposed strategy could be submitted to the General Assembly at its 24th session.

The Preparatory Committee in its most recent session in New York in October 1969 examined particularly the preamble of the document on international development strategy to present to the General Assembly and the steps to take for continuous study and evaluation of objectives and measures and for mobilizing public opinion. A fifth session of the Preparatory Committee is planned for February 1970.

Special role of ECA in the preparation of the second Development Decade

The Economic Commission for Africa has of course participated in the construction of projections and studies necessary for the preparation of the second Decade, within the scope of the secretariat's activities. These activities have been undertaken in close co-operation with the CDPPP and the administrative sub-committee on co-ordination. The Commission has always sent an observer to the sessions of the Committee on development planning.

The Economic Commission for Africa has undertaken in conjunction with the CDPPP, sub-regional studies to formulate strategy and development procedures for the second Decade in the two sub-regions of West and East Africa. In addition, similar studies are in the process of being carried out in North and Central Africa.

The Economic Commission has drawn attention to the fact that the overall macro-economic approaches used by the CDPFP do not seem to refer particularly to a study of national economies of the region.

It was, for example, emphasized that one or another particular product often played a predominantly important role in certain countries: oil in Libya, cocoa in Ghana, sugar in Mauritius, etc. In these circumstances, it might be feared that a too general approach might lead to serious miscalculations.

While simultaneously pursuing their studies of models and projections, the secretariat of ECA continued its analyses of the African countries' development plans, and drew comparisons between the targets aimed at and the results achieved. A more detailed analysis revealed that the smaller a country's Gross Domestic Product may be, the more and more marked becomes the impact of events or factors exogenous to its economy or planning. Events which may be considered as fortuitous lead to variations in the normal growth of countries which rapidly exceed the endogenous variations desired and looked for by the planners. The terms "exogenous" and "endogenous" must be understood in relation to the plan or the productions. It appears that even for the endogenous factors involved in plans or projections, the traditional macro-economic approach, which presupposes continuous variation, is not always well-suited. On the contrary, there is reason to conceive discrete variations resulting from regression equations or calculations of elasticities. These discrete variations will contribute to the accentuation of the apparently chaotic character of economic growth.

Of course, the terms "limit", "continuous", and "discrete", used in the preceding paragraph, must be understood in the mathematical sense. The smallness of some African economies, their specific nature and lack of diversification, constitute a brake on the achievement of a high rate of growth of these economies. The small size of the national economies cannot be conceived as a miniature representation of the situations prevailing in developed countries. There are important constraints resulting from the absence of infrastructure and the scarcity of qualified personnel which would introduce limits in the models. Moreover, in the African countries economic activity is based essentially on some products or some industries whose development cannot be conceived in a continuous manner, as is the case in some less favoured economies of the developed countries.

We may thus speculate whether the planning methods and overall macro-economic models perfected and applied in the major developed countries do not encounter increasing difficulties when we wish to use them in conditions which are further and further removed from those prevailing when they were worked out and put to practical use in the

developed countries. It might perhaps be necessary to modify them and to adapt them so as to take into account the importance, on the one hand, of exogenous factors and, on the other, of particular commodities or projects.

A realistic approach to the problems of the African countries should use both econometric methods and more empirical ones of project analysis.

Furthermore, in order to ensure greater uniformity in the information which must serve to follow up progress in the second Development Decade, and pursuant to a recommendation put forward by the representative of ECA at the second meeting of the Planning Committee, the sixth session of the Conference of African Statisticians (October 1969), the special Working Group on Economic Surveys (December 1969) will hear proposals for an integrated system to present a minimum of statistics; targets to be specified in plans; and tables to be explained in economic reports. For the present, there is no link between these three sectors; and it is not unusual, with certain African countries, to find the national accounts describing the development of sectors, such as agriculture, mines and quarries, manufacturing industries, etc.; the plan indicating its targets in the primary, secondary and tertiary sectors; and annual economic reports dealing with development in the public and private sectors. Moreover, all this varies from country to country, and aggregation at sub-regional or regional level is very difficult.

If this work of co-ordination is accepted by the member States, it should make easier the evaluation of progress achieved, in accordance with the Preparatory Committee's request.

Furthermore the ECA is in process of considering an indirect system for evaluating the results obtained in response to a request by the Preparatory Committee, which had asked for the Regional Commissions concerned to take the place of the countries when the latter did not themselves have the machinery required for evaluation at their disposal. This system should become operational by the beginning of 1970.

To encourage a harmonization of the information the Economic Commission for Africa has recorded on punch-cards all the data it has been able to collect on the African countries. When the same item of information was received from two different sources with different values, information emanating from the United Nations has systematically been given priority in order to maintain uniformity in the Organization's series. This card index could, if required, serve as a basic standard for various organizations making projections on the African countries. It has already been communicated to the CDPPP and to the Statistical Office of the United Nations as far as the aggregates of national accounts are concerned. It is in process of reproduction for the whole range of information to be passed to FAO.

The ECA Research and Statistics Division is in the process of harmonizing the economic principles and concepts as well as the basic methods to use in African development plans in order to assure comparability. The result of this work will be submitted to the Committee of Experts and to the third session of the Conference of African Planners in 1970. Their adoption by the Committee and the Conference will be all the more beneficial to the African countries, since the majority of them are only in their first plan.

The African plans have a national character, which they will retain for a long time to come. It cannot be otherwise, for the plan before being a technique is above all a political act expressing the will of a nation. The choices may differ from one country to another to point of being irreconcilable: the problems of regional disparities, those of redistribution of income between the savannah and the coast, would be transferred from the national level to the multinational level. Not having been resolved within the first framework, they would be even less so within the second. It would therefore be premature and undoubtedly illusory to speak of sub-regional or regional planning, given that at the national level planning has not attained the desired results despite unitary political decision-making. An embryo of sub-regional economic co-operation would materialize through a current of important and irreversible exchanges.

The Common Market countries first started with an agreement on coal and steel. Today they are still far from integrated planning. It is the same for all the other multinational economic groups. To proceed otherwise would simply lead to the creation of a new institution without any practical results.

ANNEX

Summary record of the sub-committee on the
second United Nations Development Decade

1. The sub-committee on the second United Nations Development Decade met in New York from 27 to 31 October 1969. This sub-committee was set up within the Administrative Committee on Co-ordination (ACC), to ensure that the activities and methods of regional commissions and United Nations specialized agencies rested on common foundations, especially as regards the commitments of the second Development Decade. Its President (Chairman) is the Under-Secretary General for Economic and Social Affairs. The purpose of the meeting was to find out what suggestions the agencies had to make on the working hypothesis of a 6 per cent average annual GDP growth rate for developing countries during the next Decade. Its effects at the sectoral level would need to be compared to produce a proposal for a homogeneous strategy.

2. None of the agencies actually came to the conclusion that it would be impossible to achieve this average growth of 6 per cent although, of course, conditions varied from one sector to another. Agricultural production would have to register an annual increase of 4 per cent in all developing countries, which meant doubling the marketed production in the course of the decade. According to FAO such a result might be feasible if agriculture enjoyed certain facilities. In the case of certain countries what was needed was the granting of soft loans to encourage equipment, in others the primary necessity was agrarian reform.

3. It is the view of UNIDO that, as a first approximation, industrial output would require to record an 8 per cent increase per annum. Some developing countries actually achieved this rate in the past Decade; the others will have to introduce a suitable fiscal policy and give more sustained attention to industrial investment, if they really wish to obtain an 8 per cent growth rate.

4. However, even if this were combined with the 4 per cent growth rate for agriculture, the employment problem would still remain unsolved. Industry can absorb a portion of the manpower increase, and agriculture will not be in a position to satisfy the rest of the employment demand. ILO believes unemployment will continue to be a serious problem for most developing countries, and has suggested a policy based on the following considerations: (a) rural development; (b) labour intensive public works programmes; (c) the selection of labour intensive industries.

5. A 6 per cent average GDP growth rate implies an annual increase in imports of about 7 per cent; in the opinion of UNCTAD, and bearing in mind the present state of indebtedness of the developing countries, this would call for a much higher export rate from developing countries, even reckoning on the estimated increase in capital flow they expect to obtain.

6. In the field of education and health, an assessment of the requirements during the decade if the 6 per cent GDP growth rate is to be achieved, is impossible. This is because the effects of the measures taken in the course of this period will begin to be felt after the Decade is over. Nevertheless, developing countries should, while taking into account the rise in the overall growth rate, increase the percentage of GDP earmarked for education and health.

7. The ECA representatives, taking a synoptic view of the whole field of discussion, drew the sub-committee's attention to the special circumstances affecting Africa which, apparently, are without parallel in any of the other regions where the problem of developing countries exists. In particular, the macro-economic approach proposed by CDPMP cannot be applied to Africa. In this connexion, the sub-committee accepted the proposals of the ECA representatives who also indicated that the average 6 per cent GDP growth rate could not be applied indiscriminately to all the countries in the sub-region. If an attempt to do so were made, it would mean that those countries which now had a growth rate of between 1 and 2 per cent per annum would have to step it up to 9.5 or 10.5 per cent per annum by 1980. The sub-committee was of the opinion that the 6 per cent average growth rate should be regarded as a regional, rather than a national rate. It was also agreed that greater attention should be paid to the less developed countries, particularly those without direct access to the sea. Comments were also expressed on the need for all United Nations agencies to work on common definitions and basic data. The population division at Headquarters promised to send the agencies population estimates, as soon as these had been revised. CDPMP also agreed to make available a set of data used in its studies on projections.

8. The next meeting of the sub-committee will take place in the second quarter of 1970; its purpose will be to compare the final results obtained at sectoral and regional levels, and also identify concepts and definitions for use in future studies. The agenda will be prepared when the organizations concerned have sent in their suggestions.

9. In accordance with its proposals, the Research and Statistics Division of ECA has already prepared for each of the countries in the region a list of the important industrial projects which might well change the economic and social pattern of the individual countries. These projects will provide the basis for studies on projections. In addition,

the division tested some of the assumptions of the overall growth rate for the Decade, on a regional and national level. The postulate it finally adopted is that African countries with a current growth rate of between 1 and 2 per cent should achieve an annual growth rate of between 5.5 and 6.5 per cent by 1980. This assumption seems to be more acceptable than the assumption of a 6 per cent growth rate throughout the Decade.

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