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PROVISIONAL SUMMARY RECORD OF THE ONE-HUNDRED AND SECOND MEETING

held at Africa Hall, Addis Ababa,
on Friday 21 February 1964 at 9.15 a.m.

Chairman: Mr. MASSAQUOI (Liberia)

Secretary: Mr. SYLLA

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ECONOMIC AND SOCIAL TRENDS IN AFRICA AND REVIEW OF THE ACTIVITIES OF THE ECONOMIC COMMISSION FOR AFRICA (E/CN.14/237, 238, 239 and 269) (item 5 of the agenda) (continued)

The CHAIRMAN invited the representatives of UNESCO, the World Health Organization and the International Atomic Energy Agency to speak on item 5 of the agenda.

Mr. ELMANDJRA (UNESCO) submitted document E/CN.14/269 prepared by UNESCO entitled "Adult Literacy Campaign and Economic and Social Development". UNESCO had requested that the agenda should include the campaign against illiteracy, which had been one of the main topics of the last session of the General Assembly of the United Nations and, in view of its economic importance, had been studied by the Second rather than by the Third Committee.

The introduction of a literacy programme among the active population had been given prominence in the Addis Ababa plan, adopted by the Conference of African Ministers of Education in 1962 but the method contemplated by UNESCO constituted an innovation. Of the one hundred million illiterates in Africa, seventy million could learn to read and write in the course of a ten year campaign, which would cost 50 million dollars a year in addition to the two thousand five hundred million dollars which Africa will devote every year to education as a whole.

It would be for the members of the Commission to calculate the benefit accruing from such an investment. Their recommendations in matters of priority would be of great immediate service for they could provide a basis for any action to be taken at the two meetings which UNESCO had organized in Abidjan. Moreover the Secretary General of the United Nations and the Director-General of UNESCO, who, under resolution 1937 (XVIII), would next week discuss means of organizing a world-wide campaign against illiteracy, could take them into account.

Mr. EL HALAWANI (World Health Organization) was happy to have the privilege of conveying to the Sixth Session of the Economic Commission for Africa the best wishes of the Director-General of the World Health Organization.

The World Health Organization greatly appreciated the very useful work accomplished by the Economic Commission for Africa. Many activities that promoted social aspects of development were common to two bodies. The development of hydraulic resources, for example, which was so essential to the advancement of Africa, called from the outset for sanitation planning so as to avoid the spread of plagues such as malaria and bilharziasis by water. The sanitary conditions of housing were also very important and WHO would second a public health expert to the competent section of the Economic Commission for Africa.

To solve the health problems raised by industrialization and urban development, WHO had recently launched a programme for assisting the planning and organization of national public health services, with particular reference to the new States of Africa. Its assistance in public health administration assumed various forms: field missions of public health experts, fellowships and technical assistance to training institutes.

On the other hand, the third African Conference on Malaria had recommended that WHO should assist in the establishment between neighbouring countries of offices for co-ordinating the campaign against that disease. WHO also gave increasing emphasis to research on questions of nutrition, but community water supplies, despite some progress, had not kept up with the rate of population growth.

Faithful to the spirit of its constitution, WHO offerred to all governments of Africa at their request, the benefit of its experience; the number of Governments to which it was giving assistance had increased from 12 in 1950 to 40 in 1963. The Organization had appointed a member of its staff to the Economic Commission for Africa to assist in all matters concerning health and maintain contact with the regional directors responsible for the Organization's technical programmes in Africa.

Mr. LLOYD (International Atomic Energy Agency) said that the need for increasing agricultural production to raise the standard of living was recognized throughout the region. In research work for increasing production radioisotopes and radiation would play a great role.

The utilization of certain methods of that kind in Africa was constantly increasing.

Research into the application of atomic energy for eradicating the fruit fly, tsetse fly and locusts and for counteracting the harmful effects of the careless use of insecticides was being continued. The application of radiation for the preservation and disinfestation of food products was becoming commercially feasible in the developed countries and would surely also be of great interest to the developing areas such as Africa.

Finally, thanks to the use of atomic radiation, it was possible to vaccinate animals against certain diseases, a procedure which could have important consequences for Africa.

In view of the usefulness of those methods, the IAEA encouraged the establishment of small nuclear laboratories in the agricultural research institutes of universities.

Nuclear medicine had made great strides in recent years, particularly in diagnosis. Research work on tropical diseases supported by the IAEA was being carried out in Africa.

Radioisotopes were already in use in oil and mineral prospecting; they were used even in road building and soldering experiments.

Nuclear energy applied to the production of electricity would make it possible to lower the price of electric power and improve the load factor of power stations producing both fresh water and electricity. The African Meeting on Electric Energy had recommended to the developing countries that atomic energy should be integrated into their power development programmes to the same extent as conventional types of energy.

Although nearly twenty per cent of the uranium in the world came from Africa, and despite the surplus of present production, plans would have to be made for future requirements, which could very well increase by virtue of the vast atomic energy programmes launched by the developing countries. It would therefore be wise to mine deposits heretofore considered as sub-grade and to develop prospecting in order to uncover new deposits of uranium or other radio-active minerals such as beryllium and thorium. Those precautions would be essential for Africa because the role of nuclear energy would reach significant proportions in Africa only towards the end of the century, when world demand would be greatest. It went without saying that the IAEA would offer its assistance to the Member States of the Economic Commission for Africa in developing or drawing up programmes for the use of atomic energy.

Mr. IBRAHIM (Nigeria) congratulated the Executive Secretary on his stimulating address. Economic Commission for Africa was fortunate in having an Executive Secretary wholly dedicated to the advancement of Africa. The continent had an immense amount of ground to make up, and it was to be hoped that the African countries would bring to bear in the economic field the same energy that they had shown in achieving political emancipation. Economic planning at the national level was not sufficient, specially in a continent split up into such a large number of countries. In order to benefit from technical progress it was imperative that efforts should be co-ordinated, and Nigeria supported measures taken towards this end. The existence of the Economic Commission for Africa made concerted action possible. Care should be taken, however, in view of the fact that the various countries were at different stages of economic development. The Nigerian delegation therefore considered it too soon to draw up an economic programme, either on a regional or a continental basis.

He recalled the ever-mounting difficulties due to the lack of statistics on the vital sectors of African economy. The efforts of the Economic Commission for Africa in this regard were praiseworthy, but bold schemes, notably for the training of local statisticians, were essential, and the Economic Commission for Africa should make statisticians with training experience available to governments if requested. The two training centres in Cairo and Dakar should be strengthened, and the number of such centres increased from two to four. Experience showed that middle-grade statisticians were difficult to keep; there should therefore be a review of salary structure which would make a career in statistics reasonably attractive.

Development in agriculture alone, any more than in the industrial processing of agricultural products, was not enough to raise the standard of living; it was essential to increase the pace of industry, in particular by removing artificial barriers. The establishment of an African common market would do much towards achieving this end. A continent whose economy was naturally diversified could be self-sufficient, and industrial production for a population of about 250 million should encourage the division of labour and the use of highly specialized mechanized equipment. What ever might be the temptation to produce finished products for the highly-developed countries, their aim should be to produce for the African market.

In its Five-Year Review of the Activities of the Economic Commission for Africa (E/CN.14/237), the secretariat stated (paragraph 37) that Africa could reach the European level of industrialization in fifty years. The experience of Japan proved that this period could be reduced, provided that the necessary sacrifices were made and immediate steps taken to improve technical and technological training. It was also essential to solve the problem of the lack of capital in Africa. The iron and steel industry was the basis of a country's industrial development, and he recalled that Nigeria had accorded high priority to the establishment of that industry in its 1962-1968 Economic Development Programme.

The industrial and commercial sectors of most African countries were still dominated by foreign firms. Often revolutions in developing countries were fostered by developed countries which had vested interests in them. Steps must therefore be taken to ensure that the capital available in African countries belonged to Africans. Commercial banks were controlled almost exclusively by foreigners, and did not extend adequate credit facilities to African businessmen. It was therefore imperative to set up in each African country a chain of indigenous commercial banks. The International Monetary Fund, the International Bank for Reconstruction and Development, the International Finance

Corporation and other financial institutions should consider as a matter of urgency granting loans to African governments for this purpose. As for wholesale and retail trades, these were controlled by foreign commercial firms, and the African governments should introduce legislation reserving them for Africans. The contribution of the African Development Bank to economic progress would be effective only if African traders were able to buy direct from the factory the products of those industries which it was hoped would be established with the Bank's assistance. Finally, African governments should encourage the establishment of African insurance companies.

Nigeria was delighted at the progress of the study on the establishment of the African common market. The difficulties due to the diversity of monetary systems were apparent, and an African Clearing and Payments Union was essential to facilitate inter-African trade. He suggested that consideration should be given to the possibility of allowing the African Development Bank to establish this Union; for this purpose the terms of reference of the Committee of Nine should be extended.

Nigeria looked forward with enthusiasm to the United Nations Conference on Trade and Development, and hoped that Africa would speak with a common voice at that Conference.

Without a planned and integrated system of transportation, trade between African countries could not grow rapidly. In the case of marine transport, unilateral decisions to increase freight rates were taken, without their effect on the cost of imported goods and their harmful effects on the export of primary products being taken into consideration. Organizations like The West African Lines Conference, that belonged to the developed countries, determined the cost of freight for the exports and imports of the region, owing to the monopoly that they exercized. Nigeria had tried to establish its own shipping line, but that had finally been forced to operate within the West African Lines Conference, for fear of seeing the country's economy completely disrupted.

Most of the roads linking many of the African countries were impassable at certain periods of the year. He regretted that no consideration had yet been given to the construction of permanent routes between

East Africa and West Africa. In air transport, the African countries could easily co-operate in running a single air line.

It was regrettable that, despite the efforts made, the situation in food and agriculture had remained consistently unfavourable during the past few years. He hoped that the conditions in each country would be carefully considered. Nigeria had no shortage of foodstuffs, in other words, although its population was increasing fairly rapidly, nevertheless it produced enough to satisfy local needs. Generally speaking, they should avoid importing foodstuffs that could be produced locally, or that satisfied newly acquired tastes.

The FAO had achieved good results in locust control. It would be desirable for some attention to be given to ways of exterminating the "quelea" birds which in Nigeria alone devoured 3 million tons of grain each year.

The law of supply and demand did not operate freely, particularly in the case of agricultural products; it was important that the African countries should take concerted action in marketing their primary products in order to prevent a loss in their purchasing power. The working of the great mineral wealth of the continent was likewise in foreign hands. Arrangements must be made to ensure that foreign investors should finance those resources, which provided favourable conditions for the establishment of heavy industries, in such a way that the African population would derive benefit therefrom, in particular by the encouragement of capital accumulation.

He hoped that the closest co-operation would be established between the Economic Commission for Africa and the Organization of African Unity (OAU). It was necessary to avoid duplication, and the secretariat of the Economic Commission for Africa should keep a close watch on the development of the OAU.

He hoped that greater care would be exercised as regards the number of missions and conferences of the Economic Commission for Africa. The resources of the Economic Commission for Africa were not inexhaustible, and it was important to use them with prudence. Greater care should also be exercised in the choice of the experts sent to look into specific problems. There were, in fact, cases in which the experts did no more than question the officials of member countries in order to write their reports, thus wasting the valuable time of those officials. Finally, the Economic Commission for Africa produced too many documents, the preparation of which required too much time and cost a lot of money.

The representative of Nigeria was not unaware of the difficulties of recruiting staff for the secretariat of the Economic Commission for Africa, but he hoped that the Executive Secretary would perservere in his efforts to ensure that all key posts should, as soon as possible, be occupied by Africans. Although it was true that there was a scarcity of Africans with sufficient qualifications and experience, that was not an excuse for leaving the destiny of the continent in foreign hands indefinitely. He therefore appealed to the Executive Secretary to keep member States informed of the situation, with a view to persuading them to release qualified staff from time to time.

Mr. SOGLO (Dahomey) pointed out that the world economic situation seemed to have developed favourably during 1963. The spectacular rise in the price of coffee had been helpful to the economy of Dahomey, as had the price movements of oil grains and copra. Nevertheless, both producers and consumers would be well-advised to hold down the rise in prices within reasonable limits, so as to avoid the competition of substitute products. A cement works was in course of construction at Kobé, and the working of the iron deposits of Kandi was planned. Oil prospecting was being continued.

The United Nations Conference on Trade and Development and the GATT Conference would make 1964 a year of prime importance for world trade policy, in particular for Africa's trade policy.

The Dahomey delegation had observed with pleasure the establishment of the African Institute for Economic Development and Planning. It was happy to note that the project for the African Development Bank was entering its final phase, and that it would be a purely African Institution, which would in no way duplicate the functions of other international institutions. The efficiency of that Bank would be measured by the investments that it attracted, from whatever their source. The Bank should be kept non-political, as provided in Articles 37 and 38 of the Agreement. Its staff should, moreover, be composed of international officials, whose sole desire would be to encourage the harmonious development of the African continent.

The Dahomey delegation likewise expressed its interest in the project for a juridical body, which would have the task of harmonizing legislative systems and working out an African code of economic laws for application by the African economic agencies. Finally, his delegation wished to emphasize the necessity for economic co-operation in Africa. Although regional economic integration on a continental scale appeared premature to his delegation, such co-operation at sub-regional level was a necessity if they wished to establish an African economic and social infrastructure.

The interest that the Government of Dahomey had shown in all the African meetings for harmonizing plans, proved that it considered harmonization an essential pre-requisite to achieving the unity of the African continent. Since its establishment, the Economic Commission for Africa had been the instrument of that harmonization. Dahomey had never ceased to extend its full co-operation, and was determined to continue on that course.

Mr. KAMITATU (Congo,(Leopoldville)) welcomed the admission of Kenya and Zanzibar as full members, and hoped that all the representatives of an Africa that had been completely liberated would soon be participating in the sessions of the Commission. He stressed the importance of the meetings of the Economic Commission for Africa, which allowed each of the member States to benefit from the experience of the others.

The salient feature of the economic scene in 1963 in the Congo (Leopoldville), had been the ending of Katangese secession, which had preceded that of South Kasai. Between 1950 and 1958, mining production in those regions had represented, on an average, 50 per cent of the total value of the Congo's exports. The recovery of that wealth had been the necessary pre-requisite, although not in itself sufficient, for reactivating the Congolese economy. The first result, however, of the reintegration of Katanga had been to complicate still further the difficult monetary situation of the Congo. In 1963 Katanga's production of copper and cobalt had decreased considerably, and the drop in world prices for copper had reduced receipts of foreign exchange. As a result, Katanga had not released a theoretical surplus of foreign exchange earnings, which could have been transferred to the other regions of the Congo, as was the case before 1960. Moreover, the extension of exchange control to Katanga had allowed inflationary pressures that were Katangese in origin to bring about a rise in prices.

On the other hand, the recovery of South Kasai had had some immediate positive effects on the Congo's balance of payments. Indeed, its diamond exports were currently contributing about 16 million dollars per year to the Congolese economy.

In 1963, a further slight drop in exports of vegetable products, compared with the already very low level reached in 1962, had been experienced. Indeed, the expansion of internal demand had led to an increase in the consumption inside the country of export products, while defrauding the customs had reduced receipts of foreign exchange, and the maintenance of the Congolese franc at an external parity which was no longer related to its internal purchasing power discouraged producers of export goods. The Congolese authorities had encouraged the resumption of export production by repaying to exporters part of the foreign exchange earnings of their exports. As regards imports, the authorities had attempted to re-establish in 1963 a normal volume of imports of inventory goods. In 1964, their efforts would be directed towards the re-equipment of industrial installations. Industrial production for the home market had increased by 15 per cent in 1963. That increase reduced the dependence of the Congolese economy on the importation of manufactured goods.

In November 1963, the Government had undertaken a monetary reform consisting in a heavy devaluation of the Congolese franc, the fixing of two rates of exchange, the increase of the minimum legal wage by 25 per cent, and raising the salary scales of public servants. The 1964 budget provided for an increase in expenditure and a considerable expansion in fiscal receipts.

As regards planning and development, the Congolese Government had appealed to the Economic Commission for Africa, which had placed at its disposal a planning expert, who had done excellent work.

In conclusion, Mr. Kamitatu emphasized the necessity for integrated development in Africa. He had gained the impression from the address of the Executive Secretary that the association of some African countries with the European Economic Community might risk compromising the existence of an African common market. In the first place, he could not accept that the secretariat should publicly adopt an attitude which called into question undertakings freely entered into by the governments concerned. Secondly, the association of African countries with the Community met their overriding need for assistance, extended in accordance with arrangements that had been freely negotiated and concluded.

Mr. LOPOLESA (Basutoland) was happy to see Kenya and Zanzibar participating in the session as full members. For its part, Basutoland was striving to achieve self-government in order to obtain its independence at its earliest possible moment.

At the Commission's Fifth Session, the Nigerian representative had said that young countries should endeavour to increase their farm output, to start small industries and to set up banks with State backing. The Uganda representative had stressed the need for developing countries to improve the quality of their livestock and to create markets for their products at home and abroad. Basutoland would like to follow that excellent advice; unfortunately, as a dependent territory it could not ask financial help from international organizations without first applying to the British Government. Thus, while it possessed substantial hydraulic resources, it did not have the necessary funds to develop them and it had to allow them to flow away into the Republic of South Africa. It hoped, however, that the Economic Commission for Africa would be able to help it by sending the experts it needed to develop and improve its agricultural production.

Ato Kifle WODAJO (Organization of African Unity) spoke at the invitation of the Chairman and he recalled that, since its creation, the OAU had been associated with the Economic Commission for Africa. The two organizations both aimed at raising the living standards of the African people and they were often active in the same fields; so it was naturally essential for them to collaborate closely. Moreover, their activities were complementary. The OAU was the centre for the examination of economic and social problems the solution of which required political decisions. The Economic Commission for Africa carried out the technical studies necessary for the execution of development programmes.

African markets, both continental and regional, customs unions and a payments union were in course of being planned. The execution of those projects would doubtless require extensive technical studies, but it depended in the first place on the political decisions of the member governments. It was precisely by creating a favourable political climate that the OAU could contribute to the realization of those schemes. The Economic Commission for Africa brought to Africa the technical assistance provided by the Member States of the United Nations which constituted a system of world co-operation.

He recalled that the Economic and Social Commission of the OAU had requested the Economic Commission for Africa to extend the economic and social studies it had undertaken and had asked member States to suggest that the Economic Commission for Africa should pay particular attention to the problems dealt with in the work programme of the OAU Economic and Social Commission.

In conclusion, he thanked the Economic Commission for Africa, and the Executive Secretary in particular, for the very generous help which they had given to the OAU.

Mr. GUMEDE (Southern Rhodesia) noted with satisfaction that the Executive Secretary had already set up a sub-regional office at Lusaka. Such offices enabled member countries to maintain direct contact with ECA activities.

Southern Rhodesia thought that co-operation with the Economic Commission for Africa should be reciprocal and it was ready to share with other African countries its experience both in industry and in other sectors, such as telecommunications, cartography, business methods and public administration. In the last named field, it was willing to provide a programme of training courses.

Like other developing countries, Southern Rhodesia was concerned about the terms of trade position. In spite of the rise in the prices of certain primary products, it was impossible to speak of a reversal of the situation. Southern Rhodesia attached the utmost importance to the rapid adoption of measures of price stabilization and arrangements in regard to compensation and insurance; such measures could only be effective if adopted on a world scale. It was therefore hoping that positive proposals to that end would be made by the United Nations Conference on Trade and Development.

Southern Rhodesia was also interested in the endeavours of the Economic Commission for Africa to extend intra-African trade by improving transport and communications or by promoting exchanges that would be effectively complementary. It also approved the establishment of an African Development Bank which would help to secure the investments which Africa so urgently needed.

Southern Rhodesia was endeavouring to develop its agricultural resources. The extension of sugar cultivation made possible by the intensive irrigation of the south-eastern part of the country had coincided with a rise in the price of sugar. In 1963, Southern Rhodesia had been able to supply both Rhodesia and Nyasaland with all the sugar they needed. It was currently planned to develop the upper and lower valleys of the Salsi river, which were suitable for the establishment of small farms. The small farmers had to be helped to obtain the equipment and fertilizers they needed and given the necessary knowledge to apply suitable methods and techniques; but at present technical services were insufficient.

Southern Rhodesia was particularly interested in the question of agricultural credits to small farmers to facilitate their transition from a subsistence to a market economy. The conclusions reached at the meeting on Agricultural Credits held in Addis Ababa in 1962 had been very valuable to Southern Rhodesia.

The meeting rose at 1.00 p.m.