

# Address by Sir Harold Caccia, British ambassador to the U.S., "Under-developed countries and population trends"

Senator Hiram L. Fong Papers

Office, Trip Files, Far East and South Pacific, Box O84, Folder 1

<https://hdl.handle.net/10524/87625>

---

Items in eVols are protected by copyright, with all rights reserved, unless otherwise indicated.

*UHM Library Digital Collections Disclaimer and Copyright Information*

# BRITISH INFORMATION SERVICES

AN AGENCY OF THE BRITISH GOVERNMENT

---

Official Text

T.50

New York, N.Y.

October 13, 1959

## UNDER-DEVELOPED COUNTRIES AND POPULATION TRENDS

Address by Her Majesty's Ambassador, Sir Harold Caccia, G.C.M.G., K.C.V.O. to a joint meeting of the Seattle World Affairs Council, English-Speaking Union, and the University of Washington, on Tuesday, 15th September, 1959.

-----

### Population Trends

There are times when it is right to be absorbed in day to day events, national and international. There are others when it is wise to stand back from the throng of events and try to see in perspective the long-term trends of history. This evening with your permission, I intend to attempt the second and speak to you about the explosive increase in the world's population which has taken place in the last 50 years and of which there are no present signs of slackening.

At the beginning of this century the population of the world was something in the order of one thousand five hundred million. By the end of this century it will almost certainly be more than six thousand million. At the present rate of increase, within a century and a half, that is by 2100, it may exceed thirty thousand million. Of course, in human affairs it is dangerous to rely on exact mathematical progression. But if the figures for 2100 should be suspect, the figures for 2000, which is only some 40 years away, are less so.

The significance of these figures in terms of politics is made sharp by two other factors. First, the industrial nations, primarily the Western nations, which comprise only 14% of the world's population, enjoy 55% of the world's income. Secondly,

**This material is filed with the Department of Justice, where the required registration statement of B.I.S. under 56 Stat. 248-258 as an agency of the British Government is available for inspection. Registration does not imply approval or disapproval of this material by the United States Government**

---

New York Offices, 45 Rockefeller Plaza, New York 20, N. Y. \* Telephone : Circle 6-5100

Chicago 11, 720 N. Michigan Ave. : Washington 4, D. C., 903 National Press Building

San Francisco 15, 2516 Pacific Ave. : Los Angeles 13, 448 South Hill St.

# **BRITISH INFORMATION SERVICES**

**AN AGENCY OF THE BRITISH GOVERNMENT**

---

This material is filed with the Department of Justice, where the required registration statement of B.I.S. under 56 Stat. 248-258 as an agency of the British Government is available for inspection. Registration does not imply approval or disapproval of this material by the United States Government

---

New York Offices, 45 Rockefeller Plaza, New York 20, N. Y. \* Telephone : Circle 6-5100

Chicago 11, 720 N. Michigan Ave. : Washington 4, D. C., 903 National Press Building

San Francisco 15, 2516 Pacific Ave. : Los Angeles 13, 448 South Hill St.

countries and continents are no longer divided by mountains and a waste of seas. Ignorance and distance are no longer protective barriers. In a book called Image of America, the author, a Frenchman, Monsieur Bruckberger, last year described this state of affairs in the following arresting words:

"Nothing can halt the industrialization of the world. First Russia, and now China have shown us that the most backward peoples can achieve it rapidly, very rapidly indeed. This means that all those other nations that still hunger today have only to make the effort and they too will become powerful. Does anyone imagine that, once powerful, they will remain hungry and resigned? This planet of ours is like a nightmare ocean liner. In the first-class, a few well-fed passengers live luxuriously in spacious quarters, while on the decks and in the holds all the rest of the passengers are herded together in hunger and misery. Who can fail to see the dynamite in this situation? The ocean liner is one world, but a unified world does not necessarily mean a world at peace. It is only too obvious that the people on the decks and in the holds could mutiny, and by weight of numbers could easily overwhelm and enslave the first-class passengers. Our world is that ocean-liner, headed toward an unknown destiny, but a destiny common to all on board."

#### The Problem of Economic Growth

How has this distinction between the 'Have' and 'Have Not' people of the world come to exist in its present sharp form? At the root of it lies not only the question of population increase which modern medicine and other things have made possible, but also the problem of economic growth. The first stage of economic growth depends upon a society being able and willing to invest at least 5 to 10% of its yearly gross national product in its future development. So long as the population of a country consumes the whole of its annual product, it cannot start on the road from a primitive traditional to a modern society.

Using a phrase from aviation, Professor Rostow of the Massachusetts Institute of Technology described the crucial point in such economic development as the moment when investment in the future has gone on for sufficiently long for the economy to "take off". In these terms Britain and the United States both took off during the last century. What is even more pertinent in these terms, the Russian economy began to take off at some point towards the end of the last century. Of course, the Soviet Government might dispute this and claim that the whole progress of the Russian

economy has come since the October Revolution and as a result of the application of the theories of Karl Marx. But a less biased judgment suggests that this does violence to fact, and that the expansion of the Russian economy started under the Czarist regime. Indeed, something like what is happening in Russia today in terms of economic growth could hardly be prevented by any political regime. The resources in men and material were there, the investment in the future began, the flow of the tide was inexorable. The methods, the political dressing, the setbacks brought by war and such policies as Stalin's collectivisation at the end of the 1920's were the waves on top of the waters. The tide had already set.

Of course, from the point of view of the individual, the waves may be the vital factor. He either lived through or was killed in the war; he either was one of the many millions of people who are thought to have died in the Soviet Union during the collectivisation period between 1929 and 1932, or he survived. But if we are to try to seek the trend of events in the history of a country or of the world, it is for the tide we should look.

Although I suggest to you that this is the reality of what has been happening economically in Russia, I would be the first to admit that it is not the appearance which has been presented to the under-developed countries in the world. For them, the appearance is that the Russian people in some 40 years have succeeded in becoming one of the most powerful countries of the world, and are on the way to becoming prosperous. These under-developed countries may not all wish themselves to obtain a measure of that power. But it does not need any great stretch of the imagination to see how there might be some attraction for them in the Russian example of economic betterment, if no alternative is at hand.

It is for us to offer that alternative. We know well enough what is needed: monetary aid, technical aid; the possibility of trade. Let me say something under each of these three heads.

#### Monetary Aid

You have yourselves of course provided the largest sums. For instance, since 1953 the United States has made bilateral economic grants and loans to underdeveloped areas amounting to 4.2 billion dollars. This compares with promises of economic aid from all the Soviet bloc countries amounting to not much over 1.7 billion dollars. Indeed, if it comes to comparisons and the United States apart, we in the United Kingdom alone in the last seven years have given more economic assistance to other countries than the entire Soviet bloc.

Nevertheless, when these comparisons have been made, we must admit that the total aid provided has not yet achieved our purpose. Despite all our efforts, we should remind ourselves of some facts and figures. They came out at the

Montreal Conference held a year ago. This was a gathering attended by the Finance Ministers of the Commonwealth, representing some six to seven hundred million people, or a quarter of the inhabitants of the world. Since 1950, and despite all the aid which they have received, the standard of living in many less-developed areas has through the explosive increase in population been stationary. In the same period, the national income per head has risen more than 25% in Europe and about 13% in the United States. In other words, the gap has been widening, and our objective has not yet been reached.

Meanwhile, the Communists have succeeded in achieving psychological effects for their assistance programme out of all proportion to its size. Why? The Communists have concentrated their economic assistance upon a limited number of countries in which they can achieve maximum political, strategic or psychological advantage. Whereas Western aid has been spread throughout all the less-developed countries, numbering over seventy, four-fifths of the Russian offers have been to only five countries, that is Afghanistan, the United Arab Republic, India, Indonesia and Yugoslavia. They have manoeuvred with great speed and flexibility and taken advantage of any turn in the local political trends. They have achieved a considerable degree of economic penetration in the Middle East in this way.

They have been considerably helped in this by the fact that they do not have to submit their plans far in advance for public approval by legislative processes. They do not have to arrange for careful supervision and control. Nor, once the immediate objective has been achieved, do they need to care about the long-term economic results of their intervention.

All this derives from the fact that it is often easier to reach decisions and carry them through in a dictatorship than in a democracy. We, rightly, do not wish to imitate their methods or to remove any of the curbs of authority which are essential to our democratic government. But it is well to bear these facts in mind when we are attempting to assess Soviet achievements and the growing potential of the Soviet threat in this field. We shall then be in a better position to counter it. We must recognize that the need to provide capital aid will continue. It is with this in view that your Government has put forward a proposal for the organization of yet another body to assist development, namely the International Development Association. My Government welcomes this proposal, which is to be discussed at the forthcoming meeting of the World Bank in Washington later this month.

#### Technical Aid

The provision of capital alone will not achieve our purpose. Its usefulness is among other things limited by the number of qualified technicians and the administrative machine which can

carry through development schemes. We and you have done a great deal already to try to provide the technicians who may be needed. But here again we face a stiff challenge. Imagine for instance that the Indians had asked you and us and we had agreed to help them to carry out an industrialization similar in scale and speed to the Chinese. In a recent article C.P. Snow has calculated that it would then require something like 10 - 20,000 engineers from the United States and United Kingdom to help get the thing going. At present we just could not find them.

Perhaps the Russians could. At any rate recent evidence suggests that the Russian educational system is turning out more of the technicians that are needed than either the United States or the United Kingdom, or both taken together. Once again, there is no question that we have already done a great deal. The problem is, have we done enough and are we putting ourselves in a position where we can help to the degree that will be needed?

### Trade

Thirdly, there is the question of trade. There are two broad aspects to this. Most under-developed countries are producers of primary products, that is, minerals such as copper, zinc, lead, or raw materials such as rubber and coffee. For them, trade is far more important than loans or grants. Many of them learnt that painfully through the recession of 1957/58. Then, mainly because of the fall in commodity prices, the primary producing countries lost over two thousand million dollars, or about six times as much as they had been lent the year before by the World Bank. How we can achieve some stability in prices of such primary commodities is of course an immensely complicated subject in itself. But our capital aid will often miss its purpose if in the future we appear to take away with one hand more than we give with the other.

The other aspect of trade is our readiness to open our markets to manufactured as well as primary products. Here again, it is obvious that if under-developed countries are going to "take off", they must diversify their economies and industrialize. In any case, whether we like it or not, they intend to do so. When they achieve a degree of industrialization, they will want to sell the products in the international market in order to repay us our loans or in order to acquire capital for further development. Once again, this is not an easy problem for the industrial countries of the West who will have to face the resulting competition. But if we are not ready to take the products, we shall ourselves be frustrating the result of much of the capital or technical aid which we may have given.

So far as the United Kingdom is concerned, we have tried to face these trade problems realistically. To start with we are the world's largest market for food, and one of the largest for

raw materials. This means that we are one of the biggest importers of the primary commodities which the under-developed countries produce. In our Commonwealth we also help in another way. The produce and manufactured goods of the Commonwealth are given wide rights of unrestricted duty-free entry into the United Kingdom; some 95% of the imports into the United Kingdom from the Commonwealth pay no duty whatsoever. This applies to a vast range of manufactured goods as well as to basic agricultural products and minerals. Moreover, there are no quota limitations at all on imports from the Commonwealth countries in the sterling area.

This is not done without sacrifice on our part. There is sometimes severe competition against sectors of British industry from the Commonwealth countries, for instance, cheap textiles. But the British Governments since the war have recognized that these difficulties, great as they are, and harsh as they may seem in some of their incidence, are not comparable with the injury we, and not we alone, should suffer from any other policy.

### Conclusion

I have dealt at this length with this question of the under-developed lands, because I would suggest to you that it is one of the most important single problems concerning our civilization today. Despite the difficulties, we have already done and are doing a great deal. But have we yet done enough to be certain that the uncommitted countries will remain uncommitted: I mean uncommitted to Communism? Amongst our difficulties and some of our disadvantages we have one other thing on our side. It is an element of truth. That truth is that a basic concept of Communism has been demonstrated, and nowhere more triumphantly than in the United States, to be quite simply and plainly contrary to the facts. That is, that it is in the inescapable character of a capitalist society to seek to depress wages more and more in order that profits may rise higher and higher. Precisely the contrary has been shown to be the case. Neither you nor we seek anything more than to give all our citizens an ever-increasing capacity to consume more and more of the things that science and industry can provide. We have the task of showing that this pattern can be followed elsewhere, and that liberty can be maintained. In other words that it is not necessary to go through periods of brutal dictatorship with no regard for the rights of the individual in order to achieve economic betterment. We have done this ourselves. It is now our duty as well as our interest to see that others can follow where we have led.

It is perhaps all the more fitting that I should take up this theme in Seattle. Only last year it was the subject of urgent discussion in your city when statesmen from 18 nations, including all the nations of South and South-East Asia, and representing more than a third of the world's population, met here on the Consultative Committee of the Colombo Plan. It was in fact

from this hotel that President Eisenhower then called for a "great peaceful crusade" to aid these countries through expanded trade, technical assistance and development loans. You may also have seen and heard your President and my Prime Minister discuss it in their broadcast from London last month.

This is not a problem which concerns Britain and the United States alone amongst the industrial powers. Nor do I wish to pretend that we have been or should be alone in tackling it. The task ahead can absorb all the united skills, statesmanship and resources of the free world if they can be mobilized. We have learnt through the years, sometimes most painfully, that world prosperity is indivisible. The world cannot endure and progress half in poverty and half in affluence.

In the words of Arnold Toynbee: "Our age will be well remembered, not for its horrifying crimes nor its astonishing inventions, but because it is the first generation since the dawn of history in which mankind dared to believe it practical to make the benefits of civilization available to the whole human race."

This is the challenge of our times.

---