

UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL



Distr.
GENERAL

E/AC.6/SR.133
15 August 1953

ENGLISH
Original: ENGLISH
and FRENCH

Dual Distribution

Sixteenth Session
ECONOMIC COMMITTEE
SUMMARY RECORD OF THE ONE HUNDRED AND THIRTY-THIRD MEETING
held at the Palais des Nations, Geneva,
on Tuesday, 14 July 1953, at 11.30 a.m.

CONTENTS:

Full employment (item 2 of the Council's agenda):

- (a) Reconversion after the rearmament period
(E/2421, E/2474)
- (b) Consideration of replies from governments to the
questionnaire on full employment (E/2408 and Add.1-3,
E/2408/Add.4 and Corr.1, E/2408/Add.5, E/2445 and
Add.1-2)
- (c) Report of the International Monetary Fund under
Council resolution 427 (XIV), paragraph 6
(E/2454)
- (d) Report by the Secretary-General under Council
resolution 426 B (XIV) (E/2404, E/2449)

Draft resolutions referred to the Economic Committee by the
Economic and Social Council.

Present:

Chairman: Mr. B.R. SEN (India)

Members:

Argentina	Mr. BUNGE
Australia	Mr. SHAW
Belgium	Mr. MASOIN
China	Mr. CHEN
Cuba	Mr. RIBAS
Egypt	Mr. el TANAMLI
France	Mr. BORIS
India	Mr. ADARKAR
Philippines	Mr. REYES
Poland	Mr. BLUSZTAJN
Sweden	Mr. STERNER
Turkey	Mr. ÖZGÜREL
Union of Soviet Socialist Republics	Mr. ARUTIUNIAN
United Kingdom of Great Britain and Northern Ireland	Miss WATTS
United States of America	Mr. ASHER
Uruguay	Mr. STEWART-VARGAS
Venezuela	Mr. MONTOYA
Yugoslavia	Mr. STANOVNIK

Observer:

Indonesia	Mr. KHOUW BIAN TIE
-----------	--------------------

Representatives of specialized agencies:

Food and Agriculture Organization (FAO)

Mr. McDOUGALL

International Monetary Fund (IMF)

Mr. WILLIAMS

Mr. MURPHY

Representatives of non-governmental organizations:

Category A

International Confederation of Free Trade
Unions

Miss SENDER

International Co-operative Alliance

Mr. BOSON

World Federation of Trade Unions

Mr. DESSAU

Mr. DIALLO

Mr. LIU CHANG CHENG

Category B and Register

International Alliance of Women

Mrs. SPILLER

International Federation of University
Women

Mrs. NANTET de SERRANT

World's Alliance of Young Men's Christian
Associations

Mr. PENCE

World Union for Progressive Judaism

Mr. RONALDS

Secretariat:

Mr. Blough

Principal Director, Department of
Economic Affairs

Mr. Dumontet

Secretary to the Committee

FULL EMPLOYMENT (item 2 of the Council's agenda) (E/2404, E/2408 and Add. 1-3, E/2408/Add.4 and Corr.1, E/2408/Add.5, E/2421, E/2445 and Add. 1-2, E/2449, E/2454, E/2474)

Draft resolutions referred to the Economic Committee by the Economic and Social Council

The CHAIRMAN stated that at the close of its 724th meeting⁽¹⁾ the Council had referred to the Committee three draft resolutions on item 2 of the Council's agenda, the first submitted by the delegation of the Union of Soviet Socialist Republics, the second submitted jointly by the delegations of Belgium, India and Sweden, and the third submitted jointly by the delegations of France and the United Kingdom.⁽²⁾ He announced that the authors of the last two draft resolutions were endeavouring to agree upon a joint draft, which would then have to be circulated, since delegations would need time to study it, he proposed that the discussions be deferred until the next meeting.

It was so agreed.

The meeting rose at 11.45 a.m.

(1) For discussions in plenary session of the Council see E/SR.720-724
(2) For text of the three draft resolutions see Annex.

ANNEX

FULL EMPLOYMENT

(item 2 of the Council's agenda)

I

Draft resolution submitted by the delegation of the Union of Soviet Socialist Republics

10 July 1953

Considering the necessity for taking steps to combat the unemployment existing in many countries, which lowers the standard of living of wide masses of the population of those countries,

Considering that continuation of the armaments race not only cannot conduce to an increase in employment, but is also hindering the much needed expansion of civil branches of industry,

Considering, further, that the removal of discrimination and of obstacles to the development of normal trade between countries based on reciprocity and a large-scale exchange of commodities would have beneficial effect in stimulating business activity and is the most reliable way of effectively increasing employment,

The Economic and Social Council

Calls upon all the Member States of the United Nations, with a view to increasing employment and raising the standard of living of the people to take the necessary steps to remove obstacles to the development of normal trade between States in conformity with the principle of abolishing the numerous discriminatory practices now prevailing in international trade, which are doing great harm to the economy of many States and gravely complicating international relations.

II

Joint draft resolution submitted by the delegations of Belgium, India and Sweden

11 July 1953

The Economic and Social Council

Having taken note of the Memoranda on reconversion after the rearmament period submitted by the International Confederation of Free Trade Unions (E/2421 and E/2474) and of the Note by the Secretary-General concerning "Measures designed to reconcile the attainment and maintenance of full employment with the avoidance of the harmful effects of inflation " (E/2404),

Considering the prevalence of wide-spread unemployment and under-employment in many countries and the possibility that reconversion after rearmament or other factors may bring about a further decline in employment,

Considering, further, that a policy for attaining and maintaining high employment must take account, as well, of the need to avoid inflation and, generally, to ensure external and internal economic stability and a free international trade,

1. Requests the Secretary-General to appoint a committee of experts of not more than five members, chosen from both developed and under-developed countries and representing different schools of thought, to study national and international measures needed to counteract any decline in economic activity to which a decrease in rearmament may give rise, to raise employment rates where they are low and, generally, to attain and maintain high levels of employment within the framework of external and internal economic equilibrium and of liberalization of trade, and to report to the Council at its eighteenth session;
2. Invites, meanwhile, Member Governments to take such measures as they deem appropriate to their respective economies to facilitate reconversion and to report thereon in their replies to the annual full employment questionnaire.

III

Joint draft resolution submitted by the delegations of France and the United Kingdom

13 July 1953

The Economic and Social Council

Taking note of the memoranda on reconversion after the rearmament period submitted by the International Confederation of Free Trade Unions (E/2421 and E/2474),

Having considered the replies of member Governments to the questionnaire on full employment and balance of payments (E/2408) and the analysis of these replies presented by the Secretary-General (E/2445),

Having considered also the reports presented by the Secretary-General on measures designed to reconcile the attainment and maintenance of full employment with the avoidance of the harmful effects of inflation (E/2404 and E/2449), and

Having considered also the report of the International Monetary Fund on the Adequacy of Monetary Reserves,

Recognizing that any significant reduction in the level of expenditures on defence could at any time cause a slackening or a fall in the total effective demand on some sectors of industry,

Considering that the problem of how to attain and maintain full employment without inflation needs further consideration,

Recognizing that the level of the monetary reserves available to Member States is an important factor influencing the possibility of maintaining international economic stability at optimum levels of output, trade and employment,

1. Requests the Secretary-General, when distributing the questionnaires on full employment and balance of payments for 1953/54, to invite each Member Government to indicate its views on the measures which it may consider necessary to prevent adverse effects, on its own economy or on those of other Members, arising from foreseeable reductions in its defence expenditures;

2. Requests the Secretary-General:

(a) to remind Member Governments of the suggestion made at the fifteenth session of the Council that those members having had experience in dealing with inflationary pressures associated with high levels of economic activity should arrange to give the Council the benefit of their experience,

(b) to invite such members to submit written statements on this subject by for circulation to the Council, and

(c) to prepare an analysis of these statements and to circulate it to the Council during 1954;

3. Requests the International Monetary Fund to continue to keep under review the adequacy of monetary reserves for the purpose of helping countries to meet temporary disequilibria in their balances of international payments, bearing in mind the objectives referred to in paragraph 6 (a) of Resolution 427 (XIV) of the Council, and to inform the Council in 1954 of the results of its work in this connexion.