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Chairman: Mr. Jiří NOSEK (Czechoslovakia).

Economic development of under-developed countries: (a) Financing of economic development of under-developed countries: report of the Economic and Social Council (A/C.2/L.162 and Corr.1 & 2, A/C.2/L.162/Add.1, A/C.2/L.164, A/C.2/L.168, A/C.2/L.169/Rev.1, A/C.2/L.171, A/C.2/L.173, A/C.2/L.174, A/C.2/L.175 and A/C.2/L.176) (Continued)

[Item 25 (a)]*

1. Mr. CECH (Czechoslovakia) said his delegation had already, in the general debate, pointed out (195th and 209th meetings) that the economic structure of under-developed countries was one-sided in that they produced mainly raw materials and primary commodities. He had further pointed out that the financial power of the under-developed countries depended on whether and at what price they could sell their raw materials. He had heard with interest the explanation of changes in the price relationship between raw materials and finished goods given by certain representatives, that the industrialized countries took measures to depress the prices of raw materials, thus bringing about a disequilibrium in the balance of trade of under-developed countries. That was all part of the United States imperialistic policy which was to monopolize strategic raw materials and other raw materials in short supply.

2. In 1950, when sufficient stocks had been acquired, the prices of raw materials had been depressed, forming the culmination of a ten-year cycle. It was well known that fluctuations occurred not only in the prices but also in the quantities of raw materials traded. The average annual price fluctuation was 18 per cent; the average fluctuation in quantity was 25 per cent; and the average fluctuation in export earnings 35 per cent,

and in the case of the United States as high as 49 per cent. Obviously such fluctuations constituted a great obstacle to the normal development of under-developed countries, since it made it impossible for them to draw up even annual estimates of the amount of finance likely to be available for the purchase of capital goods. Professor Mills in *Price-Quantity Interactions in Business Cycles* had stated that the prices of raw materials varied twice as much as the prices of finished products; that constituted yet another reason for the continued inferiority of the under-developed countries in relation to the industrialized countries. The under-developed countries also suffered from long-term price changes; over a ten-year period the prices of raw materials had dropped by 40 per cent as compared with the prices of finished goods. It was clear that it was the under-developed countries which bore the brunt of that change.

3. He drew attention to the enormous profits received by United States monopolies. At the United Nations Scientific Conference on the Conservation and Utilization of Resources, the head of the Economic and Statistical Department of the United States Department of Mines had submitted a report that certain minerals and ores were in short supply. Shortage of supply ought to provoke an opposite trend towards an increase in raw material prices, but had not done so. The only possible explanation was that raw materials were concentrated in the possession of developed countries which took measures to control prices and to exploit labour in the under-developed countries. There was, for example, a certain Latin-American country where the manganese ore which should be used to develop the country's own steel industry was constantly being exported.

4. He quoted statistics from *Le Monde* of prices of certain types of raw materials, such as wool, raw cotton, tin, rubber, copra, sugar and copper, which showed the enormous fluctuations, in some cases amounting to

* Indicates the item number on the agenda of the General Assembly.

100 per cent, in the prices of those raw materials between 1951 and 1952. According to Moody's Price Index of Raw Materials, taking 1931 as 100, the figure for June 1950 was 396, and for March 1951 439, while the maximum in 1951 had been 535. Such differences were obviously detrimental to the under-developed countries in their efforts to develop their economies.

5. Commenting on rubber production, an issue of *The Economist* dated March 1952 had stated that the world production of rubber had risen from 2,400,000 tons in 1951 to 2,800,000 tons. The entire increase, however, had been in the production of synthetic rubber in the United States, and there had been a sharp decline in the production of natural rubber. The small producers were the first to suffer from that situation. In Indonesia, where rubber production in the first half of 1951 had fallen by 20 per cent, and in Malaya, only the small producers had been affected and the large rubber estates had not suffered. The small producers in South-East Asia were bearing the whole brunt of the United States policy of dumping synthetic rubber on the market so as to depress the price of natural rubber. The United States had similarly depressed the price of tin in Malaya and Indonesia.

6. According to a report by the Economic Commission for Latin America, the profits of United States monopolies in 1950 had amount to 700 million dollars, or 200 million dollars more than the active trade balance of the Central and South American Republics. Moreover, the United States was imposing a series of controls and doing all in its power to prevent the under-developed countries from directing their own trade. The under-developed countries, in order to achieve economic development, must be free to develop their own heavy and light industries; that could only be done by having trade agreements free from any political conditions, leaving them a free hand to draw up their own development plans. Any other course would involve balance of payments difficulties, prevent the formation of adequate domestic savings and lead to unemployment. There was no doubt that a study of price fluctuations would show the real reason for the existing situation.

7. His delegation considered paragraphs 2, 3 (a) and 3 (b) of the Argentine draft resolution (A/C.2/L.162 and Corr. 1 & 2) superfluous. Sub-paragraph 4 (b), too, was neither useful nor appropriate. In his delegation's view, higher standards of living would be achieved by the development of productive forces and the full utilization of the means of production either through the use of natural raw materials or by resorting to synthetic products. He could not therefore support sub-paragraph 4 (b). His delegation also considered paragraph 7 inappropriate, since it did not expect that any concrete results would be achieved by the setting up of the group of experts proposed therein.

8. It took a similar view with regard to the joint amendments (A/C.2/L.169/Rev.1), which were not germane to the problem. In brief, his delegation could support sub-paragraphs 3 (c), 3 (d), 3 (e), 4 (a) and (c), and paragraphs 5 and 6 but none of the others. He therefore requested that the draft resolution should be put to the vote in parts.

9. Mr. BURR (Chile) said that his delegation unreservedly supported the Argentine draft resolution, which was perhaps one of the most important drafts

before the Committee. Since the Argentine representative had fully explained the principles on which the draft resolution was based (214th meeting), he would only comment on a few points which he considered of special interest.

10. Economists had explained how the advantages of technical progress had been concentrated in the industrialized countries and how the price relationship had constantly been less favourable to primary products. The Argentine representative had shown how, between 1876 and 1938, the peripheral countries had lost much of their purchasing power and their national income had decreased.

11. Commenting on Chile's recent experience, he said that from 1940 to 1945 the economy had been characterized by a successive deterioration in the terms of trade. Taking the year 1938 as 100, Chile's net terms of trade, which had been 113.5 in 1939, had fallen to 101.2 in 1940 and successively decreased thereafter to reach a lowest point of 69.9 in 1944. Chile was one of the countries which had suffered the greatest deterioration in its terms of trade, due to the fact that the price of copper had remained stable at 11.75 cents per pound, whereas the prices of its imports had risen sharply.

12. During the period under consideration the cash reserve of the Central Bank had increased by about 80 million dollars to a total of 110 million dollars, but that was less than 50 per cent of the average value of imports in the first years of the post-war period; it was therefore absolutely inadequate for the needs of reconstruction. The increase in the reserve had not been caused by any increase in the export of strategic raw materials, or by favourable external trade conditions but merely by the fact that, as a result of the war, Chile had been unable to import capital goods and equipment. Between 1940 and 1945 its imports of capital goods had decreased by an average of 30 per cent and imports of consumer goods had risen by 10 per cent, while the population had increased by 1.5 per cent annually. As a result, there had been a considerable decrease in the *per capita* availability of consumer goods. In the under-developed countries, with their low standards of living, any further drop in the standard was bound to cause serious political and social disturbances.

13. Considering the post-war period, he said there had been an increase in the price of copper, with a consequent slight improvement in the terms of trade between 1946 and 1951. After the outbreak of the Korean war there had been a considerable rise in the prices of raw materials and essential goods. Chilean imports had increased between 1946 and 1951 and import of capital goods in 1951 had been three times as high as in 1945. That increase represented the satisfaction of pent-up demand and the implementation of development programmes. It had been financed from external credit and not from an improvement in the terms of trade, which had remained below the pre-war level. As a result, there had been a deterioration in the country's balance of payments position. In view of the facts he had just cited, his delegation was very interested in the question of terms of trade and the other questions dealt with by the Argentine draft resolution.

14. The Canadian representative, the previous day (215th meeting), had drawn attention to some of the advantages of price fluctuations. Mr. Burr pointed out

the disturbing effects fluctuations in the price of copper might have on the Chilean economy since the revenue from copper supplied about 50 per cent of Chile's active trade balance. From 1949 onwards, the price of copper had varied between 16 and 36 cents per pound. Price fluctuations also affected industrialized countries but those countries were in a position to take steps to offset the effects of fluctuations, whereas under-developed countries were not. There was a tendency to impose controls whenever the fluctuations were in the favour of under-developed countries; unfortunately, that mechanism worked only in one direction. In that connexion, he drew attention to paragraphs 221 and 222 of the experts' report on *Measures for the Economic Development of Under-developed Countries* (E/1986).

15. In order to enable under-developed countries to strengthen their position, the basis of their economies must be widened by diversification and industrialization. Until that was achieved, it was more than ever necessary to provide all possible guarantees in respect of raw material prices. One such guarantee was proposed in the Argentine draft resolution, namely the establishment of fair and equitable prices for primary commodities. Further guarantees were offered in sub-paragraphs 4 (b) and 4 (c) of the draft resolution.

16. His delegation particularly supported sub-paragraph 4 (b). The problem with which it dealt was of the utmost importance to the under-developed countries, whose economies were highly vulnerable because of their dependence on one or two principal products. If those products were displaced by synthetic goods, it would be very difficult for the under-developed countries to find alternative exports. His Government had followed the development of substitutes with great interest. Considerable apprehension had been aroused some time ago both in Chile and the United States when certain United States Government agencies had made recommendations with regard to a substitute for copper. He was not, of course, opposed to technological progress, but governments should take a long-term view and bear in mind the vital interests of under-developed countries. The question of substitutes had been discussed more than once at international conferences. In that connexion, he drew attention to resolution IX on the development of basic production, which had been adopted at the Third Meeting of the Ministers of Foreign Affairs of the American Republics. That resolution dealt, at least partly, with the subject matter of paragraph 4 (b) of the Argentine draft resolution.

17. He fully agreed that the implementation of integrated plans of economic development would attenuate the effects of fluctuations in the prices of primary commodities. It was highly desirable that countries in the process of economic development should follow a comprehensive policy, bearing in mind their economic interdependence; otherwise, they risked losing the benefits of technical progress by an excessive division of the market.

18. The Canadian representative had said that diversification should be based primarily on considerations of efficiency. He agreed that the production of primary products should be developed, but if attention were concentrated on primary products alone, the rate of development of the under-developed countries would not be as great as that of the industrialized countries. He also agreed that, particularly in view of the scarcity of

capital, the economic development of under-developed countries must be carried out in the most efficient way possible. He quoted on that subject from the section entitled "The concept of the economic advantage of industries where the level of productivity is lower than in the centres" in Chapter II of the report on "Theoretical and Practical Problems of Economic Growth" (E/CN.12/221).

19. Financing was necessary for economic development and one of the most important ways of making finance available was the establishment of fair and equitable prices for primary products. The economic solvency which such prices would confer on the under-developed countries would assist in establishing the favourable climate necessary to attract investment, so that loans and private investment would be more likely to be forthcoming.

20. In short, the serious fluctuations in international trade since 1929 had led to an insufficient increase in the value of exports, a deterioration in the terms of trade, and a considerable reduction in the flow of private capital investment. Those factors had delayed or prevented the stabilization and development of the economies of the under-developed countries. He believed that the Argentine draft resolution and the amendments to it (A/C.2/L.169/Rev.1) were a valuable contribution to the solution of the problem. He considered it prudent, in view of the complexity of the subject, that a group of experts should be requested to consider the problem. His delegation therefore was submitting an amendment (A/C.2/L.174) to the Argentine draft resolution since it felt that discussion of the subject in the Committee might be of assistance to the experts.

21. Mr. LEE (China) said the Committee was indebted to the representative of Argentina for focussing attention upon the fluctuations in the prices of primary commodities, especially in their relationship to manufactured goods, an aspect of the current economic situation which caused serious concern to many countries, including his own. To a country which mainly exported one or two primary commodities, such price changes made all the difference between prosperity and depression. He also welcomed the amendments submitted by Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua for its recommendation concerning international agreements relating to primary commodities to ensure the stability of prices of primary commodities. He wholeheartedly endorsed the stand taken in the Argentine draft resolution in calling attention to the obligation to consider measures relating to the prices of commodities in international trade.

22. The subject matter of sub-paragraphs 4 (a) and (b) was very complicated and called for careful examination. He had grave doubts as to the efficacy and desirability of controlled prices as a long-range measure. As the United States representative had recalled at the previous meeting, those doubts were shared by the experts in their report on *Measures for International Economic Stability* (E/2156).

23. Theoretically, it was rising prices and not stable prices of primary commodities which could increase domestic savings in an under-developed country. For example, it was generally recognized that the success of the Colombo Plan had been largely assisted by the wave of rising raw material prices prior to 1952. State-

ments in the Committee seemed to indicate that the long-range price prospect for raw materials was not necessarily bad when compared with that for prices of manufactured goods. Even if it were possible to stabilize raw material prices at present levels, producing countries might not necessarily be the gainers.

24. The question of synthetic and substitute materials referred to in sub-paragraph 4 (b) was an old one. In China great economic distress had been caused by the substitution of rayon for silk and his country was therefore fully aware of the implications of the problem but, nevertheless, he saw no practical way of preventing the recurrence of such situations. Furthermore, economic interests differed. For example, if the process of making paper from bagasse could be perfected it would be a great boon to China, which possessed large quantities of bagasse, but it would be a menace to countries with important timber industries. As the statements of other delegations had indicated, it was difficult to foresee the implications of technological changes on different countries and he thought the United Nations should study ways of assisting any country suddenly affected by such changes.

25. He considered it unwise for the Committee to commit itself to a definite proposal on subject matter so complicated as that referred to in sub-paragraphs 4 (a) and (b) of the Argentine draft resolution and his delegation would accordingly be unable to support the draft in its present form.

26. Mr. DE SEYNES (France) congratulated the Argentine representative on having initiated a debate on very important problems. Governments were disturbed to note that international trade had not expanded in the same proportion as production. The discussion was therefore particularly interesting in view of the fact that it centred around the question of the terms of trade, which was the very heart of the general problem.

27. In spite of the fact that the debate was very interesting, he found himself becoming increasingly perplexed and wondered if it was really advisable to adopt a definite decision on the Argentine text. The premises put forward by the Argentine delegation and other representatives who had supported or opposed the draft seemed to be extremely unstable.

28. It appeared as if there was no unanimity of view in the Committee on the way in which terms of trade had developed in the past. At the previous meeting (216th meeting) the United States representative had cited a number of examples to prove that terms of trade had in some cases expanded in favour of the producers of raw materials, and the representative of Bolivia had stated afterwards that the deterioration in the terms of trade was an indisputable fact. The Brazilian representative had criticized (215th meeting) the Argentine delegation's draft resolution but had agreed to its unreserved adoption. The same representative at the previous meeting had appealed for freedom of prices although he had not repudiated a system which called for the fixing of prices.

29. Like Belgium, France had diverse and even conflicting interests in that matter in view of its overseas territories. He was therefore trying to study that problem with the greatest objectivity, and unfortunately had to admit that it was very difficult to arrive at a decision

on the basis of the statistics and factual information which had been offered during the discussion.

30. In the absence of any factual data, was there at least a theoretical construction which might remedy the lack of statistics and enable a decision to be reached? The suggestions made in that connexion, although very interesting, seemed unstable. The Argentine representative had put forward a theory (214th meeting) that profits accruing from the increased production of raw materials would automatically be transferred to the industrial countries. That theory was somewhat similar to the *plus value* theory which was out-dated. Like it, the Argentine theory rested on the *a priori* idea of the conditions under which natural resources were appropriated. The Argentine representative had also maintained that the prices of raw materials played an ever decreasing part in the prices of manufactured goods in view of the incorporation in those prices of servicing costs, and the technological progress achieved. As a result there would be an increasing disproportion between the income of the countries producing raw materials and that of the industrialized countries. In addition to the fact that that theory took no account of the effect of technological progress on the economy of the under-developed countries, it seemed to be based on an assumption, that was to say, that the disproportion of income between the various countries was an evil in itself. That might be possible but was not obvious. In the present text it was the absolute level of income of the under-developed countries and the rate of increase of that income which counted. Economists doubtless agreed in recognizing that disproportion in the distribution of income within a certain country was a cause of instability. That was especially true in the case of the more complicated economies. In any case, the mere transfer of that theory to the international plane would need to be studied carefully. Various speakers had referred to traditional tendencies. They were also apt to change and it did not seem as though the question of what part of the cycle the world happened to have reached at present had been studied.

31. The French delegation found it very difficult to define its position as regards the Argentine text for lack of adequate data and a convincing doctrinal construction. The text included promises regarding the economic policy of some countries and should therefore be studied with the greatest care. He thought that the discussion would at any rate bear fruit, even if a resolution was not adopted. Should a vote be taken, he was glad to note that the Argentine representative felt that his draft could be improved, and the French delegation was ready to co-operate in any attempt to amend the text which would make it more acceptable to those countries to which its recommendations were addressed. It already seemed as though the amendment submitted by the Central American delegations opened a way which might be usefully explored in order to give a more clear and specific meaning to the Argentine draft. He hoped that the amendments to the Argentine resolution would not be made with undue haste.

32. Mr. CARANICAS (Greece) said that he had given careful consideration to the Argentine draft resolution and to the amendments proposed to it (A/C.2/L.169/Rev.1). He had been especially interested in the comments of the Brazilian, Canadian, United Kingdom and United States representatives and thought

their remarks on the insurmountable difficulties of establishing a system of international parity prices had convinced many delegations of the impossibility of having a general agreement on such a scheme. To reduce the vulnerability of the under-developed countries to price fluctuations in international markets was a most attractive ideal, but seemed unattainable, as the report on *Measures for International Economic Stability* had indicated.

33. Greece, an under-developed and mainly agricultural country, had often suffered in the past from rises in the price of primary commodities and declines in the prices of its own exports, which were luxury goods. The impact of the rise in international prices since 1938 on its balance of trade had been unfavourable and had led to a deterioration in the terms of trade. In the recent past, wide fluctuation of the prices of wheat for example had considerably affected its foreign exchange position. It was solely through international commodity arrangements like the International Emergency Food Council and the International Wheat Agreement that his country had received some protection against excessive wheat price fluctuations. He thought, therefore, that some attempt should be made to achieve the aims of the Argentine proposals, but by a less ambitious resolution.

34. His delegation approved the principle of the Argentine draft resolution but had submitted an amendment (A/C.2/L.173) to sub-paragraph 4 (a), the purpose of which he outlined. At its fourteenth session, the Economic and Social Council had considered the question of international commodity agreements and he thought it opportune to stress the desirability of international consultation on that question and specifically in order to enter into inter-governmental commodity agreements for individual primary commodities like sugar, cotton, etc.

35. He considered the present wording of sub-paragraph 4 (b) of the Argentine draft resolution inadequate and thought other paragraphs needed amending too. Perhaps a working party might be set up to reword the draft and consider the various amendments to it.

36. Mr. PERRY (New Zealand) said that New Zealand, as an agricultural country, was closely concerned in the issues raised by the Argentine draft resolution. Fluctuations in international price levels had a direct and critical impact on his country's economic position and the standard of living of its people. He did not feel however that the draft resolution satisfied the criteria which a resolution on economic problems should fulfil, namely realism and practicability. The issues it raised were wider than the sphere of the financing of economic development of the under-developed countries. It referred to a number of subjects, each of which involved subsidiary problems. Sub-paragraph 4 (a) raised the main issue but stated it in an over-simplified form.

37. He endorsed the views of the Canadian representative (215th meeting) and questioned whether the terms of the Argentine draft could really serve to achieve the ideal of just and equitable price relationships. New Zealand's experience was that the price trends of primary pastoral exports were not necessarily similar, nor were those of capital goods and manufactured articles. The balance of payments of a particular country was not determined solely by the average level of world prices; it was also affected by the direction and nature

of its exports and imports. Moreover, conditions which influenced one country did not necessarily influence another. Unless there were a comprehensive international system of controls most countries would probably desire to retain their freedom of action to deal with particular commodities as they thought fit.

38. He considered that sub-paragraph 4 (b) of the Argentine draft resolution was, by implication at least, restrictive, and although New Zealand, as a large exporter of primary commodities, might be expected to welcome restrictions on the development of substitutes, it could never countenance a procedure that stood in the way of progress.

39. As the draft resolution suggested, reports could be prepared and recommendations made but they must not fail to bear in mind the difficulties to which many delegations had referred and must take into account what was being done to serve the same ends in other ways, such as by international commodity agreements. The General Agreement on Tariffs and Trade, for example, affected many of the issues raised in the Argentine draft resolution. The Greek amendment (A/C.2/L.173) contained useful suggestions in that connexion.

40. The New Zealand delegation considered that the Argentine draft resolution had performed a useful service by raising important issues and provoking valuable discussion. In its present terms, however, the draft did not solve the problem and his delegation was unable to support it.

41. Mr. JOCKEL (Australia) agreed with the analysis of the Argentine draft resolution made at the previous meeting by the United States representative. The Australian delegation, as it had emphasized during the general debate (204th meeting), attached great importance to the part played by exports in the development programmes of the under-developed countries, but was unable to support the basic points in the draft resolution. The Committee's discussion had been of high quality. He agreed with the French representative that it was preferable not to adopt any resolution on such a complex problem. It might be advisable to develop further the idea put forward by the Canadian delegation that all countries should give due consideration to the effects of their national economic policies on those of other countries. Sub-paragraph 4 (a) might be amended to include the point.

49. Mr. BUNGE (Argentina) regretted that his draft resolution had been misconstrued by certain delegations. Sub-paragraph 4 (a) did not mean that the Argentine delegation advocated a system of rigid control over the international system of prices. The advantages of the existing price system, which Argentina fully appreciated, were not recognized by all countries. Some of the more advanced countries had in recent times exercised direct or indirect control on the prices of and demand for raw materials by the adoption of rigid formulae; when the world economic situation tended to become unfavourable to them, they forgot certain principles which had previously governed their economic policies.

43. At the morning meeting the United States representative had remarked that the prices of capital goods were also controlled in order to avoid any disequilibrium in price relations. Furthermore, the United States Secretary of Defense, in his seventh quarterly report to the President on defence mobilization, had

admitted that the current system of price control was ineffective in halting a rise in prices and referred to the way in which the higher cost of iron, aluminium and copper had involved increases in the prices of goods manufactured from those materials. While the controls on the prices of raw materials were rigid and affected the price curve on world markets, the controls on manufactured goods were flexible.

44. Sub-paragraph 4 (a) of his draft resolution was a recommendation to Member States, when measures were adopted to change the price system, to give consideration to the effects of such measures on the terms of trade of other countries in order to ensure that the prices of primary commodities remained in an adequate, just and equitable relation to the prices of capital goods and other manufactured articles. The meaning of the last phrase should be appreciated by all, although some representatives had apparently been alarmed by it.

45. Several delegations had asserted that the raw material producing countries had been favoured by the evolution of the terms of trade in the post-war period. He appreciated that point, but the increased demand for primary commodities and raw materials had been due to the needs of war and reconstruction and the chronic downward trend had been reversed only temporarily.

46. A more representative year than 1937 or 1938 should be chosen as a criterion, as Argentina's terms of trade in those years had been most unfavourable. However, the problem should be studied not in relation to current or recent trends but against the background of long-term price fluctuations and their impact on the volume of trade. The Committee should also bear in mind the relationship of the production of primary commodities to the rate of population growth.

47. The United States representative had referred to the volume of trade during certain years to show that the terms of trade in those years had been favourable to the under-developed countries. But that had not been so in the case of Argentina. According to information compiled by the Argentine Statistical Office, Argentina's trade balance in 1951 had been less favourable than in 1937 because the price index of exports had not risen as rapidly as that of imports. He did not believe, however, that attention should be focused exclusively on the price factor and in that connexion he intended to reply in detail to the French representative's statement at a later stage.

48. Certain speakers had apparently misconstrued his recommendation on synthetic and substitute materials. He fully appreciated the need for technological research and progress and was not suggesting that such research should be discontinued. His recommendation was intended to refer to abrupt governmental action designed to bring about self-sufficiency by encouraging domestic

production of synthetic materials to replace imports, even when the synthetic substances were more costly. A report on stockpiling, dated 15 August 1952, submitted to the United States Congress included a long list of imports for which, it was claimed, substitutes ought to be found. As reported in *The New York Times* of 21 November 1952, a member of the United States Material Policy Commission had stressed that the Commission's recent report should not be misinterpreted as indicating that the United States was becoming a "have not" nation or that it must import regardless of the prices of raw materials. It had been pointed out that the United States would purchase an increasing supply of raw materials only if prices were "in line" and investment conditions abroad were advantageous. It was further reported that domestic substitutes were available for most raw materials. The implications were obvious.

49. Many of the dangers read into the draft resolution did not in fact exist. It had been remarked that the proposal was an oversimplification of the problem, but he failed to understand how reference to the fact that some countries were becoming steadily richer while others were becoming steadily poorer could be called oversimplification. He reserved his right to return to some of the points made during the discussion and to comment at a later meeting on the amendments submitted.

50. Mr. CUSANO (Uruguay) pointed out that his country was geographically and traditionally closely linked to Argentina. The economies of the two countries also were very similar. It was therefore only natural that his delegation should sympathize with the Argentine representative's general position, although its opinion might differ slightly on details. He would consult his Government before taking a final stand on the draft resolution and asked to be allowed to speak again later.

51. Mr. NURADI (Indonesia) stated that he had submitted amendments (A/C.2/L.175, A/C.2/L.176) to the Argentine draft resolution and to the joint amendments thereto. He asked for an opportunity to present his views on the draft resolution and to comment on his delegation's amendments at the following meeting.

52. The CHAIRMAN asked the Committee whether it was prepared to take up the Uruguayan draft resolution on migration (A/C.2/L.164).

53. After a short discussion in which Mr. BUNGE (Argentina) and Mr. CUSANO (Uruguay) took part, Mr. NURADI (Indonesia) moved the adjournment of the meeting.

The motion for the adjournment was adopted by 27 votes to none, with 14 abstentions.

The meeting rose at 5.45 p.m.