

ECONOMIC AND EMPLOYMENT COMMISSION

FIRST SESSION

SUMMARY RECORD OF THE FOURTH MEETING

Held at Lake Success, New York,
Wednesday, 22 January 1947, at 11 a.m.

Present:

Chairman:	Mr. R. Frisch	(Norway)
Vice-Chairman:	Mr. R. Wilson	(Australia)
Vice-Chairman:	Mr. A. P. Morozov	(Union of Soviet Socialist Republics)
Rapporteur:	Mr. I. Lubin	(United States of America)
	Mr. F. van Langenhove	(Belgium)
	Mr. J. N. Guimaraes	(Brazil)
	Mr. S. Bates	(Canada)
	Mr. T. Y. Wu	(China)
	Mr. E. P. Cisneros	(Cuba)
	Mr. L. Radimsky	(Czechoslovakia)
	Mr. R. K. Nehru	(India)
	Mr. O. Lange	(Poland)
	Mr. R. L. Hall	(United Kingdom)

Representatives of Specialized Agencies:

Mr. E. J. Riches (ILO)
Mr. F. L. McDougall (FAO)
Mr. A. F. Luxford (International Bank)
Mr. M. H. Parsons (International Monetary Fund)

Representatives of Non-Governmental Organizations:

Miss Tony Sender (A. F. of L.)
Miss C. Day (WFTU)

Secretariat: Mr. D. Weintraub (Commission Secretary)

1. Adoption of the Provisional Agenda (Continuation).

At the request of the Chairman, Mr. WEINTRAUB (SECRETARIAT) explained certain documents that had been submitted in connection with additional items to the agenda.

/He called

He called the Commission's attention to the proposal submitted by the Member from Norway in the document entitled "Proposal for an Inter-Economic Budget Analysis as Part of the Employment Study of the Economic and Employment Commission" (document E/CN.1/18). Mr. WEINTRAUB informed the Commission that the proposal to discuss the distribution of sources of energy in general and hydraulic energy in particular, made by the Brazilian Member, had been withdrawn by him in view of the fact that the Economic and Social Council was expected to consider at its next session the United Nations' Conference on Conservation and Utilization of Natural Resources proposed by the representative of the United States of America during the last session of the Council.

Mr. Weintraub read a new agenda item proposed by the Member from Australia, which related to "Periodical Analysis of and Report on World Economic Conditions." (document E/CN.1/19) He also read the "Memorandum on the International Co-ordination of Full Employment Policies with the Economic Development of the Less Developed Areas" (E/CN.1/20) submitted by the Advisor of the Chinese Member in connection with items 11 and 12 of the Agenda.

It was agreed to postpone consideration of additional agenda items until the next meeting.

The Commission then proceeded to a consideration of item 12 of the Provisional Agenda.

Mr. WEINTRAUB (SECRETARIAT) explained that the Secretariat had not prepared a special document in connection with item 12, except the note (document E/CN.1/8) drawing the Commission's attention to the Report of the Preparatory Committee of the Trade and Employment Conference in which the questions raised in item 12 were fully discussed.

Mr. BATES (CANADA) thought a problem of primary importance was to find methods for increasing the general knowledge of current economic conditions and for making forecasts. He cited the successful programme undertaken by Canada in developing contacts with technicians of other

countries and in exchange information and forecasts of probabilities, and urged that the Secretariat follow a similar programme.

Mr. HALL (UNITED KINGDOM) supported the point of view expressed by Mr. Bates, and quoted Article 9 of the Draft Charter of the International Trade Organization as particularly valuable in indicating functions which the present Commission might perform. Referring to section (a) of that Article which mentioned the collection, analysis, and exchange of information, he suggested that the Commission might ask the Secretary-General what plans he had for co-ordinating the work done in this field by the specialized agencies, as well as for supplementing such work.

The consultation with a view to concerted action mentioned in section (b) of Article IX was extremely important, for the best results could be obtained only through complete co-operation.

One of the duties of the Commission might be to see that there was no duplication of effort and that there were no serious omissions.

Mr. CISNEROS (CUBA) agreed with Mr. Hall on the importance of knowing what the specialized agencies were doing in the field in order to avoid an overlapping of activities.

He thought that any recommendation that the Commission should decide to make to the Council concerning economic stability and employment should include a suggestion that the International Trade Organization should give serious consideration to the problem.

Mr. WEINTRAUB (SECRETARIAT) informed the Commission of the activities of the Secretariat in compiling and analyzing data and in co-ordinating this work with that of specialized agencies. In the Economic Affairs Department there was a section whose responsibility it was to gather economic data in order to report on economic trends and to permit a global view of the trends. A report by the section would probably be ready by the next session of the Commission.

The Statistical Office of the Economic Affairs Department publishes the Statistical Bulletin formerly published by the League of Nations, and had already begun a series of meetings with specialized agencies to ensure that there was no duplication of work. Another section of the Economic Affairs Department dealt largely with balance of payments, and kept in particularly close touch with the International Bank and the International Monetary Fund.

Mr. LUBIN (UNITED STATES OF AMERICA) pointed out that there were two phases to item 12, the consideration (1) of activities of the Commission and (2) of the relation of those activities to other agencies.

As regards the first phase, he referred to the specific terms of reference laid down for the Sub-Commission on Employment and Economic Stability by the Economic and Social Council and expressed the opinion that the Sub-Commission was in a sense a working group set by the Council to prepare necessary materials and make suggestions to the Commission. He likewise viewed the Secretariat as an arm of the Commission which would furnish data requested. It was for the Commission to say what data it needed in order to make recommendations on economic stability. The Commission should agree on what specific studies were to be made before proceeding to a consideration of the second phase of item 12.

Mr. FRISCH (NORWAY) agreed with the representative of Canada that a service for economic forecasting should be set up. Periodic conferences might serve the purpose. Any advice the Committee might give to Governments with regard to the policies to be followed at any particular juncture would depend however on purely political considerations arising out of the statistical analysis of the data available. The work of statistical analysis could not be left to the Sub-Commission alone, as Mr. Lubin seemed to imply; the Secretariat, too, would have to take part in the preparation of the analysis, and Mr. Frisch was happy to note in this connection that it had secured the services of Mr. Kalecki.

/Mr. WILSON (AUSTRALIA)

Mr. WILSON (AUSTRALIA) hoped that effective means would be found to convey regularly and perhaps on short notice to other organs of the United Nations the conclusions arrived at by the Commission, so that these conclusions would be omnipresent in the minds of those organs dealing with economic problems.

Mr. van LANGENHOVE (BELGIUM) pointed out that Article 9 of the draft charter of the International Trade Organization made a distinction between the elements which might constitute the policy of economic stability and various governmental factors. It was natural for persons with an academic background to dwell on the first and purely theoretical aspect. On his part, Mr. van Langenhove was concerned with discussing means of applying the Commission's conclusions within the national framework. Though Government had striven to ensure economic stability on a national scale, this would be the first attempt on an international scale or it would be a test case for the whole conception on which the International Trade Organization was based. Accordingly, Mr. van Langenhove was anxious to have the views of his colleagues as to the means of bringing about concerted action by the various Governments in the economic field. Before discussing those means, however the advice of specialized agencies might be sought.

The CHAIRMAN hoped that the discussion would be so developed as to enable recommendations to be made to the Economic and Social Council. Agreement should be reached on the functions of the Sub-Commission of Economic Stability and Employment. He agreed with Mr. Lubin that that Sub-Commission must form an integral part of the Commission. He was not sure, however, that all Sub-Commissions should be considered as such; for instance the work of the Sub-Commission for Devastated Areas could not be viewed in that light.

/Mr. LUBIN (UNITED STATES

Mr. LUBIN (UNITED STATES OF AMERICA) suggested that the various activities of specialized agencies would have to evolve gradually as a natural process of growth by practical experience, but Mr. FRISCH (NORWAY) warned the Commission against any tendency to rely on natural evolution, which might lead to the overlapping of activities.

Mr. McDOUGALL (FOOD AND AGRICULTURAL ORGANIZATION) informed the Commission that the FAO had made arrangements for the periodical publication of reports and statistical data on the food situation, which would include an analysis of the food situation. He thought that the Commission would wish to recommend that the annual conference of the FAO should review every Government's programme from the point of view of both economic stability and economic development. The FAO would provide the Council and the Commission with all the data available on food and agriculture in order to enable the Commission to draw conclusions after taking cognizance of similar information from various other sources. He expressed a hope that the Secretariat would be of help in assisting specialized agencies in inter-change of data.

Mr. van LANGENHOVE (BELGIUM) thought that this was a sound conception of the Commission's work. It was necessary to obtain information on the programme and intentions of the various agencies in order to co-ordinate their activities in accordance with Article 63 of the United Nations Charter.

Mr. LANGE (POLAND) thought that the main problem was the collection of information, analysis and recommendations to the Council, particularly with respect to the work of this Commission and the Secretariat.

Mr. CISNEROS (CUBA) expressed agreement with Mr. van LANGENHOVE and Mr. McDOUGALL. Problems might arise which could be referred to one or the other of the specialized agencies. The Commission's terms of reference authorized it to make such recommendations. Should the specialized agencies find themselves unequipped to deal with some particular problem, another solution would have to be found by the Council.

Mr. BATES (CANADA) supported Mr. Lange and stressed the need for regular distribution of information to the various governments concerned so as to facilitate action on their part. He even envisaged the possibility of sending specialist representatives from the Commission to the various governments to see that the information given reached the right destination and to explain the conclusion underlying the Commission's recommendations.

Mr. MOROZOV (UNION OF SOVIET SOCIALIST REPUBLICS) thought that the Commission's terms of reference should be a sufficient guide in determining how the problems would be dealt with. He felt that practical problems should be tackled as they come up and that the Sub-Commission should start its practical work as soon as possible.

Mr. FRISCH (NORWAY) thought that, Mr Lange's suggestion dealt with the question of what could be done generally and how the function could be distributed.

Mr. LANGE (POLAND) agreed with that interpretation of his view.

Mr. LUBIN (UNITED STATES OF AMERICA) observed that problems relating to housing would also be examined by the Social Commission. He therefore moved that two members be appointed to form an ad hoc sub-committee together with two members of the Social Commission to keep the Commission informed of the views and decisions of the Social Commission in regard to housing.

After some discussion, it was agreed that the Chairman arrange to sit down with the Chairman of the Social Commission, discuss the ways in which the Social Commission is likely to handle this matter and report back to this Commission.

The meeting rose at 1:00 p.m.
