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Fourth session

NOTE ON THE FUTURE ORGANIZATION OF THE ECONOMIC
AND EMPLOYMENT COMMISSION

Presented by Mr. Robert L. Hall,
member of the Commission for the United Kingdom

1. Our Committee was entrusted with the task of reporting its suggestions concerning the future organization and terms of reference of the Economic and Employment Commission and its two Sub-Commissions. I take it that we are not precluded by our terms of reference from going so far as to recommend the abolition of the Sub-Commissions or of the Commission itself if it appears to us that the functions which these bodies were set up to discharge could, in present circumstances, be more effectively carried out in some other way.
2. In general I start from the analysis of the problem in Dr. Wilson's note (E/CN.1/W.31 of 26 April 1948). The Economic and Employment Commission was, by its terms of reference, given an extremely wide field to cover. This was probably inevitable. Economic problems do not easily admit (as social problems perhaps do to some extent) of being divided up into a number of more or less watertight compartments. Any attempt to split up the economic field among a number of Commissions would probably have resulted in overlapping and dispute and the giving of contradictory advice to the Council. Moreover, the structure of Commissions might have tended to reproduce the structure of specialized agencies dealing with economic questions.
3. In addition to the difficulties arising from the extent of its field of responsibility, additional strain has been put upon the Commission and its Sub-Commissions by insistence that it should be in a position to analyse current situations and prescribe remedies for current problems. This emphasis on the short-term is to be found not so much in the terms of reference of the Commission as in subsequent resolutions of the Council, and of the Commission itself.

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4. In order to carry out its responsibilities adequately, the Commission would have had to meet at least three times a year, possibly oftener. But this would not only have placed a considerable strain on the Secretariat and on the budget of the United Nations; it would also have made claims on the time and energy of the members of the Commission and on the willingness, in some cases, of Governments to release members for these duties, which would only be warranted if the outcome of the Commission's labours had a more immediate relevance to action than they in fact have.

5. Possible schemes for reorganizing the work now done by the Commission and its Sub-Commissions may be considered under four heads:

- (a) Those involving the retention both of the Commission and its sub-Commissions;
- (b) Those involving the abolition of the Sub-Commissions only;
- (c) Those involving the abolition of the Commission and Sub-Commissions without the creation of new Commissions.

Alternative A - Reforms of practice consistent with the retention of the Commission and its Sub-Commissions

6. It is suggested, in E/CN.1/W.31, that the Commission and its Sub-Commissions should divest themselves of any functions they may have attempted to exercise in respect of reporting and recommending on current economic trends, situations and problems, and confine themselves to producing agreed principles of economic policy. Reporting on current trends and drawing attention to emergency economic situations would fall to the Secretariat while the formulation of recommendations would, for the most part, be left to the Council itself, though it is contemplated that recommendations to deal with an emergency might be prepared by groups of experts called together "ad hoc".

7. I have some doubt whether the distinction between elaborating "principles" of policy, and the formulation of recommendations to meet current problems is sufficiently clear-cut to serve to demarcate the appropriate sphere of the Commission. The formulation of abstract principles is best left to the universities. It is true that some problems are urgent and others only contingent and that the latter necessarily have to be dealt with in more general terms, and I would agree that bodies which meet only once a year for a few weeks are better adapted to dealing with the latter than the former. But the distinction is one of degree: potential dangers (e.g., those of a slump) may suddenly become actual. Thus, while agreeing that if they survive, the Commission and Sub-Commissions should concentrate their attention on the longer-term problems where their

analysis and recommendation is more likely to be fruitful and timely, I would consider it unwise to go through the arduous and time-consuming exercise of revising the terms of reference of the Commission and Sub-Commissions in order to draw a line of demarcation which is necessarily blurred and may, if strictly interpreted, embarrass the Commission in its work.

8. There is, however, a further reform of practice which might increase the efficiency of the work of the Commission and its Sub-Commissions, i.e., a greater measure of reliance on the Secretariat. There are three more or less separate operations: (a) reporting on facts and describing actual situations; (b) analysing problems, and (c) formulating recommendations. The Secretariat might accept the primary responsibility for reporting on economic developments and trends, both current and prospective, and for the analysis of economic problems. Such analyses would normally be accompanied by indications as to lines of action. The Sub-Commissions, each in their own sphere, would review and assist where necessary the Secretariat analysis and would formulate draft recommendations. The Commission would, as far as possible, confine itself to the formulation of recommendations and any observations it may make and the analysis brought before it should be incidental to that primary task. The Secretariat would be entitled to bring problems to the attention of the Sub-Commissions and the Commission, and discussion in these bodies would normally be on the basis of drafts provided by the Secretariat.

9. By concentrating on the longer-term tasks and relying more upon the Secretariat, in the way that has been described, the Commission and its Sub-Commissions should be enabled to do a more effective job. Their effectiveness could, however, still be limited by the infrequency of meetings and by the Commission's propensity to spend time going over again the work of the Sub-Commissions. Moreover, the Secretariat would have a heavy burden to bear in servicing the Sub-Commissions and the Commission, though it would now be entitled, in timing its reports and analyses on current economic conditions, to concentrate more exclusively on meeting the Council's needs.

Alternative B - Abolition of the Sub-Commissions

10. The Commission would continue to operate in the manner described above but the Sub-Commissions would be abolished. Even under alternative A their functions would have been largely transferred to the Secretariat and their abolition would complete the process. The Commission might be given the power to set up ad hoc sub-commissions of experts to carry out special

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studies, but it would probably be more practical in such cases either to set up a committee of its own members or to request the Secretariat to do the job with the aid of a consultative committee of experts chosen by the Secretariat. If the Sub-Commissions were abolished, it might be necessary for the Commission itself to meet twice a year. This would presumably be possible at no greater financial cost than the present system, and would add to the continuity and effectiveness of its work, though it might involve an increased use of alternates.

11. This alternative entails the loss of the special expertise of the members of the Sub-Commissions, but the Secretariat itself should be able in large measure to supply this deficiency and it would always be open to it to consult experts on an ad hoc basis. Moreover, the Secretariat would be in a better position than are the Sub-Commissions under present circumstances to defend its analyses against criticism by the Commission. In addition the benefit to the Commission's own work from the possibly increased frequency of meeting has to be taken into account.

Alternative C - Abolition of the Commission and its Sub-Commissions without the creation of new commissions

12. If this alternative were adopted some of the functions of the existing Commission and Sub-Commissions would have to be taken over by the Secretariat, on the one hand, and the Economic Committee of the Council on the other. A large number of variants of this alternative are possible according as one emphasizes the role of the former or the latter. The following is the particular variant which I would recommend to the attention of this Committee.

13. The Secretariat should, on the Council's request, prepare reports and analyses of economic problems, and should accompany these reports by draft recommendations for Council action. In cases of emergency, where, in the opinion of the Secretary-General, immediate action is required, the Secretariat would be empowered to put forward reports and analyses on its own initiative.

14. The Economic Committee, on which all members of the Council would be represented, should meet a few days - the precise period, up to, say, one week, would depend on the amount of economic work coming before the Council on that occasion - before the opening of the Council session proper. The Committee would, of course, remain in being, as required, during the Council session. It should, when it convenes, have placed before it all reports, draft recommendations and other proposals on economic matters (whether put forward by the Secretariat, Member Governments.

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specialized agencies, non-governmental organizations, etc.) relating to items which have appeared on the Council's provisional agenda except where the exclusion of such items from the Council's definite agenda has been recommended by the Agenda Committee. On the basis of this material, the Economic Committee should make suggestions to the Council as to the action it should take on the various economic items coming before it and in particular should propose agreed or alternative drafts of Council recommendations for subsequent consideration in the plenary session. Any discussion by the Committee of matters of fact or analysis would be incidental to its primary function of preparing recommendations for action. By continuing to meet during the actual Council session, the Committee would be enabled both to continue its preparatory work on certain matters while the Council was considering other matters in plenary, and also to fulfil its existing functions which are to discuss these subjects which the Council, in the course of its session, sees fit to remit to it.

15. Among the matters on which the Committee would advise the Council would be the topics on which the Secretariat should be asked to report at future sessions of the Council.

16. The advantages which I see in this arrangement as against the retention of the Commission in being (alternative B) are the following:

- (a) The Secretariat would not be hampered in its preparation and timing of reports and analyses by the need to service the meetings of the Commission.
- (b) The Council would be enabled to consider draft recommendations which were up-to-date and reflected the latest economic position.
- (c) The Economic Committee, unlike the existing Commission, would not be expected to spend time in the discussion of the details of the analyses presented to them and could concentrate its attention on the more practical task of framing recommendations for action. This task should be considerably facilitated if the Secretariat is instructed to prepare a first draft or drafts.
- (d) The arrangements here suggested would have some advantage from the point of view of economy. The Economic Committee would normally meet as many times a year as the Council itself, but, since it would overlap the Council, Governments would be able to use expert members of their Council delegation to represent them on the Committee.

17. While it would be too much to say that the machinery here suggested would achieve all that it was at one time hoped that the Economic and Employment Commission, together with its subsidiary organizations, could

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achieve, experience has, I suggest, shown that its original aims were not all possible of fulfilment and it is suggested that the more modest system outlined above as alternative C is likely to be the most practical and to achieve as much as can be hoped for with the existing financial and other limitations. If it is felt that the element of expertise is not sufficiently allowed for under alternative C, it should be remembered that the Secretariat could be empowered to call on outside experts to assist in the preparation of individual reports.

18. It should be noted that the operation of the scheme here outlined will be considerably facilitated if the Agenda Committee meets and concludes its deliberations some time before the meeting of the Economic Committee, i.e., more than one week before the opening of the Council session proper.

19. If some such scheme as has been suggested above were adopted, it would be, no doubt, necessary to recommend specific arrangements and terms of reference for the Council's Economic Committee; but I should wish to postpone making proposals on this matter until after having heard the views of my colleagues on the Committee on Organization.
