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ECONOMIC, EMPLOYMENT AND DEVELOPMENT COMMISSION
SUMMARY RECORD OF THE HUNDRED AND SIXTH MEETING

Held at Headquarters, New York,
on Monday, 14 May 1951, at 11 a.m.

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Brazil

Members:

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Argentina

* Mr. BURY

Australia

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Belgium

* Mr. WOLFSON

Canada

Mr. SCHNAKE VERGERA

Chile

Mr. HO

China

* Mr. NOSEK

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* Mr. DAYRAS

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Members (continued):

Mr. CHERNYSEV	Union of Soviet Socialist Republics
*Mr. WILSON	United Kingdom of Great Britain and Northern Ireland
Mr. STINEBOWER	United States of America
Mr. LANG	Yugoslavia

* Alternates

Representatives of specialized agencies:

Mr. HILL	World Health Organization (WHO)
Mr. EZEKIEL	Food and Agriculture Organization (FAO)

Representatives of non-governmental organizations:

Mr. HEILPERIN	International Chamber of Commerce (ICC)
Mr. WOODCOCK	International Cooperative Alliance (ICA)

Secretariat: Mr. WEINTRAUB Secretary of the Commission

Mr. NUNES GUIMARAES (Brazil), first Vice-Chairman of the Commission, called the meeting to order.

Mr. CHERNYSEV (Union of Soviet Socialist Republics), speaking on a point of order, recalled that the Central People's Government of the People's Republic of China had officially informed the United Nations that it did not recognize the right of the representative of the Kuomintang Group to represent China in the United Nations. His delegation supported the just claims of the People's Republic of China, and he accordingly wished to submit a resolution calling for the exclusion of the representative of the Kuomintang Group from membership in the Commission and inviting the Central People's Government of the People's Republic of China to send a representative to take part in the Commission's work.

Mr. NOSEK (Czechoslovakia) fully supported the USSR representative's proposal. His delegation had repeatedly stated its attitude on the question of the representation of China in the United Nations. The only legal representative of the people of China was the one appointed by the Central People's Government, and the seat allotted to China on the Commission was being illegally occupied by the representative, not of the country itself, but of a handful of people who formed the Kuomintang Group.

The Temporary CHAIRMAN ruled the USSR proposal out of order, as the question of Chinese representation was not on the Commission's agenda. The question would be settled in accordance with rule 44 of the rules of procedure and his ruling would^{stand}/unless it was challenged and overruled by the Commission.

/Mr. KATZ-SUCHY

Mr. KATZ-SUCHY (Poland) fully supported the USSR proposal. The Central People's Government was the only legal government of China entitled to nominate representatives to sit on the Commissions of the United Nations. The question was of the utmost importance and it would be fitting for the Economic, Employment and Development Commission to invite the legal representative of China to take part in its work. Recent economic and social changes in China made that country particularly qualified to participate in the Commission's work.

The question could not be lightly dismissed simply by a ruling from the Chair. It had been submitted as a point of order, and every member was entitled to raise a point of order at any time, regardless of whether the question at issue was listed as a specific item on the Commission's agenda. Moreover, the question of membership was not substantive, but rather a question of procedure and it had therefore been raised quite legitimately. Since the question was so vital he sincerely hoped that the Commission would discuss it thoroughly and then take a decision.

Mr. STINEBOWER (United States of America) said that it was the normal procedure for the Chairman to decide whether or not a proposal was in order. In the case at issue, the proposal was clearly out of order since the Economic and Social Council had confirmed the members of the Commission by name. It was not within the Commission's competence to decide on its own membership.

Mr. WOLFSON (Canada) fully agreed with the United States representative and asked the Chairman to put his ruling to the vote.

Mr. KATZ-SUCHY (Poland) said that, once the question of competence was raised, the Commission should certainly discuss the point. In his opinion, the Commission was fully competent to take a decision on the USSR proposal. The members of Commissions were originally nominated by governments and the Economic and Social Council had no power to confirm a member who had not been duly nominated by the legal government of his country. Moreover, several nominations, including his own, had been made too late for the Council's confirmation, but no one had thought to question the right of the representatives concerned to participate in the Commission's work. The Commission was master of its own rules of procedure. In the past it had decided on its own initiative that alternates could be appointed with exactly the same powers as representatives in case the representatives should be unable to attend all meetings. He was therefore convinced that the Commission was competent to decide on the question of the Chinese representation, and that the subject could not be dismissed simply by a ruling from the Chair.

The Temporary CHAIRMAN restated his view that it was not for the Commission to decide upon the substance of the proposal of the USSR representative and said that for that reason he ruled it out of order and called for a vote on his ruling.

The Temporary Chairman's ruling was upheld by 12 votes to 5.

ELECTION OF OFFICERS

Mr. MADRIGAL (Philippines) nominated Mr. Nunes Guimaraes, the representative of Brazil, as Chairman of the Commission. His long experience both in his own country and in international affairs made him eminently qualified for the post.

Mr. DAYRAS (France) and Mr. SAKSENA (India) seconded the nomination.
Mr. Nunes Guimaraes, (Brazil) was unanimously elected Chairman.

The CHAIRMAN thanked the Commission for the honour it had done him and said he would do his best to carry out his work successfully. He called for nominations for First Vice-Chairman.

Mr. NOSEK (Czechoslovakia) nominated Mr. Saksena (India) as First Vice-Chairman of the Commission.

The CHAIRMAN, speaking as representative of Brazil, warmly supported the nomination.

Mr. Saksena (India) was unanimously elected First Vice-Chairman.

Mr. SAKSENA (India) said that he appreciated the honour conferred on him. He would do his best to discharge his duties satisfactorily.

Mr. KATZ-SUCHY (Poland) nominated Mr. Nosek (Czechoslovakia) as Second Vice-Chairman.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) supported the nomination.

Mr. Nosek (Czechoslovakia) was unanimously elected Second Vice-Chairman.

Mr. NOSEK (Czechoslovakia) thanked the Commission for electing him Second Vice-Chairman and said he would do his best to help the Commission to complete its work quickly and successfully.

Mr. STINEBOWER (United States of America) nominated Mr. Masoin (Belgium) as Rapporteur.

Mr. Masoin (Belgium) was unanimously elected Rapporteur.

Mr. MASOIN (Belgium) thanked the Commission for the honour it had done him and his country in electing him Rapporteur. He assured the Commission that he would do his best to be perfectly objective in carrying out his duties.

ADOPTION OF THE AGENDA

Mr. MADRIGAL (Philippines) thought that item 3 as worded implied that the Commission was fully empowered to deal with all aspects of the problem of financing the economic development of under-developed countries, including domestic and external financing, and with all aspects of the report of the group of experts mentioned in item 4.

At its fifth session the General Assembly had adopted resolution 400 (V) on the financing of economic development, which recognized that acceleration of the economic development of the under-developed countries depended not only on the efforts of the people of such countries to help themselves, but also on technical and financial assistance from abroad. The General Assembly had also stated that the financial needs of the under-developed countries could not be met without an increased flow of international public funds, and that domestic financial resources had not been sufficient to ensure the desired rate of economic development. It had also considered that, as existing sources of foreign finance could not deal adequately with the problem, the Economic and Social Council should consider practical methods and policies for achieving the adequate expansion and flow of foreign capital to the under-developed countries. From that brief summary it was clear that the problem of foreign financing underlay the entire resolution.

At the twelfth session of the Economic and Social Council the Philippine delegation had submitted a resolution in conjunction with nine other countries requesting the Commission to give

/ priority

priority to consideration of the problem of financing economic development in the under-developed countries. The resolution had been adopted by the Council and in line with its recommendations, the Economic Committee would meet before the opening of the Council's thirteenth session to consider ways and means of augmenting the existing sources of external finance in the light of the Economic Employment and Development Commission's report. It was clear, therefore, that the Commission must give priority to discussion of item 3 and that its chief attention should be directed to the problem of foreign financing for economic development. The question of domestic financing could be dealt with under item 4.

With regard to the report of the group of experts (E/1986), he drew attention to recommendations 13, 14 and 16, which were of such far-reaching importance that they should be discussed under item 3. He therefore proposed that the Commission should first discuss item 3, taking into account those recommendations and other related portions of the report of the group of experts.

The question of financing economic development was of vital concern to a large part of the world's population, which looked to the United Nations for a solution. He expressed the hope that the Commission could accomplish its task within the time at its disposal and pledged his readiness to co-operate in the Commission's work to the fullest extent. In what might be the last year of the Commission's activities he earnestly hoped that significant progress could be made in the fight against hunger, misery and poverty.

The CHAIRMAN, speaking as representative of Brazil, thought it would be advisable to consider items 3 and 4, together since they were so closely related to each other.

Mr. LANG (Yugoslavia) supported the Philippine proposal that the Commission should first deal with item 3, giving priority to the problem of the external financing of economic development. The Commission should bear in mind that its task was to lay the groundwork upon which the Economic and Social Council could later take a decision on the problem at the thirteenth session.

/ Mr. SCHTAKKE

Mr. SCHNAKE (Chile) endorsed the views of the Philippine and Yugoslav representatives. The Commission's mandate was clear; it must consider means of financing economic development. Its first task should therefore be to discuss item 3, analyzing the question of the external financing of economic development. The Commission should also consider the report of the group of experts and report thereon to the Council.

In his view, the debates on the question of economic development had reached an impasse and every effort should be made to find a way out. To that end he did not think it would be best to begin with a general discussion of the report of the group of experts. The Commission should first study the experts' concrete recommendations on the international financing of economic development and any recommendations which might be submitted by members of the Commission in an attempt to formulate practical proposals for the Council's consideration.

Mr. MASOIN (Belgium) pointed out that at its twelfth session the Economic and Social Council had expressed particular concern that no solution to the problem of financing economic development had been found. It had decided that the best way of dealing with the matter would be to have the Economic Committee take up the question shortly before the Council's thirteenth session. It was for the Economic, Employment and Development Commission to prepare a technical report on the subject for the Economic Committee. For that reason he felt, like the Chilean representative, that it would be inappropriate for the Commission to become involved in a broad general debate. It should confine itself to considering concrete proposals.

He agreed that it would be difficult completely to divorce item 3 from item 4. The report of the group of experts was closely concerned with the practical aspects of external financing. He thought it would be logical to consider both items 3 and 4 under the general heading of "Economic development and its financing".

The CHAIRMAN, speaking as representative of Brazil, endorsed the Belgian representative's views that items 3 and 4 should be discussed together. There might be a short general debate on the report over the next two days, and the Commission could then begin consideration of practical recommendations for dealing with the problem.

/Mr. SCHNAKE

Mr. SCHNAKE (Chile) said that he would accept the Chair's suggestion if a decision were taken to complete the general discussion in time to ensure the opening of the debate on item 3 on Thursday and begin item 3 with consideration of recommendations 13, 14, 16 and possibly 11, in the report of the group of experts (E/1986).

Mr. STINEBOWER (United States of America) thought the Commission generally realized that it must give first priority to the question of the financing of economic development and particularly the external financing of such programmes. He also thought it would be difficult to draw a sharp line of demarcation between items 3 and 4. It would be best, therefore, to lump the two problems under one item, keeping in mind that higher priority should be given to the problem of financing economic development.

Mr. LANG (Yugoslavia) pointed out that general debates had been held in the past on the problem of financing economic development, and no concrete conclusions had been reached. It was the Commission's task to prepare practical recommendations. For that reason he thought that the Philippine proposal should be adopted.

Mr. SAKSENA (India) thought that the Commission might agree on having a general discussion which would embrace items 3 and 4 and then consider specific problems and proposals under each of those two items.

Mr. WILSON (United Kingdom) endorsed the Chairman's suggestion. He thought that for the initial debate items 3 and 4 should be merged. The report of the group of experts had been prepared very carefully and deserved general consideration before the Commission entered into a discussion of its specific recommendations.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) did not object to the order of items in the provisional agenda (E/CN.1/82). He feared, however, that, if items 3 and 4 were combined, the question of unemployment and under-employment might receive insufficient consideration and appear to be relatively less important.

/The Commission

The Commission had been instructed by the Council to give priority to the question of financing economic development. It should therefore begin with that item, and then consider the report of the group of experts under item 4.

Mr. DAYRAS (France) pointed out that, if items 3 and 4 were merged, it was unlikely that the problems of unemployment and under-employment would be slighted, inasmuch as the Commission was studying the question of financing economic development with particular reference to the under-developed countries, where the two questions were inseparable.

The meeting rose at 1.15 p.m.

23/5 a.m.