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<u>Chairman:</u>	Mr. NUNES GUIMARAES	Brazil
<u>Members:</u>	Mr. BUNGE	Argentina
	Mr. BURY*	Australia
	Mr. MASOIN*	Belgium
	Mr. WOLFSON*	Canada
	Mr. CHA*	China
	Mr. NOSEK*	Czechoslovakia
	Mr. DAYRAS*	France
	Mr. SAKSENA	India
	Mr. BJERVE*	Norway
	Mr. GARCIA*	Philippines

* Alternate

Members (continued):

Mr. KATZ-SUCHY	Poland
Mr. CHERNYSHEV	Union of Soviet Socialist Republics
Mr. WILSON *	United Kingdom of Great Britain and Northern Ireland
Mr. STINEBOWER	United States of America
Mr. LANG	Yugoslavia

* Alternate

Representative of a specialized agency:

Mr. DAWSON	International Labour Organisation (ILO)
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Representatives of non-governmental organizations:

Miss KAHN	World Federation of Trade Unions (WFTU)
Mr. WOODCOCK	International Co-operative Alliance (ICA)

Secretariat:

Mr. WEINTRAUB	Secretary of the Commission
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DRAFT REPORT OF THE COMMISSION TO THE ECONOMIC AND SOCIAL COUNCIL (E/CN.1/L.17, E/CN.1/L.17/Add.1) (continued)

Paragraph 13

Mr. GARCIA (Philippines) recalled that most of his general remarks on the recommendations in group A had dealt with the Philippines' efforts to comply with the requirements of economic development. Other representatives of under-developed countries had pointed out that their governments had also adopted measures for that purpose. It would therefore be advisable to modify the text of the draft report so as to make it clear that some countries had already taken action. He proposed the addition of the words "if not already taken" after the words "the need for vigorous action" in the second and third lines of paragraph 13.

/In the

In the third and fourth lines of the paragraph, he proposed the substitution of the words "complying with" for the word "creating". The wording used in the draft report showed in a general way what should be done; but in many cases the pre-conditions of economic development were already there, and they had to be complied with rather than created.

He then proposed the deletion of the phrase "the necessity of using, to their full capacity, the economic and financial resources of their own countries", as that idea was already implicit in the preceding phrase.

He also thought that in the last line of the paragraph it would be better to say merely "in order to speed the rate of economic development".

Mr. WILSON (United Kingdom) proposed the substitution of the words "the report was correct in emphasizing" for the words "the report correctly emphasized" in the English text. He thought that the initial text of the draft report gave the impression that the experts had attached the proper degree of importance to each of the items with which they had dealt, whereas, according to some representatives, that was not the case. All that should be said, therefore, was that the experts had been right in stressing the problems concerned.

He wondered whether it might not be possible to use the expression "for the purpose of creating a favourable climate for economic development" instead of the expression appearing in the draft report or that proposed by the representative of the Philippines.

Mr. WOLFSON (Canada) suggested that the Commission might deal with the point raised by the first Philippine amendment by inserting the word "further" before the words "vigorous action" in the second and third lines of the paragraph.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) proposed the addition of the words "as the main resources for financing their economic development" after the words "the economic and financial resources of their own countries". He also proposed the addition of the words "as supplementary resources" after the words "public and private -- to the under-developed countries".

Mr. MASOIN (Belgium), speaking as Rapporteur, thought the United Kingdom amendment to the first line of the paragraph a sensible one. With regard to the wording proposed by the Canadian representative to deal with the point raised by the first Philippine amendment, he thought it might be accepted if it implied that certain measures had already been adopted. In that case, the Philippine amendment would have to be disregarded. Moreover, mention of what had been done in the matter of economic development was made in paragraph 15, sub-paragraph (b).

The expression "favourable climate" proposed by the United Kingdom representative was not a happy one, for economic development required not only a favourable moral and legal climate but also definite measures, such as land reform, the importance of which had been particularly stressed by several delegations. He would therefore prefer the retention of the word "pre-conditions".

Passing to the third Philippine amendment suggesting the deletion of the phrase beginning with the words "the necessity of using...", he pointed out that it referred to the mobilization of the economic and financial resources of the countries concerned, and that it was a logical sequel to the phrase about the vigorous action to be taken for the purpose of creating the pre-conditions for economic development, but that the idea it contained was not implicit in the preceding phrase. He therefore proposed that the present text should be retained.

With regard to the amendments proposed by the representative of the USSR, he was convinced that many representatives were in agreement with their substance. It was quite true that national resources were indispensable to economic development and that external resources gave a necessary impetus to that development. The Commission would have to decide whether the two amendments might usefully be inserted.

The CHAIRMAN, speaking as representative of Brazil, said he was in substantial agreement with the United Kingdom amendment to the first line of the paragraph, but suggested the use of the words "duly underlined". With regard to the amendments to the second line, he thought the expression "further action"

/did not

did not precisely convey the opinion which it was desired to express. He would also be in favour of retaining the adjective "vigorous".

With regard to the amendments put forward by the representative of the USSR, he thought account might be taken of them, but he would prefer it to be made clear that external resources were important supplementary resources, as several of the members of the Commission agreed.

Mr. WOLFSON (Canada) thought it would be logical to accept the modification proposed by the Chairman, since the first USSR amendment urged that national resources should be regarded as principal resources for the purpose of economic development.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) thought there was no point in stating that foreign capital contributed important supplementary resources. If a government invited the assistance of foreign capital to develop its country, that showed that it regarded such capital as important to it. He thought the modification proposed by the Chairman put undue stress on foreign capital. He would therefore prefer the original text of his amendment.

Mr. GARCIA (Philippines) wondered whether the modification proposed by the Chairman was not to some extent contradictory. It was not certain that resources could be both important and supplementary. With regard to his delegation's third amendment suggesting the deletion of the third phrase in paragraph 13, he would agree to the retention of the phrase in the text, but with the addition of the words "as a stimulus to financing economic development" after the words "the economic and financial resources of their own countries". He would, however, press his amendment suggesting the substitution of the words "complying with the pre-conditions" for the words "creating the pre-conditions".

Mr. STINEBOWER (United States of America) pointed out that the words "complying with" might be a little too strong since they implied to some extent obedience to instructions. The expression "for the purpose of creating and maintaining the pre-conditions of economic development" might perhaps be used.

/Mr. DAYRAS

Mr. DAYRAS (France) said he would the more gladly accept that wording since he was of the opinion, in the light of the observations made by the Rapporteur, that the word "climate" was inadequate.

Following a suggestion by Mr. SAKSENA (India), Mr. WOLFSON (Canada) proposed the expression "favourable conditions".

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) remarked that paragraph 13 in its present form seemed to express the conclusions which the group of experts had enunciated in its report when it stressed the importance of foreign capital. He had criticized that opinion of the experts as being contrary to the substance of the amendment he had submitted. It should be made clear that the opinion expressed in paragraph 13 was that of the Commission itself. He therefore proposed that the beginning of the paragraph should be modified in such a way as to express in substance the idea that the majority of the members of the Commission had emphasized etc...

Mr. MASOIN (Belgium) said the USSR representative's remarks were very pertinent and that to assert that the experts' report emphasized the necessity of using the economic and financial resources of the countries concerned as the principal resources for economic development would be to attribute to the experts an opinion which they did not hold.

Mr. WILSON (United Kingdom) and Mr. WOLFSON (Canada) expressed the view that in the circumstances it would be best to revert to the original text of paragraph 13 and add the content of the amendments proposed by the USSR representative to paragraph 15, where certain criticisms were already expressed.

It was decided to adopt that course.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) said he wished it to be clearly understood that he did not share the experts' opinion.

Paragraph 14

Mr. WILSON (United Kingdom) proposed that the order of paragraphs 14 and 15 should be reversed.

Mr. KATZ-SUCHY (Poland) wondered whether paragraph 14 was really necessary. The need for national and international action with a view to economic development had already been emphasized many times by various organs of the United Nations, and particularly by the Economic and Social Council. Moreover, he was afraid the idea might be distorted if it were inserted after a paragraph which contained constructive criticism.

Mr. WOLFSON (Canada) proposed that a decision on paragraph 14 should be deferred until after paragraph 15 had been considered.

It was so decided.

Paragraph 15

Mr. KATZ-SUCHY (Poland) thought it would be advisable to add a fresh sub-paragraph at the beginning of the paragraph to emphasize that the experts' report had attached too much importance to foreign capital. It would be logical to express that idea before the criticisms relating to the experts' estimates of the needs for financial assistance for economic development. The new sub-paragraph would be followed by sub-paragraph (c) and then by sub-paragraph (a) of the original text.

Mr. MASOIN (Belgium) pointed out that a distinction must be made between the statistics furnished by the experts and the relative importance of foreign and national capital. The second of those matters would rather fall under sub-paragraph (d). He proposed that the Commission should for the time being confine its attention to sub-paragraph (a) of the original text, which contained criticisms of the experts' estimates.

/Mr. WILSON

Mr. WILSON (United Kingdom) expressed agreement with the representative of Belgium. The idea to which the USSR representative wished to call attention should be expressed in a separate sub-paragraph. The Commission should therefore confine itself for the time being to its consideration of sub-paragraph (a).

Mr. WOLFSON (Canada) was also of that opinion and thought the USSR representative's proposal should be considered in connexion with sub-paragraph (d).

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) agreed that two different matters were involved and urged that the Commission should add a separate sub-paragraph which would say in substance that the Commission was of the opinion that the report of the group of experts improperly recommended to the under-developed countries that for the purposes of their economic development they should make use of foreign capital rather than of their own economic and financial resources, on which in fact they should chiefly rely for financing their economic development.

Mr. STINEBOWER (United States of America) reverted to sub-paragraph (a) of the original text and pointed out that the terms in which it was expressed were too weak. In its present form, the paragraph seemed to imply that the experts' estimates would have been more valuable if they had been more detailed, whereas they were in fact unsubstantiated, harmful and useless.

Mr. BURY (Australia) proposed that sub-paragraph (a) should be modified so as to say that the experts' estimates ^{for} though intended only for illustration purposes were misleading and had no statistical value.

The CHAIRMAN, speaking as representative of Brazil, proposed that it should be said that the experts' estimates were not sufficiently elaborated, particularly in view of the need for maintaining a balance between domestic and foreign investments so as to avoid inflation.

Mr. SAKSENA (India) wondered whether terms as strong as those just suggested by the representative of Australia need be used, and he proposed that it should simply be said that the experts' estimates were not convincing.

Mr. WILSON (United Kingdom) saw no need for such strong terms to describe the experts' estimates, nor did he approve of the word "convincing". He proposed the adoption for sub-paragraph (a) of a text saying that the Commission considered that valid estimates for financial needs should be based on three points: (1) the amounts to be assigned for the execution of various projects; (2) the capacity of the countries concerned to absorb capital without generating inflation; and (3) the volume of supply on the market.

Mr. GARCIA (Philippines) said that the United Kingdom representative's proposal showed how important sub-paragraph (a) was. The Commission should be particularly careful in wording that sub-paragraph, for it contained the first criticisms of the experts' report. It might perhaps be advisable to discuss sub-paragraph (d) first, and then sub-paragraph (a).

It might be advisable to modify the introductory words of the paragraph. He proposed that they should be replaced by the following: "The principal criticisms in the Commission were:".

Mr. STINEBOWER (United States of America) said that, like the Philippine representative, he was aware of the importance of sub-paragraph (a). It would be easier to judge where it should be placed after the wording had been finally agreed on.

The Philippine representative's second suggestion, on the other hand, seemed to raise some difficulties. Although the members of the Commission had rather severely criticised the statistical estimates prepared by the group of experts, he did not think it advisable to place those criticisms at the very beginning of paragraph 15. The discussion seemed to show that the Commission did not intend to pass judgment on the experts' report, but the points on which the members of the Commission were in agreement should be made clear, and it should be stated when an opinion was that of the majority and when divergent views had been expressed. The Council could not be guided by such expressions in the report as "Some members considered . . .".

/Mr. WOLFSON

Mr. WOLFSON (Canada) wondered whether the United Kingdom representative would like to explain what kind of statistics should have been furnished in the experts' report. In the present context, the first part of sub-paragraph (a) merely contained the Commission's opinion, namely, that the estimates in question were inadequate.

Mr. STINEBOWER (United States of America) said that at present the Commission had two aims in view, which must be clearly distinguished. Otherwise the report might be no more convincing to the Council than was its report of the group of experts to the Commission. The Commission should first point out that the statistics in the experts' report were not convincing, and then give its reasons. It might, for example, be said that the report did not take sufficient account of the points mentioned in his proposal by the representative of the United Kingdom.

Mr. WEINTRAUB (Secretary of the Commission) read the text proposed by the United Kingdom representative. It was as follows: "The Commission feels that valid estimates for financial needs should be based on programmes of capital development projects and social needs and should take account of the ability of countries to absorb capital without generating domestic inflation, of the need for maintaining a balance between domestic and foreign investments, and of the actual supplies of imported capital goods likely to be available".

Mr. BJERVE (Norway) remarked that the United Kingdom representative was trying to show how the under-developed countries should prepare complete economic plans, but wondered whether he had emphasized the main factors to be taken into account. He was afraid that in raising such complex questions, the Commission would only make criticisms and not put forward any definite proposals.

Mr. SAKSENA (India) wished to make two observations. In the first place, he was of the opinion that the Commission had not elucidated the matter of the wording of the preamble. It would be possible to say "The Commission's principal criticisms are:" only if the members of the Commission were unanimously agreed on them. Otherwise, a wording such as "Most members of the Commission" or "The majority of the members of the Commission" would have to be used.

/With regard

With regard to the discussion that had taken place on sub-paragraph (a), he pointed out that the Commission was departing from the point of view that had been maintained by the experts. In their reports, the experts had striven to give an idea of the amplitude of the work to be done; they had not attempted to estimate the under-developed countries' requirements, but merely to show the amount of the financial resources which should be expected. It was possible that the Commission did not approve of the manner in which those estimates had been prepared and considered that they were not convincing. But that was as far as one could go, and he was therefore unable to accept the text proposed by the United Kingdom representative.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) supported the first part of the Indian representative's statement. If a purely general wording was to be used for the text of the preamble, the members of the Commission would have to be in unanimous agreement. The Commission's report, however, in no way reflected the dissentient opinions expressed by the representative of the USSR, for example, his statement that the report of the group of experts improperly recommended to the under-developed countries that they should make use of foreign rather than national capital, his description of the criteria which should be taken into account in defining the under-developed countries, his statement that it was improper to give foreign capital the same facilities as national capital, and his remarks on double taxation. The Commission's report omitted those criticisms. He could not therefore give unqualified support to the Commission's criticisms, and he did not see any reason why reference should be made to a unanimity which did not exist. He agreed to the last two criticisms, but considered that the first two were not the most important.

He proposed that some such wording as "The majority of the members of the Commission" or "Most members of the Commission" in the introductory phrase. Specific criticisms should then be made. He would like to repeat that the criticisms in sub-paragraphs (a) and (b) were not "principal" criticisms.

/Mr. MASOIN

Mr. MASOIN (Belgium) agreed that all ambiguity must be eliminated. He was prepared to adopt for the introductory phrase some such wording as the following: "The principal criticisms in the Commission were". He had endeavoured in each of the sub-paragraphs to describe the situation resulting from the discussion. Thus, the observation in sub-paragraph (a) resulted from the opinions expressed by the members of the Commission. He had used such expressions as "generally speaking", "several members felt" and "some members of the Commission felt", which conveyed the idea that there had been divergencies of opinion.

Moreover, the criticisms mentioned in sub-paragraph (a) did not represent all the criticisms made by the members of the Commission. Thus, the criticisms made by the representative of the USSR would be indicated in the following sub-paragraphs, or in the paragraphs devoted to the consideration of the experts' individual recommendations. In sub-paragraph (a) he had merely described the fundamental elements of the Commission's criticisms. A compromise wording for the text of the sub-paragraph might be found by combining the proposals of the representatives of India and the United Kingdom. The following formula, for example, might be used: "Generally speaking, the Commission considers that the experts' estimates of the needs, and especially of the needs for foreign financial assistance, are not sufficiently substantiated. The Commission considers that a further study should be made with a view to reaching a valid estimate on the basis of sub-paragraphs (a), (b) and (c)."

Mr. WOLFSON (Canada) thought that it would be difficult to accept the United Kingdom representative's proposal. If it did accept it, the Commission would have to list a number of matters which must be taken into account in the following sub-paragraphs. The aim should be, on the contrary, to make sub-paragraph (a) as brief as possible and independent of the following sub-paragraphs, so that it would be easier to obtain the general agreement of the members of the Commission. He proposed that the Commission should continue its reading of the report right through to the end, noting the modifications that might be introduced but without changing anything for the time being. Representatives might then submit in writing such amendments as they considered necessary.

/He would

He would like to explain that, if the Commission decided to modify the text of sub-paragraph (a) following in the main the United Kingdom proposal, it would be obliged to add several other items so as to take into account certain aspects not mentioned in sub-paragraph (a) as now worded; and consequently it would be obliged to encroach on matters which might be raised later during the consideration of the draft report.

The CHAIRMAN, speaking as representative of Brazil, said the method proposed by the representative of Canada would impede the Commission's work, and that it would be better to discuss each point separately. He wondered whether the text of the sub-paragraph might not be shortened, and proposed the following wording: "Generally speaking, the Commission considers that the experts' estimates of the needs, and particularly of the amounts required both for domestic and foreign investment, are not sufficiently elaborated to provide an adequate basis for the formulation of definite proposals." The United Kingdom representative's observations might then be added.

Mr. SAKSENA (India) accepted the wording proposed by the Chairman, with the exception of the last part.

Mr. WILSON (United Kingdom) was prepared to accept the Chairman's wording, but urged the substitution of the word "substantiated" for the word "elaborated". He did not approve of the United States and Australian representatives' proposals, which seemed to him to be too strongly worded.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) said the turn taken by the discussion forced him to make a general statement repeating his previous remarks. The report did not take account of the criticisms he had made; and he therefore supported the Indian representative's proposal relating to the wording of sub-paragraph (a). The criticisms mentioned in that sub-paragraph were not principal ones. There were others. The USSR delegation would give later its opinion on the definite proposals submitted.

He could not, therefore, accept sub-paragraphs (a), (b) and (c) in their present form. He proposed the insertion in the preamble of a wording such as "Criticisms were made in the Commission".

/Mr. MASOIN

Mr. MASOIN (Belgium) remarked that it was impossible to say "The majority of the members of the Commission..." in each paragraph, since there had been divergencies of opinion on every point.

Mr. WEINTRAUB (Secretary of the Commission) proposed that criticisms relating to definite points should be made in the paragraphs dealing with the experts' recommendations, and general criticisms in the sub-paragraphs following on the introductory part of paragraph 15. In that case the text of the preamble should be amplified so as to make it clear that criticisms of definite recommendations were referred to in the following paragraphs and that the general criticisms made by the members of the Commission were given in the sub-paragraphs.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) accepted the Secretary's proposal, provided that the words "general criticisms" were deleted.

Mr. STINEBOWER (United States of America) said he was in agreement with the Secretary's proposal. He proposed that the text of the introductory phrase and of sub-paragraph (a) should be put to the vote.

Mr. WEINTRAUB (Secretary of the Commission) said that if the Commission provisionally adopted a wording for the introductory phrase which more or less corresponded to what he had suggested, it would be advisable to discuss sub-paragraphs (b), (c) and (d) and then resume consideration of sub-paragraph (a). He therefore proposed that the Commission should begin discussion of sub-paragraph (b).

Mr. BURY (Australia) proposed that the text of sub-paragraph (b) should be altered as follows "...fails to convey the nature and magnitude of the national and international actions...".

Sub-paragraph (b) was adopted as thus amended.

/Mr. WILSON

Mr. WILSON (United Kingdom) proposed the insertion in the second sentence of sub-paragraph (c) of the words "stressed in resolution 341 (XII) of the Economic and Social Council," after the words "have not taken sufficient account of the fact".

Mr. GARCIA (Philippines) supported the United Kingdom representative's proposal. He also thought the last sentence in the sub-paragraph too blunt and did not convey an accurate idea of the discussion that had taken place on the subject. He proposed that it should be replaced by the following sentence: "Several members of the Commission discussed the effect of the present trend in the terms of trade on the development programmes of under-developed countries."

Mr. STINEBOWER (United States of America) thought such a reference would be too brief. He proposed the addition of the following sentence after the second sentence of sub-paragraph (c): "In particular, the report fails adequately to take into account the present limitations of supply likely to be available and the fact that the improved balance of payments position of most under-developed countries enhances resources available to them for financing their economic development".

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) wished, on the contrary, to emphasize that the report did not sufficiently bring out the fact that the armaments race was impeding the economic development of the under-developed countries. That was a truth which should be constantly emphasized.

Mr. SAKSENA (India) asked whether the United States representative meant to put forward his suggestion as representing the general opinion of the Commission or merely the opinion of some of its members.

Mr. STINEBOWER (United States of America) saw no reason why the Commission should not be consulted on the sentence he had proposed. He had been careful to choose a wording acceptable to all. He did not say that an improvement in the balance of payments of the under-developed countries would in itself be enough to enable them to undertake their economic development, /but merely

but merely that it was a factor which the experts had not taken sufficiently into account.

Mr. KATZ-SUCHY (Poland) asked the United States representative whether the sentence he proposed was intended to replace the last sentence of sub-paragraph (c).

Mr. STINEBOWER (United States of America) replied that it should be inserted between the penultimate and the last sentence.

Mr. WEINTRAUB (Secretary of the Commission) read sub-paragraph (c) of paragraph 15 in its proposed new form: the first sentence would be unchanged; the second sentence would be modified by the United Kingdom amendment; and then would come the sentence proposed by the representative of the United States of America. The Philippine representative had proposed to substitute another sentence for the last one of the present text. The Commission would have to make a decision in the matter.

Mr. STINEBOWER (United States of America) did not object to the insertion of the sentence proposed by the Philippine representative, but did not see why the last sentence of the present text should be deleted, since it accurately described the discussion that had taken place.

The CHAIRMAN, speaking as representative of Brazil, expressed agreement with the United States representative.

Mr. GARCIA (Philippines) agreed to the retention of the last sentence of the present text.

Sub-paragraph (c) was adopted as amended.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) proposed the deletion of the words "especially through grants" in sub-paragraph (d).

Mr. WILSON (United Kingdom) asked whether that change would also meet the wishes of the representatives of the USSR and Poland in connexion with paragraph 13.

/Mr. CHERNYSHEV

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) replied in the negative. The purpose of the proposal he had made in connexion with paragraph 13 was to show that the experts had not taken the domestic resources of the under-developed countries sufficiently into account and had, on the contrary, exaggerated the importance of foreign capital. He would be better satisfied with paragraph 15 if that idea were expressed as sub-paragraph (d), and the present sub-paragraph (d) became sub-paragraph (e).

Mr. WEINTRAUB (Secretary of the Commission) asked the representative of the USSR if he would be satisfied with the addition to sub-paragraph (d) of the following sentence: "Some members of the Commission also considered that the experts' report improperly orients under-developed countries towards foreign capital to the detriment of the development of domestic resources, which should serve as the basic source for the financing of economic development."

Mr. WILSON (United Kingdom) said he would prefer to have that text in writing so that the members of the Commission could study it thoroughly.

Mr. DAYRAS (France) thought the members of the Commission should be able to identify the origin of certain remarks when they had the whole report in their hands; otherwise it might prove somewhat confusing.

Mr. MASOIN (Rapporteur) was prepared to insert the USSR representative's proposal in the report. He did not see, however, why the words "especially through grants" should be deleted from sub-paragraph (d). Some members of the Commission had particularly stressed that point.

Mr. STINEBOWER (United States of America) was under the impression that the Commission was at present giving the report a first reading, and that the members could propose further changes later. His delegation could not accept the last part of sub-paragraph (d), and he asked that the first part of that sub-paragraph, dealing with certain criticisms which he himself had made, should be separated from the second part. The draft report failed to mention a criticism made several times by representatives both of developed and

/under-developed

under-developed countries, namely, that some of the recommendations in the experts' report were not deduced from the report. He therefore proposed the insertion of a new sentence, such as: "The Commission regrets that the recommendations in the report are not always borne out by the report itself."

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) also thought sub-section (d) as at present worded might lead to confusion. He too, therefore, asked that the first part of that sub-paragraph should be separated from the second, in which he recognized some of his own ideas.

Mr. WOLFSON (Canada) suggested that the text proposed by the representative of the USSR should be inserted as sub-paragraph (d), and that the second part of the present sub-paragraph (d) should be regarded as constituting a sub-paragraph (e).

The CHAIRMAN asked what would then become of the first part of the present sub-paragraph (d).

Mr. WOLFSON (Canada) proposed that it should be deleted.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) said he saw no objection to its being deleted, but pointed out that he had not proposed the deletion.

Mr. KATZ-SUCHY (Poland) would agree to the separation of the two sentences in sub-paragraph (d), but thought the sub-paragraph should show that the Commission as a whole considered that the experts had exaggerated the need for international financial assistance.

Mr. WOLFSON (Canada) said he would like to have the text proposed by the USSR representative in writing.

/Mr. WILSON

Mr. WILSON (United Kingdom) said that, if he was not mistaken, sub-paragraph (d) should contain, first of all, the first part of the present text as far as the words "international financial assistance", then a sentence to the effect that the experts' report attached too much importance to the use of grants instead of loans for development, and lastly, the second part of the present text. The text proposed by the USSR representative would also be added as a separate paragraph.

Mr. WOLFSON (Canada) thought the Commission would perhaps realize from the reading of the text proposed by the USSR representative that the first part of the present sub-paragraph (d) had become superfluous. He accepted the remainder of the interpretation given by the United Kingdom representative.

The CHAIRMAN said the Rapporteur and the Secretary of the Commission would together work out a text which would take into account the discussion that had just taken place; and the Commission would consider that text the following day.

Paragraph 12

Mr. WEINTRAUB (Secretary of the Commission) recalled that the Commission had not finished its discussion of paragraph 12. The Rapporteur had just had distributed a new text to replace the first lines of that paragraph. He suggested that the Commission should make a decision on that point. He read the new text, which was worded as follows: "Without prejudicing their positions with respect to the matters treated in the report of the experts and with due regard to the reservations which are expressed in this report of the Commission, most of the members consider that the report of the experts presents an extremely useful analysis."

Mr. WOLFSON (Canada) proposed the substitution of the words "the Commission" for the words "most of the members", since the reservations expressed at the beginning of the sentence were sufficient in themselves.

/Mr. CHERNYSHEV

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) was opposed to that proposal, and in his turn proposed the addition of the following sentence to the Rapporteur's new text: "Some members of the Commission, however, considered that the experts' report was in substance an unacceptable document".

Mr. STINEBOWER (United States of America), noting that the representatives' views did not seem to be getting any closer, formally proposed that the Commission should adopt the first sentence of paragraph 12 as appearing in the draft report, merely deleting the word "extremely".

Mr. KATZ-SUCHY (Poland) expressed surprise at that proposal. In order to be able to adopt the United States representative's proposal, the Commission would have to modify paragraph 12 by including a reference to that proposal, the result of the vote to which it gave rise and the views of the minority delegations.

Mr. STINEBOWER (United States of America) said that the members of the Commission could bear witness to the fact that he had not lagged behind in criticizing the experts' report. It was nevertheless true that the report had been useful as a basis for discussion, and the Commission in general had agreed to regard it as such. If a minority of the members of the Commission disagreed, it would, of course, be at liberty to express its point of view.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) said the United States representative's proposal was unacceptable. He thought the experts' report was a bad one, and did not see why he should be represented in the draft report as considering it useful. It would be necessary therefore, to say, in the first place, that the majority of the members of the Commission had considered the experts' report to be a useful analysis, etc., and, in the second place, that some members of the Commission had considered it to be in substance unacceptable.

Mr. STINEBOWER (United States of America) recalled that the unanimity rule did not apply to the Commission and that, even when not unanimously adopted, the resolutions of the General Assembly began with the words: "The General Assembly, decides..." and not with the words "The majority of the members of the General Assembly, decides, etc...".

Mr. CHA (China) considered that it would be fair to record the opinion of the minority in the report. He suggested that if a vote were taken the results of the vote should be given in a footnote.

Mr. WOLFSON (Canada) proposed that the opinions both of the majority of the members of the Commission and of the minority should be recorded in the paragraph.

Mr. MASOIN (Rapporteur) approved that proposal, provided the report specified which countries considered the experts' report unacceptable.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) supported the Canadian representative's proposal, but considered the Rapporteur's suggestion to be superfluous. The positions adopted by the various delegations would be shown in the summary records.

Mr. MASOIN (Rapporteur) accepted that solution.

The meeting rose at 6.10 p.m.