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VERBATIM RECORD OF THE FIFTY-SECOND MEETING OF THE ECONOMIC AND SOCIAL COUNCIL
(Second Meeting of the Fourth Session)

Lake Success, New York
Friday, 28 February 1947, at 2:45 pm

PRESENT:

The PRESIDENT: Sir Ramaswami Mudaliar

Mr. Davidson	Canada
Mr. Santa Cruz	Chile
Dr. Szeming	China
Mr. Cisneros	Cuba
Mr. Papanek	Czechoslovakia
Mr. Boris	France
Mr. Kirpalani	India
Mr. Malik	Lebanon
Mr. van Kleffens	Netherlands
Mr. Nash	New Zealand
Mr. Moe	Norway
Mr. Arca Parro	Peru
Mr. Yazici	Turkey
Mr. Morozov	Union of Soviet Socialist Republics
Mr. McNeil	United Kingdom
Mr. Stinebower	United States of America
Mr. Zuloaga	Venezuela

The PRESIDENT: We shall now take up the next item on the Agenda Item 4.

FINANCIAL REGULATION APPROVED BY ASSEMBLY PROVIDING FOR FINANCIAL ESTIMATES
IN CONNECTION WITH COUNCIL RESOLUTIONS.

The PRESIDENT: The Secretary-General has circulated a note on the subject.

He proposes a new rule to the Rules under Chapter VI (Secretariat) of the Rules of Procedure, which runs as follows:

"Before any proposal which involves expenditure from United Nations Funds is approved by the Council the Secretary-General shall prepare and circulate to members

(a) a summary report of the financial implications of the proposals; and

(b) estimates of costs involved in each proposal."

The suggested rule is now ^{open} for discussion by the Council. I invite remarks on this resolution.

MR. MC NEIL (United Kingdom): Mr. President, I do not feel that any remarks are needed. My Government thinks it relevant and proper. I imagine that we are not asked to move on the subject. We are asked to note it. It is an Assembly resolution from which we could escape and do not want to escape. Whatever motion is needed to bring the Council to note the resolution, I formally make that motion. But I am not clear what it should be.

The PRESIDENT: A Rule has to be embodied in our Rules of Procedure following the recommendation of the General Assembly. We note the recommendation of the General Assembly, but we have now to incorporate in our Rules of Procedure this recommendation, so as to bring ourselves into line with what is demanded by the General Assembly.

MR. STINEBOWER (United States): Mr. President, we quite agree with the representative of the United Kingdom that it is entirely proper that we should note and give effect to the Resolution of the General Assembly. In our view this proposed rule of procedure will do all that is necessary, probably all that could be done in a formal way, and it is entirely satisfactory to us.

It seems to us, however, that we should record in our minutes in some way, not in a formal resolution, that this, however, does only the formal matter that is required. It gets before us a statement. It is then for this Council to bear in mind the spirit of the regulation which will permit us to give a very serious consideration to the financial implications of resolutions before we finally pass those resolutions.

We would agree with what the President said this morning, that the United Nations is not going to reject important and worthy projects on purely financial grounds, but we will have before us in these reports of the Commissions a very wide range of subjects, a very wide range of activities, which, in our ^{it} view, would be impossible for the Secretariat to complete in toto this year with even a very much expanded budget; so that it seems to us that the complement of this formal resolution which we will adopt is a moral intention to give serious consideration to these reports of the Secretary-General.

One final remark is that we would suggest that it would help the Council a great deal if the Secretary-General's financial report or budgetary report on items in Commissions' reports could be circulated as far in advance of sessions of the Council as possible in order that the Governments would have an opportunity to consider these before the Council's session begins.

The PRESIDENT: The Secretary-General will make a few remarks.

MR. OWEN (Secretary-General): Mr. President, I should just like to say

under that provision.

We, as the Secretariat, shall do our best to help you by providing these estimates of extra additional costs during the current year taking full account of the possibilities of using the existing Secretariat and the existing resources. It may not always be possible to let you have these estimates very far in advance of the Council session. That, I think, is a part of the question which you raised this morning about the calendar of the Commissions and the Council. We welcome very much the intervention of the French representative, calling for a spacing out of the programme of Commissions which would enable us to provide you with the relevant documentation, including these financial estimates, well in advance of Council meetings. We look forward to the discussion of that point under the appropriate item of the agenda.

There is, however, one other technical consideration. There are certain items of which, perhaps, the proposed Economic Council for Europe is an example. That is touched upon in various regulations of the Assembly, the Economic and Employment Commission, and so forth, and it may be that we should provide detailed estimates of the cost of such a body. But it is quite impossible to do that until you have a much clearer idea of what the Council wants to have in the nature of an Economic Council for Europe. The character of the estimate will depend upon the character of the organization which you have in mind as a Council, and therefore it is not possible for us to prepare detailed estimates of the hypothetical cost of hypothetical institutions until the broad lines of these institutions have been discussed here.

We will, however, do our best to supply you with such data which will guide you in the course of your discussions.

The PRESIDENT: I put the resolution to the vote of the house now.
The proposition is that after Rule 27 a new Rule 28 should be adopted in our Rules of Procedure, reading as follows:

"Before any proposal which involves expenditure from United Nations funds is approved by the Council the Secretary-General shall prepare and circulate to members

(a) a summary report of the financial implications of the proposals; and

(b) estimates of costs involved in each proposal."

Those who are in favour of adopting this resolution please raise their hands. (There was a show of hands.)

Those against? (No hands were raised.)

It is adopted.

REPORT OF THE NARCOTICS COMMISSION AND ASSEMBLY RESOLUTION ON NARCOTICS

The PRESIDENT: The next item on the agenda is the report of the Narcotics Commission and Assembly resolution on narcotics.

I propose that the Council have a general discussion on the report at this stage, and I invite the Chairman of the Commission, who is fortunately here with us, to take his seat at the table and to make his observations as and when necessary.

(Colonel Sharman, Chairman of the Narcotics Commission, took his seat at the Table.)

Would you like to offer any observations, Colonel Sharman?

COLONEL SHARMAN (Narcotics Commission): I have a few remarks to make to the Members of the Council.

As Members of the Council will recall, the Commission on Narcotic Drugs owes its existence to the resolution of the Council of February 16, 1946.

The first session of the Commission on Narcotic Drugs was held at Lake Success from November 27 to December 13, 1946.

The report of the Commission to the Economic and Social Council has been circulated to Members.

In addition to discussing questions relating to organization and procedure, the Commission has reviewed the general situation throughout the world in the field of narcotics and considered the measures required in order to maintain and strengthen the system of international control, particularly in countries where interruptions have been caused by the war. Special attention was given to the urgent question of the limitation of the production of raw materials. Various other problems were also examined, including opium smoking in the Far East, the illicit traffic, drug addiction, and the situation in Germany, Japan and Korea.

The Commission adopted a number of resolutions and recommendations to the Council, which are contained in the report. It will be observed that the action required to implement fully these resolutions and recommendations will add substantially to the work of the Secretariat and will involve certain additional expenditure. The Council will be trusted to take the necessary steps to ensure that adequate provision is made for these purposes.

During the session of the Commission, representatives of thirty-eight nations and, shortly afterwards an additional eleven Members -- signed the protocol amending previous international agreements on narcotic drugs and transferring to the United Nations the powers and functions formerly exercised by the League of Nations in relation to the control of narcotics.

Members of the Council will recall that many nations who are not yet Members of the United Nations were signatories of the previous international agreements relating to narcotic drugs. The effectiveness of the international control of narcotic drugs depends, to a great extent, on its universality, and it is urgent that nations outside the United Nations who were parties to the previous agreements should sign the new protocol; otherwise there will be serious gaps in the international administration. For this reason the Commission has requested the Economic and Social Council to consider the measures necessary to ensure the participation at an early date to the protocol of all parties to the previous international agreements, conventions and protocols on narcotic drugs, who are not Members of the United Nations.

The re-establishment at its pre-war level of the international control of narcotic drugs was one of the most important problems discussed by the Commission during its first session. The Commission recommended that, in order to hasten the re-establishment of international control in the countries directly affected by the war, and to improve it wherever necessary, all possible technical assistance should be given. The Commission considered that it was necessary to begin the preparation of a digest of laws giving a survey of the legislation in countries which were parties to the conventions, in order to ascertain whether their legislation on narcotic drugs is in accordance with the conventions.

It also emphasized the importance of the revision of the list of narcotic drugs which are subject to control. The development of new drugs, synthetic and otherwise, since 1940 makes it essential to revise the list in order that these drugs may be brought under control. The Commission was of the opinion that the preliminary work of revision could best be undertaken by a consultant pharmacologist.

The Commission devoted particular attention to the problem of the limitation of the production of raw materials. This work was begun in 1932 by the Opium Advisory Committee of the League of Nations, but was interrupted by the war. In 1944 the United States Government assumed the initiative in carrying on the work of preparation of a conference on this subject. The Commission on Narcotic Drugs decided to issue, subject to the approval of the Council, a questionnaire on raw opium calling for further information and to instruct the Secretariat to draw up a questionnaire on the Coca Leaf for consideration by the Commission at its next session.

The Commission also reviewed the new situation created by the abolition of most of the previously existing opium monopolies in the Far East. As soon as the far eastern territories of France, the United Kingdom, Netherlands and Portugal were liberated from the Japanese occupation, the governments of these countries made opium smoking illegal in them.

The Commission has asked the Economic and Social Council to invite all countries which still legalise the use of opium for smoking to take immediate steps to prohibit the manufacture, internal traffic in and the use of such opium.

During the session the Commission examined the different aspects of the question of drug addiction. It dealt with the question of addiction due to drugs derived from opium and coca leaf and addiction due to Indian hemp, new synthetic drugs and the barbiturates. It decided to issue a questionnaire on drug addiction. As regards new drugs, the Commission recommended that the Council should remind governments which were parties to the Convention of 19 February 1925, that they have undertaken to send to the Permanent Central Opium Board statistics of drugs whether synthetic or not which are brought under this convention in virtue of Article 10. This article, as amended by the Protocol, provides that Governments which accept the recommendations of the World Health Organization concerning dangerous new drugs which should be brought within the scope of the Convention shall apply the remaining provisions of the act in their respect. The Commission also recommended that the Council should request Governments to send estimates in respect of these drugs to the Permanent Central Opium Board and the Supervisory Body.

Particular attention was paid to the problem of Germany and the Commission took note of the following passage from the report of the Permanent Central Opium Board in 1945:

".... The Board can only emphasize that some system under which the control of narcotics in Germany is centralized, or, at least, the control over them in the different zones is co-ordinated, should be established at the earliest possible moment with a threefold object: First, it is necessary that the statistical information on imports and exports, manufacture, stocks and seizures should be collected by some Central Authority, and transmitted to the Board and to the Allied Governments, who are responsible for the enforcement of drug control in Germany. Secondly, it is desirable that such a Central Authority should re-establish proper regulations through import and export licences over imports to and exports from the whole German territory occupied by the military authorities. Thirdly, there are a number of internal measures of control which should be uniform in all four zones".

The Commission has requested the Council to urge the occupying powers to take the necessary measures at the earliest possible moment for the establishment of an effective control of narcotics for all Germany.

The Council will be interested to learn that a special study of the problem of narcotics in Japan and Korea was made by the Commission. The Chinese delegate submitted a proposal for the total prohibition of the manufacture of narcotic drugs in Japan and for the installment of a United Nations stockpile of narcotic drugs in the Far East which would be the sole source of supply for the medical and scientific needs of Japan.

A sub-committee was appointed to study the problem and presented two alternative proposals for the consideration of the Commission. The Commission decided to submit both alternatives to the Council. Alternative A of the two proposals contains a recommendation that an international stockpile should be established from which the medical and scientific needs of Japan would be supplied. Alternative B provides that all imports of narcotic drugs into Japan should require the prior sanction of an inspectorate appointed by the United Nations.

With regard to Korea, the Commission decided to recommend that similar measures of control of those adopted in respect of Japan should apply to Korea.

In order to ensure that the terms of such control are incorporated in the Peace Treaties which are presently to be concluded with Japan, the Commission recommended that the Economic and Social Council should;

(a) send its recommendations in regard to Japan to the Far Eastern Commission, with copies to all governments represented on the Commission and to the Allied Military Authorities now in control of Japan; and

(b) send its recommendations in respect of Korea to all governments and authorities concerned.

I should like to refer, if I may be allowed to do so, to the harmonious manner in which the Commission carried out its task at the first session, a task which although essentially technical and non-political nonetheless required a co-operative spirit among its Members in order to achieve constructive results. The Commission's work was greatly facilitated by the decisions taken by the Council and the Assembly to preserve the continuity of the International control of narcotics.

I am sure that Members of the Council will also permit me to express my thanks on behalf of the Commission to the Secretary-General for the measures which he put into force to ensure the efficient functioning of the international control during the difficult period of transition while United Nations were assuming the duties formerly carried out by the League in this field.

The PRESIDENT: Do any other representatives wish to offer observations on the report?

MR. NASH (New Zealand): Mr. President, I wonder if we could obtain some help, in achieving the purpose of the Narcotic Commission by inviting the cooperation of a number of the specialized agencies associated with the Economic and Social Council -- the World Health Organization, the FAO,-- and also the project submitted by the United States that we may consider later, in connection with the utilization of world resources; also, the International Monetary Fund, the Bank of International Development and Reconstruction, and the International Chamber of Commerce. They are all organizations that I would have thought could have been used by the Narcotics Commission for the purpose of achieving its end, not only in saying that it shall not be used, but saying it shall not be sold. And they, with their own organizations, should obtain the cooperation of their members for the purpose of helping the Commission to achieve its objective.

That is only an idea thrown out: that the Economic and Social Council has available a number of agencies now of an international character that could help, in a much shorter way at times, to reach the objective desired than just by going through governments alone. There are other organizations that could help tremendously: the International Chamber of Commerce members, to say that they will not touch the product; the Transport people, to watch for the handling or the shifting of the product; the Monetary Fund, to say that they shall have no money for anything adjacent to purposes of this kind. And the country that cultivates in any way either the plant or any of the narcotic drugs, or encourages the manufacture, shall not be assisted at any point by the Bank.

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There are points like this that I think could be profitably used by the specialized agencies for the achievement of an objective like that set out out by the Commission.

MR. MOROZOV (USSR) (Interpretation from Russian): Mr. President, the report of the Narcotics Commission being a very specific one and dealing with specific questions, it is difficult to analyze and approve it here immediately at this meeting of the Economic and Social Council. This is especially true in so far as I am concerned because the Russian text of the report was received by me only yesterday and I have not had sufficient time to study it and to study all its implications. Whatever remarks I may make now, I should like to reserve the right to come back to the report later when I have studied it more carefully. I should like, however, to make some remarks now.

In the first place I think, in the light of the resolution on financial matters which we have just accepted here in the Council, that we should approach many of the recommendations of the Narcotics Commission's report bearing that resolution in mind, and I feel that many of these recommendations for action by this Council should be considered in the light of the decision with respect to the financial aspect of the matter which, as I said before, we have just approved.

The second point is that I think the Economic and Social Council should ask the Narcotics Commission for a recommendation on the procedure by which the permanent Members of the Council on that Commission should be appointed. I should like to suggest that this be in accordance with the general principles by which all organs of the Economic and Social Council are constituted; in other words, that Members of the Narcotics Commission should be representatives of their own Governments, which is the case in all the other organs of the Economic and Social Council.

There are many other remarks which might be made in connection with the

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report. It might perhaps be better if we were to appoint a sub-committee which could study the report in detail and re-submit it to this Council, where it could be discussed in more detail some time later in the session.

The PRESIDENT: Before I call upon the representative of Turkey, I should like to tell the Council how I visualize this report being dealt with. After the general discuss on this afternoon, I propose that this report be submitted to a committee of the Council. There are very specific recommendations made in this report which have to be studied carefully, and the Council will have to decide how far these recommendations can be implemented.

There is a paper which has been circulated by the Secretariat this morning, E/251/A.1, which states there the various proposals made by the Commission. The financial implications have been worked out, as far as possible, on a rough basis in this paper.

I should like to state with reference to the financial implications, that I have not understood, as I already said, that there is an embargo on our incurring any financial commitments hereafter at all. That is not the position. We have only to see what the financial implications are, and in the light of that, to see how far the proposals are urgent and should be implemented immediately. If we come to the conclusion that these proposals should be implemented immediately, the financial implications will take care of themselves. That is the general idea I have of how this report may be dealt with.

(Mr. Phillips replaced Mr. McNeil, representative of United Kingdom, at the Council Table)

MR. YAZICI (Turkey): As a representative of a country producing materials going into this report, I was going to say also that a further study by a sub-committee would be appropriate. But the President's proposal of a committee of the Council should cover this point, so I have nothing more to say about it.

The PRESIDENT: Thank you.

Arca

MR./PARRO (Peru): As a matter of fact, I supported the proposal made by the representative of the Soviet Union to have a special sub-committee to study this important report. However, since you have pointed out that that is the procedure which we are going to follow in this matter, I really do not think it is useful to comment on this question now.

DR. SZEMING (China): Mr. President, I would like to say on behalf of the delegation of China that we have studied with very great care the report of the Commission on Narcotic Drugs. We are happy to note with deep satisfaction that the international machinery for narcotics control has been revised in an even more effective manner than before. I think this is an achievement on which the Commission on Narcotic Drugs is to be congratulated.

In view of the satisfaction with which we have received this report, I can say on behalf of the delegation of China that we are prepared to accept the report as it stands now. However, we shall be happy to cooperate in the further detailed consideration of the report which you, Mr. President, have indicated. We shall study with an open mind any changes which may be proposed by the other Members of the Council.

I would like to make one general comment on the proposal which the Government of China had the honour to make in the Commission on Narcotic Drugs regarding the future control of narcotic drugs in Japan and Korea. This is a matter to which the Government of China attaches great importance.

I said just now that we are prepared to accept the report as it stands. In the report, two alternatives have been suggested regarding future control of narcotic drugs in Japan and Korea. Our statement refers to both alternatives. The delegation of China is of the opinion that both alternatives should be referred to The Far Eastern Commission and to Governments represented thereon, insofar as these alternatives relate to Japan. Regarding Korea, we recognize that political

conditions in that country would not permit any practical application of either of the alternatives today. We are, therefore, agreeable to having these proposals, insofar as they relate to Korea, postponed until a later date.

Mr. President, you referred just now to Document E/251/Add. 1, which is an estimate by the Secretary General regarding re-establishment and improvement of the international control of narcotic drugs. I wish to make a general comment that the items seen, on first glance, to be comparatively small, and subject to later detailed scrutiny, they would seem to the delegation of China to be very suitable for approval, considering the importance of the subject.

There is one impression, however, at the end of that statement, which may be wrong, and I would like to have that impression created, if any Members should have got a ^{wrong} impression from reading the end of the statement that "either of these proposals is likely to involve substantial expenditure on a scale which cannot at present be estimated."

Upon reading that sentence, one has the impression that both Alternative A and Alternative B would involve the United Nations in substantial expenditure. The delegation of China understands that Alternative B may involve substantial expenditure, but Alternative A is entirely a different proposition. Under Alternative A a stockpile of narcotic drugs is to be established "by an international authority at the proposed Far Eastern Regional Office of the United Nations," and so forth. It all turns on the words "international authority." It is the understanding of the delegation of China that the international authority is to be an authority independent of the United Nations, in which case it would not involve any expenditure by the United Nations.

Our conception is that this proposed stockpile is more in the nature of a public utility, and the expenses of public utilities are usually borne by the consumers, by the peoples and governments concerned. If the stockpile is to serve Japan, Korea, and later, possibly, other countries of the region, including my own country, then the cost and expenses for such an international stockpile would be borne by the peoples of those countries. It would, in other words, be borne regionally.

Therefore, I think it is fair to correct the impression that the establishment of a stockpile would involve large expenditures by the United Nations, which, I think, is not the case.

MR. PHILLIPS (United Kingdom): Mr. President, I would not like to let the general debate on this report pass without expressing on the behalf of my delegation gratitude to the compilers of this report, particularly to the Chairman. It seems to us that this report, which is the first of the ones which come before us at this Council, is a very fine piece of work. It is short; it is cogent; it takes us a step forward on an important field; and it is a practical and efficient piece of work. I understand it was a unanimous report.

In regard to Alternatives A and B regarding the Eastern stockpile, which my Chinese colleague has referred to, I am glad that he referred to that because I, for my part, could agree to this report outright here and now, as he does, subject to Alternatives A and B. And there, I regret to say, I take a different view from my Chinese colleague. I support the Alternative B. The difficulties about Alternative A are well stated in the report, and perhaps I could just draw the Council's attention to them.

The supporters of Alternative B feel that Alternative A, which is the creation of the large stockpile, involves practical difficulties of administration, including difficulties in preventing leakages and in finding the necessary technical personnel to administer it. On the other hand, in support of Alternative B, which you will remember is a system of international inspection in the hands of the United Nations, we feel that the inspectorate could be established much more easily and more quickly, and that it would be less expensive. It is true that it would not necessarily be less expensive to the United Nations, as our Chinese colleague has pointed out, but it would be less expensive to the countries and to the world in general. It would also mean -- and we attach importance to this -- strengthening the existing machinery of international control, and it would correct one of the known weaknesses in the present system, which is the absence of an international inspectorate of that kind.

I do not want to oppose the motion that this should be put to a subcommittee, but I wish to take the opportunity to express my view in the general debate.

MR. BORIS (France)(Interpretation from French): Mr. President, the French delegation is happy to associate itself with the words spoken by the representative of the United Kingdom when he eulogized the report and those who prepared it.

The French delegation would also like to state at this time, following the words that I had the honour of saying this morning, that we agree fully with the representative of the Soviet Union when he proposes that this report be submitted to a subcommittee for further detailed study. However,

I should like to say that the French delegation was prepared to accept the report, and, in accepting the report, would adopt as its solution Alternative B for various reasons, which I need not go into now, except to say that it seemed to us that Alternative B offered a more rapid solution to the question at issue.

MR. DAVIDSON (Canada): Mr. President, for my own part, I do not want to delay the Council much longer in the consideration of this report of the Narcotics Commission at this stage, because, with the other speakers, I can say that we are in agreement with the method of disposition of this report which you have suggested, that it should be referred for more detailed consideration to a subcommittee and reported back to this Council for final action and decision before this session adjourns.

I do want to take this opportunity, however, to say that it is a matter of satisfaction that the Chairman of the first Commission to report formally to the Economic and Social Council should be the Canadian representative on that Narcotics Commission. We take some natural satisfaction out of the references that have been made to the quality of the report which has been presented here this afternoon. We join in commending the members of the Narcotics Commission for the very practical workmanshiplike job they have done.

For reasons which have already been elaborated by the representative of the United Kingdom and endorsed by the representative from France, I want to say that the Canadian position with respect to the Alternatives for control of narcotics in the Far East, in Korea and Japan is that Alternative B is the one to be preferred of the two proposals set forth in the report.

In that position, we are taking the stand which the report indicates was favoured by the majority of the members of the Narcotics Commission itself.

I would merely like to say, with reference to the estimates of cost that have been set forth by the Secretary-General in E/251/Add.1, that these seem to represent very moderate commitments on the whole, in so far as they can be estimated, for continuing a work of this importance and this magnitude, a work for which the United Nations, through the Economic and Social Council and the Narcotics Commission, has made itself responsible by taking over the commitments which formerly were carried out by the League of Nations.

I merely want to make one particular comment in addition to that.

Mr. President. If I understood the Soviet representative correctly, he made reference to the question of the procedure that should be followed in future appointments to the Permanent Central Opium Board. I believe he expressed the view that it would be proper for the same procedure to be followed which has been followed generally in appointing to membership on the Permanent Central Opium Board, whenever vacancies arise, persons who are official representatives of governments. If I am mistaken in that impression of what he said, I would like to be corrected on it. If, however, I am correct, I would like to draw the attention of the Members of the Council to the fact that the qualifications of Members of the Permanent Central Opium Board are set out in Article 19 of the Geneva Convention of 1925, which I believe was taken over without amendment at the meeting of the Council which consolidated these various protocols last fall. This Article 19 of the Geneva Convention of 1925 states that Members to the Permanent Central Opium Board should be persons who, by their technical competence, impartiality and disinterestedness, will command general confidence.

They should be composed in equitable proportions of persons possessing knowledge of the drug situation, both in producing and manufacturing countries, on the one hand, and in consuming countries, on the other.

This is the point which I would like to draw the attention of the Council to, in particular: They should be connected with such countries, not holding any office which puts them in a position of direct dependence on their governments. I think that statement of principle, which is contained in Article 19 of the Geneva Convention of 1925, as to the composition and the basis for future appointments to the Permanent Central Opium Board should be kept in mind by this Council and by the proposed subcommittee in any consideration it gives to this particular matter on which our advice is required.

MR. Van KLEFFENS (Netherlands): Mr. President, I should like to associate myself with those who have expressed their appreciation for the high qualities of this report. Quite briefly, I should like to make an observation on this suggestion of the Chinese delegation with which we wholeheartedly agree; namely, that Japan should be prevented from becoming again a center for the illicit traffic. At the same time I should like to say that we have a very definite preference, as some others have who have expressed their opinion around this table this afternoon, for alternative B which we consider can enable us to attain the aim we have in view, not only as the report says, more easily and more quickly but at least just as effectively and much more cheaply. I should thus just like this expression of opinion to be entered into the minutes of this meeting, reserving the right to refer to it if this Committee, of which there has been some question, is established and then we can go into the matter further.

MR. STINEBOWER (United States): Mr. President, I do not now wish to prolong this discussion very much, and I assume, as other speakers have that most of the detailed remarks can be made in the Committee to which you have referred. But as the report before us does record that in the Commission on Narcotic Drugs the United States was among those in favour of Alternative A, I feel that we should make a brief statement here.

At that time, it is true, the United States Member of the Commission was interested in exploring the ideas and the mechanics by which an international stockpile control might perhaps be made to work. Having explored the mechanics and the details, we are now as convinced as have been other speakers who have preceded me that Alternative B is the economical and efficient method which should be recommended for the control of narcotic drugs in Japan.

We are moved in that direction, also, by the consideration that Alternative B is, for all practical purposes, already in effect in Japan today and that all that would be added under the proposal here would be an International Inspectorate superimposed upon the export - import controls which have been worked out under the occupation for Japan.

The PRESIDENT: Will Colonel Sharman reply to the debate?

COLONEL SHARMAN (Narcotics Commission): There are one or two points which I thought might be of assistance to this Council if I mentioned them.

The representative of New Zealand referred to the possibility of co-operating with the World Health Organization, other social organizations, and also those interested in the financial angle of the matter. May I say that there is the closest co-operation between the Narcotics Commission and the World Health Organization, not only theoretical but practical, in that the World Health Organization nominates two of the four members of the supervisory body which handles all the ~~estimates~~ of any country in which narcotic drugs

are supposed to be consumed. So, frankly, I do not envisage any angle from which the existing co-operation could be improved.

So far as co-operation from other social organizations is concerned, that will always be welcomed.

In so far as the monetary angle is concerned, there is -- or perhaps I should say there probably will be -- an angle which will become increasingly important; that is, that if a country which today is to a very considerable extent dependent upon the financial results accruing from the growing of opium -- I do not mean necessarily for illicit traffic, because a very large quantity of opium needed for legitimate personal medicinal needs is grown -- if such a country decides to abolish the growth of opium altogether and, by that direct method, deprived itself of the opportunities which normally existed for the illicit growth of opium or the diversion of opium into illicit traffic, the question which will immediately arise is the substitution of some other crop for the previous profitable opium crop. And I can well imagine that very considerable encouragement might be vouchsafed to such a country if they received encouragement -- financial, definitely -- and in other ways possibly -- so that there would be an assurance of some economic stability, so far as that country is concerned, when the crop of opium is done away with and experiments have been made to furnish an equivalent non-narcotic crop. To that extent I think that very considerable assistance, from the financial angle, could be given to this problem.

The only other point I made was with regard to the method of appointing gentlemen to the Permanent Central Opium Board, but that point has been completely covered by the Canadian representative, so it is not necessary to refer to it. The point is one which, as has been said, is provided for by

treaty. The 1925 Convention lays down that the candidates shall be of a certain calibre, and there is nothing we can do to arrange for the appointment of persons in any other way except by that which is laid down by these treaties involving narcotics, some of which have been signed by sixty-seven nations. The 1925 Convention, Article 19, which specifically covers the point which the Canadian representative mentioned, has, I am glad to say, the USSR as a signatory.

The PRESIDENT: The Chairman of the International Monetary Fund, who is here, would like to make some observations, I think particularly with reference to the establishment of the stockpile. Will you please come up to the table?

(The Chairman of the International Monetary Fund, Mr. Camille Gutt, took his seat at the table.)

MR. GUTT (International Monetary Fund) (Interpretation from French):

Mr. President, I am rather sorry that I have to take the floor on a subject on which I am not at all prepared to speak. We have only now seen this report which is under discussion by your Council, and we did not expect that the International Monetary Fund would be involved in this report in any way. You know, gentlemen, that it has become involved because of a suggestion made by the representative of New Zealand, Mr. Walter Nash, when he suggested that there could be some indirect control of the traffic in narcotics, besides direct control, through certain monetary establishments such as, for example, the International Monetary Fund or the International Bank.

It is quite obvious that it would be impossible for me at this stage to answer this question fully because it requires a great deal more study, but I think it is my duty to try to prevent any disappointment that might arise among you, and therefore I shall say certain things which I think are obvious.

In the first place, I should like to mention that our Organization is tied to its own Charter, which is the Charter of Bretton Woods, and we intervene only when there is a temporary disequilibrium in certain matters in a country: for example, if the exports, both visible and invisible, for some reason temporarily become smaller than the imports. It is not our practice or principle to go further than simply to study the conditions under this temporary disequilibrium in a general way. We do not enter into the details of the exports and the imports of a country.

Thus, it seems to me that it would be extremely difficult to adopt the suggestion which I am discussing now because, as I said, we are a financial organization created for financial purposes, and we should be guided by that consideration and by monetary and fiscal considerations only. In other words, we are an Organization which tries to cure ills arising from financial considerations -- monetary ills, if I may say so. It seems to me that every one of

such organizations should do its job to the best of its ability, but should do its own job. If we apply this principle I do not think there would be any danger in our functioning. But if it is proposed to make of an organization such as the International Monetary Fund, for example, a jack-of-all-trades, if I may say so, I think that would be extremely undesirable.

MR. YAZICI (Turkey): Mr. President, I have listened with great interest and sympathy to the words of Mr. Gutt. I see a tendency to burden the Bretton Woods Institutions with duties uncalled for in the Articles of Agreement. I find such a procedure likely to endanger the functioning of these Institutions.

MR. NASH (New Zealand): There may be some misunderstanding here. There were two organizations brought into being by the Conference held at Bretton Woods. One is the International Monetary Fund, as I understand it, that Mr. Gutt talked about for the adjustment of trade and balances and the currencies associated with disparities in trade. Another sister, or brother, organization, is the International Bank for Reconstruction and Development, and anything associated with that, which is proposed now, can only be brought into being under reconstruction and development, and wisely and rightly brought into being. I see no reason why the International Bank for Reconstruction and Development should not help with the necessary fund to reconstruct and develop places or areas where they are losing revenue because they are doing something which the United Nations thinks ought to be done. That is not in connexion with the actual organization referred to or controlled by Mr. Gutt because that is a Monetary Fund for another purpose, but the International Bank for Reconstruction and Development is the type of body that might wisely be thought of when we are trying to do something for reconstruction and for development.

The PRESIDENT: Thank you. Well, gentlemen, I think we ought to defer discussion of the subject. I think we should be going far beyond our department if we were to analyse the Charter of Limitations, either of the International Monetary Fund or of the International Bank. In any case, that could be done profitably behind the stage.

I should like to associate myself very warmly with the appreciation which was extended to the Chairman and Members of the Narcotics Commission for the very fine work they have done in preparing this report. It is exhaustive; it is clear; it contains just what is expected of the Economic and Social Council. I think Members will find it of great value in the coming days. As I have already stated, I propose that the report now be referred to a Committee of the Council. Following our usual practice, I propose that the Committee should be composed of the following countries: the United States, the United Kingdom, France, China, the Union of Soviet Socialist Republics, India, Peru, New Zealand, Byelorussia, Venezuela and Lebanon.

Roughly speaking, what I have done is to follow the practice established of having a sort of Social Committee of the Council which will consider all social questions. This is the first of the questions that will be referred to this Committee. If the Council agrees, the matter will now go before this Committee. (No objection voiced) I take it that the proposal is accepted.

MR. PEREZ CISNEROS (Cuba): Mr. President, I would not like to oppose a which suggestion/has just been made by the Chair. It was my understanding, however, that we were going to establish a special sub-committee to deal in particular with this report of the Narcotics Commission. Now, the decision which is before us for a vote is to determine which would be the members of the Social Commission of our Council. Mr. President, I want to say at this stage that I will not be ready to vote on this issue, because it seems to me that maybe some countries which have not been mentioned by the Chair would be particularly interested in matters which would later be referred to that Social Commission. I think, Mr. President, that if it would be possible to defer the appointment of that Social Commission until tomorrow, and to let the representatives of this Council think a little more about the nominations proposed, it would serve a useful purpose.

The PRESIDENT: If that is the general desire, I have no objection to on postponing it, but I constituted this committee on the basis/which it has been constituted before.

I put Cuba on the Economic Commission. If Cuba prefers to come into the Social Commission, there will be no difficulty in her changing over at present.

MR. PEREZ CISNEROS (Cuba): Mr. President, if I did raise that point, it was not on the particular interest of my country, but it was more on the basis of the principle. At this stage, I would not be able, of course, to answer you as to whether I would prefer to be either in the Economic or in the Social Commission, because we haven't given any thought to that. But we believe that it is rather early, maybe, to decide what would be the composition of the Social Commission, because we do not know at this stage what matters will be referred to that Commission.

Now, there might be an escape clause to the decision which we undertake at this moment, and this escape clause could be such as to leave an opportunity for countries interested in a particular matter which would be referred to the Social Commission, to attend meetings of the Social Commission.

The PRESIDENT: It is my fault. I should have mentioned for the benefit of Members who have come for the first time to the Council, that it has always been understood that Members who are not Members of this Committee can always attend and take part in particular questions in which they are interested, although they are not members of this Commission.

MR. PEREZ CISNEROS (Cuba): Mr. President, in the translation into French, the word "observer" was mentioned. That word was not mentioned by me. My idea was that representatives of countries interested in a particular matter would be able to attend particular meetings of the Social Commission when this matter might be brought up, not as observers, but with full rights.

The PRESIDENT: There is no question of observers among Members of the Economic and Social Council.

May I take it on that understanding, that this committee is approved?

MR. MALIK (Lebanon): Mr. President, there is still a minor ambiguity which ought to be cleared up also as between observer^{and} a Member, and a formal Member and an informal Member. I think it ought to be cleared up as to whether anyone who attends any one of these Commissions but who does not belong to them formally, have or have not the right to vote. That is an important point which should not be left ambiguous.

THE PRESIDENT: The honourable Members will realize that any Member of a delegation who is not a Member of the Committee can always raise the question at the Plenary Session and take up as much time of the Council as he chooses, and therefore any prudent Chairman will not have formal rules on the subject, but will give the widest latitude to Members of the Council, knowing that he will be at their mercy later if by any peremptory ruling he avoids giving them an opportunity. I will leave it at that.

I now put the proposal that this Committee be appointed to the order of the house. May I take it that that proposal is accepted?
(No objection voiced.)

The proposal is accepted.

Well, then, I am in the happy position to announce that the agenda prescribed for today is completed and that is the record for the first day of the opening of the Economic and Social Council.

Tomorrow the Council will meet at 10:30 and will have only a morning session until one o'clock. There will not be a session of the Council in the afternoon. The items that will be taken up for consideration tomorrow morning are:

Item 6. Assembly Resolution on Activities of the Economic and Social Council: Part B recommending that the World Federation of Trade Unions be given right to submit items for provisional agenda, and Part C that all category A NGO's receive equal treatment.

The next item that will be put on the agenda for tomorrow's meeting is Item 8, Report of the Secretary-General on the Co-ordination Committee.

Item 7, Report of the Council NGO Committee, is not yet ready. I hope to present it on Monday to the Council. Then, on Monday, Item 10 will be taken up. That is simply a resolution on Reconstruction of Devastated Areas.

The Council will now adjourn and meet at 10:30 on Saturday.

(The meeting adjourned at 5:05 pm.)