

United Nations GENERAL ASSEMBLY

SEVENTEENTH SESSION

Official Records



SECOND COMMITTEE, 838th
MEETING

Wednesday, 14 November 1962,
at 3.15 p.m.

NEW YORK

CONTENTS

Agenda item 36:

Question of holding an international conference on trade problems (continued)

Consideration of draft resolutions (continued)..... 249

Chairman: Mr. Bohdan LEWANDOWSKI
(Poland).

AGENDA ITEM 36

Question of holding an international conference on trade problems (A/5221, A/C.2/214, A/C.2/L.645, A/C.2/L.648/Rev.2 and Corr.1, A/C.2/L.648/Rev.2/Add.1, E/3631 and Add.1-4) (*continued*)

CONSIDERATION OF DRAFT RESOLUTIONS (A/C.2/L.645, A/C.2/L.648/REV.2 AND CORR.1) (*continued*)

1. Mr. ALMEIDA (Brazil) said that the sponsors of the joint draft resolution (A/C.2/L.648/Rev.2 and Corr.1) and of amendments and suggestions had met again informally in an attempt to produce a generally acceptable text. The sponsors of the draft resolution felt, however, that their present text, which was the result of weeks of effort to strike a balance between extreme positions, accurately reflected the majority view. They were therefore unable to make any further changes and hoped that the Committee would support the draft unanimously.

2. The objection had been raised that no specific mention was made of the major trading countries in connexion with the membership of the Preparatory Committee. Those nations had not been specifically mentioned because their presence was assumed; they would participate in the Preparatory Committee as members of the Economic and Social Council and in accordance with the principle of equitable geographical distribution. In fact, operative paragraph 3 had been drafted to establish a balance between those nations and the under-developed countries.

3. With regard to the second objection, which concerned the date of the United Nations Conference on Trade and Development, the sponsors felt that, from the statement made by the Yugoslav representative at the 835th meeting, it was clear that the date was not final. That representative had said that the revised draft resolution should be understood to mean that the Council, when considering the report of the Preparatory Committee, should at the same time make a final decision regarding the exact date of the Conference, guided by, first, the strongly expressed desire of the overwhelming majority of the General Assembly that the Conference should be held at a time when

other world events would not have an unfavourable effect upon its results and, secondly, the degree to which preparation for it had been completed. If, therefore, the preparatory work had not been completed, as the United States representative feared, the Conference could be postponed.

4. If the sponsors were to accept further changes, that might start a chain reaction. He therefore appealed to all delegations to accept the text as it stood.

5. Mr. BOLIN (Sweden) said that, as his delegation had stressed during the general debate, his Government was deeply interested in problems of trade and was prepared to work actively in GATT meetings and elsewhere to help solve the trade problems of the under-developed countries. He therefore hoped that the Conference would yield positive results; for it to do so it was essential that it should be well prepared and held at a good time. His delegation did not believe that September 1963 was a good date and would vote against the last six words of operative paragraph 3. The doubts it harboured with regard to other paragraphs were of minor importance. He regretted that no agreement had been reached on the date, which was a crucial point for many countries, especially the major trading countries. While he understood the urgency of the matter to the developing countries, he felt that the attitude of the major trading countries was of especial importance for the Conference's success and hoped that the two views might be reconciled. Under the present circumstances, however, his delegation would have to abstain on the draft resolution as a whole.

6. Mr. DEWULF (Belgium) said that, while his delegation appreciated the Yugoslav and Brazilian representatives' efforts to achieve unanimity on the revised text of their draft resolution, he regretted that his delegation was unable to accept it. He hoped that the sponsors would redraft their text in order to bring it more closely into line with the explanatory statement made by the Yugoslav representative at the 835th meeting.

7. Mr. GARCIA GRANADOS (Guatemala) said that his delegation had hoped that the draft resolution, which it fully supported, would be unanimously adopted by the Committee. Unfortunately, however, unanimity no longer appeared likely, and his delegation regretted that the divisive factor should have proved to be the relatively minor matter of the date. Guatemala, as a developing nation, desired the Conference to achieve positive results and therefore appreciated the need for adequate preparation, but its primary concern was to ensure that action was taken to solve the problems of the developing countries. There might well be particular reasons why certain countries did not favour an early date and a more flexible attitude could be adopted. If that was done, his delegation would support the draft resolution unconditionally.

8. Mr. VIAUD (France) said that, notwithstanding the efforts of the sponsors of the draft resolution and of the amendments and suggestions to achieve a compromise, the text still recommended that the Conference should be held in 1963, at which time his Government would not be in a position to participate. His delegation believed that it would be impossible to hold a conference of such magnitude and importance only a few weeks after the close of the thirty-sixth session of the Economic and Social Council and only a few days after the last meeting of the Preparatory Committee. If held in September 1963, the Conference would be discussing major economic issues at the same time as the Second Committee. France hoped that the Conference would be held at a time when it could make the contribution which it was determined to make. Consequently, his delegation would be compelled to vote against the last six words of operative paragraph 3; if they were retained, it would be unable to support the resolution as a whole. If the General Assembly adopted the draft resolution in its present form, his Government might be forced to reconsider its participation in the Conference.

9. He also objected to the inclusion, in operative paragraph 5 (c), of the words "arising from industrialized countries, whether individually or from economic groupings" and supported the two-Power sub-amendment (A/C.2/L.674).

10. Mr. UNWIN (United Kingdom) expressed his delegation's disappointment at the failure of the informal consultations. The second revised text of the draft did incorporate certain changes requested by his own and other delegations, but the failure of the sponsors to modify operative paragraph 3 appeared to invalidate their stated purpose of achieving unanimous acceptance of their draft. It was unrealistic to assume that the Conference could be held by September 1963, as was clear from the very large servicing cost mentioned in the statement of financial implications (A/C.2/L.648/Rev.2/Add.1). He doubted that the necessary servicing staff could be found at the time proposed for the Conference.

11. He fully appreciated the desire of the sponsors for an early Conference, but could not understand their insistence on the retention of operative paragraph 3 in its present form if unanimity was their aim. That wording was clearly unacceptable to countries whose presence at the Conference would be vital. Consequently, he was led to question the seriousness of the thirty-five Power proposal.

12. His delegation believed that the Conference, if held in 1964, might prove fruitful, but had not proposed mentioning that date, in the hope that the sponsors would not insist on mentioning in their text a specific month in 1963. It might even have waived its objections to certain other aspects of the draft, but the failure to modify operative paragraph 3 made the text unacceptable as a whole and his Government would be compelled to re-examine the assumptions on which it had planned to participate in the Conference. The main assumption had been that there would be adequate time to prepare for discussion of the agenda.

13. Mr. FINGER (United States of America) said that it had become clear that unanimity on the present text of the draft resolution was out of the question. He shared the surprise of the United Kingdom representative at the unwillingness of the sponsors to

compromise further on the question of the date of the Conference if they so strongly desired unanimity. It was unlikely that any substantial number of the major trading countries could participate in the work of the Preparatory Committee or of the Conference under the proposed arrangements. If, as several of the sponsors had indicated, operative paragraph 3 was to be interpreted as not excluding a later date than September 1963 for the Conference, he saw no reason for not saying so in the text. It was odd that a rift should occur between the major trading countries and the sponsoring countries not on a matter of substance but merely on the wording of a paragraph, which, as the sponsors had admitted, did not convey their full meaning.

14. He failed to understand how the voluminous pre-session documentation of 6,000 or 7,000 pages mentioned in paragraph 6 (h) of document A/C.2/L.648/Rev.2/Add.1 could be processed, translated and distributed to Governments between the conclusion of the proposed third session of the Preparatory Committee in August 1963 and the date proposed for the Conference and yet allow Governments the normal six weeks to study the documents in time for a conference in September 1963. That was a point that the Secretariat should clarify. The sponsors would be unwise to press the present text at the risk of jeopardizing the Conference. His Government's view that there was a need for the Conference remained unaltered.

15. Mr. CULLEN (Ireland) said that his delegation would prefer operative paragraph 3 of the draft resolution to be worded more flexibly in order to take due account of the material difficulties involved in preparing for the Conference. It regretted the failure of the efforts made to achieve a compromise. However, it was not prepared, by supporting the present text, to commit the Economic and Social Council to convening the Conference in 1963. Consequently, it would have to vote against operative paragraph 3 in its present form and against the draft resolution as a whole if that paragraph was not amended. It appealed to the sponsors of the draft resolution to reconsider their position vis-à-vis that paragraph with a view to achieving unanimity.

16. Mr. TODOROV (Bulgaria) said that in the provisional version that had been distributed, the English text of the sub-amendment (A/C.2/L.674) was meaningless and needed some corrections. The sponsors of amendment A/C.2/L.672 accepted, in a spirit of compromise, the insertion which the sub-amendment proposed, but not the proposed deletion.

17. Mr. TCHEN (China) said that two basic principles appeared to be accepted by all members of the Committee: first, that it was necessary to convene the Conference as soon as possible; and, secondly, that the Conference should produce positive results. It appeared clear, however, that, under the present draft resolution, the prospects of a successful Conference were diminishing. The position his delegation would take in the vote would depend on the way in which the conflict between those two principles was resolved. He hoped that, in a spirit of compromise, the sponsors would agree to the deletion of the last six words of operative paragraph 3. Otherwise, his delegation could not support the draft resolution.

18. His delegation supported the two-Power sub-amendment (A/C.2/L.674).

19. Mr. ROSENSTAND-HANSEN (Denmark) said that his delegation could vote in favour of the draft resolution provided the last six words of operative paragraph 3 were deleted. It was impracticable to hold the Conference in September 1963, and he therefore appealed to the sponsors of the draft resolution to reconsider their attitude and, if they could not delete those words, to agree to some other phrase such as "not later than the thirty-seventh session of the Economic and Social Council". He proposed a brief suspension of the meeting to give the sponsors an opportunity to reconsider their position. If they maintained their text, his delegation would ask for a separate vote on operative paragraph 3. If the latter was approved, it would have to abstain in the vote on the draft resolution as a whole.

20. Mr. STANOVNIK (Yugoslavia), exercising his right of reply, said that the United States representative's suggestion that the sponsors of the draft resolution were influenced in their attitude more by sentiment than by reason reflected the emotional atmosphere which the agenda item had generated. The question before the Committee was of such importance that some emotion was inevitable, but it should be controlled. He hoped that the delegations objecting to the present terms of the draft resolution realized that the sponsors were fully aware that the United States Government was committed not to agree to the holding of the Conference in 1963. He asked the United States representative to take into consideration the fact that the thirty-six participants in the Cairo Conference on the Problems of Economic Development had called for, and were therefore likewise committed to, its being held in 1963. In spite of the general desire for a compromise, the margin for negotiation was limited if those commitments were borne in mind. The sponsors had made their position clear in the statement he had made on their behalf at the 835th meeting.

21. He wished to point out that the Secretariat, by referring, in its statement of financial implications (A/C.2/L.648/Rev.2/Add.1) to the requirement to convene the Conference in September 1963, had obviously borne in mind the draft resolution and the statements which had been made in the Committee and had been aware of the circumstances in which the Conference would be prepared and convened.

22. He asked the members of the Committee—whose motives he did not question—to take into account the extremely delicate situation in which the sponsors of the draft resolution were expected to manoeuvre and negotiate. He believed that they had gone as far as they could go without violating their commitment.

23. Mr. FINGER (United States of America) said that the debate had shown that his country had by no means been alone in opposing the desire of the signatories of the Cairo Declaration of Developing Countries (A/5162) for a conference in 1963. Their commitment was that of only one particular group of States; other groups might not have felt themselves similarly committed. If the twenty members of the Organization for Economic Co-operation and Development, for example, had considered the same question, he was convinced that they would have recommended a conference in 1964. His delegation, like any other, could not deviate from its instructions. In his view, the only solution was that advocated by the Economic and Social Council, a solution adopted after the Cairo

Conference and endorsed by those of its participants who had taken part in the Council's session.

24. Mr. CARANICAS (Greece) pointed out that the sponsors of the draft resolution had in fact made very few changes in the text. His delegation would have to reconsider its attitude if the major trading countries were forced to withhold their participation in the Conference. The sponsors' insistence on holding it in 1963 reminded him of the numerous resolutions on a United Nations capital development fund which had been forced through but which had yielded no practical results. Why was it so urgent to hold the Conference in 1963? International trade problems had been discussed ever since the United Nations Conference on Trade and Employment which was held at Havana in 1947-1948; to wait a further six or nine months would make very little difference.

25. The amendment to operative paragraph 5 (c) proposed by Belgium, France, Italy, Luxembourg and the Netherlands (A/C.2/L.675) seemed logical. He would not press the amendment he had submitted at the 836th meeting to insert, in the same paragraph, after the words "developing countries", the words "as a consequence". He would, however, like to propose that, in operative paragraph 2 (a), the words "and major trading countries" should be inserted after the words "to an adequate representation of developing".

26. Mr. ARKADYEV (Union of Soviet Socialist Republics) felt that the United Kingdom, the United States and France were trying to thwart the will of the majority by exerting pressure and uttering threats in order to prevent the Conference being held in 1963. They wanted to emasculate the draft resolution and to postpone the Conference until some vague future date. They gave the impression that it would be catastrophic for them to attend in 1963. He wondered whether the United States was really interested in discussing the trade problems of the under-developed countries. Those countries were free, independent and equal and fully entitled to seek ways and means of solving their trade problems. Why could not the United States go half way towards meeting their point of view?

27. The United States had also tried to frighten the Committee by talking about the numerous documents which would have to be translated and reproduced before the Conference could meet. But that was an artificial argument. Ten months would elapse before September 1963 and by that time delegations would have ample opportunity to digest the necessary documentation. It was absurd to suggest that all the documents would have to be prepared in August. The objections raised by the United States and other representatives gave the impression that the United Nations would go bankrupt if it held the Conference in September 1963. The financial estimates prepared by the Secretariat (A/C.2/L.648/Rev.2/Add.1) were suspiciously high. Their object seemed to be to demonstrate that the Conference could not be held in 1963.

28. The USSR delegation fully understood the position of the sponsors. They had gone as far as they could to meet the objections raised. For example, the new text contained no mention of an international trade organization. If the USSR could accept such an omission, why could not the United States accept the wording concerning the date? A Conference in 1963

would yield positive results and his delegation would support the present text of the draft resolution.

29. Mr. NARANJO (Ecuador) observed that the only remaining point at issue was the date of the Conference. He appealed to the sponsors of the draft resolution to adopt a more flexible formula and not to insist that the Conference should be held by September 1963. He would also like them to make clear whether the Conference was to be convened or held by September 1963.

30. Mr. FINGER (United States of America) thought it was ludicrous for the Soviet Union, which had used the veto no less than one hundred times, to lecture the United States about "thwarting the will of the majority". The United States had never exercised the veto. It was equally ludicrous to allege that it would be catastrophic for the United States and the Western Powers to attend the Conference in 1963. Of course, the United States had a material interest in trade discussions, but there were other assemblies in which they could be held. The United States was sincerely interested in the success of the Conference and had been carefully preparing for it. It would relinquish its preparation only with great regret.

31. Nor was the United States trying to frighten the Committee with statistics or to exert pressure on delegations. It would be informative to ask the representative of the Secretary-General the honest question whether the documents could be prepared in time for September 1963. The Yugoslav representative had felt that, according to the statement of financial implications, the Secretary-General favoured holding the Conference in September 1963. The USSR representative had taken the opposite view. If the United Nations was to go bankrupt, it would not be because

of the Conference but for reasons well known to the Soviet Union.

32. He proposed that, in operative paragraph 3, the sponsors should delete the words "and not later than September 1963" and insert the words "taking into account the view expressed by many delegations that the Conference should be convened not later than September 1963 as well as the view that the Conference would be more productive if held in early 1964". Such a text would reflect the true position.

33. Mr. SIDIKOU (Niger) felt that the Committee should not be forced into a hasty vote. Talks should continue until an acceptable compromise was reached. He therefore proposed that the Committee should adjourn and resume discussions of the draft resolution at its next meeting.

34. After a procedural discussion in which Mr. Mamadou TRAORE (Mali), Mr. NATORF (Poland), Mr. MALECELA (Tanganyika) and Mr. FINGER (United States of America) took part, the CHAIRMAN put to the vote the Danish representative's motion that the meeting should be suspended in order to enable the Chairman to consult with the parties concerned in order to work out a solution.

The motion was rejected by 11 votes to 4, with 75 abstentions.

35. The CHAIRMAN put to the vote the motion made by the representative of the Niger that the meeting should be adjourned.

The motion was adopted by 44 votes to 21, with 33 abstentions.

The meeting rose at 5.40 p.m.