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Chairman: Mr. Leo MATES (Yugoslavia).

Economic development of under-developed countries (A/2430, A/2447 and Corr.1) (*continued*):

- (a) **Question of establishing a special fund for grants-in-aid and for low-interest long-term loans: report of the Economic and Social Council (A/C.2/L.204, A/C.2/L.212 and Corr.1, A/C.2/L.212/Add.1, A/C.2/L.214);**
- (b) **Status of the proposal for the establishment of an international finance corporation: report of the Economic and Social Council (A/C.2/L.213)**

[Item 26]*

1. Mr. GURINOVICH (Byelorussian Soviet Socialist Republic) asked, for the reasons already given by the Czechoslovak and USSR representatives at the previous meeting, that the beginning of paragraph 2 of documents A/C.2/L.212 and A/C.2/L.213 should be amended.

2. In reply to various representatives who had opposed the Czechoslovak amendment to the draft resolution contained in document A/C.2/L.212, he pointed out that the amendment would strengthen the authority of the United Nations, the function of which was to protect the under-developed countries from the exactions of foreign capital. Certain representatives had said that since the fund would be an international body there would be no danger of interference in the under-developed countries' domestic affairs. The argument was unsound. Moreover, the General Assembly and the Economic and Social Council had considered it necessary to incorporate an idea similar to that underlying the Czechoslovak amendment in various resolutions establishing international bodies, namely General Assembly resolution 200 (III) on technical assistance and Economic and Social Council resolution 222 A (IX) on the Expanded Programme of Technical Assistance. Since it had been felt advisable to mention the principle in two earlier resolutions, there seemed no reason for not doing so when establishing the Special

Fund. The representatives opposing the introduction of the clause appeared to be supporting interference by investors. The Byelorussian delegation could not agree with that attitude and would therefore vote in favour of the Czechoslovak amendment.

3. Mr. O'NAGHTEN (Cuba) said it was of capital importance to determine what could be inferred from the texts of documents A/C.2/L.204 and A/C.2/L.212 regarding any possible relation that might exist between the creation of the fund and world-wide disarmament.

4. The head of his delegation had already stated (275th meeting) the position of his delegation regarding any possible relationship between the creation of the fund and disarmament when he had expressed his gratitude to the United States delegation for the declaration which had been included in document A/C.2/L.204. In view of the existing world situation, it was difficult to imagine that savings through disarmament could be effected in the near future; furthermore, if the establishment of the fund were made dependent upon disarmament, that generous idea might never be put into practice, and that was inconceivable in view of the needs of the under-developed countries for immediate assistance.

5. The views expressed by other delegations favouring the idea of the fund could be summarized as follows: many delegations considered that the establishment of the fund had no relation to disarmament; others deemed that the fund ought to be established in the near future; and finally, several delegations had stated that, in the present circumstances, their countries would not contribute to the fund if savings were not achieved through disarmament.

6. His delegation understood that a country might hold that latter opinion, but it would be very hard for him to understand on what basis anybody could state categorically that disarmament, which might come about the following year or even twenty years hence—would be the only factor that could produce the favourable circumstances necessary for the establishment of the fund. He did not believe anyone could vaticinate the economic future of the world or of his country for an indefinite and possibly long period of years.

7. The delegation of Cuba could not accept or vote for a draft resolution which made the establishment of the fund conditional upon previous disarmament. His delegation would vote for the draft resolution contained in documents A/C.2/L.204 and A/C.2/L.212 because they did not state or imply that the fund would be established after world-wide disarmament was achieved, but merely expressed the hope that conditions favourable to the establishment of the fund would be created in the near future.

8. It was a pity that following the submission of the Czechoslovak amendment, which contained generally accepted principles, the statements tending to explain and justify it had been of such nature as to compel various delegations including his own to state that

* Indicates the item number on the agenda of the General Assembly.

they could not vote in favour of a principle which was so dear to them.

9. When the draft resolution subsequently adopted as Economic and Social Council resolution 425 (XIV) was being discussed, a delegation of an Eastern European country had proposed,¹ in connexion with assistance to areas suffering from famine, the insertion of a new paragraph containing the exact wording of the present Czechoslovak amendment. That proposal had also been introduced with statements similar to those which had been made in the Committee. Certain delegations had thereupon pointed out that the principle was not new and had already been proclaimed in General Assembly resolution 525 (VI). The Cuban delegation had accordingly submitted the following amendment to the proposed paragraph:

“Reaffirms the guiding principle already adopted by the General Assembly in resolution 525 (VI) . . .”, and that amendment had been approved by the Council without difficulty.

10. Similarly, the principle laid down in the Czechoslovak amendment was not a new one; it had already been formulated in the report of the Committee of Experts (E/2381, paragraphs 23 and 24 of the summary of recommendations). The same idea had, in addition, appeared in Economic and Social Council resolution 368 (XIII). The Cuban delegation did not think it desirable or necessary to reintroduce a principle that had already been proclaimed by the General Assembly and the Council on various occasions, and in the current instance it would vote against the Czechoslovak amendment, not because of the principle it contained, but because of the nature of the statement which had accompanied the submission of the proposal.

11. In a spirit of compromise, however, and to secure unanimity on the draft resolution contained in document A/C.2/L.212, his delegation would have accepted the suggestion made at the previous meeting by the Saudi Arabian representative. Since, however, that suggestion had not received the support of the Czechoslovak delegation, he proposed the following text:

“Reaffirming the principles proclaimed in Article 1, paragraph 2, and Article 13, paragraph 1 (b) of the Charter and the guiding principle adopted by the Economic and Social Council in resolution 368 (XIII), namely that the government of any Member State has the ‘right to take any appropriate safeguards necessary to ensure that foreign investment is not used as a basis for interference in internal affairs or national policies’ . . .”

12. He would submit the text formally if the Czechoslovak delegation agreed to it, and provided it were understood that the Czechoslovak delegation would vote in favour of the draft resolution, as amended. Otherwise he considered that there was no point in introducing a new paragraph in the preamble.

13. Mr. SIERRA FRANCO (Guatemala) said that, in view of the explanations which had been given, his delegation would support the United States draft resolution, the intention of which was laudable although unfortunately it did not have much practical bearing at the present time.

14. The draft resolution contained in document A/C.2/L.212 would not lead to practical results either, but would keep alive the idea of establishing the fund,

so that it could be taken up later if circumstances eventually improved. His delegation would vote for the draft resolution, but regretted that it had not been possible to take more positive steps to establish the fund at once and to bring speedy assistance to countries in need. He realized, however, that the working group had tried to find the most practicable solution and had consequently been obliged to abandon objectives to which certain countries attached great importance.

15. His delegation would also vote for the Czechoslovak amendment, since it felt that, in its existing form, the fourth paragraph of the preamble of the draft resolution contained in document A/C.2/L.212 was not calculated to reassure countries whose resources had been exploited by foreign monopolies.

16. His delegation also regretted that the draft resolution contained in document A/C.2/L.213 did not contemplate any practical solution, but was merely a recommendation for the possible establishment of an international finance corporation. It dealt in a superficial manner with a problem of primary importance. Nevertheless it did hold out the hope that the question would be reconsidered at the ninth session of the General Assembly. For that reason, and as an expression of solidarity with the other under-developed countries, his delegation would support the draft resolution despite the fact that it was obviously not of much importance to Guatemala, which was endeavoring to finance its development from its own resources.

17. Mr. VALLADARES RIBEIRO (Brazil) said that his delegation would vote for the United States draft resolution (A/C.2/L.204), which repeated in unambiguous terms the formal undertaking President Eisenhower had made in his speech of April 1953. The United Nations was delighted that the United States delegation had taken the step of submitting the declaration in question to the General Assembly, and its adoption was in no way incompatible with the adoption of the draft resolution contained in document A/C.2/L.212. The two resolutions both dealt with the question of economic development, but they approached it from completely different points of view: the United States resolution was concerned with the long-term financing of economic development; the working group's resolution, with the preparatory measures that had to be taken at once to promote that financing.

18. His delegation's support for the United States proposal was, however, qualified by certain reservations. Theoretically speaking, there were no economic or political grounds for making the establishment of the Special Fund conditional on world disarmament, although the under-developed countries were prepared to allow that the scope of the fund's operations must necessarily be limited until such time as reduction of armament expenditure enabled the capital-exporting countries to contribute to it more generously without undue sacrifice.

19. The United States proposal had some features which his delegation could not but regard as drawbacks. In the first place, it was to be feared that the proposal would mean postponing indefinitely the date at which the United States would contribute to the fund: the text did not speak of disarmament pure and simple but of internationally supervised disarmament, and everyone was too familiar with the results of the effort the United Nations had been making for nearly seven years to establish an international system for the control of disarmament to be able to harbour very

¹ See *Official Records of the Economic and Social Council, Fourteenth Session, 625th meeting.*

sanguine hopes. Secondly, the United States resolution bracketed together two objectives—economic development and reconstruction—which it would have been better to keep distinct in order to prevent the more conspicuous requirements of reconstruction from prevailing over those of economic development. Lastly, the third paragraph of the preamble considerably expanded the idea of financing economic development by extending it to developed countries: it said that additional resources would be devoted “to assist development and reconstruction, particularly in the under-developed countries”. The word “particularly” made his delegation rather apprehensive. Post-war experience had shown that international financial assistance had chiefly gone to the reconstruction and development of the developed countries of Europe and their colonial dependencies. Constructive and generous as it was from many points of view, the financial policy of the United States had not, of recent years, helped to redress the balance between the advanced countries of Europe and the under-developed countries.

20. Nevertheless, the United States draft resolution had one good feature of the greatest importance: the formal undertaking that the United States Government was prepared to devote a portion of the savings achieved through disarmament to financing economic development. The United States attitude to the United Nations had always been most generous and marked by the meticulous fulfilment of undertakings made. It gave grounds for hope that the United States would display the same generosity in regard to the Special Fund. His delegation considered those considerations sufficiently weighty to enable it to vote in favour of the draft resolution contained in document A/C.2/L.204, despite its misgivings as to the validity of certain of its assumptions.

21. The text of the draft resolution on the Special Fund (A/C.2/L.212) was the fruit of a lengthy endeavour to reconcile divergent views, and his delegation could not be very enthusiastic about it. He would vote for it out of realism and a desire for unanimity rather than any conviction that the results originally hoped for had at last been achieved.

22. He was sorry that the working group had not felt it advisable to retain the idea of establishing a contact group which appeared in the original draft resolution of the twenty Powers; for the task envisaged in operative paragraph 3 of the present text called for direct and detailed knowledge of the problems confronting the under-developed countries as a result of their lack of capital, and of their experience, happy or otherwise, of private foreign investment. At the same time it had appeared reasonable to appoint a representative of the capital-exporting countries, since it would be necessary to know and interpret their reactions as well. The working group had, however, preferred to recommend the appointment of Mr. Raymond Scheyven. The recommendation had been a personal tribute which the delegations of the under-developed countries participating in the working group's activities had desired to pay to the President of the Economic and Social Council. The recommendations of the members of the Council and the statement Mr. Scheyven had made at the closure of the Council's sixteenth session² showed that Mr. Scheyven possessed the indispensable qualities for carrying out the difficult and delicate

task he was to be given. Such being the case, the Brazilian delegation would not press for the scope of operative paragraph 3 to be extended, or for the appointment of the representative of an under-developed country.

23. The principle of non-intervention underlying the Czechoslovak amendment was beyond reproach, and ought to govern foreign investments in under-developed countries. His delegation felt, however, that the amendment was out of place in the text of the draft resolution, which was concerned basically with the establishment of new international machinery for financing economic development under the international control of the United Nations, so that the activities of the proposed body would be secure from pressure exerted by governments or private investors. The Czechoslovak delegation's wishes could be met—perhaps by the adoption of the wording the Saudi Arabian representative had proposed at the previous meeting—without introducing into the draft resolution a political idea quite unwarranted by the general context.

24. His delegation would vote in favour of the draft resolution on the establishment of an international finance corporation (A/C.2/L.213).

25. Mr. OZGUREL (Turkey) congratulated the working group on having reconciled the different views expressed before the Committee in its draft resolution on the Special Fund. The draft resolution was a real advance towards solving the problem, in that it helped to create a favourable atmosphere for establishing the fund. He trusted, therefore, that the working group's draft resolution would obtain as large a majority as possible. The hopes he had of the draft resolution were further encouraged by the fact that Mr. Scheyven was to take part in the preliminary work for the establishment of the fund. The qualities which the distinguished President of the Economic and Social Council would bring to the post would undoubtedly be of great assistance to the success of the undertaking. His delegation would therefore vote in favour of the text the working group had submitted (A/C.2/L.212).

26. He was unable to support the Czechoslovak amendment, for the reasons already given by previous speakers against it.

27. His delegation would vote for the United States draft resolution (A/C.2/L.204), and for the draft resolution on the establishment of an international finance corporation (A/C.2/L.213).

28. Mr. THOR (Iceland) reminded the Committee of the interest his delegation took in the financing of the economic development of under-developed countries, whether by implementing technical assistance programmes, establishing a special fund or establishing an international finance corporation. Encouraging as the results already obtained by the United Nations technical assistance programme admittedly were, they remained inadequate; the same applied to the aid granted by the International Bank for Reconstruction and Development. Consequently the United Nations ought to spare no effort to promote the economic development of under-developed countries still further. The United States proposal, by which the savings achieved through internationally supervised world-wide disarmament would be devoted to financing economic development, should accordingly be adopted, and his delegation would vote in favour of it despite the fact that Iceland could effect no savings as a result of world-wide disarmament.

² See *Official Records of the Economic and Social Council, Sixteenth Session, 751st meeting.*

That, however, was a long-term scheme, whereas the establishment of the Special Fund met an immediate need. The working group was therefore to be congratulated on submitting a draft resolution (A/C.2/L.212) which would facilitate the fund's establishment, and he would vote in favour of it. He could not, however, support the Czechoslovak amendment.

29. He would vote in favour of the draft resolution for the creation of an international finance corporation (A/C.2/L.213), which was calculated to promote the establishment of lasting peace by improving the economic position of the under-developed countries.

30. Mr. JONKER (Netherlands) observed that the Committee had before it three draft resolutions which, although not containing any final decision, constituted an advance in the endeavour to improve the economic position of the under-developed countries. His delegation approved the draft resolution on the Special Fund which it considered showing sufficiently that the Committee was willing to go ahead. If a fund were established on a realistic basis his Government would be prepared to contribute to such a special fund to the best of its ability. He was not entirely satisfied with the drafting of operative paragraph 3 of the draft resolution on the Special Fund, but felt that he could accept it on account of the outstanding qualities of the person to whom the working group proposed to entrust the preparatory work. He would therefore support the draft resolution contained in document A/C.2/L.212. He agreed with the Indian representative (257th meeting) that the Czechoslovak amendment was out of place in the resolution, and he would vote against it.

31. The United States draft resolution ought not to be regarded as making the establishment of a special fund dependent on internationally supervised disarmament, and accordingly he would support it.

32. His delegation would also vote in favour of the draft resolution (A/C.2/L.213) for the establishment of an international finance corporation. His Government was prepared to contribute to such a corporation.

33. Mr. ALVARADO (Venezuela) had listened with interest to the statements made at the previous meeting by the Colombian, Egyptian and Iraqi representatives to the effect that the establishment of a special fund for economic development was quite unconnected with internationally supervised disarmament. That meant that the United States draft resolution was not incompatible with the working group's. It was a question of an arrangement which would make it possible to supplement the Special Fund in certain circumstances. Accordingly he would vote in favour of the draft resolution contained in document A/C.2/L.204.

34. He had helped to draft the original draft resolution on the Special Fund (A/C.2/L.206), which had been replaced by the working group's draft resolution (A/C.2/L.212), and would have liked the working group's draft resolution to be more categorical. In spite of the fact that it did not entirely satisfy the under-developed countries' aspirations, his delegation would support it. He did not consider it advisable to alter the draft resolution by adopting the Czechoslovak amendment.

35. He very much regretted that the draft resolution on the establishment of an international finance corporation (A/C.2/L.213) should have been so greatly

altered as completely to lose its practical character. He would support it, but without enthusiasm.

36. Mr. AGÜERO (Honduras) said that he had taken part in the discussion in the working group, whose draft resolution he whole-heartedly supported. He would support the Czechoslovak amendment, provided that the amendment submitted orally by the representative of Saudi Arabia at the previous meeting was also included in the fourth paragraph of the preamble of the draft resolution. It would be useful if the Czechoslovak representative would state his views on the Saudi Arabian representative's proposal.

37. He thought that the United States draft resolution was not incompatible with that of the working group. Disarmament was, in fact, a long-range project, and it would be calamitous to make the development of under-developed countries contingent on the carrying out of a disarmament plan at some uncertain date. It would, however, be useful if the savings achieved through disarmament could be used to supplement the resources of the Special Fund. He would therefore support the draft resolution contained in document A/C.2/L.204. He would also vote for the draft resolution on the establishment of an international finance corporation (A/C.2/L.213).

38. Mr. KAIGL (Czechoslovakia) said that, having studied the amendment suggested by the representative of Saudi Arabia, he felt that it merely repeated the considerations in the second paragraph of the preamble. Further, it did not fully satisfy the purpose of the Czechoslovak amendment which he therefore wished to maintain, as several delegations had recognized that it was sound in principle. The amendment was necessary because in its present form the fourth paragraph of the preamble of the working group's draft implied that a flow of capital, in whatever form, would in all circumstances contribute to the solution of economic development problems. That was not the case, and countries in need of capital were still faced by the threat of economic subordination. Recent experience had shown that privately-owned capitalist enterprises demand all sorts of privileges and that also applied to governments and international institutions operating under the aegis of the United Nations such as the International Bank for Reconstruction and Development, for example. He was sure that his amendment would be supported by many delegations desirous of defending the political and economic independence of both under-developed and other countries.

39. He thought that the amendment submitted by the Cuban delegation was an improvement on the Saudi Arabian amendment, and reserved his right to state his views in detail when the Cuban representative formally submitted the amendment.

40. Mr. EL-TANAMLI (Egypt) said that, as several delegations had recognized, there could be no argument regarding the principle on which the Czechoslovak amendment was based. He thought, however, that it would be difficult to embody the amendment in a draft resolution on which the working group had agreed after lengthy discussions with a view to drafting a text acceptable to all delegations. In order to achieve unanimity, he suggested, as a compromise, that the Rapporteur should be asked to include the Czechoslovak amendment in his report and to state that the Committee had unanimously recognized its soundness.

41. Mr. KRIVEN (Ukrainian Soviet Socialist Republic) said that he had attended the working group's discussions as an observer. Paragraph 1 of the working group's report, which gave the impression that his delegation had taken part in the group's work, was therefore incorrect. Although the Ukrainian delegation approved of certain parts of the draft submitted by the working group, it could not be considered as having taken part in the drafting of the proposal, and the beginning of paragraph 2 of document A/C.2/L.212 should therefore be amended on the lines suggested at the previous meeting by the Polish and USSR delegations.

42. With regard to the Czechoslovak amendment, experience had already shown the tendency of private monopolies to seize key positions in under-developed countries and to obtain economic, political and even strategic privileges. Private capital compelled the under-developed countries to accept conditions, thus directly impairing the sovereignty of borrower countries. Private capital was not interested in the genuine economic development of countries seeking capital. On the contrary, it sought to keep the standard of living as low as possible in order to obtain the maximum profits from its investments. The Committee should therefore be careful to protect the under-developed countries against private capital undertakings. That was what the Czechoslovak amendment tried to do. Certain delegations had tried to divert the Committee's attention by stating that it was not a question of private capital but of financing by international capital. He warned the Committee against the danger of considering the question in abstract terms. The misdeeds of private capital were a concrete fact and should be dealt with as such. In view of the sinister role of the monopolies, action should be taken to protect the under-developed countries against the threats of interference to which they were at present subjected. That was the purpose of the Czechoslovak amendment. He wished also to refute the argument that there would be no possibility of political interference and pressure since the capital provided by the Special Fund would be international. Practice had, in fact, shown that some international institutions, in particular the International Bank for Reconstruction and Development, had served the expansionist interests of certain Powers. In submitting its amendment, the Czechoslovak delegation had been interested only in defending the interests of the under-developed countries. The amendment dealt with a fundamental problem, and the Ukrainian delegation would therefore support it. The Committee would be taking a step backwards if it did not accept the Czechoslovak amendment.

43. Mr. O'NAGHTEN (Cuba) said that, having consulted the sponsors of the draft resolution contained in document A/C.2/L.212, he wished to amend the text he had proposed in place of the Czechoslovak amendment as follows:

"Reaffirming the principles proclaimed in Article 1, paragraph 3 and Article 13, paragraph 1 (b) of the Charter and the guiding principle laid down by the Economic and Social Council in resolution 368 (XIII) that international financial assistance and foreign investments should not be used as a basis for interference in the internal affairs or national policies of any State,".

44. He pointed out that he was submitting the proposal in a spirit of compromise and on condition that

the Czechoslovak delegation not only accepted it but agreed to support the draft resolution as so amended. He would like to receive the Czechoslovak representative's assurances in that connexion.

45. Mr. DE SEYNES (France) said that the compromise solution suggested the previous day by the Saudi Arabian representative seemed to offer the best prospect of agreement, and he hoped that it had not been withdrawn.

46. Mr. HALIQ (Saudi Arabia) said that he had merely made a suggestion, which he would have formally submitted to the Committee if it had met with the Czechoslovak representative's approval. As the latter had been unable to accept it as an alternative to his own amendment, the Saudi Arabian delegation had preferred not to press it.

47. Mr. KAIGL (Czechoslovakia) said, in reply to the Cuban representative, that the fact that the Czechoslovak delegation had submitted an amendment showed the importance attached to the draft resolution. He considered, furthermore, that the Cuban proposal was an improvement on the Saudi Arabian suggestion, but wished to consult the head of his delegation before withdrawing the Czechoslovak amendment in favour of the Cuban text.

48. Replying to a request for clarification by Mr. ARKADYEV (Union of Soviet Socialist Republics), Mr. O'NAGHTEN (Cuba) agreed that the second version of his proposal was further removed from the letter of Economic and Social Council resolution 368 (XIII) although strictly in accordance with its spirit.

49. In view of the Czechoslovak representative's hesitation, he reserved the right to withdraw his proposal if the Czechoslovak delegation was unwilling to accept it.

50. Mr. UMARI (Iraq) recalled the statement he had made at the previous meeting, that his delegation did not object to the substance of the Czechoslovak amendment, but thought that it would be out of place in the draft resolution. The Cuban representative's proposal was open to the same objections; it merely reaffirmed a principle that no one thought of challenging and which the Assembly had formally embodied in other texts. The reaffirmation of principles that were already well-established was seldom justified and only when circumstances required it. In the present case, the adoption of the Cuban proposal would unnecessarily complicate a text that required no clarification. The draft resolution was in fact wholly based on the purposes and principles of the Charter, to which reference was made in its preamble. That fact should be sufficient to remove any misgivings that might be felt regarding the sinister role that might be played by foreign capital. Nevertheless, since such misgivings existed and some delegations had expressed a wish for a saving clause in the draft resolution on the Special Fund, he agreed with the representative of France that the suggestion made at the previous meeting by the Saudi Arabian representative was the best compromise formula. He himself also hoped that the Committee would keep that suggestion in mind when the vote was taken.

51. In order to end the discussion, Mr. HALIQ (Saudi Arabia) suggested that the Committee should not take a decision on the fourth paragraph of the preamble on the understanding that interested delegations could reintroduce it when the draft resolution

was considered by the Assembly. If that suggestion were accepted, the Committee would be able to take a vote immediately.

52. Mr. JUNG (India) suggested that the paragraph in question should be deleted.

53. Mr. PASTRANA BORRERO (Colombia) thought that, if the Committee did not decide to close the debate immediately, it would find itself faced with so many suggestions and compromise solutions that it would be necessary to refer the matter back to a working group.

54. Generally speaking, his delegation considered that the two draft resolutions on the Special Fund and the international finance corporation were far from fulfilling the aspirations of the peoples which had placed their trust in the United Nations. However, they had the merit of not wholly abandoning the idea of the two institutions, which would undoubtedly help to raise standards of living in the under-developed areas. Further, they would keep alive the hope that the great Powers would one day understand the importance to world peace of better living conditions in those areas. His delegation would therefore vote for the two draft resolutions, on the understanding that the establishment of the Special Fund would not be made conditional on world disarmament. It would, however, vote against the Czechoslovak amendment, for the reasons stated at the previous meeting by the United Kingdom representative.

55. Mr. BETETA (Mexico) also thought that the debate had been unnecessarily protracted and that a vote should be taken without delay. He wished, however, to make a final attempt at conciliation by suggesting to the Czechoslovak delegation that his amendment should be replaced by the following text to be inserted between the fourth and fifth paragraphs of the preamble of the draft resolution on the Special Fund:

"Mindful of the principles relating to the operation of the Special Fund set forth in the report of the Committee of Experts, in particular in paragraph 73 of that report".

He noted that paragraph 73 had been cited on several occasions during the debate, in particular by the delegations that had supported the Czechoslovak amendment. He explained that he was merely making a suggestion which his delegation would not press unless he got the support of the Committee.

56. Mr. BLUSZTAJN (Poland) feared that all the short cuts suggested would merely prolong the debate. In his opinion it would be better to defer any decision until the following day and then vote, in accordance with the rules of procedure, on the various drafts before the Committee.

57. Mr. MIR KHAN (Pakistan) supported the Indian representative's suggestion to delete the fourth paragraph of the preamble, which seemed to him to be the only way to achieve unanimity.

58. Mr. O'NAGHTEN (Cuba) said again that he considered that it was absolutely unnecessary to amend the text of the draft resolution. He had however felt that he should submit his amendment in view of the Czechoslovak delegation's attitude and also of the importance which the under-developed countries at-

tached to the question of private foreign investments. He still hoped that his compromise suggestion would be accepted. In his opinion, the Indian proposal was an extreme solution, to which the Committee should not resort until all possibilities of conciliation had been exhausted.

59. Mr. ZOLOTAS (Greece) also supported the Indian proposal. He pointed out that the controversial paragraph had not appeared in either of the two draft resolutions originally submitted to the working group and had been adopted merely to take into account an amendment proposed by the Netherlands delegation. The Greek delegation did not believe that it was necessary to retain the paragraph as it merely repeated an idea which the General Assembly had already expressed with greater force, notably in resolution 520 (VI).

60. Mr. DE SEYNES (France) felt that only the adoption of the Indian proposal would enable the Committee to vote at the present meeting. He therefore warmly supported the proposal. If, however, the discussion was continued at the next meeting and the Committee found itself faced with a large number of amendments to the fourth paragraph of the preamble, his delegation reserved the right, if the Indian proposal to delete the paragraph was not adopted, to take up the suggestion made at the previous meeting by the Saudi Arabian representative, namely to add the words: ". . ., in accordance with the Principles and Purposes of the United Nations Charter. . ." after the words "under-developed countries".

61. Mr. JONKER (Netherlands) was surprised that the Czechoslovak representative, who had attended the meetings of the working group, had not submitted his amendment earlier. He himself would not be inclined to take part in any last-minute efforts to find a compromise solution, as he did not think that the rejection of an amendment considered unnecessary by the majority of the members of the Committee would jeopardize the draft as a whole. However, in view of the conciliatory spirit which had marked the debate, he suggested that the Chairman should convene the working group during the afternoon in the hope that the Committee could take a vote at its next meeting without further discussion.

It was so decided.

62. Mr. PASTRANA BORRERO (Colombia) said that his fears had been justified and asked that the working group's terms of reference should be limited at least as to time.

63. The CHAIRMAN replied that he did not intend to postpone the next meeting of the Committee, which would take place on Wednesday, 25 November 1953, at 3 p.m.

64. Mr. EL-TANAMLI (Egypt) reminded the Committee of the proposal he had made earlier in the meeting and wished to know whether it was in accordance with the rules of procedure and, if so, what action the Chairman intended to take.

65. The CHAIRMAN and Mr. HALIQ (Saudi Arabia) assured the representative of Egypt that his proposal would be borne in mind when the Committee's report was drafted.

The meeting rose at 1.30 p.m.