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Chairman: Mr. Jiří NOSEK (Czechoslovakia).

## AGENDA ITEM 12

**Report of the Economic and Social Council (chapters II, III, IV and V) (A/3613, A/3661, A/C.2/L.333/Rev.1) (continued)**

1. Sir Alec RANDALL (United Kingdom), speaking on a point of order, said that the summary appearing in the Journal of the United Nations (No. 1758) did not give an accurate account of the decisions taken at the 477th meeting of the Committee regarding the proposal put forward by the Egyptian representative. The Committee had not taken any decision with regard to the inclusion in the summary proposed in the Mexican-Romanian draft resolution (A/C.2/L.337 and Add.1) of any documents other than General Assembly and Economic and Social Council resolutions; it was, however, understood that the question could be raised again when the Rapporteur's report was considered.

**DRAFT RESOLUTION ON THE ACTIVITIES OF THE REGIONAL ECONOMIC COMMISSIONS (A/C.2/L.333/Rev.1) (continued)**

2. Mr. JUDD (United States of America) said that his amendment (A/C.2/L.341) was designed simply to give greater clarity to what was already implicit in the Czechoslovakian draft resolution (A/C.2/L.333/Rev.1). If his amendment was adopted, there could be no dispute in the future with regard to the field of activity of the regional economic commissions.

3. Mr. HAYTA (Turkey) thought that the expression "terms of reference" in the English text of the draft resolution should be translated in the French draft by the term "mandat", in accordance with United Nations practice. Furthermore, the opening words of the United States amendment should be translated into French as "Membres des Nations Unies" and not "Membres de l'Organisation des Nations Unies"; he also asked that the conjunction "and" should be replaced by the conjunction "or", for it was only right that the countries concerned should be able to maintain and strengthen their economic relations with certain States which were members of one or more of the specialized agencies but not Members of the United Nations. Lastly, he would like to know why the reference to under-developed countries appearing in the original draft resolution presented by Czechoslovakia had been omitted from the revised text (A/C.2/L.333/Rev.1) and whether the omission was intentional or accidental.

4. Mr. JUDD (United States of America) agreed to replace "and" by "or" in the text of his amendment.<sup>1/</sup>

5. Mr. RAJAPATIRANA (Ceylon) said that it was clear from the first two paragraphs of the preamble of the draft resolution that it was designed to encourage the expansion of world trade and the development of trade co-operation. The same idea was again stressed at the end of paragraph 3 of the operative part, in the words "both among themselves and with other countries of the world". If the words "other countries of the world" were replaced by "Members of the United Nations and the specialized agencies", as suggested in the United States amendment, the scope of the draft resolution would be considerably limited: it would no longer concern world trade but only sectional trade. Apart from paragraph 2 of Council resolution 579 B (XX) and paragraph 4 of Council resolution 630 A I (XXII), in which reference was made to "States Members of the United Nations and of the specialized agencies" because the context demanded it, all the resolutions mentioned in the draft resolution dealt specifically with the expansion of world trade; none of them included a restriction such as that which the United States amendment would introduce into the draft resolution under discussion. Furthermore, as the representative of Mexico had pointed out at the previous meeting, the terms of reference of the regional economic commissions provided for dealings with all countries of the world, without exception; it was simply the membership of the commissions that was limited. There was therefore, contrary to what the representative of the United States seemed to be inferring, no room for doubt regarding the activities of the regional economic commissions.

6. The reason why it was important for the delegation of Ceylon that the resolution should refer to world trade and not simply to sectional trade was that Ceylon, like other countries in Asia and the Far East, maintained close trade relations for many centuries with continental China, which was not a Member of either the United Nations or the specialized agencies. The United States amendment tended to restrict the scope of the draft resolution so that it could not apply to economic relations with continental China. None of the countries which were members of the Economic Commission for Asia and the Far East (ECAFE) could disregard the fact that continental China offered vast possibilities for trade. It was thanks to raw materials imported from China that Japanese industry had been developed. In recent years Ceylon and China had entered into mutually beneficial barter-type arrangements of trading rubber for rice at a time when the prices elsewhere quoted for rice and offered for rubber had placed Ceylon in a difficult position. Ceylon's trading relations with China, however, could

<sup>1/</sup> The revised text was later distributed as document A/C.2/L.341/Rev.1.

be authentically traced back to the years of the great Chinese scholar and traveller, Fa Hien, who might be called the first international tourist, long before Marco Polo himself left China with six ships laden with goods; that was a clear illustration of the fact that China was then a great trading power. Western nations failed to realise what the exclusion of China meant for the countries of the East and for world trade. It was not a political question but one of economics, which presented a human aspect that could not be overlooked. For that reason, he ventured to ask the United States representative if he really felt his amendment was necessary and urged him to consider whether he could not withdraw it. As a compromise, the end of the last sentence in the draft resolution could perhaps be altered to read "... both among themselves and with other countries", provided the representative of Czechoslovakia was prepared to accept that amendment. At all events, none of the eighty-two representatives on the Committee could believe that the expansion of world trade could be achieved sectionally. Political differences were one thing but trade was another.

7. Mr. HASSAN (Sudan) said that his country favoured the freedom of trade and the elimination of trade barriers and hoped that international trade co-operation would be developed as fully as possible. On the basis of its own country's experience and that of Ghana, the Sudanese delegation thought it was well that the countries that were not yet Members of the United Nations should be associated with its work even before they were admitted to membership. That policy offered advantages for both the countries concerned and the United Nations itself and it would be a great pity if such countries as the Federal Republic of Germany and continental China, for instance, could not have the benefit of that treatment. The Sudanese delegation therefore regretted that the United States amendment tended to limit the scope of the draft resolution. It would like to know the United States representative's reasons for presenting the amendment and to hear his arguments in favour of it.

8. Replying to the representative of Ceylon, Mr. JUDD (United States of America) acknowledged that the amendment proposed by his delegation limited the scope of the Czechoslovak draft resolution: that was precisely its purpose. The amendment was not intended to restrict the right of Ceylon or any other country to trade freely with partners of its own choosing, but it was certainly intended to prevent the regional economic commissions being encouraged to expand the economic relations of the countries in their respective regions with certain areas which had not been deemed worthy of admission to the United Nations with a régime, for example, which stood condemned by the General Assembly as an aggressor.

9. Mr. STANOVNIK (Yugoslavia) deplored the turn that was being given to a discussion which should have concentrated exclusively on the means of developing international economic co-operation, so essential to the maintenance and strengthening of peace.

10. He pointed out that, even if it were amended as the United States delegation proposed, paragraph 3 of the Czechoslovak draft resolution would still be so worded as to impose no limitation on freedom of trade within each region: the restriction would apply solely

to relations with countries outside the region. ECAFE, for example, would be able to encourage trade relations with continental China but the problem would remain unchanged as far as countries which were not part of Asia or the Far East were concerned.

11. At all events, the Committee would be well advised to avoid disagreement on so important a resolution and to seek a compromise solution which would ensure its unanimous adoption. That could perhaps be done by replacing the words "both among themselves and with other countries of the world" by "both among themselves and with other countries". The draft resolution would then show that the Committee was anxious for a development of international economic and trade relations, without at the same time laying down a line of conduct for States to follow.

12. Mr. RAJAPATIRANA (Ceylon) said that the United States representative had just demonstrated unmistakably that the amendment submitted by his delegation was designed to exclude continental China from the sphere in which the regional economic commissions would employ their efforts to strengthen international economic co-operation. That idea was inadmissible, especially for those countries which, like Ceylon, already had trade relations with that great nation.

13. Mr. JUDD (United States of America) protested against the Ceylonese representative's interpretation. The United States amendment was designed to exclude from the regional commissions' sphere of activities not only continental China but other areas, such as North Korea, East Germany, North Viet-Nam and Outer Mongolia, that were not Members of the United Nations and belonged to none of the specialized agencies.

14. He feared that the compromise proposed by the Yugoslav representative would not solve the problem. If the text in question were amended along the lines proposed by the United States of America, the words "countries in their respective regions" would unquestionably mean only those countries that were Members of the United Nations or Members of the specialized agencies. The Yugoslav suggestion would not, therefore, be acceptable to the United States unless the words "which are Members of the United Nations or the specialized agencies" were added after the words "countries in their respective regions".

15. Mr. THOMSON (Australia) observed that the regional economic commissions were not concerned primarily with matters of trade; their main activities were in other fields: economic development, the establishment of national programmes, technical assistance and so forth. Hence it would be a distortion of their aims to place too much stress on trade problems in a resolution dealing with the activities of the regional commissions. He regretted that the Committee had allowed itself to be led away from its own proper field of economics.

16. Mr. PSCOLKA (Czechoslovakia) was glad to note that, generally speaking, his delegation's draft resolution seemed to meet with the approval of the members of the Committee. In the course of the penetrating analysis that he had made at the 477th meeting, the Mexican representative had expressed the opinion that the draft resolution would tend to stimulate the inter-regional work of the economic commissions at the expense of their purely regional work. That conclusion was not altogether correct. The draft resolution before

the Committee was absolutely in conformity with the terms of reference of the regional commissions and with their current practice. It was true that the Czechoslovak delegation had originally contemplated the possibility of calling upon the economic commissions to have greater recourse to the co-operation of countries outside their respective regions; but in view of the reluctance it had noted in the course of informal talks, it had dropped that idea. It would be wrong to accuse it of trying, in the new text, to derogate from the regional character of the economic commissions: on that basic point there could not be any divergence of views; opinions could only differ concerning the importance to be given to extra-regional activities and the degree to which it would be appropriate to develop them in certain circumstances.

17. The terms of reference of the economic commissions expressly provided that those bodies would endeavour to maintain and strengthen the economic relations of the countries of their respective regions with the other regions of the world: that was not a new idea. There was no regional commission which had not discussed, at one time or another, the advisability of extending international co-operation, particularly in the field of trade. Moreover, the necessity for inter-regional trade consultations had been recognized by the Economic and Social Council at its twentieth session (resolution 579 B (XX)); at its twenty-fourth session (resolution 664 (XXIV)), the Council had once again shown its interest in the efforts made by the regional economic commissions to co-ordinate their activities. Finally, the similarity of the problems arising in the different regions of the world had also been recognized more than once and it argued in favour of closer co-operation between the regional commissions. All those considerations led to the conclusion that the inter-regional activities of the economic commissions would develop as the effectiveness of their work at the regional level increased. The Czechoslovak proposal, in its revised form, took account of that aspect of the problem without laying excessive stress on it. He hoped that the members of the Committee would be able to accept it.

18. On the other hand, the United States amendment, which tended to limit international economic co-operation, was contrary to the provisions of the Charter and to the very words of the terms of reference of the regional commissions. It was even to be feared that it would prejudice the participation of the associate members if it were interpreted literally and legalistically. In any case, its adoption would have no effect on the terms of reference of the regional commissions, the Economic and Social Council alone being competent to amend them. There was nothing new about the United States formula: it had been used in the past, particularly to keep certain countries out of international conferences organized under the auspices of the United Nations. The Czechoslovak delegation deplored that practice, especially where cultural or economic problems were involved. The Czechoslovak delegation made no secret of the fact that it favoured the broadest possible participation of all the countries of the world in the work of economic development undertaken by the United Nations. It could not, therefore, accept the United States amendment.

19. Replying next to the Turkish representative, he said that the reference to the special needs of under-

developed countries, which had appeared in the original version of the draft resolution, had been omitted in the revised text because it did not seem to be essential in the new context. He was quite willing, however, to add the following phrase at the end of paragraph 3: "with a view to improving economic conditions, especially in the under-developed countries."

20. His delegation would give the compromise solutions suggested by the Ceylonese and Yugoslav representatives the most careful consideration.

21. Mr. CHA (China) pointed out that the Economic and Social Council had always taken care to specify that the work of the regional economic commissions should take place within the limits of their terms of reference: that formula was to be found in all its resolutions. The terms of reference of the different regional commissions defined their composition and their field of activity very strictly and enumerated the countries admitted to participation in their work as associate members. Moreover, the provisions of resolution 579 B (XX) of the Economic and Social Council concerning inter-regional trade consultations left no doubt whatever about the Council's intention to limit participation in those consultations to States Members of the United Nations or the specialized agencies.

22. The Chinese delegation unreservedly supported the amendment proposed by the United States of America, which was in keeping with the spirit of the Economic and Social Council resolutions.

23. Mr. O'NAGHTEN (Cuba) recalled that the terms of reference of ECAFE, as also those of the Economic Commission for Latin America (ECLA), expressly mentioned the countries within the competence of the Commission. That being so, it would be surprising if no limit were prescribed to the work of each commission in regard to the economic relations of the countries of its region with the rest of the world. In order, therefore, to give the expression "both among themselves and with other countries of the world"—which the draft resolution took from the terms of reference of the regional commissions—its proper interpretation, it was necessary to understand that the qualification "falling within the competence of other regional commissions" was implied.

24. In conclusion he said that the Cuban delegation would be grateful if the Secretariat would interpret the words "both among themselves and with other countries of the world", for it considered that a regional economic commission should not have dealings with a régime which controlled part of the territory of a country represented by another Government in the United Nations.

25. Mr. FIGUEROA (Chile) agreed with the Australian representative that the Committee should limit itself to the study of questions of a purely economic nature. Since paragraph 3 of the Czechoslovak draft resolution seemed to give rise to controversy of a political nature, he proposed that it should simply be deleted.<sup>2/</sup>

26. Mr. KEDADI (Tunisia) said that, like the Turkish representative, he was surprised that the passage relating to under-developed countries had disappeared from the revised text of the draft resolution. He hoped the Czechoslovak delegation would repair that omis-

<sup>2/</sup> The revised text was later distributed as document A/C.2/L.344.

sion and he suggested that the letter (a) should be inserted between the words "efforts" and "to maintain" in the last paragraph and that the words "b) to improve the economic situation, particularly in the under-developed countries" should be added at the end.

27. Mr. ARKADEV (Union of Soviet Socialist Republics) said that the avowed purpose of the United States amendment was to leave the People's Republic of China, the Democratic People's Republic of Korea, the Mongolian People's Republic, the Democratic Republic of Germany and other countries outside the scope of the regional economic commissions and to exclude them artificially from the regional commissions' field of action. That was a dangerous heresy, which was absolutely contrary to the principles of the Charter, to the General Assembly resolutions—resolution 1027 (XI) in particular—and to Economic and Social Council resolution 614 (XII) in particular—and to the very terms of reference of the regional commissions. Both those resolutions were concerned with the economic relations between all the countries of the world. Whereas it was natural that the activities of those commissions should constantly broaden in scope, the United States amendment tended to confine them within certain limits and thus to hamper the development of international economic co-operation. When the Economic Commission for Africa was set up—as his delegation was convinced it would be—it would comprise several countries not yet Members of the United Nations or of the specialized agencies. According to the reasoning of the United States, the Commission for Africa should not concern itself with promoting the development of such countries and territories.

28. As it stood, the Czechoslovak draft resolution fully satisfied the interests of all countries throughout the world. In that connexion, his delegation was glad to note that the sponsor had agreed to restore the passage relating to under-developed countries. The regional commission could, for example, deal more extensively with the elaboration of complex schemes for the development of natural resources, the realization of which was beyond the capacity of a single country, such as the development of water resources, transport, coal mining, etc. In view of the vital role which the commissions would have to play in the future, both inside and outside their regions, the Czechoslovak draft resolution could not fail to gain the support of all those who were guided by the common interest and not by narrow political prejudices.

29. In conclusion, he expressed the hope that the Committee and the General Assembly would bear in mind the legitimate aspirations of the People's Republic of China and the Mongolian People's Republic. The statement of the United States of America concerning the People's Republic of China created an abnormal situation in the work of the Committee. His delegation believed that the Committee would adopt the proposal of Czechoslovakia and reject the United States amendment.

<sup>3/</sup> The revised text was later distributed as document A/C.2/L.345.

30. Mr. JUDD (United States of America) announced that if, following the Chilean representative's proposal, the Committee thought it better that paragraph 3 should be deleted from the draft resolution, his delegation was prepared to concur in the general opinion.

31. Mr. STANOVNIK (Yugoslavia) thought that in order to speed up the Committee's work and avoid a divided vote, the Czechoslovak delegation should consider whether it could not accept the Chilean suggestion. The Committee should pass on without further delay to the examination of questions of vital importance.

32. Mr. BRADLEY (Argentina) endorsed the Yugoslav representative's observations and declared himself firmly in support of the Chilean suggestion.

33. Mr. MENDOZA LOPEZ (Bolivia) said that in supporting the Czechoslovak draft resolution his delegation was guided by economic considerations common to most of the Latin-American countries. It considered that, over and above its regional activities ECLA should promote closer economic relations between Latin America and those European countries which were not already included in any economic group, particularly Spain, which was the natural link between the two continents. Bolivia was interested not only in increasing the volume of its trade but also in diversifying its economy. It possessed the necessary natural resources, such as iron and petroleum, but its population was inadequate. It needed immigrants and, like the other countries of Latin America, it looked to the over-populated countries of Europe to supply them; those countries could not continue to be barred from ECLA on the basis of resolutions adopted in the past.

34. With regard to the last paragraph of the draft resolution, the United Nations had jurisdiction only where its Members were concerned and it was therefore logical that the words "other countries of the world" should be replaced by the words "the Members of the United Nations and the specialized agencies".

35. Mr. PSCOLKA (Czechoslovakia) declared that in submitting its draft resolution his delegation had had no intention of provoking a controversial discussion. Regarding the Chilean suggestion that paragraph 3 should be deleted, his delegation would like to defer its decision to a later meeting. In principle it favoured the amendment proposed by the Tunisian representative and hoped that it would be possible to incorporate it in the draft resolution, even if the last paragraph were deleted.

36. Mr. KAUFMANN (Netherlands) thought that the Chilean and Tunisian representatives had made useful suggestions which might be taken into account in drawing up a revised draft resolution. He suggested that the Committee should start its examination of technical assistance programmes at the next meeting and deal with the draft resolution at the meeting following that.

The meeting rose at 1.10 p.m.