### United Nations

## GENERAL ASSEMBLY

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# SECOND COMMITTEE, 938th

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Chairman: Mr. Ismael THAJEB (Indonesia).

#### Organization of the Committee's work

- 1. The CHAIRMAN said that on Friday, 29 November, the Committee would take up Economic and Social Council resolution 937 (XXXV) concerning the composition of the United Nations/FAO Inter-Governmental Committee on the World Food Programme. As the Committee had fallen further behind in its schedule, he suggested that it might meet in the morning of 28 November (Thanksgiving Day) or hold night meetings during the week beginning Monday, 2 December.
- 2. Mr. BOLT (New Zealand), supported by Mr. CARRILLO (El Salvador) and Mr. TELL (Jordan), said the simultaneous convening of the Technical Assistance Committee and the Second Committee on the morning of Thanksgiving Day would create difficulties for their delegations.
- 3. Mr. KANO (Nigeria) proposed that the Committee should meet in the morning of Thansgiving Day.

The proposal was rejected by 18 votes to 16, with 41 abstentions.

4. Mr. SOUSSANE (Morocco) proposed that the Committee should hold night meetings during the following week.

The proposal was adopted by 38 votes to 2, with 31 abstentions.

#### **AGENDA ITEM 12**

Report of the Economic and Social Council (A/5503, chap. V, sect. I; A/C.2/L.745 and Add.1) (continued)

5. Mr. PARSONS (Australia) recalled that in introducing the draft resolution on the question of a declaration on international economic co-operation (A/C.2/L.745 and Add.1), the Romanian representative had said that it was strictly procedural. The Australian delegation shared that view and hoped that the Committee would adopt the text unanimously. In that spirit, his delegation had submitted several procedural

amendments (A/C.2/L.777). The first preambular paragraph should be amended because what was needed was not a declaration but the encouragement of international economic co-operation with the aim of promoting higher standards of living and economic development throughout the world. The present wording of that paragraph overlooked development, and he pointed out that his delegation's amendment was a direct quotation from Article 55 of the United Nations Charter. The other amendments submitted by his delegation concerned the use of the word "declaration" which created the impression that the Committee generally agreed that the text under discussion was a "declaration". However, that was not true. In paragraph 8 of its report (E/3725), the ad hoc Working Group established under Council resolution 875 (XXXIII) on the question of a declaration in international economic co-operation noted that it had decided to leave open for the time being the question of a title for the text. It would be unwise to prejudge that question, especially in view of the forthcoming United Nations Conference on Trade and Development. He also suggested that the title of the draft resolution should read "International economic co-operation", which was the agreed common goal.

- 6. Mr. ARKADYEV (Union of Soviet Socialist Republics) stressed the importance of national policies based on the principle of peaceful co-existence. Economic relations were a barometer showing the state of international relations and could be influential in improving political relations between States.
- 7. It was surprising that the Australian delegation wanted to eliminate from the draft resolution any reference to a declaration. However, the word "declaration" was widely used by the General Assembly and other international organs to emphasize the solemnity of their decisions. That was why the Soviet Union and a number of other countries wanted the United Nations to adopt a declaration on international economic cooperation.
- 8. Work on the declaration had reached the stage of specific proposals and considerable progress had been made by the <u>ad hoc</u> Working Group. Agreement had been reached on a number of important provisions for the preamble of a declaration, stressing the link between peace and close economic co-operation among countries, irrespective of their social and economic systems. Article 6 of the draft declaration which appeared in annex IV of the report of the <u>ad hoc</u> Working Group (E/3725) was particularly important. Unfortunately, the Working Group had not had time to complete its consideration of certain articles on trade.
- 9. The positive attitude displayed by delegations in the ad hoc Working Group indicated that it should be possible to reach agreed decisions on effective and constructive co-operation. The Working Group had thus paved the way for discussion of the matter at

the United Nations Conference on Trade and Development, at which it should be possible to reach final agreement on all the principles of the declaration. At its first session, the Preparatory Committee had said that the agenda of the Conference should include the question of principles governing international trade relations and trade policies conducive to development. At its second session, the same Committee had considered the question of formulating principles and rules governing international trade relations, and the Soviet Union delegation had said that its draft declaration (E/3467) could serve as a basis for discussion. His delegation therefore supported the draft resolution and thought that work on the draft declaration should be expedited.

- 10. The Australian delegation's amendments (A/C.2/L.777) would weaken the text, which expressed the desire, shared by many countries, for a declaration to promote true international economic co-operation.
- 11. Mr. AYARI (Tunisia) expressed surprise that a number of amendments, introducing new elements, should have been submitted to a procedural draft resolution. The aim of the draft resolution, which his delegation would also sponsor, was to link the elaboration of a declaration with the work of the United Nations Conference on Trade and Development. The Conference should be able to benefit from the work on the formulation of the declaration done by the General Assembly and the Economic and Social Council, so that it could prepare some kind of a pronouncement on the subject. There was no contradiction between the idea of a resolution and that of a declaration.
- 12. Mr. SUGAIR (Saudi Arabia) said that his delegation would support the draft resolution.
- 13. Mr. PERERA (Ceylon) said that the concepts of international economic co-operation and their underlying principles should evolve as the international economic situation changed. It was therefore right that the General Assembly should restate the principles of international economic co-operation. The sponsors of the draft resolution wanted a restatement of principles which, while reaffirming the validity of established principles, would not hesitate to modify or discard them if necessary. For example, the principle of the most-favoured nation, on which GATT was based, was no longer sacrosanct. There had been a change of attitude owing to the considerable erosion of that principle as a result of the emergence of powerful regional economic groupings. It might therefore be necessary to restate that principle, so that it could be adapted to serve the cause of international economic co-operation and the interests of the developing countries.
- 14. Mr. BEN SAOUD (Libya) said that, despite the numerous international crises which had followed the Second World War, international economic co-operation had made unprecedented strides during that period. International solidarity had been displayed first in the work of post-war reconstruction and then in the efforts to bridge the gap between the developed and the developing countries. The draft resolution reflected the new spirit prevailing in international relations, to which a great contribution had been made by the late President Kennedy. He agreed with the Soviet Union representative that the Australian amendments did not improve the text.

- 15. Mr. HIREMATH (India) agreed with the sponsors that their text was of a procedural nature and should not give rise to difficulties. His delegation had always felt that a discussion of principles of international economic co-operation would not be redundant, since steady and concerted efforts by all concerned were needed in order to achieve such co-operation. It therefore welcomed the change in the attitude of other Governments and the general agreement which had emerged regarding the need for internationally accepted principles for guiding the conduct of nations in the field of economics and trade. His delegation was, generally speaking, in favour of the draft resolution and could support it. However, it urged the sponsors to change the title to read "Question of a declaration on international economic co-operation", which was the title used in previous resolutions on the subject. The text of the final document to be adopted should have the same status as other similar pronouncements of the General Assembly, if it was not to lessen the importance of previous resolutions. Only a comprehensive statement of principles of economic co-operation could be given the title "Declaration". The ad hoc Working Group had been unable to decide on the title to be used and it had therefore decided to defer decision on that matter until after the content of the document had been agreed upon.
- 16. Mr. BOIKO (Ukrainian Soviet Socialist Republic) said that efforts to achieve international economic cooperation would be furthered by the adoption of a declaration on the subject. The adoption of a statement of general principles would be of special importance for the developing countries, which were sometimes not on an equal footing with other countries in their economic relations. It would help to promote the aims of International Co-operation Year to be proclaimed in 1965, and economic co-operation would lead to cooperation in other fields. His delegation therefore supported the draft resolution. The Australian amendments, particularly the proposal to delete any reference to a declaration, indicated unwillingness to let the General Assembly make progress in the formulation of a declaration.
- 17. Mr. PARSONS (Australia) said, in reply to the statement by the Soviet Union representative, that his delegation felt it would be premature to decide on the title to be given to the statement of principles on interternational economic co-operation. The Committee should not prejudge later decisions on the matter, which might be influenced by the results of the United Nations Conference on Trade and Development. The Ukrainian representative had inferred that Australia did not want to make progress in that respect. Australia wanted to do everything possible to foster international economic co-operation. Indeed, its amendment to operative paragraph 2 suggested that the bodies considering questions of international economic co-operation expedite their work as much as they possibly could.
- 18. Mr. USHIBA (Japan) said that Economic and Social Council resolution 939 (XXXV), cited in the third preambular paragraph of the draft resolution, drew special attention to paragraphs 58-64 of the report of the ad hoc Working Group (E/3725). Those paragraphs concerned proposals on which the Working Group had failed to agree. There had been divergence of opinions among its members with regard to many important and controversial points. Japan believed that, in the formulation of a pronouncement on international economic cooperation, whatever its form, it was essential to secure

the full support of all Member States, leaving no room for misunderstanding or differing interpretations. His delegation endorsed the Council's decision to extend the mandate of the Working Group.

19. The <u>ad hoc</u> Working Group should first prepare a draft statement of principles on international trade. The United Nations Conference on Trade and Development would undertake a comprehensive study of current problems and possible future trends of international trade. After the Conference, the Working Group would be in a much better position to fulfil its mandate. His delegation agreed with the Australian delegation that the draft resolution should omit any reference to a declaration. Operative paragraph 2 of the draft resolution would be improved by a reference to the future work of the Working Group, which should take into account the debate and results achieved at the Conference.

#### AGENDA ITEM 33

Economic development of under-developed countries (A/5532) (continued):

- (b) Activities of the United Nations in the field of industrial development: report of the Economic and Social Council (E/3781, annex VIII; A/5503, chap. IV; A/5534 and Add.1 and 2, A/5535 and Add.1-5 and Add.5/Corr.1; A/C.2/221, A/C.2/L.740/Rev.2, A/C.2/L.740/Rev.3 and Corr.1) (continued)
- 20. Mr. ALI (Pakistan) introduced the revised text of the draft resolution (A/C.2/L.740/Rev.2). In operative paragraph 2, the word "urgent" had been deleted in response to the suggestion made by the Tunisian representative. In operative paragraph 3, a reference to the specialized agencies and the IAEA had been introduced in order to improve the balance of the text. A new operative paragraph 4 had been inserted to meet the desire of certain delegations for a working paper by the Secretary-General. At the end of operative paragraph 5, the Secretary-General had been requested to submit his report to the General Assembly at its nineteenth session, as well as to the Economic and Social Council at its thirty-seventh session.
- 21. Mr. KANO (Nigeria) said he wished to maintain the amendment to operative paragraph 3 proposed by Ghana and Nigeria (A/C.2/L.769/Rev.1). He opposed the amendment to that paragraph proposed orally by the French representative (936th meeting) because it would merely weaken the text.
- 22. Mr. UNWIN (United Kingdom) said he could withdraw the first of the United Kingdom amendments (A/C.2/L.772/Rev.1) provided the word "yet" was inserted before the word "satisfactory" in operative paragraph 1. For the time being, he would maintain the remaining amendments because any reference to "a new organization" was unacceptable. Nor could he accept the words "close relationship between industrial development and natural resources" in operative paragraph 3. Clearly, such a relationship existed, but it should not be linked with the establishment of an organization for industrial development.
- 23. Mr. MOLLER (Sweden) withdrew the Swedish amendment (A/C.2/L.774/Rev.1); the point was covered in the new operative paragraph 4.
- 24. Mr. VIAUD (France) was still unable to support operative paragraph 2 because its reference to "a new organization" was ambiguous. Nor could he accept

- the reference in operative paragraph 3 to the "close relationship between industrial development and natural resources". He therefore maintained the proposals he had made at the 936th meeting concerning those two paragraphs.
- 25. Mr. AYARI (Tunisia) was glad that, in response to his suggestion, the sponsors had omitted the word "urgent" in operative paragraph 1, but they had disregarded his second suggestion to replace the words "a new organization" by the words "an adequate organization".
- 26. Mr. RAMAHOLIMIHASO (Madagascar) introduced a further amendment (A/C.2/L.779), designed to meet the view that other factors, besides natural resources, should be borne in mind in operative paragraph 3.
- 27. Mrs. WRIGHT (Denmark) introduced, with regard to operative paragraph 2, an amendment drafted jointly with six other delegations (A/C.2/L.778) which represented a compromise between the advocates and opponents of a new organization. The amendment would not prejudice any decision to be taken either by the Committee for Industrial Development or the Economic and Social Council.
- 28. Mr. MALHOTRA (Nepal) supported the general principle underlying the draft resolution, namely, that the machinery for dealing with industrial development should be enlarged and endowed with greater resources. The joint amendment (A/C.2/L.778) maintained the essential words "a new organization" but also, by adding the words "rational" and "adequate", met the views expressed by the Tunisian and United Kingdom delegations. The amendment proposed by Madagascar (A/C.2/L.779) was logical, but he himself would prefer the wording used in General Assembly resolution 1821 (XVII). The new operative paragraph 4 would allow the Secretary-General very little time for preparation of the report. He supported the idea of regional symposia embodied in the new operative paragraph 5; he presumed that they would be held in 1964 and 1965 to ensure adequate preparation for the international symposium in 1966.
- 29. Mr. SOUSSANE (Morocco) said that if the amendment submitted by Ghana and Nigeria (A/C.2/L.769/Rev.1) was adopted in its present form, it might give rise to some ambiguity concerning the relationship between industrial development and natural resources. He therefore suggested that the sponsors might reword their text in such a way as to stress the utilization of natural resources. He therefore suggested that the sponsors might reword their text in such a way as to stress the utilization of natural resources on the spot. That would improve the text and meet the objections raised in the Committee to their original amendment.
- 30. Mr. JANTUAH (Ghana) said he was not prepared to accept the French amendment (936th meeting) or the Malagasy amendment (A/C.2/L.779), since the text of paragraph 3 of the draft resolution was preferable to either. He would, however, appeal to the sponsors of the draft to replace the words "bearing in mind" by the words "having due regard to".
- 31. Mr. AYARI (Tunisia) said that the Committee could not discuss the subject of a United Nations organization to deal with natural resources, since no decision had yet been taken on the establishment of an industrial organization. He endorsed the Moroccan proposal and said that, if adopted, it would clarify the Ghanaian and Nigerian amendment and that of the Malagasy delegation.

- 32. Mr. VIAUD (France) said that, while the Moroccan representative's suggestion was very useful, he wondered whether it went far enough. In addition to natural resources, industrial development involved other factors, such as finances and planning. The text would gain in clarity if mention was made of the close relationship between industrialization, development of natural resources, and the other factors in industrial development. He had no objection to the insertion of the words "having due regard to" in the draft resolution.
- 33. Mr. ANOMA (Ivory Coast) said that the second preambular paragraph of the draft resolution was not satisfactory to his delegation. It stated that Articles 55 and 56 of the United Nations Charter laid upon the Organization the responsibility for promoting higher standards of living, employment and conditions of social progress and development, but those goals were not the exclusive responsibility of the United Nations. There were other organizations, both private and in consultative status, which were engaged in similar activities. He therefore thought that the phrase "which lay upon the Organization the responsibility for promoting" should be deleted and replaced by the precise wording of the Charter, namely, "the United Nations shall promote".
- 34. Mr. ALI (Pakistan) stated that the sponsors of the draft resolution had given consideration to the views and amendments put forward by various delegations. He introduced a new version of the draft resolution (A/C.2/L.740/Rev.3 and Corr.1) and hoped that it would meet the wishes of the developing and the developed countries, although there might be objections to a word here and there.
- 35. The amendment proposed by Ghana and Nigeria (A/C.2/L.769/Rev.1) had been incorporated in operative paragraph 3. In operative paragraph 5, the words "and the International Atomic Energy" had been inserted after the words "specialized agencies". With those changes, he hoped that the Committee could adopt the resolution unanimously.

The meeting was suspended at 6.25 p.m. and resumed at 7.5 p.m.

- 36. Mr. KANO (Nigeria) stated that the Ghanaian and Nigerian delegations were grateful to the sponsors for incorporating their amendment and hoped that the draft would meet with unanimous support.
- 37. Mr. UNWIN (United Kingdom) paid a tribute to the sponsors for taking into account the objections of some delegations. While the new drafting of operative paragraph 2 was still not acceptable, it would be harder to vote against it. Nevertheless, he maintained the remaining United Kingdom amendments.
- 38. Mr. VIAUD (France) stated that he was not satisfied with operative paragraph 2 and that the new text of paragraph 3 was not an improvement on the previous version. Consequently, he could not support the draft resolution.
- 39. Mrs. WRIGHT (Denmark) declared that her delegation was not satisfied with operative paragraph 2 and was unable to accept the draft resolution.
- 40. Mr. RAMAHOLIMIHASO (Madagascar) thanked the sponsors for their efforts to find a compromise but, as regards operative paragraph 3, sufficient consideration had not been given to the wishes of his delegation and he therefore maintained his amendment (A/C.2/L.779).

- 41. Mr. ALI (Pakistan) suggested that a further revision of the text might find favour with all because the sponsors were trying their utmost to meet the wishes expressed. Operative paragraph 2 would thus read as follows:
  - "Declares that there is a need to carry out changes in the existing United Nations machinery so as to provide an organization capable of dealing with the problems of the developing countries, in order to intensify, concentrate and expedite United Nations efforts for industrial development;".
- 42. Paragraph 5 would be changed as a consequence and would read as follows: "Requests the Secretary-General, without prejudice to the need for organizational changes, to initiate consultation....". With those changes, he hoped for unanimous acceptance of the draft resolution.
- 43. Mrs. WRIGHT (Denmark) stated that, in view of the changes announced by the representative of Pakistan, she would withdraw, on behalf of the seven delegations, the amendment which they had presented jointly (A/C.2/L.778).
- 44. Mr. AYARI (Tunisia) said that his delegation was in favour of operative paragraph 2, but the text of paragraph 3 would be made clearer by the addition of the words "the utilization of" before "natural resources", as suggested by the Moroccan delegation.
- 45. Mr. KAPLANSKY (Canada) supported the redraft of operative paragraph 2 and also the Tunisian amendment to operative paragraph 3.
- 46. Mr. KANO (Nigeria) agreed that "natural resources" had nothing to do directly with the administrative machinery. But though they were two separate things, they were not mutually exclusive. The text of paragraph 3 had been improved; the two Powers would therefore withdraw their amendment (A/C.2/L.769/Rev.1) and his delegation would become a sponsor of the latest version of the draft resolution.
- 47. Mr. JANTUAH (Ghana) stated that the words "the utilization of", proposed by Morocco, were acceptable, although ECA, in its annual report (E/3727/Rev.1) dealt with natural resources and industry together but did not refer to "the utilization of natural resources". However, he would accept the amendment in the same spirit as the Nigerian representative.
- 48. Mr. ALI (Pakistan) said, on behalf of the sponsors of the draft resolution, that the words "the utilization of natural resources" should be substituted for the words "natural resources" in operative paragraph 3.

  49. The CHAIRMAN asked whether the representative
- 49. The CHAIRMAN asked whether the representative of Madagascar wished to maintain his amendment (A/C.2/L.779).
- 50. Mr. RAMAHOLIMIHASO (Madagascar) replied that he wished his amendment to be put to the vote.
- 51. Mr. AYARI (Tunisia) appealed to the delegation of Madagascar not to put the Committee in a difficult position. It should be left to the Council to decide the administrative form which the proposed organization should assume.
- 52. Mr. RAMAHOLIMIHASO (Madagascar) withdrew his amendment.
- 53. Mr. WOULBROUN (Belgium) pointed out that, in operative paragraph 2, the meaning of the French expression "mettre sur pied" was "to establish", whereas the English text read "to provide". The difference in meaning was important.

- 54. Mr. VIAUD (France) agreed with the Belgian representative and stressed that the two texts should be as close as possible. The French delegation was able to support operative paragraph 3, in view of the explanation given by the Nigerian representative, and could agree to the insertion of the words "the utilization of". The rewording of operative paragraph 5 constituted an improvement and his delegation would withdraw the amendment it had presented orally at the 936th meeting.
- 55. Mr. UNWIN (United Kingdom) stated that the text of operative paragraphs 2 and 3 had been greatly improved. Consequently, he would withdraw his second and fourth amendments (A/C.2/L.772/Rev.1), although the idea of strengthening the organization was one which his delegation was sorry to see abandoned. The statement of the Nigerian representative, together with the fact that the sponsors of the draft had accepted the Tunisian oral amendment, also made operative paragraph 3 acceptable by clearing up the relation between natural resources and industrialization. However, he appealed once more to the Committee to consider the third United Kingdom amendment, since the words "to provide" were already used in operative paragraph 2. With regard to operative paragraph 1, he felt that the insertion of the word "yet" before the word "satisfactory" would be at least a small tribute to the Commissioner for Industrial Development.
- 56. Mr. NATORF (Poland) stated that any delegation was free to interpret the text as it wished and that, in his view, the Committee was dealing with an organizational matter. The draft resolution concerned

- organizational aspects, and the original Ghanaian and Nigerian amendment also related to the organization of industrial development and natural resources.
- 57. Mr. SIMHA (India) appealed to the United Kingdom representative not to press his amendment. The sponsors had at no time been unappreciative of the work being done by the Commissioner for Industrial Development. The matter under discussion was not the Commissioner but the institutional framework headed by him.
- 58. In view of the short time available, he hoped that the draft resolution would be adopted by acclamation.
- 59. Mr. ALI (Pakistan) endorsed the remarks of the Indian representative.
- 60. Mr. UNWIN (United Kingdom) agreed to withdraw his first and third amendments (A/C.2/L.772/Rev.1).
- 61. The CHAIRMAN invited the Committee to proceed to the vote on the revised text of the draft resolution (A/C.2/L.740/Rev.3 and Corr.1), as modified orally by the sponsors.

The draft resolution, as modified, was unanimously adopted.

62. Mr. BINGHAM (United States of America) proposed that explanations of vote should be postponed until the next meeting.

It was so decided.

The meeting rose at 8 p.m.