

COMMITTEE OF THE WHOLE ON DEVASTATED AREAS

SUMMARY RECORD OF THE SECOND MEETING

Held at Lake Success, New York, Wednesday, 25 September 1946, at 10:30 a.m.

Present:

Chairman: Dr. Stampar

M. Lebeau	(Belgium)
Hon. Mr. Martin	(Canada)
Mr. Carlos Davila	(Chile)
Dr. Chang	(China)
H. E. Mr. Zuleta Angel	(Colombia)
Mr. Carlos Blanca	(Cuba)
H. E. Dr. Papanek	(Czechoslovakia)
Mr. Baumgartner	(France)
H. E. Mr. Argyropoulos	(Greece)
Sir G. Shankar Bajpai	(India)
H. E. Mr. Charles Malik	(Lebanon)
Mr. Thagaard	(Norway)
Dr. Parro	(Peru)
Mr. Lev Medved	(Ukrainian SSR)
Mr. Feonov	(USSR)
Mr. Noel-Baker	(United Kingdom)
Mr. Winant	(United States)
Mr. Krasovec	(Yugoslavia)

The CHAIRMAN opened the discussion of the Preliminary Report of the Temporary Sub-Commission on Economic Reconstruction of Devastated Areas (E/156).

Mr. FEONOV (UNION OF SOVIET SOCIALIST REPUBLICS) stated that the Report dealt with general questions decidedly outside the Sub-Commission's terms of reference. Instead of making provision for material assistance to the devastated areas, the Report was limited to general recommendations.

In the section dealing with agriculture it suggested improvements in the collection and distribution of the harvest instead of providing for practical measures to revive food-production. Exchange of experience advocated by the Sub-Commission among the different countries was not sufficient to solve the housing problem. The recommendation concerning the transfer of manpower from over-populated to under-populated countries had been made on a purely theoretic

basis. As for the question of raw materials, Mr. Feonov felt that it concerned extra-European countries as well and could therefore not be referred to an organization called on to deal with European economic problems alone.

Furthermore, he expressed his disagreement with the Commission in regard to its preference for multilateral trade agreements rather than existing bilateral pacts. The recommendation to establish an International Bank which would supply the credit for reconstruction whenever deemed necessary in the Bank's estimation might lead to disproportionate development of certain branches of production while neglecting the general revival of economic life in those countries, and might make their economic independence very doubtful. Mr. Feonov felt that a fundamental change in the recommendations was imperative.

The proposal to establish an Economic Commission for Europe had no connection with the problem of extending aid to the devastated areas. While he felt that the proposal should be examined separately, Mr. Feonov doubted whether such an organization was necessary in view of the fact that Europe was not an economic unit.

Mr. MALIK (LEBANON) referred to the common traditions of Europe and the Near East, pointed out the close ties that now existed between them. As the only representative of the Near East at the Council, he emphasized that the unity of the Mediterranean World was as strong as that of Europe and that reconstruction of the latter continent could not be successful without including a programme for the development of the Near East. Pointing to the economic interdependence of all parts of the World, Mr. Malik stated that if the Near East obtained peace without provocation and technical development without exploitation, Europe would not lack the oil necessary for reconstruction.

Mr. ZULETA ANGEL (COLOMBIA) supported the proposal for the establishment of an Economic Commission, the Belgian proposal to fix the seat of the Organization in London, and the proposal made by the United Kingdom. In reference to a speech made by Mr. Arca Farro, who objected to the principle of geographical exclusion in the composition of the Commission, Mr. Zuleta Angel stated that he did not advocate any changes in the composition of the proposed Commission,

since he felt that the problems of Europe should be solved by Europeans, who possessed the necessary qualifications. The Latin American countries might lack the necessary technicians and experts, however their co-operation with the rest of the world based on common ideals of democracy and civil liberties was of greatest importance.

Referring to the objections of the Soviet delegation to the Sub-Commission's Report, he pointed out that the Commission had had time only for general recommendations and that the European Economic Commission had been proposed for detailed and practical solution of the problem.

Mr. ARCA PARRO (PERU) took issue with the statements made by the Representative of Columbia. Referring to previous speakers who had stated that the European problem concerned the whole world, Mr. Arca Parro pointed out that many of the Latin American countries, which, contrary to Mr. Zuleta Angel's view, were of great importance in the economic and scientific fields, would be called on to supply the products needed by Europe. He wanted to know on what grounds, other than commercial, the Latin American countries would participate in the reconstruction of Europe in order to avoid the possible exclusion of Latin American countries from European economic life after the reconstruction of Europe had been achieved.

Mr. KRASOVEC (YUGOSLAVIA) speaking for one of the most devastated countries of Europe, expressed disappointment that the Report should have concentrated on long-term projects and evaded problems requiring immediate attention. He warned the Committee against the constant growth in the number of international organizations, which would inevitably lead to duplication of functions, either between the different international organizations, or between the international machinery on the one hand and the countries' own administrative organs on the other. Mr. Krasovec felt that it would be sufficient to hold international consultative conferences if the need should arise. He was opposed to the establishment of a European Economic Commission, since European economic life could not be separated from that of the rest of the world.

Mr. WINANT (UNITED STATES) pointed out, in answer to Mr. Feonov's inquiry, as to why the United States would be a member of a European Commission that the United States, as one of the occupying powers in Germany and Austria, was a member of the Control Commission which vitally affected the economy of Europe.

In general, he commended the Report, and in the name of his Government supported the recommendation for the establishment of an Economic Commission for Europe, which would lead to economic co-operation between European countries while integrating into the United Nations' structure various emergency organizations now operating independently.

In connection with the Recommendation concerning housing, Mr. Winant drew the Council's attention to the resolution of 21 June establishing a permanent Social Commission charged with the consideration of the establishment of an international machinery to solve the housing question. He felt that the Council should continue to use the services of that Commission. The United States recognized the severe effect of the shortage of supplies on the reconstruction efforts of many countries but hoped that the situation would improve, since most of the factors causing the shortage were gradually disappearing. Taking into account that inadequacy of purchasing power was a greater problem than allocation of available supplies, his Government was contributing fully toward the solution of that problem.

In reference to Part I of the recommendations concerning emergency relief, Mr. Winant stated that the Committee should limit itself to an endorsement of a similar resolution passed by the UNRRA Council in the previous August and a recommendation that the General Assembly should implement that resolution.

The meeting rose at 1:12 p.m.
