

GENERAL ASSEMBLY

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CONTENTS

	Page
Tribute to the memory of Mr. Ahmed S. Bokhari, Under-Secretary for Public Information	297
Agenda items 28 and 12:	
Economic development of under-developed countries (continued)	
Report of the Economic and Social Council (chapter I, section VI, chapters II, III, IV and V) (continued)	
Examination of draft resolutions (continued)	297

Chairman: Mr. Toru HAGIWARA (Japan).

Tribute to the memory of Mr. Ahmed S. Bokhari, Under-Secretary for Public Information

1. Mr. BENKIRANE (Morocco) expressed his deep regret at the death of Mr. Ahmed S. Bokhari, who had always been a great friend of Morocco. He offered his delegation's condolences to the delegation and people of Pakistan.

2. The CHAIRMAN said that he was confident that he was voicing the feeling of all his colleagues in expressing to the Secretary-General and to the Government of Pakistan the Committee's condolences on the death of Mr. Ahmed S. Bokhari, the Under-Secretary for Public Information. He invited the Committee to observe one minute's silence.

The Committee observed one minute's silence.

3. Mr. Mir KHAN (Pakistan) said that he deeply appreciated the expression of sympathy; he would communicate the Committee's condolences to the family of the late Mr. Bokhari and to the Government of Pakistan.

AGENDA ITEMS 28 AND 12

Economic development of under-developed countries (A/C.2/L.394/Rev.1) (continued)

Report of the Economic and Social Council (chapter I, section VI, chapters II, III, IV and V) (A/3848) (continued)

EXAMINATION OF DRAFT RESOLUTIONS (A/C.2/L.394/REV.1) (continued)

4. The CHAIRMAN drew attention to the fact that the draft resolution submitted by Albania, Romania and Czechoslovakia had been revised by its sponsors and advised the Committee to examine the revised text (A/C.2/L.394/Rev.1).

5. Mr. PSCOLKA (Czechoslovakia), replying to certain objections raised at the preceding meeting, said first that it was unfair to say that the draft resolution dealt with only one commodity. In fact it was concerned with an entire complex industry, which constituted a

whole sector of the world's economy. Secondly, the intention was certainly not to criticize the policy of certain Governments or to impede the flow of private capital to the under-developed countries; it was impossible to take that view unless one also regarded the measures taken by the United Nations in the past in connexion with industrialization or double taxation as a form of interference in the domestic affairs of States. Thirdly, the draft resolution was not concerned with existing bilateral agreements. Lastly, some representatives had maintained that the question came within the province of specialized organs; that argument was not without weight and the sponsors had therefore taken it into consideration in their revised draft resolution, but had felt it necessary to draw the special attention of those organs to the development of the petroleum industry.

6. The Committee had recently taken a number of constructive measures to promote the economic development of the under-developed countries. In the draft resolutions it had adopted, it had, *inter alia*, reaffirmed its desire to establish a United Nations capital development fund (A/C.2/L.386 and Add.1 and 2), requested the Secretary-General to prepare an analytical summary of means of accelerating economic growth (A/C.2/L.393/Rev.1) and sought to promote international co-operation in the field of trade (A/C.2/L.391/Rev.1). Further efforts were, however, required and, in particular, the Committee should help countries in the development of the essential sectors of their economies. The sponsors considered that attention should be drawn in that connexion to the special importance of petroleum imports, which were a considerable drain on foreign exchange resources and contributed to the balance of payments difficulties of the under-developed countries. All those countries whose petroleum resources had not yet been exploited would find it to their interest to develop them. At the opening of the Symposium on the Development of the Petroleum Resources of Asia and the Far East organized at New Delhi by the Economic Commission for Asia and the Far East (ECAFE), the Indian Minister for Mines and Fuel had stated that oil would play a major role in the development of his country and that the Indian Government was grateful to all the countries, including the Soviet Union, Romania, the United States of America, Germany and France, which had helped it to develop that sector of the Indian economy. The Symposium, in which problems of general interest were being discussed, might provide the basis for concrete measures by the specialized organs concerned. It was therefore important to invite them to make a careful examination of the results.

7. The text of the draft resolution had been revised to take into account the procedural objections and most of the substantive objections raised at the previous meeting. Under the revised text, the Assembly would address a recommendation to the Economic and Social

Council and, indirectly, to the specialized organs mentioned by several representatives, such as the regional economic commissions, the Interim Co-ordinating Committee for International Commodity Arrangements and the United Nations Educational, Scientific and Cultural Organization. Finally, the sponsors had considered it desirable to invite the Secretary-General to draw the attention of the committee of experts which was to be established under Economic and Social Council resolution 674A (XXV) to the problems examined by the Symposium, because they considered, as did the representative of the United States, that the Committee would presumably study all forms of industrial activity. He hoped that the Committee would be able to accept the revised draft resolution.

8. Mr. VIAUD (France) considered it desirable that draft resolutions submitted to the Committee should invite it to take decisions of real value, and not place it in the position of stating the obvious or recommending procedures which were normal practice in the United Nations.

9. Mr. ESPINO (Philippines) said that he could see little difference between the revised text and the original draft resolution. In any case the proposal was premature, as the results of the ECAFE Symposium would not be known to the Committee before the end of the present session. Moreover, the draft resolution, whose sponsors had arbitrarily chosen to concentrate their interest on a single commodity, would tend to promote the interests of the oil-producing countries at the expense of others. Although various companies had prospected for oil in different parts of the Philippines, no oil was being extracted as yet and the Philippines, like many other countries, still had to import crude oil for refining. Lastly, the draft resolution could lead to measures which would be in the nature of class legislation of a kind no parliamentarian in the world could accept.

10. Mr. CHA (China) pointed out that the draft resolution was premature, since no one yet knew what the results of the ECAFE Symposium would be. The report on the Symposium would be examined by ECAFE at its spring session and subsequently by the Economic and Social Council. The Committee could take no decision in the matter until it had been studied by those two organs.

11. His delegation would therefore vote against the draft resolution.

12. Mr. SOPIEE (Federation of Malaya) was gratified that the sponsors had been able to take into account the various suggestions made. The revised text would be acceptable to a large number of delegations and would not place the representatives of the under-developed countries in an embarrassing position as the original draft had done. Nevertheless, it would be helpful if the sponsors could amend the wording of the two operative paragraphs. Whether the draft resolution was adopted or not, the Economic and Social Council would examine the results of the ECAFE Symposium and would communicate them to all concerned. Instead of referring only to the committee of experts to be established under Economic and Social Council resolution 674A (XXV), it would be better to invite the Secretary-General to draw the attention of the Governments of Member States and of all the bodies concerned to the problems considered by the Symposium.

13. Mr. KAUFMANN (Netherlands) said that he did not consider the revised text wholly satisfactory as it still referred to a single commodity and it was not one of the functions of the Assembly to concern itself with individual products. In any case, there was no need for a draft resolution to call the Council's attention to the results of the ECAFE Symposium; it would be sufficient if the Rapporteur included a sentence to that effect in the Committee's report. As to the committee of experts to be established under Economic and Social Council resolution 674A (XXV) it was probable that it would from the outset be overburdened with work, documents and drafts and would be unable to examine the report of the ECAFE Symposium immediately. He hoped that the sponsors would withdraw the draft resolution.

14. Mr. WOULBROUN (Belgium) supported the Netherlands representative's proposal. The proposal involved a substantive question that was too important and complex to be examined seriously by the Committee at the end of a long session. Moreover, although the petroleum industry played an important role in the world economy, it represented only one aspect of it and it would be wrong to consider it in isolation from the situation as a whole. The original draft resolution had emphasized international co-operation in oil prospecting, exploitation and processing although there were in fact few areas in which international co-operation was more intensive. Countries which needed assistance in training specialists for the petroleum industry could receive the technical assistance they needed from the United Nations. In view of their great complexity, the problems involved in the exploitation and development of petroleum resources should first be examined by experts and later by Governments before being considered by the United Nations. In any case, commodity questions should be studied by the specialized organs concerned at the request of Governments. Finally, it was important not to overload the Secretariat and to take into account the financial implications of all the work it was asked to perform. As the Economic and Social Council would automatically consider the report of the ECAFE Symposium and would automatically communicate it to the interested organs, the two operative paragraphs appeared to serve no useful purpose.

15. Mr. MENDOZA LOPEZ (Bolivia) said that oil was of vital importance to the Bolivian economy and the petroleum code provided for the immediate development of the country's oil resources with State participation. In the light of its own experience, however, Bolivia did not believe that international co-operation could help it in solving the problems of its raw materials industries and it would prefer, with certain reservations, to continue to develop its oil industry on a regional basis, as was the case at the present time.

16. The idea contained in the three-Power draft resolution was interesting but it would clearly be premature for the Committee to adopt a proposal of that kind. Bolivia's efforts to obtain capital for the development of the industry that provided the bulk of its resources had hitherto been unsuccessful, and his delegation saw in that situation a further reason for not undertaking such international commitments. He would therefore abstain if the draft was put to the vote.

17. Mr. ARKADEV (Union of Soviet Socialist Republics) observed that the questions raised by the draft resolution were too important to be treated lightly.

Fortunately, most members of the Committee had too much common sense to boast about their inability to develop their own resources, or to turn down the help it was proposed to offer them.

18. At the previous meeting one representative had tried to minimize the importance of oilprospecting. It was worth noting that twenty-five years earlier the USSR, which currently produced 50 million tons of petroleum a year, had been completely unaware of its mineral resources, and that had been true of most of the major producers. The same representative had also maintained that Governments should leave the problem in question to the technicians. No one would dispute that the latter had a part to play, but they must receive their instructions from a higher authority, since the result would otherwise be a sort of technocracy completely at variance with the precepts of the Charter of the United Nations and the principles of international law.

19. It had also been said that the United Nations would run great risks if it concerned itself with the question. But the regional economic commissions—whose means were much more limited—were already dealing with it. Any action taken would, of course, be prudent and gradual, so that the risks would be insignificant in relation to the results. Indeed, the Committee was asked only to provide the initial impulse, so that all the economic organs of the United Nations, each at its own level, would give the important question their serious consideration.

20. Mr. RAJAPATIRANA (Ceylon) considered that the differences of opinion with regard to the draft resolution were not really fundamental. His delegation yielded to none in the importance it attached to the principle of non-interference by the United Nations in the domestic affairs of sovereign States and in their commercial agreements with corporations. The original text of the draft resolution had not, however, impaired that principle. In addition, it was curious that the delegation whose Government was most directly interested in the petroleum industry and whose interest was, moreover, financial, was the one which protested most strongly, when it believed that United Nations intervention and assistance to under-developed countries was contemplated in a field which was generally dominated by private industry. The petroleum industry was so vast that all kinds of interests could take part and all kinds of capital could be invested. His country welcomed any assistance, from whatever source, which could help in the development of its economy, provided that the offer of assistance was not coupled with political conditions. The only purpose of the draft resolution under consideration was the promotion of the economic development of under-developed countries by means of international co-operation; by making substantial changes in their original text, the sponsors had proved that they had no other intention.

21. While it was true that the General Assembly should concern itself only with the general problems of the world economy, and could not interest itself in individual commodities, it was a fact that the oil industry received the lion's share of private capital and produced the largest profits in the world, and that of all products oil placed the heaviest strain on the balance of payments position of the under-developed countries. The draft resolution was not concerned simply with a commodity; it was concerned with a

whole—and extremely important—sector of the world economy.

22. There could be no objection to the preamble of the draft resolution. In the operative part, it was important to emphasize that the Economic and Social Council, which would in any case consider the results of the ECAFE Symposium, should give them particularly careful attention, in view of the importance of the question. If the words "the problems considered by the above-mentioned symposium" were unsatisfactory to some delegations, they might be replaced by the words "the proceedings of the above-mentioned symposium"; finally, the Secretary-General might be invited to call the attention of other United Nations bodies to the proceedings of the Symposium.

23. Mr. HALIQ (Saudi Arabia) noted that certain passages of the original draft resolution, which might have given rise to objections on the part of experts in the extraction and exploitation of petroleum, no longer appeared in the revised text, which consequently seemed more appropriate for adoption by a body consisting principally of economists.

24. Mr. GOPALA MENON (India) said that his country's rate of industrialization was closely dependent on its petroleum production. India would welcome a greater number of experts from all countries with experience in the petroleum industry as well as supplies of equipment. Consideration should certainly be given to the results of the New Delhi symposium and to those of the meeting of experts from member Countries of the League of Arab States, which was to be held in Cairo in 1959.

25. He was pleased to be able to say that the sponsors had unofficially accepted an amendment proposed by India, Iraq and several other countries. He hoped that the amendment would enable the Committee to adopt the draft resolution unanimously.

26. Mr. KITTANI (Iraq) formally proposed, on behalf of his delegation and the delegations of Cuba, Ceylon, the Federation of Malaya, India, Panama, the United Arab Republic and Yugoslavia, that the official title of the symposium should be placed in inverted commas in the second preambular paragraph. He also proposed that the third preambular paragraph and operative paragraphs 1 and 2 should be replaced by a single paragraph reading:

"Invites the Secretary-General to transmit the report on the proceedings of the above-mentioned symposium to the Economic and Social Council for appropriate consideration and for possible transmission to other appropriate United Nations organs and bodies."

He hoped that that text would be acceptable to all members of the Committee.

27. Mr. SERBAN (Romania) confirmed that the sponsors accepted that amendment.

28. Mr. ESPINO (Philippines), in reply to the Soviet representative, denied that he had ever said that the proposed undertaking would entail risks for the United Nations. In his opinion, the draft resolution under consideration was unnecessary because ECAFE and the Economic and Social Council would automatically take the steps it proposed.

29. Mr. SCOTT FOX (United Kingdom) thanked the sponsors for the spirit of co-operation they had shown. The draft resolution, as modified by the eight-Power amendment, might really be superfluous but his delegation was prepared to approve it, provided that it was understood that the reports of the symposium would be transmitted by the Executive Secretary of ECAFE in accordance with the normal procedure, and considered by the Council under the usual procedures.

30. Mr. PHILLIPS (United States of America) noted that once again the Soviet representative had been unable to resist the temptation of giving advice to other delegations on how they should manage their own affairs.

31. There was nothing exceptional about the measure recommended in the amended draft resolution: what was involved was merely a procedural decision which should not result in any change in the normal procedure for the transmission of documents. In the circumstances, there was nothing to prevent the Committee from unanimously adopting the draft resolution.

32. The CHAIRMAN put the three-Power draft resolution (A/C.2/L.394/Rev.1), as amended by the eight-Power amendment, to the vote.

The draft resolution, as amended, was adopted by 61 votes to none, with 8 abstentions.

The meeting rose at 5.45 p.m.