

which may speed up or retard the processes of economic development of under-developed countries." Such a request was not a clear direction, and would lead to a dispersal of energies.

85. He therefore objected to the Cuban draft resolution on the grounds, first, that it was unnecessary since it covered questions within the competence of ITO and the General Agreement on Tariffs and Trade; secondly, that by duplicating work it would lead to inefficiency; and, thirdly, that since it would divert the attention of the Economic and Social Council from the immediate problem of technical assistance and financing, work would be less effective.

86. Mr. ABELARDE (Philippines), in view of the suggestion made by the representative of Cuba, moved an adjournment of the discussion.

87. Mr. CORREA (Ecuador) proposed the adjournment of the meeting.

88. The CHAIRMAN pointed out that the representative of Ecuador had moved an adjournment of the meeting and that, in accordance with rule 108 of the rules of procedure, that proposal must be put to a vote immediately. He accordingly put the proposal to the vote.

That proposal was accepted by 29 votes to 13, with 4 abstentions.

The meeting rose at 5.35 p.m.

HUNDRED AND SECOND MEETING

Held at Lake Success, New York, on Friday, 21 October 1949, at 3 p.m.

Chairman: Mr. Hernán SANTA CRUZ (Chile).

Economic development of under-developed countries (A/972) (continued)

DRAFT RESOLUTION SUBMITTED BY THE DELEGATION OF CUBA (A/C.2/L.4/Rev.3/Corr.1).

1. The CHAIRMAN called the Committee's attention to a new document, E/1327/Add.3, from the International Civil Aviation Organization (ICAO), which dealt with the expanded programme of technical assistance.

2. He pointed out that the Cuban delegation had circulated a third revision of its draft resolution, (A/C.2/L.4/Rev.3/Corr.1) deleting the last two paragraphs of the previous revised draft (A/C.2/L.4/Rev.2) and incorporating the amendment submitted by Iraq, the Philippines, Saudi Arabia and Syria (A/C.2/L.11).

3. Mr. ALVAREZ (Cuba) remarked that the revision of his delegation's second draft resolution had been decided upon the day before, at a meeting with several delegations. His delegation had agreed to the change, not because it had altered its opinion that the General Assembly should set out views on commercial policy, but in order to make the rest of the draft resolution more acceptable. Some delegations had expressed the opinion that the draft resolution was contrary to the Final Act of the United Nations Conference on Trade and Employment (Havana Charter). This was not the case, since the spirit of the entire Cuban draft resolution was in keeping with that Charter and, in particular, the last paragraph of the draft resolution, the substance of which was contained in chapter III, article 13 of the Havana Charter.

4. Mr. ABELARDE (Philippines) remarked that his delegation had asked for the adjournment of the previous meeting in order to discuss the Philippine draft amendment with the Cuban delegation.

5. In his opinion, the Cuban proposal, as worded at present, contained no provision, either expressed or implied, which was inconsistent with the principles of the Havana Charter, which, however, had not yet entered into force.

6. During the debate on the Uruguayan draft resolution (99th meeting), his delegation had made its objective clear: the peoples of under-developed countries should not be relegated to the category of producers of raw materials to supply the needs of technologically advanced countries.

7. Unfortunately, there was evidence that the disturbance of economic equilibrium was continuing. In that respect, he noted the forms of assistance extended to technologically developed countries with a view to stimulating the productive capacities of those countries. The effect of such assistance, in view of the insufficient help given to under-developed countries, only widened the area of disturbed economic equilibrium to the disadvantage of the under-developed countries. Specifically, such aid to technologically advanced countries implied the accentuation of mass production. While mass production had certain advantages, its impact was detrimental to under-developed areas. It was imperative for the under-developed areas to find ways and means to protect their industries against competition from the developed countries.

8. In the light of those considerations, therefore, his delegation supported the Cuban draft resolution as amended.

9. Mr. HALIQ (Saudi Arabia) pointed out that the previous text (A/C.2/L.4/Rev.2) of the Cuban draft resolution requested a study by the Secretary-General and secondly, condemned commercial policies detrimental to under-developed countries.

10. Since the last paragraph might be thought to prejudge the issue, in that it condemned certain policies before a study had been made, his delegation thought that the amendment to the Cuban draft resolution incorporated in the revised text (A/C.2/L.4/Rev.3/Corr.1) would maintain the spirit of the original text while removing the source of objection.

11. Objections had also been made with respect to studies by the Secretary-General. In many United Nations publications, there was a lamentable lack of information, with regard to under-developed countries. Therefore special efforts to obtain such information should be made.

12. Remarks had also been made that the draft resolution was contrary to the Havana Charter, but in his opinion, the new Cuban draft resolution was in harmony with those clauses of the Charter dealing with under-developed countries.

13. His delegation therefore supported the new Cuban text.

14. Mr. AL-KHALIDY (Iraq) associated himself with the representatives of the Philippines and Saudi Arabia, and stated that his delegation would vote for the revised text.

15. IBRAHIM PASHA (Syria) stated that the Cuban draft resolution was in conformity with the Havana Charter, and that his delegation would therefore vote for it.

16. Baron VAN DER STRATEN-WAILLET (Belgium) expressed the opinion that the revised draft resolution was on the whole an innocuous one, but that he objected to it for the reason that it tended to multiply unnecessarily the number of the Committee's draft resolutions.

17. He felt that the Cuban draft resolution was not consistent with the attitude which had been adopted heretofore by the Economic and Social Council in the field of international economic and commercial policy, nor with the Havana Charter.

18. On 18 February 1946 the Economic and Social Council¹ had decided to convene an international conference on trade and employment. That decision was approved and implemented. The Belgian representative noted with satisfaction that the United States representative (101st meeting) had stated that at the next session of Congress his Government would try to have the Havana Charter ratified. But the Cuban draft resolution asked the Committee to adopt a contrary attitude.

19. The Cuban draft resolution proposed, in fact, that new protective policies should be adopted, and that the problem should be studied, not by a special conference, but by the Economic and Social Council itself.

20. However, not commercial policy only, but also commercial policy as it affected under-developed countries, had been considered in London, Geneva and Havana. Many of the points raised by the under-developed countries had been settled to their satisfaction at Havana. If, however, the Havana Charter had embodied only the concepts of those under-developed countries, it would not be ratified by other countries whose collaboration was essential. The Havana Charter was a compromise which was acceptable to all, and which had been reached only after strenuous efforts. The Cuban delegation had already recalled the fact that article 15 of the Charter stated that in certain circumstances preferential agreements were justified with a view to promoting economic development. Article 21 granted the right to apply quantitative restrictions. That was precisely what the last paragraph of the Cuban draft resolution proposed. Moreover, in spite of the opposition of developed countries, the International Trade Organization (ITO) assured under-developed countries, in article 75, that they would have substantial influence within the framework of that organization. Certain provisions of that Charter had been re-stated in the

General Agreement on Tariffs and Trade, and had been ratified by some thirty countries. The Havana Charter was therefore a living reality, and the compromise solution it represented should not be endangered.

21. If the Havana Charter had not then entered in force, a draft resolution such as the Cuban draft resolution could be submitted the following year. But if, as there was every reason to believe, the ITO became a reality in 1950, then the Cuban draft resolution could only give rise to confusion and hinder the work both of the ITO and of the Economic and Social Council.

22. The Belgian representative therefore hoped that the Cuban delegation would not insist upon its present draft resolution, which the Belgian delegation could not, in the circumstances, support.

23. Mr. KARMARKAR (India) expressed his appreciation of the statement made at the 101st meeting by the representative of the United States with respect to the Havana Charter, and hoped that early action by his Government would facilitate the arrangements for making the Charter operative.

24. In the discussion of the Cuban draft resolution, its essential implications should be borne in mind. Earlier in the discussion he had remarked that the question of the development of under-developed countries was bound to grow larger and encompass new aspects not previously dealt with. So far, technical assistance and financing had been considered, and now the Economic and Social Council was requested to consider the influence of commercial policy on the economic development of under-developed countries.

25. It had been stated that the Cuban draft resolution, if accepted, would be in opposition to the spirit of the Havana Charter. The Indian delegation in no way wished to disturb the decisions taken at Havana which embodied the consensus of opinion at Havana.

26. During the discussion at Havana, there had been much criticism of the discretion claimed by the under-developed countries in the matter of quantitative restrictions. However, in dealing with the problem of the economic development of under-developed countries, considerations were bound to be urged on behalf of under-developed countries, and he considered the Cuban draft resolution as an invitation to the Economic and Social Council to include in its studies the impact of commercial policy on the development of under-developed countries. He considered that it was likely that suggestions might be offered on matters which had been decided in the Havana Charter. Indeed, the Havana Charter itself visualized and allowed for revision and periodical review.

27. The suggestions made in the revised draft resolution should not give rise to any opposition since all members of the Committee wished to promote the development of under-developed countries. Mr. Karmarkar was therefore of the opinion that the draft resolution contained nothing contrary to the Havana Charter or harmful to the work of the Council.

28. The Cuban draft resolution placed studies on a scientific basis, so that the Council could view the subject as a whole. It was possible that in the future the Economic and Social Council

¹ See *Official Records of the Economic and Social Council, First Year, First Session*, page 173.

and the General Assembly might consider the creation of a specialized agency to promote the development of under-developed areas. That would only be possible, however, if the Council were to undertake special studies in the matter.

29. Thus, the draft resolution as amended deserved the Committee's full support.

30. The representative of India appealed to those representatives who had opposed it. He pointed out that the arguments raised against the draft resolution had been first, that the Economic and Social Council should not be overburdened with work. He felt that the task visualized was not too great. The Council had accomplished much work so far, and held out to the world the promise of future achievement. Secondly, with regard to the Havana Charter, his delegation would not wish to disturb that agreement, but facts had to be considered and the cause of economic development had to be promoted. No doubt the Economic and Social Council, when it undertook that task, would have the co-operation of the ITO. Economic development was one of the basic objectives of the Havana Charter, as stated in article 1, paragraph 2. It was imperative for studies to be undertaken with a view to promoting that development, and studies by the Council would facilitate the work of the ITO.

31. The Cuban draft resolution, therefore, would strengthen the Havana Charter by promoting one of its main objectives, and the representative of India hoped that the Cuban draft resolution would receive the Committee's support.

32. Mr. CHAUVET (Haiti) stated that the basic objective of the United Nations was to promote not only political stability, but also economic stability, which was essential for world peace.

33. His delegation felt that the time had come to consider the specific, rather than the general issues, in which economic stability took precedence over political questions. Millions of human beings worked to produce raw materials and received no fair recompense from other countries. For that reason his delegation would vote for the Cuban draft resolution.

34. If it was impossible to eradicate the old colonial system, it should at least be possible to limit the system so that a notable improvement in the living standard of under-developed countries would result.

35. By aiding countries which were the producers of raw materials to become industrialized, the world market would not be overburdened, since production and consumption were related. But production could only be increased by protection and therefore the Cuban draft resolution, which provided such protection, should be accepted.

36. To aid under-developed countries to become industrialized would not hinder world development, because modern industry found its markets in countries already highly developed and with a high standard of living. Under-developed countries becoming industrialized would find their markets among their own populations, and would be able to stabilize their economy, and, as a result, political stability would increase. Raw materials would no longer be exported from under-developed countries for the sole benefit of highly industrialized countries.

37. Political stability was a result of economic stability. A comparison of countries such as Denmark, Switzerland and the United States, with the countries of Latin America, gave sufficient proof of the fact that economic and political stability were interdependent. If certain countries had to continue the semi-colonial system of exporting raw products and importing the finished goods, profound inequality would continue to exist.

38. Finally, if its fundamental aim was to be achieved, the United Nations must foster an ideal capable of taking the place of any political doctrine, and they must give human beings confidence that their essential interests were being protected.

39. Mr. CORLEY SMITH (United Kingdom) congratulated the delegation of Cuba and the four delegations which had produced the amendment to the Cuban revised draft resolution on having co-operated in producing a final version (A/C.2/L.4/Rev.3/Corr.1). Although he was still unable to regard it with enthusiasm, he was relieved to see that the last paragraph of the previous version of the Cuban draft resolution (A/C.2/L.4/Rev.2), to which he had been particularly opposed, had been withdrawn. The discussion on that paragraph had shown that the delegations supporting it had done so from diverse viewpoints. The situation had grown so confused that the Cuban delegation and the delegation of the Soviet Union had been able to support (101st meeting) the paragraph as being, on the one hand, in favour of the Havana Charter and on the other, opposed to it.

40. The latest revised version of the Cuban draft resolution was less dangerous than the preceding one, but the United Kingdom continued to oppose it in principle. The Economic and Social Council was already faced with more work than it could perform thoroughly, and the Secretariat of the Department of Economic Affairs was equally overloaded. It was unwise to indulge in the tendency to heap additional work on the Council and Secretariat as it meant that too much was attempted and too little achieved. He was also opposed to instructing the Council too closely in what it should do. It had already commissioned studies on technical assistance and the financing of economic development. It was impossible to tackle every aspect of the problem at once, and interference and haste could only result in second-rate work.

41. He objected in particular to the last paragraph of the revised Cuban draft resolution which said that the studies to be arranged by the Economic and Social Council would be undertaken by the Secretary-General. The Council should be left to decide such matters for itself. Many studies on the topic had already been undertaken, as the delegates of Norway and the Netherlands had pointed out (100th meeting). The Economic Commission for Asia and the Far East had also produced a report on trade and exchange control in the ECAFE region.¹ It would be better to leave the Council free to study and collate reports already prepared and submit them to the General Assembly, to appoint a group of experts to carry out a study, or to approach such specialized agencies as the United Nations Food and Agriculture Organization (FAO), rather

¹See document ST.ECAFE/SER.A.

than restrict it to an approach through the Secretariat.

42. The Indian representative had seen no harm in the Cuban draft resolution as it stood, but he considered it was not enough to pass a harmless resolution. He himself could see no positive good in it and felt that it would hamper rather than help the Council in promoting economic development in the under-developed countries.

43. Mr. PATIJN (Netherlands) said that he found the Cuban draft resolution unacceptable, because, unlike the Indian representative, he felt that ultimately it would endanger rather than promote economic development in the under-developed countries. The effect of the draft resolution had been to reopen the Havana debate and to call into question principles that had already been stated. Some of these principles were already being applied under the General Agreement on Tariffs and Trade. No resolution of the General Assembly could alter that. Although it might be implied that the draft resolution was therefore harmless, he felt that damage would be done by raising doubts as to the willingness of the General Assembly to welcome and support obligations accepted by a large number of its Members for special purposes. Such doubts would do harm to the General Assembly rather than to the Havana Charter.

44. The Cuban draft resolution raised an important point of procedure. The Havana Charter had been signed by the representatives of fifty-three Governments, including forty-three Member States of the United Nations. It was at that moment before the parliaments of most of those countries, awaiting ratification. Part of the Charter was already being applied by thirty-three nations under the General Agreement on Tariffs and Trade. It was proposed, nevertheless, to submit a draft resolution to the General Assembly which might give the impression that most of the Member States of the United Nations were not prepared to follow up the work of the Havana conference. The Soviet Union had already welcomed the Cuban draft resolution for that very reason, and had used it as an occasion to attack the Havana Charter as a whole. The Netherlands delegation did not wish to see openings of that kind given. The Havana Charter was an unprecedented instrument of international co-operation and a sincere attempt at economic disarmament. It was not in the interest of the countries that had signed it nor in the interest of the General Assembly to endanger its ratification. A resolution by the General Assembly reopening the problem and requesting further studies, as if the Charter did not exist, would be misunderstood as an attempt to sidestep that instrument. It was obvious that Cuba whose capital city had given its name to the Trade Charter, could not intend to impair that important instrument of international co-operation. Yet, the Cuban draft resolution to a certain extent reopened the debate on the text of the Havana Charter and put it in danger. He therefore joined with those members of the Committee who had asked the Cuban delegation to withdraw its draft resolution.

45. The principle of economic self-defence was not in question. In opposing the draft resolution, he was not opposing the idea of special protective measures for the promotion of economic

development, which was already embodied in the Havana Charter. He did, however, oppose the principle of the General Assembly reopening the debate on a subject which had already been fully covered by an expert body of its own Members at a conference convened under its own auspices. It was especially inopportune at a time when ratification of the Charter was pending before so many legislatures. After the ITO had come into existence, the General Assembly could ask it to reconsider its policy or its basic ideas. Until then, it should abstain from doing anything of the kind. The Havana Charter stated what the ITO believed should be the influence of commercial policies on the process of economic development. No further study at the moment could foretell what their effect would be. The ITO when it came into being would be the body best qualified to report on their influence and the General Assembly would then be able to address inquiries to it. In the meantime, he urged that the General Assembly should abstain from issuing instructions for further study.

46. Mr. PLIMSOLL (Australia) said that he opposed (101st meeting) the earlier version of the Cuban draft resolution (A/C.2/L.4/Rev.2) but would be prepared to support the latest text (A/C.2/L.4/Rev.3) with one alteration proposed by the Australian delegation. In the last paragraph the words "to be undertaken by the Secretary-General" should be deleted. He was not in complete agreement with the draft resolution, which he thought unnecessary and vague, but since so many delegations supported it, he would withdraw his opposition.

47. He pointed out, however, that the draft resolution seemed to imply some criticism of the Economic and Social Council in asking it to pay attention to certain questions of international, economic and commercial policy influencing the process of economic development. Such an implication was unfair since the Council had already made studies of commercial policies, and had considered the problem of economic development from social and other aspects.

48. He had felt that the original Cuban draft resolution was in conflict with the Havana Charter as already pointed out by the Indian representative; this criticism did not apply to the revised resolution. He assumed that the Economic and Social Council would act within the framework of that Charter. He had also felt that the Economic and Social Council was being asked to do too much work in the coming year. The Indian representative had argued that the Council should be asked to do more, but there was a distinction between more work, and more to be done within a specified period. However, as it stood, the draft resolution would allow the Economic and Social Council to establish its own system of priorities.

49. The United Kingdom representative had expressed the view that the Council should be left free to decide how to conduct the studies. The Australian amendment deleting the reference to the Secretary-General would allow the Council to choose its own methods. It might well decide that the Interim Commission of the ITO or the ITO itself would be the appropriate agency through which to carry out its inquiry, particularly if the studies were to be continued from year to year.

50. The Cuban delegation had done a great deal to resolve the doubts raised by its original draft

resolution and, if the Australian amendment was accepted, his delegation would support the version contained in document A/C.2/L.4/Rev. 3.

51. Mr. CHANG (China) praised the Cuban draft resolution for drawing attention to the commercial factor in economic development. China had already called the attention of the Economic and Social Council to the importance of commercial policies, particularly the fixing of tariffs. The last century had seen examples of unequal commercial treaties, some of which even fixed import duties, concluded by great trading Powers with economically under-developed countries. The Havana Charter had taken that important problem into consideration, but since the Charter was not yet in effect, it was well to provide for all possibilities and call for a further study of the effect of commercial policies.

52. In view of Cuba's accommodating attitude, he proposed an amendment to the fourth paragraph of the draft resolution. The word "*Resolves*" was not usual in this context in resolutions concerning the Economic and Social Council, and he would suggest in its place "*Recommends*" (A/C.2/L.12).

53. His second suggestion was more tentative, particularly since he realized that all five sponsors of the draft resolution had already worked hard on the text, and he would not press it unless other delegations expressed agreement with him. However, he felt that the fourth and fifth paragraphs to a certain extent duplicated each other. Since the only new concept in the fifth paragraph was contained in the words "with a view to making recommendations to the General Assembly" he therefore suggested that the fifth paragraph should be deleted and those words added at the end of the fourth paragraph. The operative part of the resolution would thus be concisely expressed in the one paragraph. It would also have the advantage of leaving the Economic and Social Council free to decide just how the studies were to be carried out.

54. Mr. ENCINAS (Peru) wished first to thank the Cuban delegation for its conciliatory attitude in withdrawing the final paragraph of its original draft resolution. However, he was not yet able wholly to support the amended resolution. He was afraid that it might prejudice any study of the effect of international commercial policies on the economic development of under-developed countries. He also felt that it was unfair to imply that the Economic and Social Council had hitherto left that aspect unconsidered. It might be better to request the Council to "expand" its studies rather than "arrange for" them.

55. He agreed with the Australian and United Kingdom representatives that it was better not to instruct the Economic and Social Council how to proceed with the studies. He therefore supported the Australian amendment. However, the wording of the draft resolution might then put the Council in the position of having to refer the matter to the ITO. He therefore suggested that the last paragraph might be worded "*Invites*" instead of "*Requests*" and thus leave the Council entirely free to decide how to go about its work.

56. Mr. COLBJÖRNSÉN (Norway) said that he had been strongly opposed (100th meeting) to the last paragraph of the original Cuban draft resolution which had been withdrawn. With regard to

the remaining paragraphs he agreed with the Belgian representative that though seemingly innocuous they were dangerous. He considered that the best course would be to withdraw the whole draft resolution.

57. The draft resolution was superfluous, in view of the fact that the recently adopted Chilean draft resolution and the Council draft resolutions 222 (IX) covered almost the whole field of studies relating to economic development. He was also opposed to placing too great a burden on the Council or the Secretariat. Both had so much to do already that anything further would weaken their efforts in other directions. It would be a disservice to the United Nations as a whole, particularly since the subject in question was less urgent than some others. He agreed with the Indian representative that all aspects of economic development were extremely important, but needs were vast and most resources limited. In connexion with the previous discussions on guaranteeing international investment, he reminded the Committee of the difficulties that had arisen in the case of the International Bank for Reconstruction and Development (Bank). Only the United States and Canada could afford to let their share of the subscribed capital be used for financing. Practically speaking there was only one large source of financing remaining in the world: the United States.

58. The ratification of the Havana Charter faced difficulties in many countries. Neither Norway nor the United States had as yet had time to consider it. Anything that reflected on the principles of the Havana Charter and lessened the likelihood of its early ratification would do the under-developed countries no service. The intentions of the Cuban draft resolution were good, but he feared it might have an unfavourable effect on those circles which would determine the practical outcome of all efforts towards economic development—the very opposite of what was desired. The draft resolution reflected on the Havana Charter and was also superfluous. Technical assistance and the financing of economic development would both suffer if the draft resolution were misconstrued, as it seemed likely to be. He therefore proposed that the Economic and Social Council should concentrate on technical assistance and methods of financing, and urged the Cuban delegation to withdraw its draft resolution.

59. Mr. ASHA (Syria) said that the Cuban draft resolution was in full conformity with the Havana Charter. The Charter admitted that under-developed countries could not adequately implement their projects for the establishment of new industries unless they had the assistance of protective policies.

60. If the draft resolution repeated, to a certain extent, the provisions of the Havana Charter, it approached them from a different view-point, since the main object of the draft resolution was economic development whereas that of the Charter was the removal of barriers to international trade.

61. The United Kingdom representative had argued that the Economic and Social Council and the Secretariat were already overburdened with work. Economic reality, however, was complex, and a fragmentary approach to the question could not produce good results; commercial policy must be considered as one aspect of the problem.

62. He therefore hoped that representatives would support the Cuban draft resolution.

63. Mr. DE OLIVEIRA CAMPOS (Brazil) said the Cuban draft resolution, in its amended form, differed little from the paragraph which had been suggested by his delegation (98th meeting) for inclusion in the Chilean resolution (A/C.2/L.2/Rev.1). His delegation did not believe that the Cuban draft resolution, nor even the last paragraph of the original version of that resolution, was in any way contrary to the provisions of the Havana Charter. It merely reaffirmed the principles with regard to infant industries which were laid down in article 13 of chapter III of that Charter.

64. He felt, however, that the Cuban draft resolution was an incomplete presentation. It was procedurally inappropriate for the Assembly to ignore the work carried out at Havana, and also to cover so many different aspects of a question in one draft resolution. Moreover, an incomplete affirmation of the rights of under-developed countries to protect their infant industries might do more harm than good. The Cuban draft resolution was an understatement of such rights, since it did not mention subsidization, import restrictions, and other measures which, in addition to protective tariffs, had been recognized by the Havana Charter.

65. His delegation was, however, prepared to support the revised version of the draft resolution since it felt that there was a need for a factual investigation of economic practices, such as dumping, subsidization and freight rate discrimination, in relation to the process of economic development.

66. Mr. DE OLIVEIRA CAMPOS supported also the Chinese suggestion for amalgamating the two final operative paragraphs of the Cuban draft resolution, which he felt would give a more concise and elegant formulation. If that suggestion were adopted the amendment proposed by the Australian representative would become unnecessary.

67. Mr. DE SEYNES (France) felt that the Cuban draft resolution had been improved by the amendments made to it.

68. He would not persist in opposition to a text to which so many delegations representing under-developed countries attached importance.

69. He thought that the objections still expressed by the representatives of Belgium, Norway and the Netherlands were due to their memory of the deleted last paragraph of the original version and were now unfounded. In resolution 198 (III) the General Assembly had asked the Economic and Social Council to study all aspects of the question of economic development, and it could not therefore neglect the aspect of commercial policy, whether the draft resolution was adopted by the Committee or not.

70. He therefore supported the draft resolution as amended and the Chinese suggestion for amendment.

71. Mr. BLUSZTAJN (Poland) was not surprised that the revised version of the Cuban draft resolution met with less opposition; it had been so weakened as to be innocuous. He recalled that the delegations of Belgium and the Netherlands had also opposed, at Havana, measures in favour of

under-developed countries. Although the Havana Charter had been frequently invoked in the Committee, reference had been only to its general principles and not to specific provisions. The Charter was indeed a compromise in that its general principles were in favour of under-developed countries, but the provisions for the application of those principles were so complicated that their application was rendered almost impossible, and the industrialized countries were thus given the advantage. It was significant that the country submitting the draft resolution was an under-developed country which had adhered to the General Agreement on Tariffs and Trade in 1947 and which was highly anxious to become industrialized. Such submission was proof that the country could not find satisfaction for its legitimate aspirations under the provisions of the General Agreement on Tariffs and Trade.

72. He did not think the revised version of the text of the Cuban draft resolution an improvement, but his delegation would support it because it had confidence in the Economic and Social Council and felt sure that the latter would re-examine the entire question objectively, in the light of the whole of the Havana Charter and of developments at the 3rd session of the Contracting Parties of the General Agreement on Tariffs and Trade.

73. Mr. BORBERG (Denmark) pointed out that the Economic and Social Council had already paid attention to the question dealt with in the draft resolution and that the draft resolution should therefore be worded so as to acknowledge that fact.

74. He agreed with the Chinese representative that the word "*Resolves*" should not be used, and that the last two paragraphs of the draft resolution were repetitive.

75. He also supported the Australian amendment. The Economic and Social Council should not be limited to addressing itself to the Secretary-General; it must also be able to request studies from its regional economic commissions.

76. He agreed with the United Kingdom representative that the Council was overloaded with work and feared that the draft resolution, if adopted, would add to that burden. He also feared that the draft resolution might detract from the Council's practical approach to problems by diverting its attention to theoretical studies. If a practical study was to be produced, the particular international commercial policy in view must be indicated.

77. He therefore appealed to the Cuban representative to withdraw his draft resolution. The ample discussion which had taken place in the Committee had been very useful; it was bound to exert an influence on the Economic and Social Council and Cuba might reserve the right to re-introduce its draft resolution the following year if necessary.

78. Mr. PIERCE (Canada) supported the Chinese suggestion which he considered sensible. He regretted that he was unable to support the Cuban draft resolution itself, and would prefer its withdrawal, since he thought the cause of economic development would be better served without it. He thanked the representative of Cuba for his co-operation.

79. Mr. STINEBOWER (United States of America) said his delegation had intended to suggest amendments to the Cuban draft resolution but had decided not to do so, taking into account the statements by the co-sponsors of the revised draft resolution that it was in conformity with the Havana Charter. He assumed that when it was stated that the draft resolution was in conformity with the Havana Charter, that meant in conformity with the whole of chapter III of the Charter and not only with paragraph 1 of article 13. In view of reiterated statements to that effect, he hesitated to reject the resolution.

80. The Cuban representative had stated that the draft resolution would emphasize the studies called for rather than the underlying policy. It went further than that, however, since he understood that the Polish representative intended to use the draft resolution as a basis for attacking the principles of the Havana Charter. In the course of the discussion it had become apparent that the majority of representatives supported the principles of the Havana Charter. Surely those who had not made their support of it unequivocal, did not intend to espouse the opposite set of principles and favour discrimination, restrictive bilateralism and unfair commercial practices. He pointed out that the draft resolution had been accepted by the majority in the spirit of the Havana Charter.

81. The work of the Economic and Social Council for the forthcoming year included a study of financing for economic development, which necessarily involved a study of what development could wisely be financed. Many factors must be taken into account in the approach to the problem. The

Council could not ignore questions of commercial policy.

82. The Committee had already adopted a Chilean draft resolution asking the Economic and Social Council to report to the Assembly on economic development and, in particular, on measures being taken to promote economic development. It was therefore either not necessary to include in the Cuban draft resolution the words "with a view to making recommendations to the General Assembly" or alternatively the effect was to ask for recommendations in the field of commercial policy as distinct from economic development. The delegate of the United States also supported the Australian amendment to delete the words "to be undertaken by the Secretary-General".

83. Mr. ALVAREZ (Cuba) thanked members for their co-operation in giving such full discussion to his delegation's draft resolution. He did not feel that the spirit of the draft resolution had been lost by the elimination of the last paragraph of the original version, since a discussion of international commercial policy necessarily involved discussion of customs policy.

84. He emphasized that he had no intention of withdrawing his delegation's draft resolution, but since he wished to consult with the co-sponsors of the revised version on the amendments which had been proposed during the meeting, he asked that voting on the draft resolution should be deferred until the following meeting.

85. After some discussion on procedure, it was decided that the Cuban draft resolution would be put to the vote at the beginning of the following meeting.

The meeting rose at 6.15 p.m.

HUNDRED AND THIRD MEETING

Held at Lake Success, New York, on Saturday, 22 October 1949, at 11 a.m.

Chairman: Mr. Hernán SANTA CRUZ (Chile).

Economic development of under-developed countries (A/972) (continued)

DRAFT RESOLUTION SUBMITTED BY THE DELEGATION OF CUBA (A/C.2/L.4/Rev.3/Corr.1) (concluded)

1. The CHAIRMAN recalled that the list of speakers had been closed at the end of the previous meeting in accordance with rule 104 of the rules of procedure. The Committee had decided to proceed to a vote on the revised text of the Cuban draft resolution (A/C.2/L.4/Rev.3/Corr.1). The delegations of Australia and China had each submitted an amendment (102nd meeting) (A/C.2/L.12), and a further amendment had just been submitted by the Polish delegation (A/C.2/L.13). The Polish amendment was in order, as it was only the list of speakers which had been closed, and not the discussion itself; he wondered, however, whether the amendment could still be discussed. This amendment proposed to add to the fourth paragraph of the Cuban draft amendment, after the words "of under-developed countries"

the following: "taking into account the discussion, which took place in the Second Committee of the fourth session of the General Assembly during the consideration of this resolution and, in particular, the opinions about the necessity of the protective customs tariffs as an efficient factor in the creation and development of the national industries of under-developed countries".

2. He asked the representative of Cuba to give his opinion of the various amendments to his revised text.

3. Mr. ALVAREZ (Cuba) said that, after consulting with other delegations, he had decided to accept the suggestion of the Chinese representative, namely to delete the final paragraph of his draft resolution with the exception of the words "with a view to making recommendations to the General Assembly", which would be added to the end of the fourth paragraph which began with the word "Resolves". Furthermore, he would accept the Chinese amendment, contained in document A/C.2/L.12.

4. He thanked the Polish delegation for attempting to restore a text which certainly expressed the views of the Cuban delegation, but he would