

ECONOMIC AND EMPLOYMENT COMMISSION
SUB-COMMISSION ON ECONOMIC DEVELOPMENT
Third Session

CORRIGENDA TO THE SUMMARY RECORD OF THE SEVENTIETH MEETING

Held at Lake Success, New York,
on Wednesday, 6 April 1949, at 2.30 p.m.

Page 6, delete lines 24 to 26 and substitute:

"Mr. COLLADO defined 'equity investment' as direct ownership by an individual, partnership or corporation (as, for example, of a branch), or ownership by any of those of all or part of the ordinary or preferred shares of an enterprise. 'Direct investment' usually had a broader definition, covering a somewhat different field; it included, in addition to most 'equity investment', other forms of investment. The important point seemed to be investment accompanied by management control or at least substantial interest in management. 'Direct investment' was thus to be distinguished from 'portfolio investment', which included holdings of general securities, bonds, etc., or minority ownership of widely traded shares of foreign corporations in which the investor exercised no important degree of policy or management influence."

Page 7, delete lines 7 to 10 and substitute:

"Mr. COLLADO objected to the view which he understood the Chairman to have expressed to the effect that his own conception of the Sub-Commission's report did not reflect a desire for a balance among the views of the members with respect to the suitability and adequacy of the various forms of foreign financing."

Page 8, line 14, delete "logically consistent with" and substitute:
"necessarily the resultant of the application of".

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Page 11, lines 13 to 15, delete from "Furthermore, capitalists..." down to "...invest capital."

Page 14, lines 1, 3, 5, 13, 15, 36 and 39, delete "Sub-Committee" and substitute: "Sub-Commission".

Page 14, delete lines 7 to 11 and substitute:

"Mr. COLLADO asked whether the negotiations referred to in that paragraph should be initiated only between private investors and governments of capital-importing countries and not between the governments of capital-exporting countries and the governments of capital-importing countries."

Page 15, line 5 delete "an agreement" and substitute: "agreements".

Page 15, lines 14, 18, 19 and 22 delete "Sub-Committee" and substitute: "Sub-Commission".

Page 16, line 2, delete "sums in foreign currency" and substitute: "amounts of the currency of foreign countries".

Page 16, lines 5, 11, 18, 20 and 29, delete "Sub-Committee" and substitute: "Sub-Commission".

Page 16, line 23, delete "Chapter IX of the Charter, or with the Agreements concerning..." and substitute: "Chapter XI of the Charter or with the Articles of Agreement of...".

Page 16, lines 25 to 27, delete from "or with the Charter..." to "... paragraph 33" and substitute: "or with the proposed Charter of the International Trade Organization, or with the Bogota Agreements or with other inter-American agreements which preceded the latter; 6) the paragraph was not consistent with the provisions of paragraph 33."

Page 17, delete lines 1 to 8 and substitute:

"Mr. COLLADO said that he would abstain from voting because, although he hoped that American private investors would make the maximum desired sound economic investment of capital and technique, in view of the fact that, in the preceding paragraph, a country was denied the right to protect its nationals, it was impossible to impose upon the latter the obligation to make foreign investments."