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SUMMARY RECORD OF THE SEVENTY SECOND MEETING

Held at the Palais des Nations, Geneva
on Saturday, 6 August 1949, at 10 a.m.

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Present:

Chairman:

Mr. SANTA CRUZ

Members:

Australia	Mr. WALKER
Belgium	Mr. van TICHELEN Mr. BLONDEEL
Brazil	Mr. CAMPOS
Byelorussian SSR	Mr. MAZURENKO
Chile	Mr. MULLER
China	Mr. P.C. CHANG
Denmark	Mr. IVERSEN
France	Mr. de SEYNES
India	Mr. ADARKER
Lebanon	Mr. HAKIM
New Zealand	Dr. SUTCH
Peru	Mr. TORRES BELON
Turkey	Mr. SARPER
Union of Soviet Socialist Republics	Mr. KOLPAKOV
United Kingdom	Sir Gerard CLAUSON
United States of America	Mr. HANSON Mr. STINEBOWER
Venezuela	Mr. MIRALLES

Representatives of Specialized Agencies:

International Labour Organization	Mr. EVANS
Food and Agriculture Organisation	Mr. McDUGALL
United Nations Educational, Scientific and Cultural Organization	Mr. BERKELEY
International Civil Aviation Organization	Mr. MARLIN
International Bank for Reconstruction and Development	Mr. LOPEZ-HERRARTE
International Monetary Fund	Mr. LOPEZ-HERRARTE
World Health Organization	Dr. FORREST

Secretariat:

Mr. Owen	Assistant Secretary-General for Economic Affairs
Mr. Chalmers-Wright	Division of Social Activities
Mr. Dumontet	Secretary to the Committee

ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED COUNTRIES (Item 9 of the Council Agenda) (Documents E/1327, E/1327/Add.1, E/1327/Add.1/Corr.1, E/1327/Add.1/Corr.2, E/1356, E/AC.6/42, E/AC.6/43, E/AC.6/W.52)
(Continued)

The CHAIRMAN informed the Committee that, at his request, the Council had authorized the Committee to discuss the Economic and Employment Commission's resolution regarding the financing of the technical assistance programmes, instead of itself examining it when it came to deal with Item 8 of its Agenda (Report of the fourth session of the Economic and Employment Commission).

There were eight proposals before the Committee concerning the percentage of the total funds to be allocated to the various specialized agencies for the implementation of their extended programmes of technical assistance, and Mr. Weintraub, of the Secretariat, was preparing a report on the subject.

Sir Gerard CLAUSON (United Kingdom), introducing the proposed draft report on Document E/1327, Add.1, submitted by the United Kingdom delegation, (Document E/AC.6/42), said that in framing the text account had been taken of various viewpoints expressed in the Committee, but that no other delegation had shared in sponsoring it. He was well aware of the imperfections of the paper submitted, which lacked the 'chiselled phrases' referred to earlier by the Chinese representative. The task before the Committee was of the same pioneering nature as that accomplished at Hot Springs towards the creation of the Food and Agriculture Organization, or that accomplished at various centres which had culminated in the Havana Charter; so that the Committee would find no such polished phrases in the United Kingdom text, which was merely a working document based on the general trend of discussion in the Committee, the Secretary-General's Report on Technical Assistance for Economic Development (Document E/1327/Add.1), and the experience of the United Kingdom Government in the field of technical assistance. His delegation would welcome suggestions designed to improve the text.

Mr. P.C. CHANG (China) said his delegation wished to express its sincere appreciation of the United Kingdom delegation's contribution to the work of the Committee. He shared the United Kingdom representative's views, particularly with regard to the significance and the pioneering nature of the task but with certain reservations. He must once more stress the need for an attitude to economic development entirely different from that which had prevailed during the past 200 years.

He thought there was general agreement that the present scheme should carry no suggestion of exploitation or imperialism, and that the help of the highly developed countries, and the initiative of the under-developed countries, could be ensured only on the basis of calculated, but enlightened, long-range self-interest. Failure to discard the old patterns of thought would merely result in the failure of a scheme which he regarded as a hopeful sign of enlightened human co-operation in a dangerous period of history, when man might, by atomic chain reactions, bring about the disintegration of the whole world if he so desired. The essential keynote of the programme was all-round reciprocal assistance. But its implementation would require the establishment of a set of criteria, rather than of principles, a term which might appear sanctimonious, or, in simpler terms, a choice of a yardstick by which future activities might be assessed and compared.

In that light the United Kingdom proposals represented a very useful beginning. He hoped other delegations would put forward their own proposals. He himself, to use an old Chinese saying, would throw down his brick to encourage others to throw down their jade. His brick would take the form of a proposal that a shorter text should be drafted on that question of criteria, comprising a preamble which would stress the importance of the historic mission which was being embarked upon, followed by separate paragraphs dealing with: standards of work; qualifications of personnel, with particular reference to attitude and outlook, imaginative adaptability and human understanding; co-ordination of effort; economy of effort; self-help, as illustrated in paragraph 14 of Section III of the United Kingdom draft report; and, finally, selection of projects. He had no doubt that those sketchy proposals could be improved in the course of discussion.

Mr. A. D. R. K. R. (India) said he regarded the formulation of principles at that stage as premature. The Australian, New Zealand, United States and other representatives had made casual reference to principles, and the United Kingdom delegation had now submitted a working paper on the subject, but he doubted whether that paper covered all the principles which the Committee had in view as the highest common factor. He therefore suggested that principles might be discussed, but should not be formulated, at that stage. The results of the discussion might be incorporated in the Committee's report, but the formulation of principles should be left to the General Assembly or

to the proposed inter-governmental committee. That reservation apart, he thought the Committee was proceeding on the right lines with regard to the common fund, percentage allocations to the specialized agencies, the administration of the fund etc.

Mr. van TICHELEN (Belgium) again stressed the vital necessity for concentration of effort, as with so many specialized agencies involved and so many programmes submitted, there was a great risk of dissipating both finances and efforts. It should also be borne in mind that the main object of the programmes was the common weal of the peoples of the world, as the Chinese representative had rightly remarked, hence care must be taken that the assistance given by the United Nations to a particular country with well-defined national aims should not prove harmful to the economy of other countries. Improvement in the situation of the recipient countries must not be to the detriment of the countries furnishing technical assistance.

With regard to the principle of geographical distribution, which should be taken into account in examining requests for technical assistance (a question dealt with in paragraph 16 of the United Kingdom draft report), he agreed that the assistance given to under-developed countries should as far as possible be fairly distributed. But an ill-digested concern for fair play all round should not lead to the granting of a paltry amount of assistance to a large number of countries. That would defeat the whole purpose of the scheme.

Mr. KOLPAKOV (Union of Soviet Socialist Republics), referring to the United Kingdom draft report, said his delegation would not wish to be party to the flowery phrases proposed by the Chinese representative. In his own view, modesty and conciseness would be adequate ornament for any such report. The working people of the world, after many bitter disappointments, had ceased to believe in grandiloquent phrases. Technical assistance was a precise and clear-cut matter and the proposed document should, in his view, state dispassionately and drily that technical assistance should depend on bilateral agreements, that recipient countries should be in a position to refuse further assistance at any stage and that the activities of missions visiting under-developed countries should be strictly confined to their functions in connection with the administration of technical assistance.

Mr. HANSON (United States of America) said the principal value of any discussion would lie in bringing out clearly the type of report favoured by members of the Committee and the possibility of arriving at a concrete set of proposals. He was in substantial agreement with the draft report submitted by the United Kingdom delegation, and was ready to accept it as a working document. Furthermore, he had no objection to the Chinese representative's proposal, which aimed at reducing the bulk of the United Kingdom draft. Generally speaking, he thought the setting up of a drafting committee to deal with the question would save time. Finally, his delegation wished to suggest two amendments of substance.

First, his delegation had previously anticipated that the Committee would reach agreement on the question of priorities within the various categories, but, in the absence of such agreement, was disposed to accept the formula proposed in paragraph 4 of the introduction to the draft report. Secondly, his delegation considered that the definition of economic development given in the United Kingdom draft was inadequate as a guide for the specialized agencies, and it would, if necessary, be prepared to submit a more appropriate definition. On balance, however, he thought that the question could only be effectively dealt with by a formal working group.

Dr. SUTCH (New Zealand), referring to the Working Paper prepared by the Secretariat (Document E/CN.4/W.52), recalled his earlier request that a final decision on the social aspects of the problem be deferred, and pointed out that paragraph 7 of the Working Paper contained an inaccurate summary of the arguments he had used in support of that request. What he had wished to stress was that page 52 of the Secretary-General's Report (Document E/1327/Add.1) contained a definition of social questions which was applicable to the United Nations' activities in the social field, but excluded those of the specialized agencies, whereas Council Resolution No. 179 (VIII) had broadly referred to "questions of a social nature which directly condition economic development". He also regarded the references to "social aspects of economic development" and to "social services" in that paragraph as a non sequitur. He disagreed that the Committee had wished less emphasis to be laid on social services, as distinct from social aspects of economic development.

With regard to the proposed draft report submitted by the United Kingdom delegation, he paid tribute to the arduous work entailed in its preparation and said that while its contents substantially represented the New Zealand delegation's position, he shared the Chinese representative's desire for a briefer text. He agreed with the statement in paragraph 2 that the word "catalogue" would have been more accurate than "programme", and with the emphasis on effort rather than on money in paragraph 3.

He was doubtful whether paragraph 4, to which the United States representative had referred, represented the final view of the Committee. It was his impression that it had been generally agreed that the Council would be directly responsible for criteria and principles, priorities and expenditure of funds in the case of all programmes of technical assistance, both for the United Nations and for the specialized agencies. He therefore thought the first sentence of paragraph 4 should be deleted. At the same time he shared the confidence expressed in the United Kingdom draft that the specialized agencies would be guided by the principles laid down by the Committee when discussing their proposals. He had indeed been deeply impressed by the spirit of co-operation which the representatives of the specialized agencies had shown.

While his delegation had frequently emphasized the difficulty of obtaining the services of highly qualified experts, he would not wish paragraph 6 to be interpreted as meaning that it was impossible to obtain them. Again, while he agreed that a staff member was more likely to enhance the reputation of his agency if he visited the countries of requesting governments than if he remained continuously at headquarters (paragraph 7), such a principle might be abused and it might, in practice, frequently be better for representatives of requesting governments to go to headquarters or to some highly developed country.

The suggestion in paragraph 8 that the Council would request the Secretary-General to report on arrangements made to handle requests for assistance falling within the sphere of two or more specialized agencies would probably prove unacceptable to the Council. In his view, responsibility for making reports would fall primarily on the Council and, in particular, on the Economic Committee.

His delegation commended and stressed the principle laid down in paragraph 9 that comprehensive surveys should at all times, where appropriate, replace limited surveys.

With regard to paragraph 11, his delegation, while fully in favour of economy of effort, had certain misgivings lest the corollary to that principle eliminate essential demonstration projects which lay in the so-called non-profit making field, for example, malaria control. Generally speaking, his delegation was more concerned at what the paragraph excluded than at what it contained. He would add that he was not clear as to the precise definition of the words "profit-making field". The principle stated might limit the activities of certain specialized agencies, since certain of those activities, for example, the production of vaccines, might be regarded as belonging to that field. He would also ask what was meant by "private capital", since his Government might bear the cost of a given project, but would deprecate the inclusion of its activity under that head.

As to the principle stated in paragraph 12, that specialized agencies should not attempt to equip themselves for answering every conceivable enquiry, he thought that was a budgetary matter which concerned only the individual specialized agency. While fully supporting the principles laid down in paragraphs 13 and 14, the New Zealand delegation wondered what authority would be responsible for concluding the agreements referred to in the latter. Furthermore, his delegation was ready to accept paragraph 15 unchanged, but was doubtful as to the validity of the yardstick of "early results", since there might be other, equally sound, grounds for granting priority to a given project. The phrase "due regard to geographical distribution", used in paragraph 16, was extremely vague, and open to a wealth of different interpretations. It had been necessary in the work of the United Nations Relief and Rehabilitation Administration and of the United Nations International Children's Emergency Fund to take into account the fact, for example, that one country had been more devastated than another or that life could be sustained at an infinitely smaller cost per head in some countries than in others. While he was certain that the United Kingdom representative was not seeking to lay down a mathematical definition, he thought it was essential to establish proper criteria at an early stage. His delegation's emphasis on the necessity for setting up the proposed Technical Assistance Committee was due to the fact that the New Zealand Government considered that such an important question as geographical distribution should be decided by that body.

The proposals set forth in paragraph 17 in relation to work of a planning nature which entailed major capital investment or large and continued government expenditure were acceptable to his delegation, particularly in view of the reasonable standards of proof provided. But account should be taken of the difficulties in the way of a government committing its successor in office, and of the fact that the required evidence would only be available after the survey had been carried out. The International Bank for Reconstruction and Development, for example, always made a survey before deciding whether credits should be granted or not.

The statement in paragraph 18 that the United Nations and the specialized agencies should reject requests for plant and equipment, literature etc., was generally acceptable to his delegation which had made similar proposals on several occasions. Nevertheless, he saw no objection to, for example, literature being made available if it were requested by one country and another country was prepared to supply it.

With regard to paragraph 19, his delegation had repeatedly emphasized that no assistance should be given unless requested. But it must be remembered that the Secretary-General's Report (Document E/1327/Add.1) itself included each specialized agency's own judgment of the services it might be called upon to render, and that various specialized agencies, for example, the United Nations Educational, Scientific and Cultural Organization, had pointed out that their final programme would depend on the nature of requests received. Despite his delegation's views, as stated previously, he thought it was inevitable that projects based on a specialized agency's own judgment should be included.

In conclusion, he paid tribute to the work of the United Kingdom delegation in preparing the proposed draft report, emphasizing that the New Zealand delegation's views could hardly have been reduced to such small compass.

Mr. CAMPOS (Brazil) associated his delegation with the various tributes paid to the United Kingdom delegation in respect of a document which provided a valuable basis for discussion. By and large, the comments made by the New Zealand representative were such as he had intended to make himself. However, he wished to suggest that paragraph 2 should be amended to bring out clearly that technical assistance must in

no case be used as a means of interfering in the internal affairs of recipient countries. Furthermore, though his delegation had frequently expressed scepticism as to the value of partial surveys, he thought the preference for comprehensive surveys stated in paragraph 9 should be regarded as an empirical rule rather than as a theoretical principle; he therefore proposed that the second sentence of paragraph 9 should be deleted.

He would be prepared to agree with paragraph 11 subject to certain drafting changes. The words "on conditions acceptable to the recipient country" should be inserted at the end of the second sentence. He would also suggest substituting the following at the end of that paragraph: "except when private capital or other agencies are not prepared to render services on conditions acceptable to recipient countries."

Further, he would propose the following amendments to paragraph 13: to insert the word "normally" between the words "should" and "refrain" in the first line, and the words "and operating under the direct financial responsibility of the United Nations and the specialized agencies" after the word "etc.," in the third line,

He was, by and large, prepared to agree with the comments made by the representative of New Zealand on paragraph 15. Less emphasis should be placed on the desire for short-term returns in the work undertaken. Consequently, he would propose that some such phrase as "or which deal with pre-conditions of economic development" be added at the end of the first sentence of that paragraph. It would frequently be difficult to see "early results", as the representative of New Zealand had pointed out in respect of work in the field of health. Some reference should also be made in the last sentence of the paragraph to the effect that in some cases long-term projects might be more useful and efficacious. A relevant point was that raised by the work of the Food and Agriculture Organization. It could not be argued that that Organization should endeavour first and foremost to increase agricultural production, since in some areas such an increase must depend on the solution by afforestation of the problem of erosion. In such a case it would be essential to take a long-term approach to the problem. The whole of paragraph 15 needed careful re-drafting.

He did not share the doubts expressed by the representatives of New Zealand and Belgium with regard to paragraph 16, on the necessity of paying due regard to geographical distribution. It was certainly used in the Charter in connection with the geographical distribution of personnel, but it had in his experience received very little attention; indeed, certain specialized agencies had never had the slightest difficulty with regard to geographical distribution because they had completely disregarded it.

As the representative of New Zealand had pointed out, paragraph 17 was worded far too categorically and should be re-drafted, the last sentence being placed first. He did not like the emphasis placed on the necessity of a recipient country giving prima facie evidence that capital would be available. Where technical assistance was to be provided, attention should be paid to ways and means by which a country could be helped in framing a financial plan. Domestic savings existed in many countries where neither the technical knowledge nor the methods of organization necessary to turn those savings to advantage were available. He would therefore propose that the first part of paragraph 17 should be re-drafted to read:

"In view of the fact that technical assistance will often not come to fruition unless it is directly linked with the provision of foreign capital, it is recommended that the United Nations and the specialized agencies at the request of the assisted governments simultaneously explore the type of financing best suited for the projects thus prepared. On the other hand, when the United Nations or the specialized agencies receive a request to perform work of a large scale planning nature involving substantial cost, and the initiation of which can be achieved only by major capital investment or by large continued government expenditure, they should first determine whether the capital or continued appropriation required to carry out the plan are likely to be forthcoming before actually engaging in the work."

In the second half of the paragraph emphasis should be laid on the fact that the requirements of financial evidence would apply only in the case of requests for large scale planning. Such evidence, however, should not generally be required before the initiation of any project by the United Nations or the specialized agencies.

He would propose the deletion from paragraph 18 of the words: "of which the major part is the supply of experts or training services". The criterion must be whether the supplies referred to therein did or did not form an integral part of a project for technical assistance. Normally they would play a secondary role.

Finally, he would support the United States representative's proposal that a drafting committee be set up.

Mr. ADARKAR (India) recalled that he had earlier raised a question of procedure to which no answer had as yet been given.

There were several alternatives before the Committee. The fundamental principles to be applied in the application of the expanded programme of technical assistance for economic development might be discussed on the basis of the draft report submitted by the United Kingdom delegation (Document E/AC.6/42) and the Secretariat's Working Paper (Document E/AC.6/W.52).

It would be difficult to attempt the final formulation of the principles in a drafting committee, which might not produce a text acceptable to the whole committee. If, however, those principles were provisionally included in the report, he would be prepared to agree to that procedure. Moreover, some consideration should be given to the principles enunciated in the Secretary-General's Report (Document E/1327/Add.1). Was the Committee agreed as to what it understood by "principles": were they directives for the guidance of the inter-governmental committee or the Technical Assistance Committee, or principles in the metaphysical sense? Unfortunately, there was not sufficient time to do justice to that problem of enunciating principles.

The CHAIRMAN, summing up the discussion, found that representatives were generally in favour of laying down principles on which directives to the specialized agencies regarding the technical assistance programmes might be based.

The Committee might, therefore, on the basis of the draft submitted by the United Kingdom delegation, discuss the principles to be adopted and put forward concrete proposals thereon. He mentioned, too, that the United States representative had suggested setting up a

drafting committee; and he reminded members that the general discussion about to take place might well serve as the basis for a directive to that committee.

Mr. ADARKAR (India) said that he had not been aware that the general discussion was closed or that the representative of the United States had proposed that the principles embodied in the United Kingdom draft resolution (Document E/AC.6/42) should be discussed in the drafting committee.

Mr. de SEYNES (France) was at a loss to know how the principles now under discussion could best be expressed. The Chinese representative had proposed that the principles be set out in the form of a declaration to be used as an introduction to the Secretary-General's Report (Document E/1327/Add.1). He personally did not feel that the Committee was quite ready to draw up such a declaration, which would, after all, have a certain weight; he would rather favour a report, without prejudice to the few remarks he was about to make. It should be remembered that the Committee had done no more than touch upon the question of principles, which called for too exhaustive a study to be tackled within the limits fixed by the Council for the discussions in the Economic Committee. Hence it would be better for the moment to keep to the principles which had already emerged quite clearly from the discussions on the programmes of the specialized agencies. The Committee might thus confine itself to drawing up a provisional text, a kind of technical assistance code. He paid tribute to the United Kingdom draft report which would certainly be useful as a basis for discussion, and proposed to make a few comments on it.

He could not readily accept in its present form paragraph 6, dealing with the difficulties of recruiting expert staff. The statement therein was not backed by any evidence, and it hardly seemed right to refer categorically to such a difficulty before the question had been thoroughly examined. If it were merely a question of raising that particular point, it might be sufficient to invite the specialized agencies to do their utmost to seek better information on the availability of experts.

Generally speaking, he found both the content and the form of paragraph 10 acceptable; and he felt that for any programme of an educational nature, the United Nations Educational, Scientific and Cultural Organization should be consulted as the proper body to co-ordinate such programmes.

He could not easily accept the emphasis on profit introduced into paragraph 11. Nor, in fact, was the Committee in a position to deal with that matter until it had been decided what part the recipient countries were to bear of the cost of the various technical assistance projects. Hence he thought it would be advisable to drop the latter part of paragraph 11.

The same might be said of paragraph 13. The Committee had heard the Director-General of the World Health Organization state categorically that he was against the setting up of international institutions; but his arguments had not convinced the French delegation, which felt that it would be better to leave the question open until sufficient data were available to enable the Committee to make up its mind.

Mr. WALKER (Australia) considered that the working paper submitted by the United Kingdom delegation was a valuable first draft which could be worked up into a useful document.

He agreed with the Soviet Union representative that greater emphasis should be placed on the fact that technical assistance must depend on requests from governments. That purpose might be achieved by including explicit reference to General Assembly Resolution 200 (III).

He also agreed with those representatives who had said that certain ideas with which they were fundamentally in agreement had been stated somewhat too categorically; that was the case, for instance, in paragraph 13, where the words "should refrain" and "concentrate rather on strengthening" had been used. The text of that paragraph and of paragraph 17 should be made more flexible. He believed that in practice the effect of the first sentence of the latter paragraph as it stood would be to eliminate requests.

He must also support the Belgian representative's comments on the necessity for a concentration of effort. He feared that the programme

might be too widely dispersed, especially if the methods of administration advocated by the United States representative were adopted. He did not wish to prejudge the decision on the administrative problem, but considered that the Belgian representative's point should be embodied in the general principles; that would be the more necessary if the draft report submitted by the United Kingdom were eventually adopted.

The procedure outlined in paragraph 15 was tantamount to granting priority to projects which would yield early results. The whole issue was closely bound up with the administrative problem since, if the administration were decentralized, paragraph 15 would gain in importance. The purpose of the programme was not to expand the technical services of the specialized agencies, but to accelerate economic development by making use of technical assistance provided by the United Nations and the specialized agencies. Consequently, if the administration were decentralized, it would be essential to insist that each participating agency should give priority to requests that were wholly relevant to economic development.

It was therefore of the utmost importance that the Committee define precisely the term "economic development" and the factors contributory to it. Differences of opinion would undoubtedly arise with regard to the relative emphasis to be placed on social aspects and measures intended to increase production capacity. The difficulties of arriving at an adequate definition were the greater when economic development was considered per se, without reference to the individual requirements of various countries which would inevitably follow different lines of development. Such factors as natural resources and geographical situation would influence both the character and the rate of progress.

How, moreover, would it be possible for any specialized agency to gauge what undertakings would "yield early results in economic development"? Paragraph 15 imposed on the specialized agencies the onus of making a choice by applying their own expert knowledge, or by engaging a staff of economic advisers, or by appealing to economists in the United Nations Secretariat, or, as a last resort, by referring the matter to the Administrative Committee on Co-ordination. That

course would not, however, be open to them if the United States proposals on administration were adopted by the Council.

It was indeed essential, though exceedingly difficult, for the Committee to arrive at any conclusions on the nature of the relationship of a project to economic development. Paragraph 4, meanwhile, implied a leaning towards decentralization and raised the constitutional problem of the relationship between the United Nations, the Economic and Social Council and the specialized agencies. It would seem at first that that relationship was fully covered by existing Agreements between the United Nations and the specialized agencies. The second sentence of paragraph 4, however, required the assurances given by the representatives of the latter that they "would take full account of the views expressed in the course of the discussions of [the programmes] which are set out in Summary Report Nos.". Those records included conflicting points of view, and would provide no guidance to the specialized agencies with regard to the principle that requests must be appraised in relation to economic development. The agencies, moreover, were not equipped to make such evaluations.

Mr. ADARKAR (India) agreed with the views of the Australian representative on the constitutional issues raised in paragraph 4. How far were decisions of the United Nations binding on inter-governmental agencies? The agreement of the specialized agencies must necessarily be secured through governments, so that if the recommendations of the Council were adopted by a substantial majority, it would be for the same governments who had voted in favour of a recommendation to pursue the matter with the specialized agencies of which they were members. From that point of view also, the international conference proposed by the United States representative might prove useful. But the first task was to re-draft paragraph 4 in such a way as to take into account the status of the specialized agencies.

In connection with paragraph 6, which referred to the shortage of experts, he would draw the Committee's attention to page 16 of the Secretary-General's Report (Document E/1327/Add.1), where it was suggested that: "Universities, technical schools, foundation and research institutions offered an exceptionally promising source of personnel for an expanded technical assistance programme".

With regard to paragraph 9, he agreed with the Brazilian representative that it would hardly be possible for a specialized agency to impose on a government a more comprehensive survey than the latter could undertake. But if the second sentence were deleted, the first would be invalid. The whole paragraph should therefore be omitted.

He agreed with the first two sentences of paragraph 11, but considered that the third sentence was based on a misconception, since a demonstration project would be useful only if held in the country which had asked for it. If a demonstration project were held in another country, it was unlikely that the interested persons would be able to make the journey involved. It should further be noted that no expense would be involved with regard to demonstration projects held in a profit-making field, and consequently dependent on private capital. He was therefore unable to agree to the last three sentences of paragraph 11.

He was also unable to accept the implications of the last sentence of paragraph 14, the effect of which might be to lay a heavy financial burden on a recipient country. The reference to a "minimum" should be deleted, and he would propose that the whole paragraph be amended to read as follows: "A Government receiving technical assistance under this programme should bear such share of the cost of providing it as would meet all charges which can be settled in the local currency".

He was fully in agreement with the New Zealand representative's comments on paragraph 16, the criterion of geographical distribution being inapplicable in the case of under-developed countries, where the main problem was to raise the standard of living. That standard was comparatively high in such countries as Australia and New Zealand, which, if they were to receive technical assistance, would merely be enriched by it. The purpose of the Economic and Social Council was surely to help areas with a low income and a large population. The work of technical assistance must be done for the greatest good of the greatest number.

An incorrect procedure was envisaged in paragraph 17. The International Bank for Reconstruction and Development insisted on programmes being complete to the last detail, but he failed to see how

the provision of capital could be ensured in the case of work of a planning nature. The matter should be left to the discretion of each specialized agency.

Paragraph 19 was far too categorical. It was correct to stipulate that an agency should not impose a programme or services, but, as the United Kingdom representative had said, at the stage of preliminary economic surveys, missions might be necessary to enable a clear view of needs to be obtained. If a specialized agency were allowed no freedom of judgment at all, assistance would be given largely to the better organized countries or to those which were at present administered by the Metropolitan Powers. It was for the specialized agencies to play so to speak, a fatherly role with regard to the poor and less organized countries.

Mr. MALLER (Venezuela) found the United Kingdom draft report generally acceptable. He was entirely in agreement with the substance of paragraph 7 on which the New Zealand representative had appropriately commented. He thought that the scope of the paragraph was broader than might appear. Indeed, it was essential that members of the staff of the United Nations and of the specialized agencies concerned in the implementation of the technical assistance programmes should have factual knowledge of the countries they were dealing with, knowledge of their geography, traditions, way of life etc. Those were factors which could only be appreciated on the spot.

With regard to paragraph 9, it would be difficult for governments to decide at a moment's notice whether an exploratory survey was necessary in the particular field which concerned them. Might it not be better for the United Nations and the specialized agencies concerned to undertake a survey on the spot and to settle the matter themselves?

Turning to paragraph 15, he thought there was a contradiction between the first part of the paragraph, which stated that "if the United Nations or an individual specialized agency receives a number of requests from governments and has to make a choice or establish an order of priority among them, it should deal first with those requests which promise to yield early results in economic development", and the

end of the paragraph, which stated that the Council "recognizes the necessity for engaging in some long-term projects".

The chances of success in the case of short-term projects were greater; hence such projects would attract the capital necessary. In such cases the United Nations and the specialized agencies might be competing uselessly with private enterprise. The Venezuelan delegation had already drawn attention to that aspect of the question especially in connection with Latin America. Were they to infer simply that the United Nations and the specialized agencies would take no interest in long-term projects, which might be extremely important for the development of under-developed countries, such as the exploitation of coal desposits, for which financial assistance might be indispensable? The Venezuelan delegation could not agree that those applications should be granted which would give the quickest results.

With regard to paragraph 17, he pointed out that cases might arise where it would be difficult for governments to state in advance whether they had the necessary capital to carry out the project in question. In most cases capital could only be raised when investors had the necessary data to enable them to decide on the soundness of the proposition. Such data could be furnished by a thorough study on the part of the United Nations or the individual specialized agency. That aspect of the problem should not be overlooked.

Sir Gerard CLAUSON (United Kingdom) considered that the discussion had been very useful. Though the Committee had not yet decided whether there should in fact be a report, there was substantial agreement as to what its contents should be. A number of the criticisms which the draft report had called forth were due to the inadequate drafting of the paper. The new ideas which had been put forward, together with criticisms, should be discussed in the drafting committee, which would in its report undoubtedly apply the usual method of quoting alternative texts in brackets and of including statements made by representatives.

He agreed that paragraph 4 raised a constitutional point. In the view of the United Kingdom delegation, the specialized agencies were independent. The representative of India had drawn attention to

the fact that States Members of the United Nations were sovereign; but so were States Members of the specialized agencies. It would in his opinion be difficult to find an immediate solution of that difficulty, and he would consequently suggest that it might be expedient to take note of the commitments of the Directors-General of the specialized agencies and to leave it to them to settle the matter with their own Governing Bodies.

The CHAIRMAN intervened to point out that the Committee had before it a joint draft resolution submitted by the delegations of Brazil, Chile, Peru, Venezuela and the United States of America (Document E/AC.6/43), which formulated recommendations for possible adoption by the Economic and Social Council and transmission to those specialized agencies which had worked out technical assistance programmes. Should it be decided to set up a drafting committee, the latter might be asked to carry out its work on the basis of the United Kingdom proposed draft report (Document E/AC.6/42), and the Secretariat working paper (Document E/AC.6/52), and to try to draw definite conclusions from the general discussion held on the various categories of work covered by the technical assistance plan.

He asked the United States representative, as the originator of that suggestion, whether he considered that those terms of reference for the drafting committee would be appropriate and how many members he thought should serve on it.

Mr. HANSON (United States of America) thought it would be preferable for a vote to be taken on those points at the next meeting. He had not intended his statement to be interpreted as a formal proposal, but was prepared to submit a document setting out the terms of reference of a drafting committee.

The CHAIRMAN suggested that, without specifying the drafting committee's tasks in detail, a decision might simply be taken as to whether it should discuss the principles on which the technical assistance programme should be based, or whether it should submit draft recommendations.

Mr. HANSON (United States of America) did not doubt that the members of the drafting committee would, in the course of

their discussions and of their consultations with other representatives, be able to determine what principles had not yet been referred to in the Committee's debate yet merited inclusion in the report. It was for that reason that he had not wished strictly to limit the drafting committee to an examination of the working papers submitted by the Secretariat and the United Kingdom delegation and of the records of the discussion held in the Committee. He was inclined to agree with the representative of France who had said that most major issues had now undoubtedly been mentioned, and that attention should henceforth be focussed on the formulation of those principles on which there was general agreement.

The CHAIRMAN pointed out that the members of the drafting committee would be able, in order to facilitate their task, to consult other members of the Committee informally. He suggested that an immediate decision be taken on the setting up of the drafting committee, on the understanding that particular points of detail relating to its terms of reference would be clarified later. Judging from certain differences of opinion expressed it would apparently be premature to do that at the moment.

Mr. F. C. CHANG (China) did not consider that a lengthy discussion on the drafting committee's terms of reference was necessary. The ideas embodied in the United Kingdom draft report (Document E/AC.6/42) should be studied and re-grouped in the light of the discussion held in the Committee. In his earlier informal comments he had emphasized the necessity of drawing up a logical classification of guiding principles. He did not doubt that the drafting committee would be able to arrive at such a classification which, although for the time being provisional, might later acquire a more permanent character. The drafting committee should take the working papers submitted by the Secretariat and the United Kingdom delegation (Documents E/AC.6/W.52 and E/AC.6/42) as a basis for its discussions, together with relevant chapters of the Secretary-General's Report (Document E/1327/Add.1).

Mr. ADARKAR (India) drew attention to the comments made earlier by the Australian representative, who had pointed out that it would be impossible for the Committee to give any clear guidance on the

types of activity to be undertaken by the specialized agencies. The drafting committee would have considerable difficulty in reconciling the different points of view manifested during the discussion. He would consequently propose that it should be instructed to draw up a provisional set of principles on the basis of the United Kingdom draft report, the Secretary-General's Report (Document E/1327/Add.1) and the records of the discussion. Due regard should be paid to the fact that any such set of principles would have only a provisional character and would not be binding on any specialized agency.

The CHAIRMAN concluded from the exchange of views which had taken place, that the Committee was agreed on the need to set up a drafting committee, which, he suggested, might consist of seven members. Rule 26 of the rules of procedure stated that "sub-committees ... shall be nominated by the Chairman of the Committee subject to approval of the Committee, unless the Committee decides otherwise". He proposed therefore that the drafting committee should be made up of the representatives of Brazil, China, France, New Zealand, the United Kingdom, the United States of America and the Union of Soviet Socialist Republics.

The Chairman's proposal concerning the membership of the drafting committee was adopted without dissent.

The CHAIRMAN drew the Committee's attention to the decisions it might feel it desirable to take regarding the percentage allocation of funds to the United Nations and the specialized agencies, on which subject he had received proposals from the delegations of twelve countries, namely: Belgium, Chile, China, Denmark, France, India, Lebanon, New Zealand, Turkey, the United Kingdom, the United States and Venezuela.

The range of percentages suggested in those proposals was as follows: United Nations, from 16 to 30 per cent; International Labour Organization, from 4 to 18 per cent; Food and Agriculture Organization, from 23 to 35 per cent; United Nations Educational, Scientific and Cultural Organization, from 10 to 25.5 per cent; World Health Organization, from 14 to 30 per cent; International Civil Aviation Organization, from 0 to 3 per cent.

The most common percentages given were as follows:

United Nations, 25 per cent; International Labour Organization, 10 per cent; Food and Agriculture Organization, 25 per cent; United Nations Educational, Scientific and Cultural Organization, 20 per cent; World Health Organization, 20 per cent; International Civil Aviation Organization, 1 per cent.

The arithmetical average of all the figures proposed was as follows: United Nations, 23.2 per cent; International Labour Organization, 10.6 per cent; Food and Agriculture Organization, 27.7 per cent; United Nations Educational, Scientific and Cultural Organization, 16.5 per cent; World Health Organization, 20.8 per cent; International Civil Aviation Organization, 1.2 per cent.

He pointed out that the above figures had been communicated to him unofficially by the Secretariat, but that they had not been communicated to the specialized agencies. On the basis of the proposals submitted by delegations, therefore, it would seem that agreement might be reached on the following average figures: United Nations, 23 per cent; International Labour Organization, 11 per cent; Food and Agriculture Organization, 27 per cent; United Nations Educational, Scientific and Cultural Organization, 17 per cent; World Health Organization, 21 per cent; International Civil Aviation Organization, 1 per cent.

There were a number of procedures available to the Committee. The question of percentages might be discussed publicly by the Economic Committee itself, or by a small sub-committee, which, after examining the proposals already submitted and any others submitted later, would submit a report in the form of recommendations. Another possibility would be for a representative of the Secretary-General, the Chairman of the Economic Committee and the Directors-General of the specialized agencies concerned to meet unofficially, and for the report on their consultations to be presented at a public meeting of the Economic Committee.

Mr. CHANG (China) pointed out that seven delegations had submitted no proposals for the percentage allocations, and would no doubt reserve their position with regard to any decision taken on the proposed figures.

Mr. ADARKAR (India) assumed that all the proposals for the percentage allocations submitted by representatives were of a provisional nature, since the final decision on them would be taken in the General Assembly or at a special international conference. His own position was subject to the confirmation of his Government.

The CHAIRMAN asked whether the Committee was prepared to agree to defer consideration of the question of percentage allocations until Monday, 8 August. It was fully understood that delegations which had not already submitted proposals thereon were still free to do so.

It was so agreed.

After some discussion in which Mr. STINEBOWER (United States of America), the CHAIRMAN, Mr. de SEYNES (France), Mr. HAKIM (Lebanon) and Mr. CHANG (China) took part,

Mr. ADARKAR (India) said that he wished to submit a brief amendment to the draft resolution proposed by the Economic and Employment Commission in the Report to the Economic Council on its fourth session (Annex F to Document E/1356, pages 34-35). If that resolution were considered by the committee at the afternoon meeting, it would become apparent whether representatives wished to submit alternative resolutions or merely to amend the draft resolution of the Commission. If the latter were the case, the point could be finished at the same meeting.

Mr. de SEYNES (France) thought that, without prejudice to any other suggestions which might be made, the Committee might devote the afternoon meeting to the consideration of Annexes C, D and F of the Report of the Economic and Employment Commission (Document E/1356), all three of which dealt in various forms with the question of economic development.

The Committee decided to meet that afternoon at 3 p.m.

The meeting rose at 1.30 p.m.