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Mr. SANTA CRUZ

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Belgium

Mr. van EICHELEN

Brazil

Mr. CAMPOS

Byelorussian SSR

Mr. MAZURENKO

Chile

Mr. MULLER

China

Mr. P. C. CHANG

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Mr. IVERSEN

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Mr. Weintraub

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## ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED COUNTRIES

(Item 9 of the Council Agenda) (Documents E/1327, E/1327/Add.1, and Corrigendum, E/1345 and Corrigendum, E/1373/Rev.1, E/1381, E/1383, E/1383/Add.1, E/1408, E/AC.6/39, E/AC.6/40, E/AC.6/41, E/AC.6/W.52, E/AC.6/42, E/AC.6/47, E/AC.6/47/Corr.1, E/AC.6/48, E/1356, E/AC.6/51, E/AC.6/52 and E/AC.6/53) (Continued)

The CHAIRMAN announced that the conclusions of the Subcommittee on the fundamental principles of the programme would be circulated as a document. Document E/AC.6/53, now before the Committee, contained a revised version of paragraphs D and E of the joint draft resolution submitted by the Delegations of the United States of America and Chile (Document E/AC.6/48) which had been agreed upon by the representatives of the United States of America and New Zealand in the light of the prolonged discussion which had taken place in the Committee.

He proposed that the Committee proceed to discuss paragraphs F, G and H of the joint draft resolution with the exception of a sub-paragraph of paragraph H referring to the question of percentages, which would be examined separately.

Dr. SUTCH (New Zealand), after summarizing the provisions of paragraphs F, G and H of the United States/Chilean joint draft resolution, pointed out that the proposed international conference would be made up of representatives from between 60 and 75 governments. Referring to the nine points listed in paragraph H as coming within the terms of reference of the conference, he reminded the Committee that all those questions would already have been the object of exhaustive discussion and of decisions in committee, in the Council and in the General Assembly. His delegation regarded point 7, which provided that contributions should be made without limitation as to use, as a very important principle. It would therefore be undesirable for that clause to be subjected to discussion and possible amendment by the conference.

He wished to re-affirm that his Government saw no necessity for holding such a conference at all, and considered that the Secretary-General was himself competent to call for contributions from governments. Any further arrangements which might have to be

/made could

made could be settled by agreement between the Secretary-General and the specialized agencies. Indeed, there already existed precedents for the United Nations requesting contributions from non-Member States namely, the United Nations Appeal for Children and the United Nations International Childrens' Emergency Fund. In both those cases, the Secretary-General had addressed direct appeals to non-Member States to contribute, to which, one, Switzerland, had responded magnificently.

However, he respected the views of those delegations which saw possible constitutional and even psychological difficulties in the adoption of such a procedure. If it were decided to hold a conference, then he considered that its terms of reference should be limited to dealing with the amounts contributed for the 1950 programme, and to discussing the programme in terms of total finance and the proportion in which individual governments would be called upon to participate. There should be no discussion of particular projects.

There might perhaps be some constitutional justification for convening a conference if it were called to examine only the proposals of the Economic and Social Council, and to report thereon to the General Assembly, but he felt that the subjection of the actual decisions of the General Assembly to the approval of an international conference would create a very strange constitutional situation. Not that he doubted that, if the majority of the General Assembly agreed on certain decisions, the majority of the conference would do likewise. His objection was one of principle.

He proposed therefore that paragraph F of the New Zealand draft resolution be substituted for paragraphs F, G and H of the joint United States and Chilean draft resolution, and requested permission to speak again after hearing the comments of other delegations.

Mr. KOTSCHNIG (United States of America) pointed out that the countries most concerned in the question of an international conference, namely, non-Member States such as Switzerland and Eire, were not present at the debate.

The parallel drawn by the New Zealand representative with the United Nations International Children's Emergency Fund was a misleading one, since, in that case, the request for contributions had been based on a simple humanitarian appeal and non-Members were represented on the Executive Committee of the Fund. He doubted, however, whether non-Member States would feel equally impelled to contribute without a share in the formulation of the plans to a complicated programme of technical assistance for under-developed countries. Indeed, unless an international conference were convened, he did not see how non-Member countries could reasonably be expected to co-operate in the programme. He was pleased, however, to see that the New Zealand delegation had an open mind on the question, but considered the type of conference that it envisaged would offer the programme to non-Member countries on a "take it or leave it" basis, since the General Assembly, having settled everything, would merely ask countries how much they were prepared to contribute to the programme.

Clearly it would be undesirable for an international conference to re-open discussion on everything that had been agreed before it convened, although constitutionally it was entitled to do so. There were, however, ways of avoiding such a situation. The United Nations could, for example, invite countries to be present as observers, and even to take part in the discussions in the Second and Fifth Committees of the General Assembly. It should also not be forgotten that non-Member governments would be represented indirectly through the specialized agencies.

If a short international conference were held towards the end of the General Assembly, that was, when the whole question had been thoroughly discussed and delegations were a little weary of the matter, there should be no danger of a general re-opening of the debate. The fact, however, that the conference would cast the final vote on the programme would give non-Member States the feeling that they were nonetheless "in on the ground floor".

He considered that the international conference would be of little use unless its terms of reference were as broad as those outlined in paragraph F of the joint draft resolution (Document E/AC.6/48).

/The CHAIRMAN

The CHAIRMAN announced that the delegations of Australia and the United Kingdom, which had also submitted amendments to the joint draft resolution, had signified their intention of reviewing their proposals in the light of the amended version of paragraphs D and E of the joint draft resolution submitted by the delegations of the United States of America and of Chile (Document E/AC.6/53).

Mr. ADARKAR (India) outlined the reasons for which his delegation held no firm views on the question of convening an international conference. On the one hand, if the conference were given broader terms of reference than those envisaged by the representative of the United States of America, it would be impossible for the General Assembly to come to any final decision on the programme at all. On the other hand, if the terms of reference were as restricted as those set out in the Chilean/United States joint proposal, or limited to the even greater extent suggested by the New Zealand representative, it was very doubtful whether it would be possible to persuade many non-Member States to send delegations. According to the joint proposal, the conference would not participate in the administration of the funds or sit on any of the committees that might be set up. In other words, non-Member countries would be faced with a fait accompli, and merely asked to foot the bill; that was a procedure which was neither very tactful nor calculated to encourage non-Member governments to attend the conference.

His delegation was not opposed to the idea of an international conference and, should the United States representative feel it was absolutely essential, would support it. Such a conference should, however, be convened after the General Assembly. A preferable solution, instead of inviting governments to join post facto would be for the Secretary-General to invite non-member States, such as Switzerland, which had already been mentioned, to attend the General Assembly as observers and to discuss proposals at the committee stage.

Mr. KOLPAKOV (Union of Soviet Socialist Republics) declared that his delegation saw no need for convening an international conference. It considered that a controlling body could be

/appropriately

appropriately set up by the Council and that any arrangements required could be made by the Secretary-General. He was not at all clear what the object of the international conference would be, and felt that there had been a great deal of discussion about nothing.

Such a conference would, moreover, place the General Assembly in a difficult constitutional position. It did not really constitute a business-like approach to the problem, and his delegation was categorically opposed to it.

Mr. WALKER (Australia) observed that, had the approach he had advocated earlier been adopted, there would have been no need for an international conference. However, in view of the general tendency to adopt a more decentralized solution than that favoured by his delegation, it was clear that some measure which would bring non-Member States into effective co-operation was desirable. On the subject of the international conference, he shared the doubts of the New Zealand representative, and felt that it would be quite incorrect to refer decisions of the General Assembly to a further conference.

He agreed with the view of the Indian delegation that if all participating countries were to be invited to discuss the programme, they should be allowed to examine substantial aspects of the matter, and not merely certain financial details. He disagreed, however, for the reasons stated above, with the Indian representative's suggestion that a conference be convened after the General Assembly, and favoured his second proposal, namely, to invite non-Member States as observers to the General Assembly and to permit them to partake in discussions in committee. That would provide a practical way of ensuring their co-operation, and the Committee should explore the possibilities of such a suggestion.

Mr. MULLER (Chile) said that after having listened attentively to the New Zealand representative's remarks, he was, nevertheless, of the opinion that it was necessary to convene an international conference on technical assistance for two reasons, namely; first, in order to achieve the desired aim, a procedure must be established for ensuring maximum contributions, and that result would be obtained only if States which were not Members of the United Nations were invited to express their views on the matter. Secondly, previous experience had shown that

/it was difficult



it was difficult to induce countries to respond to appeals for funds when they had not been consulted beforehand.

The New Zealand representative's objections that the conference might oppose the co-ordination and financing programme drawn up by the Council and approved by the General Assembly were, in his opinion, of purely theoretical validity. Should the conference desire to change or revise the programme, its proposals would first have to be submitted for approval to the Council or the Assembly.

It would certainly be regrettable if the result were to be a postponement of the implementation of the programme, and a procedure obviating that possibility should therefore be sought.

In any case, he thought the fears expressed by the New Zealand representative would not be justified by the facts, for it was inconceivable that a conference comprising a majority of Members of the United Nations should contest the decisions of the General Assembly.

In the joint draft resolution submitted by the delegations of Chile and the United States of America (Document E/AC.6/48), there was only one phrase which seemed to present a real danger. It occurred in paragraph F (2), and read as follows: "giving final approval to the total programme in the light of the total available contributions". He thought it would be advisable to change that phrase and without submitting a formal proposal he suggested the following next text: "approving the contributions schedule drawn up for the purpose of carrying out the total programme".

If, during the conference, certain States which were not Members of the United Nations expressed ideas involving a revision of the Council's programme, the General Assembly would have to examine those ideas at its following session.

In his statement, the Indian representative had proposed that observers appointed by States not Members of the United Nations should be invited to attend the discussions in the General Assembly. The Chilean delegation did not share that view, for it was clear that the conference could not meet before the Assembly had dealt with the programme drawn up by the Council, and the resolution did not, therefore, indicate any date for convening it. It was only when they knew what the General Assembly had decided that such countries would be able to appoint their representatives to the conference.

/Dr. SUTCH

Dr. SUTCH (New Zealand) was prepared to modify his proposals in the light of the fruitful suggestions put forward by other delegations. He viewed with favour the proposal that non-Members States be invited to participate in discussions in the relevant committees of the General Assembly, provided they did not enjoy voting rights, and felt sure that any views they might put forward would command the support of Members, if they contained substantial proposals. He would further suggest that the Second Committee could be declared an ad hoc conference at the appropriate moment to enable observers to vote, after which the General Assembly could take the final decisions. Such a procedure would place non-Member States in the unique position of being able to vote on matters before the General Assembly did so, and should secure the psychological effect desired by the United States representative. It would also have the great advantage of saving the considerable cost of a special conference.

He therefore proposed that the delegations of the United States of America and of his own and any other country which had submitted an amendment should meet and produce a draft amendment embodying the proposals recently made.

Mr. LEDWARD (United Kingdom) considered the proposal of the New Zealand representative most ingenious, and said he would welcome an amendment which would offer a compromise between the New Zealand draft resolution and that of the United States of America and Chile.

His delegation agreed in general that a conference might be convened for the purposes outlined in the joint draft resolution, that was, to consider the extent to which all States members of the specialized agencies were prepared to participate in the programme, and to give its approval to the distribution of funds between the agencies in the light of the amounts available and the financial arrangements made.

Although difficulties would certainly arise if the international conference wished to make substantial modifications to decisions already taken by the General Assembly, he agreed with the representative of Chile that such an eventuality was not likely after a Committee of the whole had thoroughly discussed them.

/If a conference

~~... conference were held, he suggested the following~~

procedure: The Second and Fifth Committees would examine the Council's proposals. The conference would then be convened and meet during the General Assembly, after which its conclusions would be returned to the General Assembly, which would consider any additional proposals made. Although such a proposal differed somewhat in form from the Australian one, it would prove, in practice, very similar. The important difference was that non-Member States would have voting rights.

He was prepared to modify his proposals after hearing the views of other delegations.

Mr. KOTSCHNIG (United States of America) thought that the interesting proposals of recent speakers might offer a solution to the dilemma in which the Committee found itself. He still felt, however, that at some point of the procedure a conference must be convened; but if it were held in the manner just suggested the question of the terms of reference would lose its significance since it would be possible for the conference to deal with questions as they arose, and there would be a certain amount of give and take between the conference and the Assembly.

Although unwilling at that stage finally to commit his delegation, he was prepared to join in working out a common proposal.

The CHAIRMAN suggested that, in view of the consensus of opinion in favour of setting up a drafting committee to produce a fresh joint proposal on paragraphs F and G of the joint draft resolution, the Committee proceed to consider paragraph H.

Dr. SUTCH (New Zealand) pointed out that the New Zealand resolution offered amendments to each sub-paragraph of paragraph H of the joint draft resolution, with the exception of sub-paragraph 8, with which the New Zealand delegation whole-heartedly agreed. All the amendments related to the allocation of funds, and to the percentage basis to be adopted for that purpose. He suggested, however, that the Committee should first discuss the core of the proposals made by the United States and Chilean delegations, and should leave to the drafting sub-committee, which would be dealing with paragraphs F and G, the task of formulating the final text.

The main question of principle to be discussed was how much of the subscriptions collected should be retained for subsequent allocation. Opinions varied from the 10 percent proposed in the joint draft resolution to the possible 80 percent once mentioned by the Australian delegation. Paragraph J of the New Zealand draft resolution submitted a further proposal.

An important subsidiary question was the extent to which the subsequent distribution of unallocated funds should be subject to any kind of decisions of any policy committee set up by the Council. Both the draft resolutions proposed such action, but the United States and Chilean proposal, unlike the New Zealand one, did not envisage making the subsequent allocation of funds from the reserve subject to the consent of the Technical Assistance Policy Committee. The New Zealand delegation, however, favoured such a procedure, as it considered that no international civil servant should bear the ultimate responsibility for allocating funds.

The Australian proposal constituted another approach to the problem which, however, could be discussed in connection with the two main questions he had just indicated.

Mr. WALKER (Australia) agreed with the suggestion of the New Zealand representative that the Committee should first discuss the general principles of the financial arrangements.

He pointed out that the joint draft resolution made no mention of the year 1950 in referring to the financial arrangements. His delegation would be unable to support any resolution which did not specify that the financial arrangements applied to the year 1950 only.

He felt most strongly that it would be folly to allocate at an early stage the greater part of the amounts to be expended. The programme of technical assistance had never been represented as a means of creating a supplementary fund for the purpose of expanding the activities of the specialized agencies, but he felt that the terms used by certain delegations tended to give the impression that such was their conception of the programme.

With regard to the amount to be allocated forthwith, his delegation had changed its estimate to 10 million dollars but he was also prepared to accept the formula proposed by the New Zealand delegation.

As for the remaining funds, he did not regard them as being in the nature of a reserve. Indeed, his delegation was opposed to any idea of setting up a reserve fund in hard currencies in the present difficult exchange situation. Such sums could be allocated as soon as it was clear that they could be wisely spent, but no decision should be taken by the Council or the General Assembly until the initial progress of the programme had been examined. He felt obliged to resist the tendency to think that a decision could be taken in advance as to what sums were required and what proportion should be devoted to various activities. Such a practice would lead to dissipation and waste of both effort and money. Projects that looked very good on paper might prove disappointing in practice.

With regard to the United States proposal that 80 percent of the second half of the funds collected should be allocated in the same proportions as the first half, he could not see the point of declining to allocate the whole 18 million dollars at once, unless doubts were entertained as to whether the entire sum would be forthcoming.

He was also opposed to the idea that the Technical Assistance Committee should share out the balance among the specialized agencies, since that might lead to a sort of competition for funds between the specialized agencies. It had already been seen in the discussion on percentages that there was a tendency to regard them as a sort of measure of the standing and order of priority of the various specialized agencies, and his delegation did not wish to see such an atmosphere generated.

It would therefore be preferable to entrust the task of determining subsequent allocations to the Technical Assistance Policy Committee, since that body would be able to concentrate its interest on economic development, and would be less likely to be influenced by considerations of the relative standings of the several specialized agencies.

He would suggest that sub-paragraph 4 of paragraph H of the joint draft resolution be amended by the insertion of the words "subject to any decisions of the Technical Assistance Policy Committee in accordance with Paragraph E", after the words "Administrative Committee on Co-ordination", so as to make quite clear that there was no intention of undermining the authority of the Council committee.

With respect to sub-paragraph 6 of paragraph H, he wondered whether it was to be read in conjunction with the previous reference to "pledged contributions", and whether it meant that, if his country offered certain services and facilities, it was within the Secretary-General's power to say that they were not acceptable, and that the contribution should take some other form. If that were the case, then the provision was quite unacceptable to his delegation, which had already made it clear that it was not in a position to offer convertible currencies. Governments must be granted the privilege of reducing their contribution by any portion thereof which did not prove acceptable.

Mr. de SEYIENS (France) said that in a spirit of conciliation he would accept the whole of the draft resolution submitted jointly by the representatives of the United States and Chile, although its purport differed appreciably from the point of view maintained by the French delegation in the discussion. He nevertheless felt bound to make certain observations on points of detail.

With regard to sub-paragraph 1 of paragraph H, he submitted a formal amendment, proposing that the words "goods and" be inserted before the word "services" in the fourth line. The purpose of that change was to avoid excluding contributions in the form of goods in which there was little or no trade, such as vaccines, surgical instruments, etc.

The French delegation accepted provisionally the scheme of distribution outlined in sub-paragraph 2. It was of course understood that the scheme should be revised from year to year according to the amount of contributions in hand.

While in agreement as to the method of utilization indicated in sub-paragraph 4, he thought it should be mentioned that in the view of his delegation the Technical Assistance Policy Committee would not be able to take decisions with regard to foreign currencies until it had consulted the governments concerned. Obviously the question involved national sovereignty.

With regard to sub-paragraph 6, the French delegation's interpretation agreed with that given by the representative of Australia.

Without insisting on its being changed, he pointed out that the text of sub-paragraph 7 embodied a psychological error. It seemed

ill-advised to discourage governments by prohibiting them from earmarking their contributions for a specific purpose, so long as that purpose was in harmony with the general scheme.

By way of example, he instanced a case in which a government might express the desire that the amount of its contribution be earmarked for the anti-malaria campaign. In his opinion, there was nothing against the Secretary-General's respecting that wish by placing the amounts contributed at the disposal of a specialized agency for the purpose of promoting the implementation of the general programme.

In his opinion, the principle of non-assignment was adequately covered by sub-paragraphs 3 and 5, and it seemed superfluous to insist on it again in sub-paragraph 7, as the effect might be to reduce the total amount of the contributions.

He pointed out that the French version of sub-paragraph 5 should be brought into line with the English text.

Mr. IVERSEN (Denmark) supported the New Zealand proposal as to the size of the reserve fund while agreeing with the Australian representative that there should be no question of creating a definite reserve as such, but only of ensuring flexibility of operation. He thought that the Technical Assistance Policy Committee should bear final responsibility, and agreed that arrangements should be provisional, for 1950 only, both as regards reserve and percentages; it was essential that no vested interests be created. He favoured the idea of an international conference, to be convened preferable during the General Assembly.

Mr. KOTSCHNIG (United States of America) considered that the two major issues on which understanding must be reached were first, who should bear final responsibility for allocating a substantial part of the fund. There he could not agree with the Australian proposal that that responsibility should be entrusted to a governmental, that was, a political body; that would only lead to increased competition for funds. The specialized agencies were capable of defending their own interests, and if differences of opinion arose, the matter could always be referred to the governmental body. The specialized agencies would have to come to some agreement in the end, and there was less likelihood in the alternative suggested by himself of governmental, that was political, pressure being exerted.

Secondly, the proportion of funds to be allocated as they came in. He failed to understand the Australian objection to the immediate allocation of the first 10 million dollars. The next 10 million dollars would not come in as a lump sum and the reserve would be built up gradually, beginning with the first dollar of the second 10 millions received. He thought that to reject the automatic allocation of 80 percent would only cause delay. The specialized agencies had their own programmes to plan, and if they were only certain of the first 10 million dollars they could only plan on that basis; that would mean a reduction in the scale of operations, large sums of money lying idle, and a consequent contraction of the whole programme.

As regards paragraph J of the New Zealand draft resolution, he felt that that would entail further and serious delays. If specialized agencies had to wait for requests from governments, which then had to be discussed on an inter-governmental level, it might delay their planning for as much as a year or two. The suggestion amounted to a vote of non-confidence in the specialized agencies which the United States delegation could not support. The specialized agencies had given careful thought to the subject under discussion; there was enough data in their files and in those of the United Nations to make it possible to plan a programme, even without knowledge of specific projects. The United States delegation was therefore strongly opposed to political control, or any reduction of the initial allocation.

Mr. WALKER (Australia), while admitting the force of some of the arguments of the United States representative, suggested that to make an allocation before knowing what projects were involved, implied a mistrust of governments, whereas to make it afterwards implied a mistrust of officials. He had every confidence in the specialized agencies, but the temptation to an organization to expand if given the chance was very great. He agreed with the United States representative that delay in the carrying out of the programme would be most undesirable, but there was always a danger in over-hasty action, and he hoped that the plan finally adopted would provide for a thorough examination of all projects. The anxiety of a small country such as Australia to see that its contribution was not dissipated in projects, perhaps worthy in themselves, which did not provide a firm foundation for economic development generally, was, he thought, justified.

/Mr. MULLER



Mr. MULLER (Chile), replying to the question put earlier by the Australian representative, stated that apart from a change in form, sub-paragraph 7 of paragraph H, corresponded with the previous text.

It was necessary to point out that no restriction should be imposed with regard to the use of the contributions, so that governments would not confine their contributions to agencies in which they were particularly interested, regardless of the general programme.

Naturally countries were entitled to offer technical services instead of money. Such services, however, should be placed at the disposal of agencies like the Food and Agriculture Organization or the World Health Organization for the purpose of promoting the execution of specific projects within the framework of the general plan.

Mr. WALKER (Australia), replying to the representative of Chile, pointed out that his observation had related to sub-paragraph 6, and not to sub-paragraph 7 of paragraph H. He had wished to know whether the Secretary-General would be empowered to refuse contributions if a country had originally pledged itself to something different.

Mr. IVERSEN (Denmark) agreed with the United States representative that the Technical Assistance Policy Committee should have the final responsibility, but only where the administrative bodies failed to agree.

Mr. KOTESCHNIG (United States of America), pointed out that while it was obviously for the Council and the General Assembly to lay down general policy, overall programme and allocations, the specialized agencies were composed not of officials only but of governments, largely those represented in the General Assembly, who would, he was sure, examine very carefully any projects submitted, thus exercising a check on their final adoption by the specialized agencies. The United States-Chilean draft resolution, moreover, made provision for the post-audit by the General Assembly, as was customary in regular budgets. That seemed more satisfactory than leaving a committee of eighteen or less countries to decide on specific projects. Since, moreover, one specialized agency could not claim too great a proportion of the funds without trespassing on the grounds of another, they would of necessity present a better balanced budget than could be expected from a political body, members of which would be subject to pressure from all sides.

/Mr. ADAPKAR

Mr. ADARKAR (India) thought that the divergence of opinion might have arisen from different interpretations of the word "reserve". To the New Zealand and Australian delegations it meant "postponed allocation", whereas the meaning generally accepted by the Committee was that of contributions outside those allocations mentioned in sub-paragraphs (a) and (b) of paragraph 2, of paragraph H.

He wished to lay stress on the necessity for evolving an automatic arrangement. It was not a question of lack of confidence in the specialized agencies, although had complete confidence existed the whole matter could have been simply referred to the Administrative Committee on Co-ordination. When the Indian delegation had suggested 5 percent, it had been thinking of an emergency reserve only, but the proportion of 20 percent now proposed would provide too great a sum to be left in the hands of officials.

As regards governmental control over the specialized agencies, referred to by the United States representative, he did not know the degrees of authority which governments exercised over the Directors-General of the Specialized Agencies or the Secretary-General of the United Nations; if the latter were given considerable latitude, control would be necessary at specialized agency or United Nations level, and that would be better centralized in the Second Committee of the General Assembly. It was above all desirable to establish a uniform procedure for the utilization of later contributions, and the allocation of 2 million dollars, with other excess contributions, could not be left to the decision of the specialized agencies; he hoped that a body such as the Technical Assistance Policy Committee of the Council would make those decisions.

It was not explicitly stated in paragraph E of the United States-Chilean draft resolution that the specialized agencies should not have supplementary budgets of their own. Since the decision concerned one central fund, he hoped that the General Assembly would confirm that specialized agencies should not retain separate budgets.

Mr. van TICHELEN (Belgium) stated that in the course of a very close-knit discussion, his delegation had attempted to form an opinion. The Committee was faced on the one hand with the fear of seeing the funds squandered during the initial period, and on the other with the need for proving to governments that it exercised the greatest caution in assuming obligations.

In view of the weakness of the compromise for reconciling centralizing and de-centralizing tendencies, he was of the opinion that during the initial period, the specialized agencies should receive only part of the total availabilities and that a decision with regard to a further allocation should depend on the results of the first experiment.

With regard to the authority which would be responsible for deciding on that further allocation, it was difficult to choose between Governments and specialized agencies. The Belgian delegation would opt for Governments, for it was they which provided the funds, and they would naturally exercise caution in allocating the second instalment.

As had been pointed out by the Australian representative, it should not be thought that the Committee was expressing lack of confidence in the specialized agencies. It must, however, be on its guard against the esprit de corps which, it had to be admitted, existed in every international or national organization, and revealed itself whenever a new specialized agency was established.

The United States representative had already replied to that argument by stating that the various Governments had their representatives on the executive boards of the agencies and that consequently there was no need to fear dangerous decisions. It was nevertheless true that governmental representatives were not entirely free from the esprit de corps he had just mentioned, and were inclined to place the interests of the bodies for which they were responsible above all others. When it came to the point, they would tend to take their decisions as agronomists or doctors rather than as the representatives of their respective governments.

With regard to sub-paragraphs 6 and 7 of paragraph H, an answer would have to be given to the question raised by the representative of France, who had stated that certain States might be inclined to earmark their contributions for a given group of countries. France, for example, would be prepared to finance the establishment of an anti-malaria research laboratory, and other countries might have similar intentions.

Account must be taken of the inclinations of Member States with long experience of technical assistance which were persuaded of the excellence of their methods. It was for the Committee to convince them that it was in their interest to make use of the specialized agencies.

of the United Nations rather than to respond directly to under-developed countries' appeals for help.

To achieve that result, it might be useful to supplement sub-paragraphs 6 and 7 by a section providing for the establishment of procedure whereby, under the supervision of the Economic and Social Council and in conformity with its regulations relating to the plan of distribution, one State or group of States might render assistance to another State or group of States.

The CHAIRMAN announced that the New Zealand representative was willing to accept an agreed draft resolution, provided that the drafting committee was seized of the feelings of the Committee on questions of principle in advance. It was not the usual procedure for a drafting committee to take a decision on principle rather than on the text, but he felt that in the present case delegations could, without committing themselves, express by show of hands their opinions, in order to allow the United States, New Zealand, Chilean and Australian representatives, to draft an agreed text.

The points at issue were: First, whether some monies should be placed to reserve, and what their amount should be. The United States-Chilean draft resolution proposed the immediate distribution of the first 10,000,000 dollars, followed by the distribution of 80 percent of the second 10,000,000 dollars; the New Zealand draft resolution proposed immediate distribution of only half of the contributions, or a minimum of ten million dollars. Secondly, whether the Technical Assistance Committee should make recommendations, on the basis of which the Policy Committee would take a decision (New Zealand-Australian proposal), or whether the Policy Committee should be appealed to merely in case of disagreement (the United States-Chilean proposal).

He asked the Committee to indicate its preferences in order to assist in the drafting of an agreed text.

Mr. ADARKAR (India) insisted that there was some confusion as to the meaning of the words "reserve". He suggested that of the two instances of the phrase "immediately available" in sections (a) and (b) of sub-paragraph 2 of paragraph H, the second should read "available for distribution". The "reserve" as understood by the New Zealand draft resolution (50 percent of the initial, and the balance of all subsequent /contributions) should

contributions) should be allocated on the same basis as the first distribution. The "reserve" in the United States Chilean draft resolution was 20 percent of the second ten million dollars, plus all subsequent contributions, and he felt that the Policy Committee should take decisions in respect of that reserve alone. The question arose whether the Policy Committee would decide on the allocation of the whole of the second instalment of ten million dollars; on the remaining two million dollars plus subsequent contributions only; or simply on the subsequent contributions.

Mr. KOTSCHNIG (United States of America) said that to his mind there could be only one reserve, that was the 20 percent of the second ten million dollars and subsequent contributions. The 80 percent mentioned in paragraph (b) was not a reserve, and should be distributed to the specialized agencies without further voting.

Mr. KOLPAKOV (Union of Soviet Socialist Republics) reminded the meeting that his Government did not favour the idea of creating a central fund. Specialized agencies must finance their activities in the field of technical assistance from their own budgets, without recourse to any common United Nations-specialized agency funds. He asked that a vote first be taken as to whether there should be a common reserve fund or not, since further decisions would depend on the result of that vote.

The CHAIRMAN pointed out that there was no divergence between the various draft resolutions under discussion in respect of the creation of a special common fund, and that all he wished for now was some indication of delegations' views on those resolutions; representatives would be free afterwards to discuss a vote as they wished.

The Committee declared itself, 13 votes to 0 with 3 abstentions, in favour of the creation of a reserve, that was, a sum not automatically distributable.

The CHAIRMAN then solicited the opinion of the meeting on the amount to be automatically distributed.

In the course of a short discussion, Mr. KOTSCHNIG (United States of America) stated that he was prepared for the figure of 20 percent to be reconsidered, providing that a substantial part of the second ten million dollars was available for immediate distribution. Replying to

/the Indian

the Indian representative, he said: it was impossible to say "18 million dollars automatically available", because after the first ten million dollars had been distributed no one knew what further contributions would come in; it could only be stipulated that 20 percent of such contributions should be set aside as a reserve.

The Committee declared itself by 9 votes to 4 with 3 abstentions in favour of the United States-Chilean proposal as to the amount to be reserved.

The Committee declared itself by 9 votes to 7 in favour of the United States-Chilean proposal in respect of the body to be responsible for the allocation of such funds as were not automatically distributed.

The CHAIRMAN expressed the hope that the drafting committee would produce an agreed text, which, if necessary, could be voted on paragraph by paragraph. A common text for sections D and E was already in existence (Document E/AC.6/53). Sections F and G had been agreed, and Section H would be redrafted on the basis of the general feeling of the Committee as already made clear.

As the report of the Sub-Committee on Principle was ready, and the Annex of the United States draft resolution depended for its discussion on the outcome of the main resolution, he suggested that the afternoon meeting discuss first, the question of percentages, followed by the new agreed text, and finally, the Report of the Sub-Committee on Principle.

Dr. SUTCH (New Zealand) suggested that, as his delegation had certain minor amendments to submit to the joint draft resolution, the afternoon meeting be reserved for the drafting committee, which could then present the draft to the evening meeting.

Mr. WALKER (Australia) supported that proposal.

Mr. LEDWARD (United Kingdom) pointed out that as regards section H, his delegation had certain suggestions for the drafting committee regarding a better provision for the reception of contributions in services from countries with inconvertible currencies,

which he would submit to the drafting committee. He had, however, certain substantive changes to make on sections D and E of the resolution, which he would prefer to have discussed in committee.

The CHAIRMAN considered the drafting of an agreed text did not preclude the possibility of further discussion of the text in its entirety.

Mr. P. C. CHANG (China) also supported the New Zealand proposal.

Mr. KOLPAKOV (Union of Soviet Socialist Republics), referring to the re-draft of section D, agreed by the United States and New Zealand delegations, asked which United Nations representative was envisaged as Chairman of the Technical Assistance Policy Committee.

Dr. SUTCH (New Zealand) explained that in principle the Secretary-General of the United Nations should be Chairman, but, in view of his other functions, he might wish to nominate someone to represent him; the wording allowed for that.

Mr. ADARKAR (India) requested that that point be thoroughly discussed at a subsequent meeting.

The meeting rose at 1 p.m.

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