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Ninth Session

ECONOMIC COMMITTEE

SUMMARY RECORD OF THE SEVENTY-NINTH MEETING

Held at the Palais des Nations, Geneva,
on Friday, 12 August 1949, at 3.0 p.m.

Contents:

ECONOMIC DEVELOPMENT OF UNDER-DEVELOPED
COUNTRIES (Item 9 of the Council Agenda)
(Continued)

pages 4 - 26

/Present:

Present:

Chairman:

Mr. SANTA CRUZ

Members:

Australia

Mr. WALKER

Belgium

Mr. van TICHELEN

Brazil

Mr. CAMPOS

Byelorussian Soviet Socialist Republic

Mr. MAZURENKO

Chile

Mr. MULLER

China

Mr. TSAO

Denmark

Mr. IVERSEN

France

Mr. de SEYNES

India

Mr. ADARKAR

Lebanon

Mr. HAKIM

New Zealand

Dr. SUTCH

Peru

Mr. PIZARRO

Mr. TORRES BELON

Poland

Miss CZANKO

Turkey

Mr. SARPER

Union of Soviet Socialist Republics

Mr. KOLPAKOV

United Kingdom

Mr. LEDWARD

United States of America

Mr. STINEBOWER

Mr. HANSON

Venezuela

Mr. GONZALES GORRONDONA

Representatives of Specialized Agencies:

International Labour Organization

Mr. EVANS

Food and Agriculture Organization

Mr. OLSEN

United Nations Educational,
Scientific and Cultural
Organization

Mr. BERKELEY

Representatives of Specialized Agencies (continued)

International Civil Aviation
Organization

Mr. MARLIN

International Bank for
Reconstruction and Development

Mr. LOPEZ-HERRARTE

International Monetary Fund

Mr. WILLIAMS

International Refugee Organization

Miss BROWN

Secretariat:

Mr. Owen

Assistant Secretary-
General for Economic
Affairs

Mr. Weintraub

Director of the Division
of Economic Stability
and Development

Mr. Chalmers-Wright

Division of Social
Activities

Mr. Dumontet

Secretary to the
Committee

Technical Assistance for Economic Development: Report of the Sub-Committee on Principle (Document E/AC.6/54)

Section I: General Principles.

The CHAIRMAN asked representatives to consider the Soviet Union and Danish amendments submitted to paragraph 1 of Section I of the Sub-Committee's Report (Document E/AC.6/54).

Dr. SUTCH (New Zealand) drew attention to the fact that since the word "Guiding" would figure in the title of the document it would be redundant to repeat it in the text of paragraph 1, as suggested by the Danish representative.

Mr. IVERSEN (Denmark), agreeing with the representative of New Zealand, suggested that the copulative clause between paragraph 1 and paragraph 2 should read, after the words "of higher levels of economic and social welfare" at the end of paragraph 1, "and abide by", or "adhere to", "the following general principles laid down in Resolution 200(III)"

Mr. CAMPOS (Brazil) considered the second alternative preferable.

Mr. WALKER (Australia) suggested the use of the word "observe" in place of "adhere" on the grounds that the latter implied action and was therefore unsuitable.

Mr. IVERSEN (Denmark) accepted that suggestion.

The CHAIRMAN then read out the text of the Soviet Union amendment to paragraph 1 of Section I, reading as follows:

"The participating organizations should, in extending technical assistance for the economic development of under-developed countries, be guided by the principle that such assistance should be directed towards developing the internal resources of those countries and territories and their national industry and agriculture. Such assistance should also promote national development and reinforcement of the economic independence of those countries and territories, and should not be conditional on demands for political, economic or military privileges for the countries rendering assistance. The plan for according technical assistance should comply with the requirements for the maximum all-round development of the national economy of the under-developed countries and territories, and particularly national industry, in the primary interests of increasing the prosperity and raising the cultural level of the local population.

That text would be substituted for the text of paragraph 1 as given in Document E/AC.6/54.

The Committee rejected the Soviet Union amendment to paragraph 1 of Section I (Document E/AC.6/54) by 10 votes to 3 with 4 abstentions.

The Committee adopted, by 14 votes to 0 with 3 abstentions, the Danish representative's proposal that paragraphs 1 and 2 of Section I be linked by the insertion of the words "and observe the following general principles....." after the words "and social welfare".

Section IV: Co-ordination of Effort.

Mr. KOLPAKOV (Union of Soviet Socialist Republics) moved the insertion of the words "and manufacturing" between the words "industrial" and "development" in the third line of paragraph 4 of Section IV on the grounds that it was necessary to distinguish between raw material industries, such as mining, and manufacturing industries, such as the metallurgical industry.

Mr. WALKER (Australia) said that it was not clear whether the enumeration in the third line of paragraph 4: "mining, power, land and water transport" was intended as a connotation of the term "industrial development", or whether it was an addition thereto. If the latter were the case, the word "and" should be inserted before the words "land and water transport".

He was prepared to accept the Soviet Union representative's amendment, but preferred the use of the words "and manufactures".

The CHAIRMAN assumed that the text as amended by the Australian and Soviet Union representatives would therefore read (second and third lines of paragraph 4) as follows: "such as certain aspects of industrial development including manufactures, mining, power, and land and water transport".

Mr. MULLER (Chile) said the discussions had shown that no specialized agency was at present dealing with the problem of industrial development. That being so, it would be preferable to speak of industrialisation in general, rather than to enumerate certain aspects of it.

Mr. LEDWARD (United Kingdom) drew attention to the fact that the Sub-Committee had revised the text of the paragraph on the basis of a Chilean amendment, in order to provide for those aspects of industrial manpower which were at present dealt with by the International Labour Organization.

Mr. CAMPOS (Brazil) said that the point made by the United Kingdom representative applied equally in the case of the International Bank for Reconstruction and Development. He had certain misgivings with regard to the Australian proposal to insert the word "including" after the expression "industrial development", since it would give the impression that land and water transport would be dealt with by the United Nations organs only in so far as it related to industrial development, thus entirely omitting any reference to land and water transport in connection with agricultural development; and there was no specialized agency which dealt with that work. He was prepared to accept the Soviet Union representative's amendment to insert an explicit reference to "manufacturing" but was opposed to the insertion after the words "industrial development" of the word "including", since it was restrictive.

Mr. MULLER (Chile) did not see what difficulty there would be in speaking of industrial development in general.

Mr. KOLPAKOV (Union of Soviet Socialist Republics) favoured the retention of the text of paragraph 4 as drafted by the Sub-Committee, with his amendment added thereto. The wording proposed by the Chilean representative was somewhat inconsistent, in that reference was made elsewhere to the procedure to be applied when a government made a request for assistance, to render which no specialized agency existed, namely, that in such cases the request would be forwarded to the Secretary-General of the United Nations for consideration of what might be done.

Mr. CAMPOS (Brazil) also disagreed with the representative of Chile, and supported the Soviet Union amendment to paragraph 4.

On the CHAIRMAN's proposal, the Committee provisionally adopted paragraph 4 of Section IV, amended to read as follows: "Technical Assistance activities which are not at the present time the special responsibility of any specialized agency, such as certain aspects of industrial development and manufactures, mining, power and land and water transport, should be undertaken by the Secretary-General of the United Nations".

Section V: Concentration and Economy.

Mr. WALKER (Australia) was not sure of the meaning of Section V.

/Mr. CAMPOS

Mr. CAMPOS (Brazil) stated that the question had been debated at length in the Sub-Committee on the basis of the long and elaborate text on co-ordination of effort given in Document E/AC.6/42. The Sub-Committee had felt that it would suffice to state the principle without giving examples. The final clause reading: "such concentration of effort and economy as would, in particular, ensure the fullest use of any existing facilities", was intended to convey the idea that if the facilities were available the specialized agencies should endeavour to develop them rather than to create new ones.

In the Sub-Committee's view a general recommendation on that point would suffice.

Mr. LEDWARD (United Kingdom) proposed that Section V be amended by splitting the single sentence of which the text as it stood was composed, into two. The first sentence would read: "In view of the wide range of activities envisaged, the participating organizations should practice, especially at the initial stages of their programmes, concentration of effort and economy"; and the second would read: "The participating agencies should also ensure the fullest use of any existing facilities."

Mr. WALKER (Australia) was prepared to accept the United Kingdom proposal.

Mr. HANSON (United States of America) considered that the conception of concentration of effort should not be confused with the principle of geographical distribution, to which reference was made in another paragraph of the principles (paragraph 2 of Section VI on page 5 of Document E/AC.6/54). The wording of Section V should suggest not the selection of certain countries to serve as demonstration areas, but the concentration of effort in specific fields of activity.

Mr. LEDWARD (United Kingdom) believed that the intention of the United States representative would be met by the substitution of the word "within" for the words "In view of" in the first line of Section V, the first clause of the first sentence thus reading: "Within the wide range of activities envisaged."

It was so agreed.

The Committee adopted Section V - Concentration and Economy as amended by 11 votes to 0 with 6 abstentions.

Section VI: Selection of Projects.

Mr. WALKER (Australia) having withdrawn the amendment he had proposed earlier to the title of Section VI,

The CHAIRMAN drew attention to the fact that, apart from the Australian amendment to paragraph 1 of Section VI, the Brazilian representative had proposed that the word "objective" in the third line of paragraph 1 should be in the plural.

Mr. KOLPAKOV (Union of Soviet Socialist Republics) moved that the words: "and ensure full employment" be added after the words "as a whole" in the third line of sub-paragraph (a) of paragraph 1 of Section VI.

Mr. DUMONTET, Secretary to the Committee, then read the text of the Australian representative's amendments to paragraph 1 of Section VI:

"Due attention should be paid to the social conditions which directly affect economic development. Requests for technical assistance may therefore be approved which will help governments to take account of the probable consequences of proposed projects for economic development in terms of the welfare of the population as a whole, and of the social conditions, customs and values in a given area that would directly influence the kinds of economic development that may be feasible and desirable. Similarly requests may also be approved for technical assistance to governments desiring to undertake the specific social improvements that are necessary to permit effective economic development, and to mitigate the social problems, particularly problems of dislocation of family and community life, that may arise as a concomitant of economic change."

The CHAIRMAN stated that the Australian amendment must be put to the vote first. Since, if it were adopted, the Soviet Union amendment would fall, he would ask the Soviet Union representative whether he wished to submit his proposal as an amendment to the Australian amendment to paragraph 1 of Section VI.

Mr. KOLPAKOV said that he had assumed that the text as drafted by the Sub-Committee had priority over the amendment submitted by the Australian representative.

The CHAIRMAN, having drawn the attention of the Soviet Union representative to the rules of procedure in accordance with which amendments were voted upon first,

/Mr. WALKER

Mr. WALKER (Australia) said that he had submitted his amendment in order to avoid the extremely long sentence in paragraph 1.

Mr. HANSON (United States of America) stated that in drafting that sentence the Sub-Committee had endeavoured to resolve the conflicting points of view with regard to the relative importance of economic development and social conditions. The text was intended to convey the fact that the two were closely bound up with one another. He appreciated the point made by the Australian representative, but considered that he had gone too far in his corrections. In view of the fact, however, that his wording was clearer, he would support the adoption of the last sentence of the Australian amendment subject to the deletion of the words: "Similarly" and "also", and to the substitution of the words "when Governments desire" for the words "to Governments desiring". Thus re-drafted, that sentence fulfilled the Australian representative's intention of indicating that requests for specific social improvements would be acceptable within the framework of the programme of technical assistance.

The wording of sub-paragraph (a) was taken from paragraph 4 of Chapter 7 of the Secretary-General's "Report on an Expanded Programme of Technical Assistance for Economic Development" (page 52, Document E/1327/Add.1), and was intended to imply that the four types of social problems which were of equal importance in estimating the consequences of proposed projects for economic development should be clearly separated from projects that should be undertaken to provide the specific social improvements necessary to permit effective economic development. That was the distinction between sub-paragraphs (a) and (b). He agreed, however, that the text was not very clear, and would therefore propose that sub-paragraph (a) be amended to read as follows: "a participating agency in evaluating requests should take account of etc."

Dr. SUTCH (New Zealand) said that although the Australian amendment weakened the text he would be prepared to accept it. The amendments proposed by the representative of the United States, however, would have the effect of eliminating the granting of technical assistance on the basis of requests relating to welfare and social conditions. Whereas the representative of the United States proposed that the plans should take into account such phenomena as unemployment in the initial stages of the application of a programme, the Australian representative suggested that an agency such as the International Labour Organisation be called upon to advise upon problems of unemployment, industrial health, etc.

Mr. ADARKAR (India) considered that sub-paragraphs (a) and (b) were extremely similar, the former stressing the passive, and the latter the active aspects of the same problem. Splitting the text into several sentences would not make it any clearer. If the underlying argument of the representative of Australia was that too much emphasis was laid in the text on social aspects, he failed to see how his amendment would counteract that emphasis.

Mr. WALKER (Australia) agreed with the representative of India that if the purpose of paragraph 1 were to give a certain preference to economic development as opposed to the improvement of social conditions, then only the first sentence reading: "Due attention should be paid to the social conditions which directly affect economic development" need stand. But he had drafted his amendment on the assumption that the Sub-Committee had wished to include a reference to such social factors as conditioned economic development and his purpose was to clarify what the Sub-Committee had in mind. Valid arguments on that aspect of the question had been advanced by the Directors-General of the International Labour Organisation and the United Nations Educational, Scientific and Cultural Organization when presenting their proposals to the Committee. Since he appreciated the point made by the former and desired to meet the Soviet Union representative, he was prepared to add the words "including the maintenance of full employment" after the words "as a whole" in the third line of sub-paragraph (a). Similarly, the Director-General of the United Nations Educational, Scientific and Cultural Organization had referred to the customs and values in a given area, and had indicated that certain countries might need expert advice on the best

methods of integrating economic development into the social life of a community. It was indeed from that point of view that industrialisation had sometimes failed.

He submitted that his version took the play of social factors fully into account, while at the same time retaining the desired emphasis on economic aspects.

Mr. HANSON (United States of America) believed that the process was unitary rather than dual, since all the specialized agencies should consider the consequences of applying their programmes before studying what specific activities should be undertaken.

The representative of New Zealand had given a wrong interpretation to his (Mr. Hanson's) amendments. It was not the intention of the United States to eliminate such requests as would lead, through technical assistance, to higher social standards.

Dr. SUTCH (New Zealand) supported the Australian representative's proposal, which had been preceded by the Soviet Union amendment to include a reference in sub-paragraph (a) to the maintenance of full employment.

The CHAIRMAN said that a vote should first be taken on the amendment submitted by the Australian delegation. If that amendment were rejected, the Committee would then vote on the amendment submitted by the delegation of the Union of Soviet Socialist Republics.

He asked the Australian representative whether he would agree to the amendments proposed by the representative of the United States.

Mr. WALKER (Australia), replying to the Chairman, indicated that the proposed United States amendments to the third sentence of the Australian amendment did not make a positive contribution to the text.

The Committee adopted the Australian amendment to paragraph 1 of Section VI, Selection of Projects, by 9 votes to 1 with 7 abstentions.

/Mr. WALKER

Mr. WALKER (Australia), replying to the Soviet Union representative, recalled that he had himself included the reference to the maintenance of full employment in sub-paragraph (a) of paragraph 1 in terms which were similar to those of the Soviet Union amendment.

Mr. CAMPOS (Brazil), having indicated that in the third line of paragraph 2 of Section VI the word "is" should read "be".

Mr. ADARKAR (India) said that the term "relevant needs" in the third line of the same paragraph was somewhat vague. He assumed that it had been introduced to meet certain criticisms, made among others, by himself, based on the premise of geographical distribution. The expression, however, did not clarify the text, and he would therefore propose that it be amended to read "urgency of the needs".

Mr. CAMPOS (Brazil) replied that the words "relevant needs" had been taken from the United Kingdom amendment as given in Document E/AC.6/50.

The Committee adopted the Indian proposal to substitute the words "urgency of the needs" for the words "relevant needs" in paragraph 2 of Section VI by 7 votes to 1 with 9 abstentions.

The CHAIRMAN having asked representatives to comment on the United Kingdom amendment to paragraph 4 of Section VI, appearing in the footnote to page 5 of Document E/AC.6/54.

The Committee rejected the United Kingdom amendment by 10 votes to 6 with 1 abstention.

The CHAIRMAN considered that there was no need to vote on the report as a whole, unless a representative so requested.

Mr. KOLPAKOV (Union of Soviet Socialist Republics) asked that the Report of the Sub-Committee containing the statement of principles (Document E/AC.6/54) be put to the vote as a whole.

/Dr. SUTCH

Dr. SUTCH (New Zealand) asked the Chairman to include in the vote the title of the document, which should be "Observations on and guiding principles of an expanded programme of technical assistance".

He was prepared to have a vote taken on the text without its having been read out first.

The CHAIRMAN stated that although it was customary for a document to be read out before a vote was taken, he would in the present instance, and in view of the length of the document, dispense with that procedure.

The Committee adopted the Report of the Sub-Committee on Principle setting out the guiding principles of the expanded programme of technical assistance (Document E/AC.6/54), as amended, by 14 votes to 0 with 3 abstentions.

In reply to a proposal by Mr. STINEBOWER (United States of America) that discussion of priorities should precede that of percentages, the CHAIRMAN pointed out that the Sub-Committee could not deal with the former until the Committee had taken a decision on the latter. He would therefore put before the Committee the latest figures based on written proposals submitted by 15 delegations. The new percentage ranges, most common percentages, average percentages and median values of proportions allotted to the various Organizations were:

	Percentage Range	Most Common Percentage	Average Percentage	Median Value
United Nations	16-30	25	23.6	23
International Labour Organisation	4-20	10 & 11	11.3	11
Food and Agriculture Organization	23-35	25 & 30	28.3	29
United Nations Educational, Scientific and Cultural Organization	6-25½	12 & 20	15.3	14
International Civil Aviation Organization	0-3	1	1.2	1
World Health Organization	12-30	20	20.3	20

Mr. ADARKAR (India) doubted whether the wide percentage ranges submitted for the various specialized agencies should be accepted.

The Committee's choice lay between most common average percentages and medians, and his delegation considered the latter much less mechanical than percentages based merely on, say three preferences. In reply to the CHAIRMAN's observation that the total of the median values was only 98, he added that it would be a simple process to re-adjust those figures to a full 100 per cent basis.

Dr. SUICE (New Zealand) claimed that median values were inappropriate to the type of calculation before the Committee and suggested that a more accurate method would be to use the most common percentage based on a total of 100, the most common percentage being adjusted in the direction of the corresponding average in each case.

Mr. de SWYNES (France) thought that in the circumstances the only possible solution was to accept the adjudication of the Chairman on the lines indicated by the representative of New Zealand. He himself was prepared to refrain from proposing an amendment to the figures submitted by the Chairman, provided the other representatives undertook to adopt a similar attitude.

He pointed out that owing to the procedure it had adopted, the Committee was now in a position which it was no longer possible to change. The confidential submissions in which the Committee had originally indulged had enabled certain delegations to indulge in conjecture. The dangers arising from that procedure had become even clearer when it had been necessary to call for second estimates. An examination of the various tables submitted by the Chairman revealed some curious facts. To give only one example, there was the figure of 6 per cent assigned by one delegation to the United Nations Educational, Scientific and Cultural Organization. The matter was serious, and the Committee should have been informed of the intentions of that delegation by some other procedure than confidential submissions. After all that had been said in the Committee, and not disputed, regarding the importance of the efforts of the under-developed countries themselves in the process of their own development, he failed to understand how a delegation could maintain that educational activities should not receive a larger share than 6 per cent. That question should have been

/discussed in

discussed in open debate, and the delegation concerned might well have been able to take advantage of the presence of the representative of the United Nations Educational, Scientific and Cultural Organization to expound its point of view.

He repeated that he was prepared to forego a formal amendment to the figures indicated by the Chairman, but in those circumstances his delegation would abstain from voting. He requested that his remarks should appear in the summary record.

Mr. CAMPOS (Brazil) said his delegation was prepared to support the Indian representative's proposal concerning median values because averages based on wide extremes were defective, and the New Zealand representative's proposal involved a confusion between modes and averages.

Mr. STINEBOMER (United States of America), referring to the French representative's observations, said it was not the United States delegation which had proposed 6 per cent for the United Nations Educational, Scientific and Cultural Organization and 4 per cent for the International Labour Organization, and that other low figures which had been proposed were equally worthy of comment. He would remind the Committee that one member had proposed for the United Nations Educational, Scientific and Cultural Organization a figure of 25 per cent, which was farther from the average than the lowest figure quoted. His delegation believed that the application of median values would not promote the best utilisation of funds. Furthermore, the figures adopted were in no case to be regarded as a measure of the esteem in which a given specialised agency was held. The United States delegation's proposal of a higher figure for the Food and Agriculture Organization than for the United Nations Educational, Scientific and Cultural Organization or the International Labour Organisation was based on the need for maintaining a proper balance, and on the assumption that certain agencies which were already concerned with technical assistance would be able to achieve more in the first year than agencies without such experience. It was, for example, probable that the Food and Agriculture Organization and the World Health Organization would be able to utilize more substantial funds in the first year than the United Nations itself.

An examination of the figures which had been published on the previous evening revealed that, despite considerable general disparity, five particular groups of figures displayed great uniformity over all the agencies concerned. In all five cases the figures proposed for the United Nations, the International Labour Organisation and the International Civil Aviation Organization were 23 per cent, 11 per cent and 1 per cent respectively, and there were only slight variations around 30 per cent for the Food and Agriculture Organization, 12 per cent for the United Nations Educational Scientific and Cultural Organization and 23 per cent for the World Health Organization. He regarded that distribution as fairer than any based on either medians or modes, and thought it might well form the basis for a final agreement.

Mr. TORRES BELON (Peru) considered the Chairman's figures clear evidence that every delegation, in giving the various percentages which it wished to see allotted to the respective participating organizations, had been moved by the desire to see the technical assistance funds used to the best advantage. The figures given for the United Nations, the Food and Agriculture Organization and the World Health Organization were in themselves sufficient proof of his contention. That was not to imply, as the French representative seemed to believe, that delegations which had proposed a rather low figure for the United Nations Educational, Scientific and Cultural Organization questioned the usefulness of that Agency's activities. The Peruvian delegation contended, however, that men had to be fed before they could be educated. Furthermore, the programme under discussion was an experimental one covering the first year. No doubt every delegation could advance excellent reasons for increasing all the percentages for the organizations taking part; and it was precisely for that reason that he upheld the practical solution of keeping to the percentages arrived at by the application of medians. Should that solution be adopted, the 2% still to be allocated could be shared between the World Health Organization and the Food and Agriculture Organization.

/Dr. SUTCH

Dr. SUTCH (New Zealand) defined a median as an accidental number, a typical figure or mode as one that was in most men's minds, and an average as being specifically a figure which took account of extremes. On that basis, his delegation had decided that typical figures should be based on the figures supplied, corrected in the direction of the arithmetical averages. For example, in the case of the United Nations he would proceed from the mode, namely 25, via the average percentage, namely 23.6 to a typical figure of 24. Applying that method he arrived at the following allocations:

United Nations	24 per cent
International Labour Organisation	11 per cent
Food and Agriculture Organization	28 per cent
United Nations Educational, Scientific and Cultural Organization	16 per cent
International Civil Aviation Organization	1 per cent
World Health Organization	20 per cent
	<hr/>
	100 per cent

Mr. ADARKAR (India) said the method proposed by the New Zealand representative was inconsistent, since it was based partly on averages and partly on modes. He maintained that a distribution based on medians would be most likely to represent the Committee's final views.

/Dr. WALKER

Dr. WALKER (Australia) agreed that a decision was possible on the basis of the United States representative's proposal, though the Australian delegation might have suggested other figures in certain cases.

Mr. ADARKAR (India), referring to the United States representative's observations, said that in view of the reduction of the global total and the long discussion on the allocation of that total, the argument that certain specialised agencies were more able to utilise funds in the first year than others might almost be interpreted as an attempt to tamper with democratic procedure. He thought every specialised agency should now be allowed to proceed with its programme of projects undisturbed by late references to particular principles.

Mr. CAMPOS (Brazil) agreed that the median was an accidental number, but thought it was a happy accident in the present case. On the basis of medians, he would propose that the total should be brought up to 100 as follows:

United Nations	23.2 per cent
International Labour Organization	11.2 " "
Food and Agriculture Organization	29.2 " "
United Nations Educational, Scientific and Cultural Organization	14.2 " "
International Civil Aviation Organization	2.0 " "
World Health Organization	<u>20.2</u> " "
	100.0 " "

The CHAIRMAN felt that the adoption of a compromise solution was indicated at that juncture, since otherwise the fact that nearly every representative seemed to have his own proposal to make would make it impossible for the Committee to take a decision. While not wishing to act as adjudicator, as suggested by the New Zealand and French representatives, he was prepared to state, as a basis of discussion, the figures which he considered most reasonable. He urged representatives to act with moderation, and to submit as few amendments as possible.

/Mr. TORRES-BELON

Mr. TORRES-BELON (Peru) upheld the retention of the median percentages, and reiterated his proposal that the remaining 2 per cent be shared between the World Health Organization and the Food and Agriculture Organization.

Mr. ADARZAR (India) suggested that the Committee should proceed to vote on methods of adjustment.

Dr. WALKER (Australia) thought that the proposals submitted by the Peruvian delegation demonstrated that agreement could finally be reached by discussion.

Dr. SUTCH (New Zealand) said his delegation would be quite prepared to abide by the decision of the Chairman.

Mr. van TICHELEN (Belgium) recalled his proposal at the previous meeting to return to the figures yielded by the confidential submissions, so as to avoid the disputes which would inevitably arise if the Committee tried to take account of the results of the open discussions. Since the rules of procedure precluded the adoption of that solution, he supported the proposal made by the French and New Zealand representatives. It was advisable in the case of delicate discussions like the present, involving as they did not only various percentages but also the Committee's prestige and authority, to rely on the wisdom of the Chairman, who was not a protagonist in the debate and was in a position to suggest compromise formulae or to pronounce arbitral opinions.

Mr. HAKIM (Lebanon) suggested that, in order to save time, the Chairman should propose a set of figures totalling 100 per cent and that no other sets of figures submitted should be considered by the Committee unless supported in each case by at least five delegations.

The CHAIRMAN agreed to express an opinion, and hoped that representatives would realise the difficulty of examining a large batch of amendments in the particular circumstances, and would therefore refrain from submitting amendments other than those capable of commanding majority support, since as the Belgian representative had pointed out, the Committee's prestige and authority were at stake.

He proceeded to read out the following list which he had drawn up in consultation with the Secretariat:

United Nations	23 per cent
International Labour Organisation	11 per cent
Food and Agriculture Organization	29 per cent
United Nations Educational, Scientific and Cultural Organization	14 per cent
World Health Organization	22 per cent
International Civil Aviation Organization	1 per cent

Mr. ADARKAR (India) said he did not wish to comment in detail on the figures proposed by the Chairman, but only to point out that they were based on the medians supplied earlier, with the addition of 2 units to the median allotted to the World Health Organization.

Mr. CAMPOS (Brazil) said he was more than ready to accept the figures proposed by the Chairman, since they were in fact exactly identical with those he had himself proposed on the previous day.

Mr. STINEBOWER (United States of America) said that his delegation would abstain from the vote on the Chairman's proposal.

The Committee adopted the figures proposed by the Chairman by 12 votes to 0 with 6 abstentions.

The CHAIRMAN announced that the next question to be studied was that of priorities, and asked the Committee whether the Sub-Committee should be instructed to prepare a list of priorities based on the figures just adopted.

Dr. SUTCH (New Zealand) said the question of priorities could not be settled at that stage, and that his delegation was opposed to referring the question to the Sub-Committee. The most urgent task for the Committee was to deal with the joint draft resolution (Document E/AC.6/56/Rev.1).

Dr. WALKER (Australia) said his delegation was also opposed to any further attempt to establish detailed priorities, since that task could only be efficiently performed when programmes were under way. He therefore moved that no further action be taken on the question of priorities.

/Mr. HAKIM

Mr. HAKIM (Lebanon) supported the proposal of the Australian representative.

Mr. STINEBCWER (United States of America) said his delegation would not insist on consideration of priorities in view of the lack of time. Furthermore, he wished to point out that it had never considered that detailed priorities could be set down at that stage. However, it was clear that the Secretary-General's Report (Document E/1327/Add.1) contained projects that merited priority, and his delegation thought that it would have been right and proper for the Council to establish some form of priority, especially with regard to marginal projects. While he did not insist, in present circumstances, on that being done, he still thought that such action would have been of the greatest value. After all, the specialised agencies would now be without guidance, other than that to be found in the summary records of the Council's proceedings, with regard to the Council's estimate of their efforts. Since the expanded programme of technical assistance for economic development was a long-term project and represented the most important activity so far undertaken in the international economic sphere he believed the Council should at least indicate to the specialised agencies which of their projects it had found desirable, and which it regarded as marginal.

Mr. ADARKAR (India) said it was obvious that some indication as to priorities should have been supplied. He therefore suggested the insertion in the draft resolution of a recommendation that programmes of projects should be co-ordinated between the Administrative Committee on Co-ordination, the Technical Assistance Committee and the Technical Assistance Policy Committee.

Mr. MULLER (Chile) agreed that it would have been useful to examine the question of priorities, but thought that the Committee no longer had time to do so. In any case, the percentages already indicated some degree of priority, as the Australian representative had pointed out. It would be premature to prepare a list of priorities before governments had made known their needs. The Committee needed to act realistically, and a list of priorities drawn up at that stage might fail to correspond with the needs subsequently expressed.

/The CHAIRMAN

The CHAIRMAN concluded that the Committee seemed generally opposed to the idea of studying the question of priorities at the present juncture.

Mr. STINEBOWER (United States of America) said his delegation wished to support the Indian representative's proposal, which it regarded as a very happy one.

The CHAIRMAN asked the Indian and United States representatives to prepare an additional paragraph for insertion in the resolution for consideration at the next meeting, and to state at what point it should be inserted.

The Committee had next to deal with the draft resolution submitted jointly by the Chilean, New Zealand and United States delegations (Document E/AC.6/56/Rev. 1) and with the draft amendments to that resolution submitted by the United States delegation (Document E/AC.6/57) and the Belgian delegation (Document E/AC.6/55). A general discussion had already taken place on that question; and he suggested that the joint draft resolution be considered paragraph by paragraph and that the amendments be discussed at the appropriate stage.

Mr. LEDWARD (United Kingdom) said that the previous day his delegation had expressed reservations with regard to the re-draft submitted by the United States and New Zealand delegations (Document E/AC.6/53) of paragraphs D and E of the original joint draft resolution submitted by the Chilean and United States delegations (Document E/AC.6/48). But the points to which his delegation had objected were reproduced in paragraph G of the joint draft resolution now before the Committee (Document E/AC.6/56/Rev.1). The United Kingdom delegation still preferred the wording of paragraph D of the original joint draft resolution (Document E/AC.6/48). With regard to the setting up of a Technical Assistance Committee to discharge the functions stated so clearly in Chapter 5 of the Secretary-General's Report (Document E/1327/Add.1), his delegation had accepted Mr. Thorp's statement as to the necessity of some kind of administrative machinery operating at two levels, a type of machinery with which the specialised agencies had become familiar and which frequently worked very well, for example, in the case of the Inter-Agency Committees such as the International Civil

Service Advisory Board, the Inter-Agency Statistical Group and the Inter-Agency Pension Fund which found it convenient to report to the Administrative Committee on Co-ordination and through it direct to the Council. If the new wording was accepted, and Inter-Agency Committee would, for the first time, report direct through a newly established Technical Assistance Policy Committee to the Council, instead of through the regular machinery. Such a proposal must be considered from the point of view of the precedent it would create and of the administrative confusion which might result. The United Kingdom delegation was prepared to accept Mr. Thorp's adoption of the quotation from pages 38 and 39 of the Secretary-General's Report, which he had incorporated in Appendix C of the original joint draft resolution (Document E/AC.6/48). But the new wording was unhappy in the light of the constitutional relationships existing between the Secretary-General and the United Nations and the specialised agencies. He asked whether such a new Committee should not be set up at least in consultation with the Executive heads of the specialised agencies, a small point perhaps, but one of which account had been taken in the original joint draft resolution (Document E/AC.6/48) in the words "REQUESTS the Secretary-General...to invite the Administrative Committee on Co-ordination to set up a Technical Assistance Committee". Even if the Committee were now to accept the proposal that the Technical Assistance Committee should exist independently of the Administrative Committee on Co-ordination, some wording would have to be introduced to overcome the constitutional difficulty. The Council might, for example, "request the Secretary-General to invite the Directors-General of the specialised agencies concerned to join him in creating a Technical Assistance Committee to perform the following functions", and proceed thereafter to enumerate those functions.

Furthermore, the second sentence of paragraph G in the joint draft resolution (Document E/AC.6/56/Rev.1) would tend to compromise the constitutional relationship existing between the Secretary-General and the specialised agencies in view of the proposal that the Executive Secretary of the Technical Assistance Committee should be designated by the Secretary-General. The proposed Technical Assistance Committee would be a most important body and the whole purport of the technical assistance programme would depend upon the potential relationships

/between the

between the Secretariat and the specialized agencies within that Committee. It was therefore vital that the agencies should have complete confidence in the Executive Secretary of the new Committee and they should therefore have some say in choosing him. The United Kingdom delegation would therefore propose that any reference to the appointment of the Executive Secretary should contain the qualification "in consultation with the specialized agencies".

Again, his delegation considered that a reference to Chapter 5 of the Secretary-General's Report might well have replaced the unnecessary details with regard to procedure in the Technical Assistance Committee. In his view, paragraph D of the original joint draft resolution (Document E/AC.6/48) should be substituted for paragraph G in the new joint draft resolution (Document E/AC.6/56/Rev.1).

Mr. de SEYNES (France) shared the United Kingdom representative's view and supported his proposal that paragraph G be replaced by the corresponding paragraph of the previous draft resolution submitted jointly by the United States and Chilean delegations.

Mr. CAMPOS (Brazil) said his delegation was in general agreement with the United Kingdom representative's proposal to revert to the original wording. But at that stage he would merely suggest some appropriate amendments to paragraph G of the new draft resolution. Although his delegation had earlier expressed misgivings with regard to two-level machinery, he was now satisfied with the procedure set forth in the original draft resolution submitted by the Chilean and United States delegations, on various grounds. First, it would probably be impossible to detach from the specialized agencies personnel now serving in the subsidiary organs of the Administrative Committee on Co-ordination such as those concerned with Fellowships, Statistics and Migration, which formed part of the normal programme of the agencies to deal solely with the expanded programme of technical assistance, and it was therefore desirable that the technical assistance programme should be referred to the Administrative Committee on Co-ordination. That would facilitate the dovetailing of their normal work with the expanded programmes. Secondly, certain specialized agencies whose co-operation was extremely important might find it impossible to participate in the Technical Assistance Committee; not only were they not allocated funds under the expanded programme, but some of the obligations imposed on members of the Technical Assistance Committee might make it difficult for those agencies, despite their interest in the technical assistance field to participate.

His delegation had supported the original proposal because it would have enabled such agencies to continue to associate themselves with this work at the co-ordination stage. Nevertheless, there was no need to mutilate paragraph G of the new joint draft resolution. He would propose three simple amendments, namely:

that the first sentence of the first paragraph should read "Requests the Secretary-General, subject to approval by the General Assembly of the draft resolution in Annex B, to invite the Administrative Committee on Co-ordination to set up a Technical Assistance Committee, etc."; that the words "in consultation with participating organizations" should be inserted after the words "Secretary-General" at the end of the second sentence of the first paragraph, since it appeared indisputable that the Executive Secretary should have the confidence not only of the Secretary-General but also of the heads of the agencies; and that the words "Administrative Committee on Co-ordination to the" should be inserted between the word "the" and the word "Technical" in the last line of subparagraph 6 of paragraph G.

Dr. SUTCH (New Zealand) said he wished to point out, since the Brazilian representative had referred to the original wording, that paragraph G of the new joint draft resolution before the Committee in fact contained the original wording. After discussing general principles, the Committee had requested three delegations which had moved resolutions to consult together with a view to producing a joint draft resolution. The Australian delegation had joined the group formed by the delegations of Chile, New Zealand and the United States of America, and though the new joint draft was sponsored by only three delegations, all four he had named had unanimously agreed on the wording of paragraph G. He suggested that the Committee should give the closest consideration to the process of reasoning behind that particular draft, the most important feature of which was that it left the way open to any organization prepared to accept the terms of paragraph G to become a member of the Technical Assistance Committee. In other words, that Committee need not be confined to the United Nations and the specialized agencies which had submitted programmes of projects. It might include the International Bank for Reconstruction and Development, the International Monetary Fund, the International Refugee Organization, the future International Trade Organization, or any organization without exception. Secondly, it must be remembered that that step represented only the merest beginning of a very extensive programme. The New Zealand Government envisaged the Technical

Assistance Committee as a very powerful and important body, with a central Secretariat which would work full time on economic development. At that moment there was no such body working in conjunction with the Administrative Committee on Co-ordination, which had not been set up to carry out executive work, but was an advisory and recommending body with a small Secretariat and had had its first contact with economic development in the production of the Secretary-General's report on Technical Assistance for Economic Development (Document E/1327/Add.1). It had in fact no relationship to the programme of technical assistance, but there was no reason why it should not act as a supervisory body to the Technical Assistance Committee which would probably comprise the Food and Agriculture Organisation, the International Labour Organization, the United Nations Educational Scientific and Cultural Organization, the World Health Organization, the International Civil Aviation Organization and the United Nations, whereas the Administrative Committee on Co-ordination would comprise, in addition, the International Bank for Reconstruction and Development, the International Monetary Fund, the future International Trade Organization and such organizations as the Universal Postal Union, the International Refugee Organization and the International Telecommunication Union, not to mention the meteorological and maritime organizations which would be set up later. The adoption of the United Kingdom proposal would imply that a decision reached by the Technical Assistance Committee could be reversed by the Administrative Committee on Co-ordination many of whose members would not be members of the Technical Assistance Committee. That would be absurd. Such a proposal would make the Technical Assistance Committee into a body of technicians from the outset, whereas the primary aim should be to ensure that it represented the full political strength of the Governing Bodies of the specialized agencies. The United Kingdom proposal had received its main support on the ground that the International Bank for Reconstruction and Development and the International Monetary Fund should have a say in the Technical Assistance Committee. In order to enjoy that privilege these organizations need only join the Technical Assistance Committee under the terms of paragraph G (Document E/AC.6/56/Rev.1). They were of course perfectly entitled to stay out of the Technical Assistance Committee, but it would be wrong for them to do so and at the same time to sit in judgment on that Committee in the Administrative Committee on Co-ordination.

The meeting rose at 6.30 p.m.