

ECONOMIC AND EMPLOYMENT COMMISSION

FIRST SESSION

SUMMARY RECORD OF THE SEVENTEENTH MEETING

Held at Lake Success, New York, on Friday,  
31 January 1947 at 2:30 p.m.

Present:

Chairman:	Mr. R. Frisch	(Norway)
Vice-Chairmen:	Mr. R. Wilson	(Australia)
	Mr. A. P. Morozov	(Union of Soviet Socialist Republics)
Rapporteur:	Mr. I. Lubin	(United States)
	Mr. Woulbroun	(Belgium)
	Mr. J. Guimaraes	(Brazil)
	Mrs. H. D. Burwash	(Canada)
	Mr. T. Y. Wu	(China)
	Mr. E. P. Cisneros	(Cuba)
	Mr. L. Radimsky	(Czechoslovakia)
	Mr. J. Rueff	(France)
	Mr. R. K. Nehru	(India)
	Mr. O. Lange	(Poland)
	Mr. R. L. Hall	(United Kingdom)

Representatives of Specialized Agencies:

Mr. E. J. Riches	(ILO)
Mr. K. Olsen	(FAO)
Mr. G. de Fleurieu	(International Bank)
Mr. A. Saad	(International Monetary Fund)
Mr. Frazier	(UNESCO)

Secretariat: Mr. D. Weintraub (Commission Secretary)

1. Item 11 of the Agenda (continuation)

The CHAIRMAN suggested that the Commission should discuss Part II of the document submitted by the Australian representative (page 2 of document E/CN.1/W.2).

/Mr. WEINTRAUB

Mr. WEINTRAUB (Secretariat) read document E/CN.1/W.2 and also paragraph 3 (a) of Article 11 of the Draft Charter of the International Trade Organization.

Mr. MROZOV (Union of Soviet Socialist Republics) said that the Commission was not in a position to foresee what the final conclusions of the Preparatory Committee would be. The Commission had no grounds for presuming that paragraph 3 of Article 11 of the Draft Charter meet the views of the Council.

Mr. WEINTRAUB (Secretariat) read the resolution regarding industrial development contained in Annex 8 of the Draft Charter (page 48 of the Report of the First Session of the Preparatory Committee).

Mr. WILSON (Australia) was of the opinion that the resolution solved the difficulty foreseen by the representative of the Union of Soviet Socialist Republics. The Preparatory Committee had referred the question to the Economic and Social Council. The draft under consideration by the Economic and Employment Commission was in the form of a suggestion to the Council as to how a specific question addressed to it by an organ of the United Nations might be answered. He felt that it was within the competence of the Economic and Employment Commission to advise the Economic and Social Council as to the reply it should give to any specific question. The introductory paragraph to the resolution showed that the Preparatory Committee did not wish to trespass on the prerogatives of the Economic and Social Council.

Mr. CISNEROS (Cuba) associated himself with the remarks made by the representative of Australia. Referring to Part II, paragraph 3, sub-paragraph (a) of document E/CN.1/W.2, he suggested the insertion of the date of the draft Charter of the ITO, as Article 11 of that Charter might be modified by the Drafting Committee of the Preparatory Committee which was at present in session.

/Mr. LUBIN

Mr. LUBIN (United States) wondered whether the Commission was really saying what it meant to say. The Economic and Social Council had been asked to inform the drafting group of the International Trade Organization as to whether or not paragraph 3 of Article 11 of the Draft Charter was in conflict with its views as to the allocation of certain types of functions connected with economic development. Article 11 specifically stated that the ITO should advise Member Governments and provide assistance within its competence. Was the Commission satisfied that paragraph 3 of Article 11 was in order and that the ITO should proceed with its work, or did it think that until a decision was made as to what the various functions of the ITO should be it could not say whether or not the Article in question was in conflict with the ideas of the Economic and Social Council?

Mr. NEHRU (India) believed that it was premature to state the view that the Commission considered Article 11 was not in conflict with the ideas of the Economic and Social Council. The Commission did not yet know what the status of the various specialized agencies would be. The views expressed in paragraphs (a) and (c) of document E/CN.1/W.2 were inconsistent. In paragraph (a) the allocation of functions was suggested, and in paragraph (c) it was pointed out that it was premature to make allocations. The Commission was not clear as to which body those functions should be assigned, and it should state that while paragraph 3 of Article 11 of the Draft Charter of the ITO might be provisionally included in the chapter on economic development, the Economic and Social Council wished to emphasize that it was premature to make any allocation regarding work in the field of economic development.

Referring to the facilities for economic development and the responsibility of Member Nations, Mr. Nehru said that the problem should be studied as a whole. He was not clear as to what the Australian representative had in mind in suggesting in paragraph (b) that there should not be a definite line drawn between industrialization and general economic development. It was the latter which would raise the general standard of living

living, give full employment etc., especially in the case of the undeveloped countries.

Mr. MORCZOV (Union of Soviet Socialist Republics) felt that the majority of the Commission were in agreement that it was premature to attempt to divide functions in the economic field between the various organizations.

Mr. WILSON (Australia) drew a distinction between the words "not in conflict with" and the words "in accordance with". The Preparatory Committee wished to know whether the clause in question was in accordance with the views which would be held by the Economic and Social Council in considering the allocation of functions, and the Economic and Employment Commission held the opinion that it was premature to make a rigid allocation of those functions. The first draft which he had submitted contained two paragraphs only, one stating that paragraph 3 of Article 11 was not in conflict with the Council's views, and the second that the Commission considered it premature to make any allocation of functions. He had attempted to incorporate in his document (E/CN.1/W.2) the views of as many of the representatives as was possible, and in the draft of his document now before the Commission three additional paragraphs had been inserted. Paragraph (b) had been inserted to distinguish between industrialization and general economic development. That paragraph pointed out in general that the ITO should restrict itself to industrial functions, but in the latter part of the same paragraph the view was expressed that the ITO should take up with the specialized agencies any questions that might arise concerning problems outside the industrial field. Paragraph (c) was identical with the original paragraph (b). Paragraph (d) stressed the desirability of ensuring that the work of the various agencies should be properly co-ordinated. Paragraph (e) was new.

Referring to the remarks made by the representatives of India, the United States and the Union of Soviet Socialist Republics, Mr. Wilson said

/that the

that the Preparatory Committee had intimated that it could not proceed with its task unless it received directives. Paragraph 3 of Part II of document E/CN.1/W.1 referred to the organization which might give advice "within its competence and reserves" at the request of Member Governments. If the competence of the new organ to be created was limited, there was nothing in paragraph 3 which would give it a wider competence.

The CHAIRMAN speaking as the representative of Norway, considered that Mr. Wilson's draft embodied the main ideas on which the Commission had reached tentative agreement, but a re-arrangement of the paragraphs might make for greater clarity. He suggested that paragraph (c) should be the first paragraph. Paragraph (a) should be rerafted to bring out the meaning of the term "not in conflict with" and to show that there was no contradiction between it and paragraph (c).

Mr. LUBIN (United States) said that assuming the final draft of the ITO charter gave it very wide competence, wondered whether the Commission would still agree that Article 11 was not in conflict with its views.

Replying to the representative of Australia as to whether he thought the ITO would have a wider competence than that envisaged by the Preparatory Committee, Mr. Lubin said he did not know.

Mr. WILSON (Australia) suggested that the word "necessarily" be inserted in front of the words "in conflict" in paragraph (a) of Part II of document E/CN.1/W.2.

The CHAIRMAN, speaking as the representative of Norway, agreed with the views expressed by the representative of the United States.

Mr. NEERU (India) said that he was still a member of the Preparatory Committee, and from the recommendations made he drew the conclusion that the Economic and Employment Commission was seeking to enlarge the former's competence. Article 11 of the draft Charter was not sufficiently definite. There must be organs within the ITO to carry out surveys, assist in the

/formulation

formulation of programmes, advise Member Governments, etc. As the Economic and Employment Commission was not yet sure which organ should carry out those functions, it should be stated that the Commission did not object to Article 11 being included in the draft Charter and that it would not at the present time make any allocation of functions in relation to economic development. A Sub-Commission should examine the whole question and make specific recommendations at a later stage.

Mr. CISNEROS (Cuba) considered that paragraph 3 (a) of Part II of document E/CN.1/W.2 was in conflict with paragraph 3 (c) and should therefore be re-drafted.

Mrs. BURWASH (Canada) felt that the attitude of the members of the Commission would be better expressed by reversing the order of the paragraphs in Part II of document E/CN.1/W.2. Paragraph (b) should come first and then paragraph (a) which should begin "subject to the limiting considerations set forth above, the Council feels that paragraph 3 of Article 11 is not necessarily in conflict with the views, etc..."

The CHAIRMAN, speaking as the representative of Norway, suggested that paragraph (a) should be re-drafted. He suggested the following wording: "At the present stage the Commission cannot see anything which would prevent the possibility of the necessary specifications of paragraph 3 of Article 11 being worked out in such a way that it would not be in conflict with the views etc..."

Mr. HALL (United Kingdom) felt that many members of the Commission considered that there was a gap in the economic field and that it might be filled by the ITO. The Commission should decide whether or not the ITO would deal with industrial matters, but if the Commission did not wish to express an opinion then paragraph (c) should stand.

Mr. WU (China) felt that paragraphs (a) and (c) in document E/CN.1/W.2  
/were inconsistent

were inconsistent. He agreed with the remarks of the representative of India that as the Economic and Employment Commission was only an advisory body, and as at present there was no organ to carry out all the functions in the field of economic development, then that task should be entrusted to a body to be set up within the ITO. He suggested that the representative of UNESCO should be asked to state what his organization could do in the matter - either alone or in co-operation with other organizations.

Mr. MOROZOV (Union of Soviet Socialist Republics) said that the Economic and Social Council had not yet expressed its views, but in paragraph (a) it was stated that paragraph 3 of Article 11 of the draft Charter was "not in conflict" with those views. It was premature for the Economic and Employment Commission to state its opinion.

The CHAIRMAN, speaking as a representative of Norway, stated that in paragraph (a) the Economic and Employment Commission was only making a recommendation to the Council, and the latter would have to decide whether or not it wished to follow that recommendation.

Mr. RADIMSKY (Czechoslovakia) considered that it would be difficult to find a text for paragraph (a) which would not be in conflict with paragraph (c).

Mr. NEHRU (India) said that in paragraph (b) of document E/CN.1/W.2 the Commission suggested that the International Trade Organization would assume full responsibility for all work to be carried out in the industrial sphere, and if this was so then it would mean that it would take charge of all the general functions the Commission wished to assign to a Sub-Commission. He felt there would be better co-ordination if all functions were not allocated to the ITO.

The CHAIRMAN, speaking as the representative of Norway, felt that the Commission should emphasize that it expected close co-operation between the ITO and the Economic and Employment Commission in the field of economic development.

Mr. EALL (United Kingdom) said the discussion showed a great difference of opinion as to the way the problem of industrial development should be dealt with. He felt that after paragraph (c) of Part II of document E/CN.1/W.2 a new paragraph should be inserted pointing out that the ITO would have certain responsibilities in the industrial field. Paragraphs (d) and (e) should follow, suggesting to the Preparatory Committee that it watch the problem of co-ordination very carefully. At the end should come the present paragraph (a) redrafted to make it clear that the Commission did not wish Article 11 to be deleted at the present time as further discussions were contemplated. If it were felt that the Commission could not agree with the suggestions in paragraph (b), then it should be deleted and the draft should begin with paragraph (c).

Mr. WEINTRAUB (Secretariat) pointed out that while the Commission could discuss matters in general terms and leave some questions unresolved for the time being, it was urgent for the Secretariat to know whether it should go ahead with certain plans and programmes.

Mr. NEERU (India) considered that the Secretariat should proceed with its work, if the work was later entrusted to a specialized agency, the work done by the Secretariat would not be wasted.

The CHAIRMAN, speaking as the representative of Norway, said that all members of the Commission wished the Secretariat to begin studies in the field of economic development without any delay.

Mr. WILSON (Australia) felt that the Economic and Employment Commission and any Sub-Commission it might set up, would not be in a position to undertake the type of operative and administrative tasks necessary in the

/field of



field of economic development. Certain of the specialized agencies, such as FAO, UNESCO and ILO were already occupied with some parts of that work, but there was no organ at present in existence which could deal with any degree of detail with industrial development in particular. If the Commission took any action which would prevent the International Trade Organization from contributing to that work, that was tantamount to saying that all other specialized agencies should leave that field.

The Preparatory Committee was not only concerned with international trade, but also with employment. The International Trade Organization could only become a real operating body if it exercised positive functions in the field of industrial development. He felt that the Commission should not lay down the detailed functions of the ITO. A special conference had been set up to consider that matter and the Commission should not include any clauses in its report which would prevent the ITO from dealing with economic development.

Mr. LUBIN (United States), supported by Mr. WILSON (Australia), suggested that paragraphs (b), (c) and (d) should be retained, and should be followed by paragraph (a) to read as follows:

"With the foregoing in mind, the Economic and Social Council sees no reason why paragraph 3, of Article 11 of the draft Charter of the ITO, should, at this time, be eliminated."

Mr. RUEFF (France), explaining why he was ready to accept the text in its present form, pointed out that because of the magnitude of the problem of economic development there was no need to fear that under paragraph 3, Article 11 of the ITO draft Charter, the ITO would assume the entire problem and the Economic and Employment Commission would become a mere academic body. The problem of economic development had many aspects. While the ITO might be responsible for the aspect which was closely associated with trade, the many other important phases of the problem, for example, the legal

side of the question or the question of systems of weights and measures, would remain the function of the Economic and Employment Commission. He suggested an addition to the text which would indicate the Commission's opinion concerning the broad scope of the problem of economic development and which would state that all phases other than those specifically entrusted to the ITO belonged to the Economic and Employment Commission or to the Sub-Commission on Economic Development.

The CHAIRMAN agreed with Mr. Wilson that the ITO should be a strong organization able to undertake work on an operative plane, and with Mr. Rueff that the responsibility for the guidance of such work remained with the Economic and Employment Commission.

He stated that he was prepared to accept Mr. Lubin's suggestion that paragraphs (b), (c) and (d) should be retained and that paragraph (a) should be reworded, but he felt that the new wording should also contain mention of the need for a specification of the tasks of the ITO.

Mr. WILSON (Australia) suggested that the following text might be satisfactory to the Chairman:

"At the present stage, the Economic and Social Council can see nothing that would prevent the terms of paragraph 3, of Article 11 of the ITO draft Charter, being expressed in such a way as not to be in conflict with the views of the Council."

Mr. LUBIN (United States) felt that such a wording was too vague.

The Commission agreed that the Chairman, Mr. WILSON (Australia) and Mr. LUBIN (United States) should form a drafting Committee to work out a satisfactory draft of paragraph (a).

Mr. RUEFF (France) suggested the following text:

"The Economic and Social Council has no objection to the fact that the ITO shall fulfil the tasks of paragraph 3, Article 11 of the draft Charter, provided that such tasks shall be limited to those which are

directly linked with the general aims and purposes of the Organization."

The CHAIRMAN suggested that each of the paragraphs under Section II, pages 2, 3 and 4, of document E/CN.1/W.2, should be considered separately.

The Commission agreed to accept paragraph (c), page 3.

Referring to paragraph (b), Mr. HALL (United Kingdom) expressed fundamental agreement with the idea contained, but he suggested that it should be deleted because it did not seem to meet with the approval of many members of the Commission.

Mr. WILSON (Australia), supporting Mr. Hall's suggestion, recalled that paragraph (b) had not been in the original draft, but that it had been inserted because a previous discussion of the question had seemed to indicate that the Commission favoured such a paragraph.

The CHAIRMAN felt that even though it might not be possible to obtain unanimity regarding paragraph (b), some statement along those lines should be made.

Mr. MOROZOV (Union of Soviet Socialist Republics) agreed with Mr. Hall that many members of the Commission did not wish to make the recommendations included in the paragraph.

Mr. LUBIN (United States) did not think that paragraph (b) contained any valuable contribution to the problem.

The Commission agreed to omit paragraph (b).

Referring to paragraph (d), page 3 of document E/CN.1/W.2, Mr. WILSON (Australia) called attention to the last part of the first sentence of the paragraph, which spoke of co-ordination "especially in the direction of providing complementary, rather than competitive, technical services."

The Commission agreed to accept paragraph (d).

Mr. OLSNEROS (Cuba), supported by the CHAIRMAN, favoured the inclusion in the report of paragraph (e), page 4 of document E/CN.1/W.2.

/Mr. RUEFF (France)

Mr. RUEFF (France) wondered whether paragraph (e) gave the impression that the problem of economic development was to be largely entrusted to the ITO.

The CHAIRMAN, supported by Mr. WILSON (Australia), thought that the paragraph might be reworded so as to point out the Economic and Employment Commission's central position as a co-ordinating body.

Mr. WILSON (Australia) explained, however, that the suggestion concerning the representatives of the ITO Preparatory Committee had been made in order to give the ITO the same opportunity as the other specialized agencies had to take part in discussions relating to the respective spheres of interest of the various organizations in the field of economic development.

Mr. WEINTRAUB (Secretariat) pointed out that the effect of the paragraph would be to have a representative of the Preparatory Committee attend the meetings of the various organs on the Economic and Social Council, just as the specialized agencies had. The specialized agencies sent members of their Secretariat as representatives; would the representative of the Preparatory Committee of the ITO therefore be a member of its Secretariat, which consisted at present, of staff from the United Nations Secretariat, or would he be a government representative on the Preparatory Committee?

Mr. HALL (United Kingdom) and Mr. WILSON (Australia) expressed their opinion that the Preparatory Committee should be entirely free to send whomever it wished to designate.

Mr. LUBIN (United States), recalling Mr. Rueff's mention of the possible danger that the ITO might take over certain functions which belonged to the Economic and Employment Commission, suggested that the interests of the Commission might best be served if it sent a representative to take part in the drafting now being done by the Preparatory Committee.

The CHAIRMAN and Mr. RUEFF (France) agreed with Mr. Lubin's suggestion.

/Mr. MORCZOV

Mr. MOROZOV (Union of Soviet Socialist Republics) thought that the problem of liaison with the Preparatory Committee of the ITO had already been solved, since the Economic and Social Council had a right to send representatives to the ITO Conference.

Mr. LUBIN (United States) noted that the Commission might call attention to its prerogatives in certain fields of activity after it had decided upon the terms of reference for the Sub-Commission on Economic Development.

Mr. RUEFF (France) thought that the important point was to decide whether the ITO ought to treat the question of economic development only insofar as it was a part of the organization's general aim.

Mr. LUBIN (United States) suggested that paragraph (e) might begin with the words, somewhat as follows:

"Pending the establishment of the proposed ITO this Commission wishes to have brought to the attention of the Preparatory Committee the terms of reference of the Economic and Employment Commission as elaborated by the Economic and Social Council."

The CHAIRMAN stated that paragraph (e) would be redrafted and discussed later.

Mr. WEINTRAUB (Secretariat) read the Note on page 4 of document E/CN.1/W.2.

Mr. WILSON (Australia) observed that although the request contained in the note was directed to the Economic and Social Council, the present Commission might wish to give advice to the Council.

The Commission agreed with Mr. HALL (United Kingdom) and Mr. CISNEROS (Cuba) that the entire matter should be left to the Council, and that the Note should not be included in the Commission's report.

The CHAIRMAN drew the Commission's attention to Instructions to the Sub-Commission on Economic Development (document E/CN.1/23). It had been

/agreed to

agreed to add paragraphs 5 (a) and 5 (b) from page 3 of that document at the end of the present paragraph (a.) on page 1 of document E/CN.1/W.2.

Paragraphs 2 and 3 on page 1 and paragraph 4 on page 2 of document E/CN.1/23 remained to be considered.

Mr. LUBIN (United States) stated that, in accordance with the Chairman's instructions, he had redrafted document E/CN.1/23, which now appeared as document E/CN.1/23/Rev.1.

Mr. WEINTRAUB (Secretary of the Commission) read the documents.

Mr. WILSON (Australia) pointed out that paragraph 1 had been adopted at the previous meeting.

Mr. MOROZOV (Union of Soviet Socialist Republics) said that the Sub-Commission could not be instructed to plan surveys which depended on the initiative of the Governments concerned.

Mr. LUXFORD (International Bank) asked the United States representative to explain whether it would be the task of the Commission in all cases to determine the nature of the assistance required and the appropriate agencies which should supply it.

Mr. LUBIN (United States) replied that any Government would be free to approach any specialized agency for assistance; the Commission would act as co-ordinator only in complex cases requiring the participation of several organs.

Mr. LUXFORD (International Bank) stated that the Assistant Secretary-General in charge of the Department of Economic Affairs had discussed the matter with officials of the International Bank and the International Monetary Fund. Those agencies had declared their willingness to participate, reserving the right to decide upon participation in each particular case as it arose.

The CHAIRMAN, speaking as the representative of Norway, remarked that he saw little difference between paragraphs 1 and 2; nor was there great change from the original draft. He suggested that paragraph 2 should be deleted.

Mr. LUBIN (United States) pointed out that the purpose of the two paragraphs differed. In paragraph 1 the Sub-Commission was instructed to inform the Commission regarding current and already planned programmes for studies, while paragraph 2 referred to projected undertakings. As an example of the latter, Mr. Lubin cited the projected economic survey mission to Greece.

The CHAIRMAN, speaking as the representative of Norway, suggested that the first part of paragraph 2, ending with the words "as may be necessary" should be added to paragraph 1, and that the last four lines of paragraph 2 should be omitted.

Mr. LUBIN (United States) maintained that the last four lines served an important purpose, and should be retained.

Mrs. BURWASH (Canada) felt that paragraph 2 should be retained; paragraph 1 covered too narrow a field.

Mr. CISNEROS (Cuba) asked whether, in case a country made an agreement with the International Bank to assist it in its industrialization programme, the Sub-Commission would be called upon, under paragraph 2, to study the agreement and make favourable or adverse recommendations to the Commission.

31 January - 5:45 p.m.

Mr. RICHES (ILO) said that the ILO would be happy to co-operate in joint programmes developed by the Commission for the provision of technical assistance and advice to Governments at their request. As Mr. Lubin had noted, the ILO would, of course, continue as in the past to furnish such assistance directly to Governments on matters within its special field.

Mr. LUBIN (United States) stated that at its previous meeting, the Commission had adopted a clause specifying that advice and assistance were to be given only at the request of Governments.

The CHAIRMAN, speaking as the representative of Norway, suggested that, in the light of the opinions which had been expressed, it appeared that the

text of paragraph 2 lacked clarity and should be redrafted.

The consideration of paragraph 2 was postponed.

Referring to paragraph 3, document E/CN.1/23/Rev.1, Mr. CISNEROS (Cuba) proposed that the beginning should be amended to read: "To develop and submit to the Commission as early as practicable, a draft international code".

At the CHAIRMAN'S request, Mr. LUBIN (United States) explained that while at present, private business firms engaged in international trade under domestic charters, the intention was to introduce a system of international incorporation.

Mr. MOROZOV (Union of Soviet Socialist Republics), felt that the development of an international code relating to foreign investments was outside the competence of the Sub-Commission. Questions of international trade relations between countries were largely in the province of the Fiscal Commission. Protection of the interests of private investors was not the function either of the Sub-Commission or of the present Commission.

Mr. LUBIN (United States) and Mr. WEINTRAUB (Secretary of the Commission) thought that the question of the establishment of an international code had been referred to the Sub-Commission by the Economic and Social Council.

Mr. HALL (United Kingdom) proposed that the paragraph should end with the words "international code relating to foreign investment", since he saw no need for detailed specification.

Mr. NEHRU (India) pointed out that several representatives had previously stressed the desirability of protecting investors; he was not in favour of omitting the last portion of the paragraph.

The CHAIRMAN, speaking as the representative of Norway, suggested the deletion of two commas and the word "the" in the latter portion of paragraph 3, making it read:

"and conduct studies into the need for and methods of, international incorporation of private business firms conducting business operations

/on an



on an international or world scale."

Mr. LUBIN (United States) accepted the Norwegian amendment.

The CHAIRMAN said that paragraph 3 might begin with the clause "In co-operation with the other Commissions and with the specialized agencies."

Mr. MOROZOV (Union of Soviet Socialist Republics) urged the deletion of paragraph 3. While the question of the establishment of an international code relating to foreign investment was contained in the Chinese proposal regarding the terms of reference of the Sub-Commission on Economic Development (document E/AC.11/9), it had been left out of the Sub-Commission's terms of reference as established by the Economic and Social Council. No organ of the Council had examined in detail, all the items contained in the Chinese proposal.

Mr. WU (China) said that he had thought that the establishment of an international code had been accepted at a previous meeting, as well as a recommendation to the Sub-Commission that the matter was to be considered as urgent.

Mr. HALL (United Kingdom) pointed out that, should the Commission decide to delete the paragraph, the matter would, in any case, come up before the Sub-Commission.

Mr. LUBIN (United States), in order to meet the views of the Union of Soviet Socialist Republics representative, proposed that the opening phrase of paragraph 3 should read:

"In co-operation with the other Commissions and with the specialized agencies, to study and make recommendations to the Commission as early as practicable regarding the need for an international code relating to foreign investment."

Mr. WEINTRAUB (Secretary of the Commission) pointed out that, irrespective of any action taken by the Commission, the Sub-Commission, when it met would have the Chinese proposal before it.

/The CHAIRMAN

The CHAIRMAN remarked that it was desirable that the Commission should give some instructions to the Sub-Commission on the matter. Paragraph 3, as amended by the United States representative, was accepted.

Mr. LUXFORD (International Bank) called attention to the fact that in paragraph 3 mention of public investors was made for the first time. He was not sure what the position of the International Bank would be on that point, inasmuch as the Bank was already employing an international code for the protection of public investors.

The meeting rose at 6:15 p.m.