

ECONOMIC AND EMPLOYMENT COMMISSION

Third Session

SUMMARY RECORD OF THE FIFTY-SIXTH MEETING

Held at Lake Success, New York
on Thursday, 29 April 1948, 11:30 a.m.

<u>Chairman:</u>	Mr. R. WILSON	Australia
<u>Vice-Chairman:</u>	Mr. F. HO	China
<u>Rapporteur:</u>	Mr. I. LUBIN	United States of America
<u>Members:</u>	**Mr. J. WOULBROUN	Belgium
	*Mr. J. G. TORRES	Brazil
	*Mr. V. A. BAKOUNOV	Byelorussian Soviet Socialist Republic
	*Mr. J. DEUTSCH	Canada
	*Mr. N. SILVERIO	Cuba
	Mr. R. BYSTRICKY	Czechoslovakia
	*Mr. T. de CLERMONT-TONNERRE	France
	*Mr. D. P. KARMARKAR	India
	Mr. G. MOE	Norway
	*Mr. G. LUTOSLAWSKI	Poland
	Mr. R. L. HALL	United Kingdom
	Mr. A. P. MOROZOV	Union of Soviet Socialist Republics

Representatives of the specialized agencies:

Mr. A. A. EVANS	International Labour Organization
Mr. D. LUSHER	Food and Agriculture Organization
Mr. D. GORDON	International Bank for Reconstruction and Development
Mr. J. K. HORSEFIELD	International Monetary Fund

Consultants of the non-governmental organizations:

Mrs. L. SPIEGEL	World Federation of Trade Unions
Miss T. SENDER	American Federation of Labor

* Alternates

**Observer

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Secretariat:

Mr. A. GOLDET

Representing the Secretary-General in
charge of Economic Affairs

Mr. D. WEINIRAUB

Secretary of the Commission

ORGANIZATION OF WORK OF THE COMMISSION AND THE SUB-COMMISSION ON ECONOMIC
DEVELOPMENT

Mr. HALL (United Kingdom) drew the Commission's attention to document E/CN.1/W.31 put forward by the Australian delegation, entitled: "Note containing some observations on United Nations functions and machinery relating to the maintenance of full employment and economic stability", which concerned point 9 of the agenda.

In accordance with rule 19 of the rules of procedure, the CHAIRMAN proposed the appointment of a special committee to study that document and the organization of the work of the Commission and the Sub-Commission on Economic Development in general. That committee would report to the Commission at its following session.

Mr. LUBIN (United States of America) seconded Mr. Wilson's proposal and suggested that in between sessions, the members of the special committee should carry out their work by correspondence and that the Secretariat should place at their disposal any existing documentation.

Mr. WOULERCUN (Belgium), Mr. SILVERIO (Cuba) and Mr. DEUTSCH (Canada) spoke in favour of the Chairman's proposal.

Mr. MCROZOV (Union of Soviet Socialist Republics) felt that the Commission should discuss that question of organization at its following session, if that was the wish of the majority. However, he did not consider that it would be suitable to appoint a special committee at the present time

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as the composition of the Commission could undergo a change at the following session. The creation of a special committee might also raise procedural difficulties and would involve expenditure.

Mr. MØE (Norway) thought that the special committee should be set up as rapidly as possible and that the United States representative's suggestion concerning the procedure for consultation should be adopted.

In replying to the observations which had been made, Mr. WILSON (Australia) formally proposed the creation of a special committee which would meet at least once during the present session of the Commission and at least once during the following session. Its members would consult each other in between sessions, as proposed by the United States delegation. In reply to Mr. Morozov, he pointed out that if the Commission accepted the principle of the creation of such a committee, it would have to decide whether or not that body should meet in between sessions and would have to take into consideration the views of the Secretariat on the possibility of incurring the necessary expense.

Mr. LUTOSLAWSKI (Poland) asked that the Commission first decide whether or not the special committee would meet in between sessions of the Commission.

Mr. WILSON (Australia) proposed that the special committee itself should study the question of whether or not to meet between sessions of the Commission and should propose a solution to the Commission.

The Australian proposal for the creation of a special committee to study the organization of the work of the Commission and the Sub-Commission on Economic Development, which had been seconded by the delegations of the United Kingdom, China and Cuba, was adopted by ten votes to one.

/The CHAIRMAN

The CHAIRMAN announced that he was going to suggest to the Commission a list of delegations to serve on the Special Committee. In drawing up the list, he had attempted to have represented the different views which had been expressed during the discussion. Should the addition of the names of other delegations be proposed, he reserved the right to withdraw his proposal, as in that way, the balance between the various opinions could be destroyed and it would be necessary to draw up a new list.

The Chairman proposed that the Special Committee should be composed of the following countries:

United Kingdom, Brazil, Union of Soviet Socialist Republics, Canada, France, Byelorussian Soviet Socialist Republic, China, and United States of America.

The composition of the Special Committee as proposed by the Chairman was approved.

Mr. EVANS (International Labour Organization) requested that the representatives of the specialized agencies should be allowed to attend the meetings of the Special Committee since it would be considering questions which concerned those organizations.

On the invitation of the Chairman, Mr. WEINTRAUB (Secretariat) pointed out that, in accordance with the rules of procedure, the representatives of the specialized agencies could attend all public meetings of the Special Committee.

CONTINUATION OF THE DISCUSSION ON ITEM 7

The CHAIRMAN proposed to the Commission to examine the draft report on point 7 of the agenda submitted by the Drafting Committee (document E/CN.1/W.33).

/Mr. LUBIN

Mr. IERIN (United States of America), speaking as Rapporteur, stated that some members of the Drafting Committee had proposed certain changes in the text of the draft report.

Mr. WEINTRAUB (Secretariat) read out the following proposed changes:

In the text of resolution B, paragraph 4, sub-paragraph (b), the words "should accelerate provisions for" to replace the words "should continue to make all possible provisions for".

In paragraph 4, sub-paragraph (c), of the same resolution, the words "should pursue" to replace the words "should continue to pursue".

Mr. KATZARKAR (India) wished, at that stage of the debate, to make certain observations, partly on the substance and partly on the form of the draft report. Though he was in agreement with the draft, he thought it did not go far enough regarding the urgency with which aid was needed by under-developed countries.

Mr. WEINTRAUB (Secretariat), at the Chairman's invitation, read out paragraph 1 of the draft report.

Mr. MOSCZOV (Union of Soviet Socialist Republics) remarked that some of the documents listed in paragraph 1 had no bearing on point 7 of the agenda which formed the subject of the draft report. This was especially true in the case of the "Study prepared by the International Monetary Fund on the problem of exchange rates".

Mr. EVANS (International Labour Organization) proposed to add to paragraph 1 a reference to documents E/760 and E/761.

The CHAIRMAN

The CHAIRMAN felt that the majority of the members were of the opinion that the ILO documents ought to be mentioned.

This was decided accordingly.

Mr. WEINTRAUB (Secretariat) read out paragraph 2 of the draft report.

Mr. LUBIN (United States of America) criticized the passage of that paragraph reading that "it would be wrong for the Council or the Commission to approve such reports as a whole".

Mr. MOROZOV (Union of Soviet Socialist Republics) could not recollect that, at its sixth session which he had attended, the Economic and Social Council had taken any decision on the use of the formula "take note" with respect to the Commission's report to the Council. He did not see why it should apply to the Commission's examination of the Sub-Commission report, even if such a decision had been taken by the Council.

Mr. HALL (United Kingdom) thought that the Commission's report should make a clear distinction between points on which an agreement had been reached and those which remained under controversy.

Mr. MOROZOV (Union of Soviet Socialist Republics) asked for the suppression of paragraph 2. The Commission should not set forth general opinions regarding the examination of the report, but should simply exercise its judgment on the report submitted to it by the Sub-Commission on Economic Development.

Mr. KARMARNER (India) wished paragraph 2 retained so that it might be clear that members of the Commission had been unable to reach agreement on all points of the report submitted to them.

/The CHAIRMAN

The CHAIRMAN proposed to defer the debate on paragraph 2, until the Commission had examined the report of the Sub-Commission on Employment Economic Stability, so that it might use an identical terminology to formulate its conclusions on six other reports.

Mr. MOROZOV (Union of Soviet Socialist Republics) repeated that the Commission would have been wrong if it had passed a general judgment on all the reports for that would be mingling questions submitted to it which must remain separate.

On the Chairman's suggestion, the Commission decided to defer examination of paragraph 2 of the draft report.

Mr. WEINTRAUD (Secretariat) read out paragraph 3.

Mr. LUBIN (United States of America), speaking as Rapporteur, announced that the Polish delegation had proposed an amendment to subparagraph (a) of paragraph 3, which had been accepted by four members of the Drafting Committee.

Mr. MOROZOV (Union of Soviet Socialist Republics) said that because of its length the discussion could not cover the whole of paragraph 3 and he asked, therefore, that the Commission should examine it point by point.

Mr. TORRES (Brazil) agreed with the remark made by the representative of the USSR and said that this suggestion was all the more important as paragraph 3 contained various points of substance.

The CHAIRMAN asked the representative of Poland to place his amendment before the Commission.

Mr. LUTOSLAWSKI (Poland) said that the amendment consisted of

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the addition of the words "in order to avoid monocultures" at the end of sub-paragraph (a): "the need for a diversified economy in various countries".

Mr. TORRES (Brazil) pointed out that the word "monoculture" could only be applied to agricultural production, and consequently suggested the use of the expression "monoproduction".

Mr. WILSON (Australia) proposed that the following wording be adopted for paragraph (a): "need for diversification of economic activities within national economies".

Mr. TORRES (Brazil) agreed with the substance of paragraph 3 but asked that the following changes be made in the wording:

Page 2, line 21: see document E/CN.1/W.35 p.1(1).

Page 2, line 22: see document E/CN.1/W.35 p.1(2).

Page 2: see document E/CN.1/W.35 p.2(3).

Page 3, line 18: see document E/CN.1/W.35 p.2(4)

Mr. WOLFFBOUN (Belgium) felt that too much importance was being given to industrialization; it was an important but by no means the sole factor of economic development. He suggested the following amendments:

Page 2, line 10: see document E/CN.1/W.35 p.1(1).

Page 2, line 21: see document E/CN.1/W.35 p.1(2).

Mr. SERRERO (Cuba) proposed an amendment in page 2: see document E/CN.1/W.35 p.2.

Mr. MONDZOV (Union of Soviet Socialist Republics) suggested two amendments both dealing with page 2, line 17: see document E/CN.1/W.35 p.3(1) and (2).

/Mr. KARMAKAR

Mr. KARNAPUR (India) suggested the following amendments:

Page 2, line 11: see document E/CN.1/W.35 p.3(1)

Page 2, line 30: see document E/CN.1/W.35 p.3(2)

Page 3, line 12: see document E/CN.1/W.35 p.3(3)

Page 3, line 20: see document E/CN.1/W.35 p.3(4)

Mr. de CLEMENT-TORRENT (France) agreed with the statement made by the representative of Belgium. He felt that the phrase stressing the general agreement of the Commission could not be retained in paragraph 3 as numerous divergencies had come to light. The French delegation rejected a large part of chapter V of the Sub-Commission's report.

The French representative stated that this report contained a principle that was just, notably regarding the necessity of avoiding foreign interference, but the wording, on this point, was both tendentious and biased. He proposed, therefore, the deletion of the phrase "agrees with the Sub-Commission's stress" and its replacement by the words "stresses the necessity".

He could not accept the suggestion of the representative of India to omit the words "in particular" on page 2, line 11.

Mr. BAKOUNOV (Byelorussian Soviet Socialist Republic) supported the remarks made by the USSR representative, on the necessity of avoiding foreign interference, both political and economic, in Non-Self-Governing Territories.

Mr. HALL (United Kingdom) was in favour of the text prepared by the Drafting Committee, because it stressed the points on which agreement had been reached and those on which differences had arisen.

It was decided that all the amendments put forward would be listed by the Secretariat in a document which would be distributed in time for the next meeting.

The meeting rose at 1:30 p.m.