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SIXTH SESSION

ECONOMIC COMMITTEE

SUMMARY RECORD OF THE TENTH MEETING

Lake Success, New York
Thursday, 12 February 1948 at 2.30 p.m.

Present:

Chairman: Mr. SANTA CRUZ (Chile)

Australia	Mr. HEYWARD
Brazil	Mr. CAMPOS
Canada	Mr. WARREN
China	Dr. CHANG
Denmark	Professor IVERSEN
France	Mr. de CLERMONT-TONNERRE
Lebanon	Mr. AZKOUL
Netherlands	Mr. PATLIN
New Zealand	Miss HAMPTON
Peru	Mr. MONGE
Poland	Mr. RUDZINSKI
Turkey	Mr. VANER
Union of Soviet Social- ist Republics	Mr. CHERNYSHEV
United Kingdom	Mr. STENT
United States of America	Mr. STINEBOWER
Venezuela	Mr. STOLK

Representatives of Specialized Agencies

International Labour Organization	Mr. LEMOINE
International Bank for Reconstruction and Development	Mr. LOPEZ-HERRARTE

Consultants of Non-Governmental Organizations

American Federation of Labor	Mr. GARVAN
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12 P.

UNITED NATIONS
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Secretariat

Mr. CAUSTIN

Deputy Director Division
of Economic Stability and
Development

Mr. DUMONTIET

Committee Secretary

CONTINUATION OF CONSIDERATION OF THE PROPOSAL FOR AN ECONOMIC
COMMISSION FOR LATIN AMERICA

At the request of the Chairman, Mr. DUMONTIET (Secretariat) read the New Zealand draft amendment to paragraph 5 of the proposed terms of reference for an Economic Commission for Latin America, submitted in the Report of the ad hoc Committee. (document E/630). The words "and the specialized agencies concerned" would be deleted from the first sentence of paragraph 5, and to the last sentence would be added the words "or which require implementation by the specialized agencies".

The CHAIRMAN, speaking as the representative of Chile, saw no reason for making the proposed change, as the original text was in line with the principle followed in the terms of reference of the Commission for Asia and the Far East. He pointed out, moreover, that representatives of the specialized agencies had been present at the meeting of the ad hoc Committee and were fully cognizant of its decision to propose that the Commission for Latin America should have the right to make recommendations directly to them; but no objection had been raised.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) thought that the deletion suggested by the New Zealand representative did not conform to the provisions in the Charter regarding recommendations to specialized agencies.

/Mr. STENT

Mr. STEW (United Kingdom) agreed with the Chairman and the representative of the USSR that the original text was preferable. From a practical point of view, more work could be accomplished if recommendations could be made directly to the specialized agencies, thus avoiding the delay that would result from the necessity of first obtaining the Council's approval.

Mr. STOLK (Venezuela) favoured the text as it stood, and suggested that the Committee should hear the opinion of the representative of the International Bank for Reconstruction and Development, who was present at the meeting.

Mr. LOPEZ-HERRARTE (International Bank for Reconstruction and Development) stated that the International Bank had no objections to the original text and was ready to co-operate fully with the proposed commission within the framework of the agreement between the Bank and the United Nations.

In view of the opinions already expressed, Miss HAMPTON (New Zealand) withdrew the amendment she had proposed. She would abstain when the vote was taken.

The CHAIRMAN reminded the Committee of a proposed Canadian amendment to delete the words "Governments admitted in a consultative capacity".

The Committee rejected by twelve votes to one, with two abstentions, the proposed Canadian amendment.

Paragraph 5 was adopted.

The CHAIRMAN turned to consideration of paragraph 6.

Mr. WARREN (Canada) suggested the addition of the words "in a consultative capacity" after the words "to participate".

/The CHAIRMAN

The CHAIRMAN observed that the resolution originally prepared by the ad hoc Committee had followed the suggestion proposed by the representative of Canada, but that the representative of China on the ad hoc Committee had suggested the present text.

Dr. CHANG (China) did not object to the words "in a consultative capacity". He felt, however, that the idea was more tactfully expressed by the last phrase of the paragraph: "following the practices of the Economic and Social Council". If the proposed Canadian amendment were accepted, he suggested that the last phrase of the paragraph should be deleted.

Mr. WARREN (Canada) agreed that his proposed amendment should include the deletion of the last phrase of the paragraph.

At the request of Mr. STOLK (Venezuela), the CHAIRMAN put to the vote separately the two parts of the draft Canadian amendment.

The Committee adopted by twelve votes to none, with three abstentions, the proposal to add the words "in a consultative capacity".

The Committee rejected by ten votes to two, with two abstentions, the proposal to delete the last phrase of paragraph 6.

The Committee adopted by ten votes to none, with one abstention, paragraph 6 as amended.

The Committee adopted paragraph 7 without discussion.

The CHAIRMAN called attention to paragraph 8.

Mr. WARREN (Canada), pointing out the need for making specific provisions for closer co-ordination between the Commission and the organs of the United Nations and the specialized agencies in order to avoid duplication of efforts, proposed to add at the end of the sentence in paragraph 8 the words, "to avoid unnecessary duplication of effort in the economic field", followed by a second sentence:

"The Commission shall also ensure that before recommendations are made with respect to matters being dealt with by the specialized agencies, prior consultation shall take place with such agencies."

Mr. STENT (United Kingdom) suggested a change in the last sentence proposed by the representative of Canada, so that the phrase "matters being dealt with by the specialized agencies" would read "matters which are the direct responsibility of the specialized agencies".

Mr. WARREN (Canada) agreed to that drafting change.

Dr. CHANG (China) proposed adding at the end of the original text merely the following phrase: "with special attention to the avoidance of duplication of efforts".

Mr. CAMPOS (Brazil), supported by Mr. STOLK (Venezuela) and the CHAIRMAN, speaking as the representative of Chile, preferred the Chinese draft, as it stressed the broad principle involved, yet did not place undue restrictions on the work of the Commission by specifically stating the obligation on the part of the Commission to consult with the specialized agencies on matters which concerned them.

Mr. CHERNYSHLEV (Union of Soviet Socialist Republics) favoured the text as proposed by the ad hoc Committee, which seemed to follow more closely the letter and the spirit of Article 58 of the Charter.

Speaking from experience with the work of the Commission for Asia and the Far East, Mr. STENT (United Kingdom) considered it essential that there should be consultation with specialized agencies before any action was taken in the field in which those agencies worked. It would be better however to mention the necessity of consultation before taking action, rather than before making recommendations. He therefore proposed that the last sentence of the

Canadian draft amendment should be changed to read: "The Commission shall not initiate action with respect to any matter for which any specialized agency is responsible without prior consultation with that specialized agency."

Mr. WARREN (Canada) accepted the United Kingdom suggestion.

Mr. STINEBOWER (United States of America) thought that none of the draft amendments brought sufficient clarity to the serious problem of co-ordination. Referring to paragraph 1, sub-paragraph (a), of the draft terms of reference of the Commission for Latin America, Mr. Stinebower wondered whether the proposed Canadian-United Kingdom amendment would mean that the Commission could not make recommendations for concerted action to Member Governments in the Latin American area without first consulting the specialized agencies working in the field in which that action was to be taken. Would it then be necessary to create a commission to deal with matters that came within the competence of the specialized agencies, unless it could be proved that those agencies were not carrying out their functions satisfactorily?

Mr. VANER (Turkey) supported the Chinese amendment.

Mr. PATIJN (Netherlands) also favoured the Chinese proposal, for the Canadian-United Kingdom amendment seemed too specific on a point which it had not yet been fully discussed.

At the suggestion of Dr. CHANG (China) and with the consent of the representatives of Canada and the United Kingdom, the CHAIRMAN put to the vote the Chinese proposal, as a substitute for the first part of the Canadian-United Kingdom proposal.

The Committee adopted by fourteen votes to one, with no abstentions, the Chinese proposal.

The Committee rejected by nine votes to six, with two abstentions, the Canadian-United Kingdom proposal to add a second sentence to paragraph 8.

The Committee adopted by fifteen votes to none, with one abstention, paragraph 8 as amended.

Referring to paragraph 9, the CHAIRMAN announced that the Peruvian representative had proposed three amendments. He would ask the representative of the Secretariat to read them.

Mr. DUMONTET (Secretariat) read the Peruvian amendments, which were as follows:

- 1) Substitute the word "shall" for the words "seek to" in line 1.
- 2) Add the words "provided these organs express their acceptance" after the words "Caribbean Commission" in line 3.
- 3) In line 5 delete the words from "to this end" down to the end of the sentence and substitute: "to this end the Commission shall maintain close co-operation with other regional organizations, now in existence or to be created, which have similar functions, establishing with them an adequate distribution of the work to be done in order to avoid duplication".

Speaking to his amendments, Mr. MONGE (Peru) explained that he preferred "shall" to "seek to" because the word "shall" had a more mandatory sense.

His second amendment was necessary because the United Nations had authority only over such Commissions as it created itself. Moreover, co-ordination with organizations other than the Specialized Agencies of the United Nations had not hitherto been clearly defined.

He had proposed substitution of the phrase beginning "to this end" because the draft prepared by the ad hoc Committee was addressed to the Inter-American System only. Other systems might be created later, and it was only practical to take account of that possibility.

/The CHAIRMAN

The The CHAIRMAN, speaking as the representative of Chile, recalled a discussion which had taken place in the ad hoc Committee on the lines of the first Peruvian amendment. Co-operation with organizations outside the United Nations was a bilateral question. Nevertheless, the representative of the Pan-American Union with the ad hoc Committee had proposed use of the word "shall". The word had been accepted until the representative of the Secretariat had pointed out that co-operation would depend as much on other organizations as on the Commission itself. The second Peruvian amendment, providing for acceptance of co-operation by other organizations, would overcome that difficulty, however, and he would be able to support the first and second Peruvian amendments.

With regard to the third Peruvian amendment, the Chairman pointed out that the ad hoc Committee had desired to make special reference to the Inter-American system and to the Pan-American Union. It had not been considered advisable to refer to the Caribbean Commission in the same phrase because the Caribbean Commission was concerned with non-self-governing countries.

In the ad hoc Committee all delegations and the representative of the Pan-American Union had been agreed that no definition could be made of respective fields of work until the Economic Commission for Latin America had been established. The ad hoc Committee's draft represented that point of view and he therefore preferred it.

Mr. STOLK (Venezuela) confirmed the Chairman's recollection of the discussions in the ad hoc Committee.

He believed that the Peruvian representative's main purpose was to avoid duplication in the work of the United Nations and of the Inter-American System. In his view, however, the original draft was more mandatory than the Peruvian amendment. The second Peruvian amendment, which provided for acceptance of co-operation, only weakened

the paragraph.

Without formally making a motion to that effect, Mr. Stolk would like to suggest that the words "and if necessary with the Caribbean Commission" be added after the words "Inter-American System" in line 7.

Mr. STENT (United Kingdom) agreed with the Chairman that co-operation could not be unilateral.

The Peruvian amendments were very much a question of the meaning of words. In the first line of the paragraph the word "shall" already governed the words "seek to", and the first Peruvian amendment was therefore unnecessary. The second Peruvian amendment was also unnecessary; it was obvious that co-operation could only take place between two parties if both consented to it.

The third Peruvian amendment was likewise unnecessary, as was the Venezuelan representative's suggested change. He would prefer that the original draft of the paragraph should remain.

Mr. CHERNYSHIEV (Union of Soviet Socialist Republics) expressed some doubt about the reference to organs "to be created" in the Peruvian amendment.

He also preferred the original draft of the paragraph.

Mr. MONGE (Peru) withdrew his second and third amendments with regret. Referring to his third amendment, he still feared that other regional systems might not be taken into account.

With regard to his first amendment, he believed that the Spanish text of the paragraph was more clear than the English, and he maintained the desirability of using the word "shall" in place of the words "seek to".

Speaking again as the representative of Chile, the CHAIRMAN asked whether the Peruvian representative would accept as an alternative the words "the Commission shall co-operate with and take the

measures to co-ordinate its activities with..."

Mr. MONGE (Peru) accepted the alternative.

Mr. STOLK (Venezuela) felt that this phrase anticipated a later phrase in the paragraph which "empowered" the Commission "to make working arrangements".

In a vote on the Chairman's proposal four votes were cast in favour and two against, with eight abstentions.

The phrase was adopted as amended.

In a vote on the amended paragraph 9 as a whole twelve votes were cast in favour and none against, with three abstentions.

Mr. STINEBOWER (United States of America) expressed a desire to explain his abstention. He thought that words could not be pressed further than they had been pressed that afternoon. Yet the Committee still had not satisfactorily defined a method of avoiding duplication of work. The United States was as anxious as any country to avoid duplication. But it was not convinced that the Committee had achieved that end.

The CHAIRMAN expressed the hope that the United States would nevertheless give the Commission its enthusiastic support once it was established.

Dr. CHANG (China) pointed out there were an Economic and Social Council of the United Nations and an Inter-American Economic and Social Council. He would be grateful if the Chairman could tell him which came first.

/Mr. STINEBOWER

Mr. STINEBOWER (United States of America) replied that both came first. The name "Economic and Social Council" had been proposed at the Dumbarton Oaks Conference, but the Council had not in fact been established until the San Francisco Conference. Meanwhile the Chapultepec Conference had established an Inter-American Economic and Social Council.

Paragraphs 10 to 14, which the Chairman explained were similar to paragraphs in the terms of reference of the other regional Commissions, were adopted without discussion.

Referring to paragraph 15, which established the headquarters of the Commission in Santiago de Chile, the CHAIRMAN pointed out that the USSR representative had opposed that choice. He would ask the USSR representative to express his views on the subject.

Mr. CHERNYSHEV (Union of Soviet Socialist Republics) observed that the question was a delicate one both for the Chairman and for him. He did not wish formally to propose that another headquarters be chosen, but he would like the USSR's view to be recorded.

Mr. STOLK (Venezuela) recalled that he himself had proposed the choice of Santiago in the ad hoc Committee. He had done so because it was the representative of Chile who had first proposed the Economic Commission for Latin America. The Chilean Government would give the Commission all necessary facilities and was already making plans to that end. He hoped that all members of the Committee would support the choice of Santiago.

Paragraph 15 was adopted, the CHAIRMAN remarking that note would be taken of the USSR's view.

/Dr. CHANG

Dr. CHANG (China) ventured to offer congratulations to the Chairman on the choice of Santiago on three grounds. First, Santiago was a beautiful city and its inhabitants hospitable. Secondly, Santiago would thus become the site of the first United Nations activity "down under". Thirdly, Santiago was on a small lake called the Pacific.

Paragraph 16 was adopted with out discussion.

In a vote on the draft terms of reference as a whole, fourteen votes were cast in favour and none against, with three abstentions.

The draft terms of reference were adopted.

The meeting rose at 5.10 p.m.