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President: Mr. Daniel COSÍO VILLEGAS (Mexico).

Present:

Representatives of the following States: Afghanistan, Bulgaria, Chile, China, Costa Rica, Finland, France, Mexico, Netherlands, New Zealand, Pakistan, Poland, Spain, Sudan, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela.

Observers for the following Member States: Argentina, Brazil, Canada, Cuba, Czechoslovakia, Hungary, India, Israel, Italy, Japan, Norway, Philippines, Romania, Yugoslavia.

Observers for the following non-member States: Federal Republic of Germany, Switzerland.

Representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Civil Aviation Organization, International Bank for Reconstruction and Development, World Health Organization.

The representative of the International Atomic Energy Agency.

**Opening of the session and address
by Mr. Adolfo López Mateos, President of Mexico**

1. The SECRETARY-GENERAL declared open the twenty-seventh session of the Economic and Social Council and called upon Mr. Adolfo López Mateos, President of Mexico.

2. Mr. LÓPEZ MATEOS (President of Mexico) expressed the deep satisfaction felt by Mexico, an original Member of the United Nations, at the presence of the Economic and Social Council in its capital. It was useful for the Council to hold some of its sessions away from New York and Geneva in order to give the peoples of different countries an opportunity to follow its work more closely and to enable its members further to enrich their experience.

3. Mexico offered the spectacle of a nation in process of development which was making great progress in the essential sectors and which, despite some backwardness in other spheres, was firmly determined to overcome all obstacles to ensure a future of freedom, security and well-being for all its citizens. On the basis of the doctrine of its social revolution and the traditions of its people, it was endeavouring to make the best use of its natural and human resources in order to raise the level of living of everyone.

4. Among all the problems confronting the conscience of man, the most agonizing was that of peace. Peace was indivisible, since it could not be torn from its economic, social and cultural roots. It should be sought, not in an unstable equilibrium of conflicting forces, but by other than purely political means, by satisfying the needs of men and peoples, who had come to realize that, in a state of poverty, freedom, justice and human rights were an unattainable ideal. Unless all States joined in the task of organizing a fairer social order and of improving the conditions of life of all men, it was to be feared that mankind would drift towards fanaticism and towards a third world war which would destroy human beings and civilizations. The Economic and Social Council must therefore be supported with energy and enthusiasm and provided with the means of achieving tangible results.

5. While the persistence of serious economic and social inequalities sometimes gave rise to discouragement, a glance back over the history of international co-operation in the past thirty years was sufficient to revive hope. The League of Nations had already proclaimed the principle of collective security and had had to intervene in a number of different fields. The United Nations, benefiting from the experience gained, had attached added importance to collective security and, either directly or through a series of specialized agencies, had extended its field of operation to almost every branch of human activity. The Economic and Social Council, for its part, had at all times been faithful to its noble task. Its major preoccupation was the lot of the underdeveloped countries, whose inhabitants comprised the greater part of the world's population. If, through its

efforts and through assistance from more fortunate nations, those countries succeeded in overcoming their immense difficulties, they would become the most solid foundation of world peace and justice.

6. In conclusion, he bade the members of the Economic and Social Council welcome and, on behalf of his country, expressed the hope that their decisions, inspired by the spirit of concord, would give added cause for optimism among all nations of the world.

7. The SECRETARY-GENERAL was sure that he spoke for every member of the Council in thanking the President of Mexico for his generous words of welcome. In view of Mexico's remarkable economic and social achievements, it was appropriate that the Economic and Social Council should be the first principal organ of the United Nations to meet in that country.

8. In the many Member States he had visited, he had found that the needs were overwhelming and that economic progress was slow, especially in the under-developed countries. There were, however, encouraging examples of substantial improvement, and the experience of individual countries provided evidence that the challenge could be successfully met and gave an indication as to how it could be met.

9. The movement to develop closer economic links among neighbouring countries was marked in Latin America as elsewhere. The United Nations had played and would no doubt continue to play a part in that movement, *inter alia*, through the Economic Commission for Latin America, and the movement would probably be advanced through other international channels also.

10. It was to be hoped that all false dilemmas of choice between multilateral and bilateral solutions, or between solutions inside or outside the United Nations, could be avoided. In reality those were merely different ways of indicating elements which would play a part in every constructive international approach. The United Nations must be flexible enough to produce and accommodate pragmatic combinations of regional and global interests.

11. In many new States, as in older States, there was a strong urge towards closer links with others sharing similar problems. The United Nations, which collaborated both in the peaceful formation of new States and in the efforts towards the closer economic integration of States old and new, could assist the countries concerned to fulfil their desire.

12. There were three main subjects to which he had drawn the Council's attention at its twenty-sixth session: recession, commodities, and international liquidity.

13. Happily, the earlier fears that the recession might develop into a prolonged depression had not been justified. Nevertheless, even with the recovery which had taken place in the United States and the absence of any major decline in other industrial countries, the rate at which productive capacity had been built up by capital investment and progress in productivity had been such that the degree of under-utilization of capacity in the industrial countries remained substantial. Quite generally, output was now limited less by physical limita-

tions of supply than by inadequate growth of demand. However, the under-developed countries were in great need of the products of others. In that connexion three great interlocking problems remained: for the under-developed countries to be enabled to convert their potential markets into actual ones by raising their productivity and export earnings; for the industrial countries to utilize their surplus capacities without running into inflation and to let the under-developed countries earn foreign exchange from them; and for the world community to bring together the producing power of one group and the needs of the other, to the benefit of both.

14. With respect to commodities, certain favourable developments could likewise be registered. By and large, most commodity prices now seemed to have stopped falling. In the last two years, the fall in those prices had substantially reduced the export proceeds of under-developed countries by an amount sufficient to offset the inflow of capital and economic aid. As such falls were difficult to foresee, they might disrupt even carefully laid and inherently sound development schemes. At its twenty-eighth session, the Council would have before it the work programme which the Commission on International Commodity Trade had just developed with a view to assisting in the more effective handling of those problems.

15. As regards international liquidity, the reports of the International Bank for Reconstruction and Development and the International Monetary Fund which were before the Council referred to the prospective increases in the resources of those two agencies, which had already given valuable help to under-developed countries during the period of recession and falling commodity prices. Those countries should now create conditions favourable to investment. Outside the under-developed countries, the international liquidity picture was better than might have been anticipated, mainly because the United States recession had not been accompanied by a balance-of-payments surplus. Nevertheless, the difficulties remained considerable, especially for some industrial countries which had been able to maintain external liquidity only at the price of under-utilization of production capacity.

16. As regards the Special Fund, the essential purpose of that body, whose first report would be presented to the Council only at its next session, was to create the pre-conditions for successful investment of all types. He thought that high expectations were justified as regards the Special Fund.

17. Many of the reports with which the Council was dealing, namely, those of the Population Commission, the Bank, the International Monetary Fund, the International Finance Corporation and the United Nations Children's Fund, had to be studied in the context of the general development of society. Methods must be adopted which took equal account of economic, social, technical and legal factors and which maintained a proper balance between those factors. The fallacies of technocracy and behaviourism must be avoided, and it should always be borne in mind that technology and

economic progress were sought for the benefit of man. Bearing that in mind, the United Nations and the specialized agencies were now engaged in a programme appraisal in respect of their work in the economic, social and human rights fields over the next five years. In accordance with the Council's wishes that programme would be submitted at its 1959 summer session. The same ideas were apparent in the report of the Advisory Committee on the Work Programme on Industrialization (E/3213), a document which would provide guidance to the Secretariat and might also be useful to the members of the Council.

18. Realizing the complexity of the problems to be solved, the United Nations was tending to concentrate on concrete matters: towards increasing integration of technical assistance activities on the one hand and research or advisory activities on the other. The close relationship between research and technical assistance was reflected in the reorganization of the technical assistance services whose activities were now integrated with the basic work of the Department for Economic and Social Affairs.

19. Any study of the development of economically under-developed countries would have to give a central place to the problems of energy, and especially those of electrification. They had not always received the attention they deserved. New sources of energy (other than nuclear power) might also come to play a part in the under-developed regions. It was to be hoped that the industrialized countries, which alone possessed the resources necessary to undertake the requisite studies, would, in the course of their research, take fully into account the possible adaptation of new sources of energy to the specific needs of under-developed areas.

20. Energy sources had to be seen in relation to each other, and their development must take place in the light of the results of economic studies on the availability of resources, costs and feasibility. The same applied to the establishment of new industries, where the right sequence, the right combination and the right technology could only be the result of careful studies relating to resources, markets and social conditions. Finally, such studies must be widened to cover the human and legal aspects of development, which were themselves influenced by history, tradition, patterns of social reaction and similar circumstances.

21. The need for information and research was basic to any successful approach to the development problem and was the more necessary because of the number of competing claims on severely limited means. A sound appraisal of priorities was therefore essential on the basis of information concerning physical and human resources, the feasibility of developing them, and the efficiency of investment both in productive equipment and social capital. Thus the decision of the United Nations to give high priority to the collection of such information as would enable it to furnish the under-developed areas with more effective technical and economic assistance was not an academic exercise or a side-tracking of funds and means.

22. In conclusion, he again thanked the Government

and the people of Mexico for their hospitality. Mexico's experience and achievements would undoubtedly be a source of encouragement and inspiration to the Council.¹

The President of Mexico left the Council chamber.

The meeting was suspended at 11.55 a.m. and resumed at 12.5 p.m.

AGENDA ITEM 1

Election of the President and the Vice-Presidents for 1959

ELECTION OF THE PRESIDENT

23. The SECRETARY-GENERAL invited the Council to proceed to the election of its President for 1959.

24. Mr. SCHURMANN (Netherlands) said that it was appropriate to nominate as President, for the current session, a national of the country which had so generously offered hospitality to the Council and whose glorious past and promising future would be a source of inspiration for the members of the Council. Reviewing the brilliant academic and administrative career of Mr. Cosío Villegas, the representative of Mexico, he said that Mr. Villegas was, on more than one count, the obvious man to hold the office of President. Being acquainted with the views Mr. Villegas had expressed in his many works, as also with his long experience and the great qualities of his mind, the members of the Council could be sure that he would guide their work not only with skill, but also in a truly democratic spirit. He therefore nominated Mr. Cosío Villegas (Mexico) for the office of President.

25. Mr. SERRANO (Chile), Mr. PHILLIPS (United States of America), Mr. ARKADEV (Union of Soviet Socialist Republics) and Mr. Zahiruddin AHMED (Pakistan) supported the nomination.

Mr. Cosío Villegas (Mexico) was elected President by acclamation.

Mr. Cosío Villegas (Mexico) took the Chair.

26. The PRESIDENT thanked the members of the Council, on behalf of his country and in his own name, for their expression of confidence in him, and assured them that, with the help of the Vice-Presidents and all the members of the Council, he would do his utmost to discharge his office in a worthy manner and to serve the cause of international co-operation, to which his country was wholeheartedly devoted. He welcomed the representatives of the six States newly elected or re-elected to the Council; he was convinced that their valuable contribution would help to ensure the smooth progress of the Council's work.

ELECTION OF THE FIRST VICE-PRESIDENT

27. Mr. GARCÍA REYNOSO (Mexico) nominated Mr. Michalowski (Poland).

¹ The complete text of the statement made by the Secretary-General was circulated as document E/L.819.

28. Mr. ZULOAGA (Venezuela) and Mr. ABELIN (France) supported the nomination.

Mr. Michalowski (Poland) was elected First Vice-President by acclamation.

29. Mr. MICHALOWSKI (Poland) thanked the members of the Council for having called upon him to assist the President.

ELECTION OF THE SECOND VICE-PRESIDENT

30. Mr. DUDLEY (United Kingdom) nominated Mr. Zahiruddin Ahmed (Pakistan).

31. Mr. Mohamed AHMED (Sudan) supported the nomination.

Mr. Zahiruddin Ahmed (Pakistan) was elected Second Vice-President by acclamation.

32. Mr. Zahiruddin AHMED (Pakistan) thanked the members of the Council for electing him.

Question of the representation of China

33. Mr. ARKADEV (Union of Soviet Socialist Republics) considered that it was irregular and prejudicial to the smooth progress of the work of the session that the People's Republic of China was still not represented on the Council, and that the seat which belonged to China — the most populous country of the world, a Member of the United Nations and a permanent member of the Security Council — was still unlawfully held by the representative of the Kuomintang group.

34. Mr. CHENG Paonan (China) said that the remarks of the USSR representative were inadmissible. The Government which he represented was the only legitimate one and the only one qualified to represent the Chinese people at all international conferences. The Chinese Communist régime was a creation of the Soviet Union and had been denounced by a General Assembly resolution for committing aggression in Korea.

35. China had been one of the first victims of Communism. It was glad to see that in recent weeks the true nature of the Communist Party had been revealed in a number of countries, and it hoped that that party would be outlawed by all nations that were anxious to preserve their independence.

36. The Chinese Communist régime was not viable economically, socially or politically. Living conditions in the communes were deplorable, as was corroborated by a statement made to a correspondent of the *New York Times* by a refugee who had recently arrived in the Portuguese colony of Macao. He recalled the numerous revolts that had already taken place in all areas of continental China, and mentioned in particular the insurrectional movement which had recently broken out in Tibet. The Chinese Communist régime, denounced by the international community and hated by the Chinese people, could obviously not maintain itself in power.

37. Mr. VOUTOV (Bulgaria) shared the view that the Chinese people were not represented at the current session of the Council, at which there was no representative of the Central Government of the People's Republic of China, the only Government enjoying the full confidence of the 630 million inhabitants of China. The persons who occupied the seat reserved for China did not represent anybody but themselves and the Kuomintang group, which had fled from China and taken refuge on the Chinese island of Taiwan.

38. The Bulgarian delegation considered that it was high time to put an end to the injustice being committed in the United Nations against the Chinese people. In the interest of international co-operation and of the United Nations, it was essential that representatives of the most highly populated country in the world should participate especially in the work of the Council.

39. Mr. PHILLIPS (United States of America) reaffirmed the well-known position of his Government on the question of the representation of China in the various bodies of the United Nations. The right of the present representatives of the Republic of China to sit in the Council was incontestable.

AGENDA ITEM 2

Adoption of the agenda (E/3196)

40. The PRESIDENT invited the members of the Council to consider the provisional agenda of the twenty-seventh session (E/3196).

41. Mr. SERRANO (Chile) pointed out that, generally speaking, the agenda of the Council's spring session was much lighter than that of the summer session. The Chilean delegation was concerned about this trend, which had become increasingly marked in recent years. In view of the fact that the Council normally held its spring session at Headquarters and that it was easier for the delegations, especially those of small countries, to participate in its work when the meetings were held in New York, it might be advantageous to place a larger number of items on the agenda of the spring sessions.

The provisional agenda (E/3196) was adopted.

Arrangement of business at the session (E/L.816)

42. The PRESIDENT invited comments from members of the Council on the programme proposed by the Secretary-General (E/L.816) for the business of the Council's twenty-seventh session.

43. Mr. SCHURMANN (Netherlands) pointed out that the Council was asked to consider agenda item 5 during the first week and that there was no plenary meeting set aside for further study of that item in the second week. He doubted whether it would be possible to dispose of the item within the first week.

44. Mr. Zahiruddin AHMED (Pakistan) shared the view of the Netherlands representative.

45. Mr. ARKADEV (Union of Soviet Socialist Republics) said that delegations should be given the opportunity to speak on the important question of the economic development of under-developed countries at whatever length they might wish. Any limitation on the time which the Council should devote to that agenda item would be premature and even dangerous.

46. After an exchange of views in which Mr. Zahiruddin AHMED (Pakistan), the PRESIDENT and Mr. ARKADEV (Union of Soviet Socialist Republics) took part, the PRESIDENT said that his intention had been to begin with a general discussion on item 5, to devote three meetings to it and then to adjourn the discussion on Thursday, 9 April, until some time during the following week. The members of the Council would naturally be given all the time they desired to state their views, both on the question as a whole and on any of its three sub-divisions, either in plenary or in the Economic Committee.

The arrangement of business at the twenty-seventh session of the Council, as set out in the Secretary-General's note (E/L.816), was approved.

47. The PRESIDENT proposed the establishment of an economic committee and a social committee, to which the Council might refer certain agenda items.

48. Mr. ARKADEV (Union of Soviet Socialist Republics) thought that the establishment of those committees would be a purely artificial device. He recalled that at the twenty-fifth session the Council had not set up any committees and yet its work had been in no way adversely affected. The agenda of the current session being very light, the Council need merely appoint, if necessary, a working group or a drafting committee to study the draft resolutions submitted to it.

49. The PRESIDENT observed that, in his opinion, it would be advisable for the Council to set up an economic committee, to which it could refer the question of the economic development of under-developed countries, and a social committee, which could be entrusted with the consideration of the report of the Population Commission and the question of freedom of information.

50. Mr. Zahiruddin AHMED (Pakistan), supported by Mr. SCHURMANN (Netherlands), said that he was in favour of setting up the two committees. The question of the economic development of under-developed countries, for example, could be the subject of a general debate in plenary, while its three sub-divisions could be examined in the economic committee. That would make the Council's task much easier.

51. Mr. VOUTOV (Bulgaria) thought that the establishment of committees would be useless, both because the available facilities and services would not permit the holding of a plenary meeting and a committee meeting simultaneously and because some delegations were very under-staffed.

52. Mr. ZULOAGA (Venezuela) proposed that the question should not be settled immediately, but that the President should be left free to decide, in consultation with the Vice-Presidents and the secretariat, whether the establishment of committees was necessary for the efficient dispatch of business.

It was so decided.

53. The PRESIDENT pointed out that, under rule 85 of the Council's rules of procedure, non-governmental organizations in categories A and B which wished to be consulted on any agenda item had to make an application to that effect within forty-eight hours.

The meeting rose at 1.25 p.m.