



CONTENTS

	Page
Agenda item 12:	
Restrictive business practices ( <i>concluded</i> ) .....	115
Agenda item 13:	
Wood-pulp and paper ( <i>concluded</i> ) .....	116

*President:* Sir Douglas COPLAND (Australia).

*Present:*

The representatives of the following countries: Argentina, Australia, China, Czechoslovakia, Dominican Republic, Ecuador, Egypt, France, India, Netherlands, Norway, Pakistan, Turkey, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela, Yugoslavia.

Observers from the following countries: Chile, Cuba, Haiti, Indonesia, Iran, Philippines.

The representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization.

AGENDA ITEM 12

**Restrictive business practices (*concluded*)**

REPORT OF THE WORKING GROUP (E/2760)

1. The PRESIDENT, speaking as Chairman of the Working Group, submitted the draft resolution contained in the Working Group's report (E/2760). The chief object of the draft resolution was to enable the study of restrictive practices and their harmful effects to be continued. It allowed for the fact that it was impossible to establish uniform rules in view of the fact that practices and laws differed in the various countries.

2. In paragraph 4 *d* the Secretary-General was requested "to continue to summarize information concerning restrictive practices in international trade". That should be understood to mean that the Secretary-General would confine himself to continuing the work undertaken in pursuance of Council resolution 487 (XVI) and would not undertake any fresh studies. The only additional task he was asked to perform was to prepare a bibliography.

3. Mr. JALIL (Ecuador) asked that, in the Spanish text, the word "*limitar*", in the second paragraph of the preamble should be replaced by the word "*controlar*".

*It was so decided.*

4. The PRESIDENT put to the vote the draft resolution contained in the report of the Working Group (E/2760, para. 3).

*The draft resolution was adopted by 14 votes to none, with 3 abstentions.*

5. Mr. MORALES (Argentina) wished to explain why he had voted in favour of the draft resolution. The Argentine delegation had been glad to note that the resolution which had just been adopted took into account certain amendments that it had proposed jointly with other delegations. In particular, in the second paragraph of the preamble and operative paragraph 1, the problem of restrictive practices was given a wider interpretation: it was no longer simply a matter of cartels and monopolies, but of restrictive practices which might have harmful effects on the attainment of higher standards of living, full employment, international trade and economic development.

6. The Argentine delegation regretted that the sponsors of document E/L.669 had been obliged, for practical reasons, to withdraw their amendment requesting the Secretary-General to prepare a study of the nature of restrictive business practices and of their effects on economic development, employment and international trade. It still considered that that question should be studied in the future.

7. Mr. STANOVNIK (Yugoslavia) had voted in favour of the text drawn up by the Working Group. The Yugoslav delegation was glad to note that the preamble of the resolution recognized that international co-operation was needed in order to deal effectively with restrictive business practices. While it was for Governments to take steps at the national level, especially with regard to the control of cartels, there was a danger that such governmental action might be inadequate.

8. Paragraph 2 of the operative part, which urged Governments to continue the examination of restrictive business practices, made it clear that the United Nations had not changed its policy and that although it was taking no steps at the international level for the time being it continued to take an interest in the problem with a view to future action.

9. With regard to paragraph 4 *d*, in reply to the Argentine representative's remarks, he pointed out that the delegations which had proposed the amendments appearing in document E/L.669 had suggested the preparation of a new study which would have shown the connexion between restrictive business practices on the one hand and economic development, employment and international trade on the other. The Yugoslav delegation appreciated the difficulties to which the preparation of such a study would give rise at the present time and to which the Secretary-General's representative had drawn attention (857th meeting). In the resolution just adopted, however, the Council provided for the continuation of work which might later lead to the preparation of such a study, that would make it possible to define the meaning of the harmful effects of restrictive practices.

10. He thanked the President for the manner in which he had guided the discussions in the Working Group, thus enabling the members of that Group to reach agreement on an extremely complex question.

11. Mr. KAPUR (India) said that he had voted in favour of the draft resolution recommended by the Working Group—which, in the opinion of his delegation, was a compromise—in view of the explanation given by the Under-Secretary in the Working Group. The resolution postponed substantive action to a later session and his delegation accepted it for the time being.

12. Mr. GINEBRA HENRIQUEZ (Dominican Republic) regretted that he had been absent when the vote was being taken. His delegation had intended to vote in favour of the text submitted by the Working Group.

13. The PRESIDENT took note of that statement.

14. Mr. SAKSIN (Union of Soviet Socialist Republics) said that he had abstained from voting on the draft resolution, in accordance with the position taken by his delegation at the thirteenth and sixteenth sessions of the Council. Measures for the expansion of international trade and the development of relations among nations should be considered at a different level and the USSR delegation intended to raise the question again at the twentieth session of the Council. In a draft declaration on 10 May 1955 in the Sub-Committee of the Disarmament Commission, the USSR Government had stressed the need to avoid, in economic relations among States, any discriminatory measures which would constitute an obstacle to the development of international co-operation on the widest bases, especially in commercial matters. It had added that the termination of long-standing relations between States could only harm both their public and their private interests. The removal of all discriminatory measures and the development of mutually advantageous trade relations among States would help to draw nations closer together and to ensure the well-being of the peoples.

15. Mr. HOTCHKIS (United States of America) congratulated Sir Douglas Copland on the large part he had played, as Chairman of the Working Group, in drawing up the resolution that had just been adopted. The United States delegation had voted in favour of the text, on the understanding that the information to be summarized under paragraph 4 *d* would be obtained from official Government documents as provided in paragraph 3 of Council resolution 487 (XVI).

16. Mr. ANIS (Egypt) agreed with the Argentine and Yugoslav representatives that restrictive business practices had harmful effects which would have to be studied sooner or later. Nevertheless, he had voted in favour of the draft resolution of the Working Group, in view of the explanations given by the Under-Secretary for Economic and Social Affairs. The Egyptian delegation reserved the right to raise the question again at a future session of the Council.

17. Mr. BRINSON (United Kingdom) said that his abstention had not been due to any lack of interest in the question of restrictive business practices or to any motives resembling those of the USSR representative, but to the fact that the debate coincided with certain events in the United Kingdom.

#### AGENDA ITEM 13

#### Wood-pulp and paper (E/2697, E/2700, E/L.672/Rev.1) (concluded)

18. Mr. ZAHIRUDDIN (Pakistan) supported the revised draft resolution, which took into account the amendments suggested by his delegation. Nevertheless, he thought that the word "Governments" in the third paragraph of the preamble should be replaced by "countries" and that the word "regions", which occurred twice in that paragraph in the English text, should be replaced by "areas", since the word "regions" might give the impression that the reference was to regional action, in the sense in which that term was used in the United Nations.

19. Mr. HOTCHKIS (United States of America) said that he had no objection to the Pakistani representative's amendments.

20. Mr. TURPIN (France) considered that, if the word "Governments" were replaced by "countries", the phrase "desired by Governments" should read "by which countries should benefit". While a Government could express a desire, only a country could benefit by material, educational, scientific and cultural progress. He could see no objection to the second amendment proposed by the Pakistani representative.

21. The PRESIDENT considered that the amendment proposed by the French representative related not only to the form but also to the substance of the text.

22. Mr. MORALES (Argentina) proposed that, in the third paragraph of the preamble, the phrase "desired by Governments" should be deleted and that the word "the" preceding the word "material" should be replaced by "their". He thought that the word "regions" should be retained and that it would be enough to attribute to it the meaning given it by the Pakistani representative.

23. Mr. ZAHIRUDDIN (Pakistan) said that he could not accept the deletion proposed by the Argentine representative, for it would limit the scope of the paragraph. As he considered that the original form of the draft resolution was preferable, he would not press his point.

24. The PRESIDENT proposed that the words "desired by Governments" should be retained and that "regions" should be replaced by "areas" in the English text.

*It was so decided.*

25. Mr. SAKSIN (Union of Soviet Socialist Republics) agreed with the delegations which had expressed doubts concerning paragraph 4. He asked for a separate vote on that paragraph.

26. The PRESIDENT first put to the vote operative paragraph 4 of the revised draft resolution (E/L.672/Rev.1) and then the draft as a whole.

*The paragraph was adopted by 14 votes to none, with 4 abstentions.*

*The draft resolution as a whole was adopted unanimously.*

27. Mr. CUTTS (Australia) explained that he had abstained from voting on paragraph 4 of the draft resolution, not because he was opposed to the principle set forth in it but because the question was one which fell within the exclusive competence of States.

The meeting rose at 12.5 p.m.