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*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 Member States: Belgium, Cuba, Israel, Mexico.

Observers from the following non-member States: Bulgaria, Hungary, Japan, Spain, Switzerland.

## AGENDA ITEM 2

*World economic situation (resumed from the 878th meeting and concluded)*

REPORT OF THE ECONOMIC COMMITTEE  
(E/2787/Rev.1, E/L.685)

1. The PRESIDENT invited the Council to consider the report of the Economic Committee on item 2 of the agenda (E/2787/Rev.1) and drew attention to the amendments (E/L.685) submitted by the Soviet Union delegation to the draft resolution contained therein concerning international machinery for trade co-operation.

*Paragraphs 1 to 5 and the first part of paragraph 6, down to the words "for adoption by the Council", of the report were adopted without comment.*

DRAFT RESOLUTION ON THE EXPANSION OF WORLD TRADE

2. Mr. KUMYKIN (Union of Soviet Socialist Republics) understood that the first paragraph of the preamble referred to the recent Conference of Heads of Government at Geneva and to the directives given by that conference to the Foreign Ministers of France, the Soviet Union, the United Kingdom and the United States of America. His delegation would vote in favour of the draft resolution since its purpose was to strengthen

international co-operation by removing barriers to international trade.

*The draft resolution was adopted unanimously.*

DRAFT RESOLUTION ON INTERNATIONAL MACHINERY FOR TRADE CO-OPERATION

3. Mr. DHAUN (India) said that the drafting of the Soviet Union amendments (E/L.685) was rather obscure and it was difficult to see what their effect would be. They had been discussed for a long time in the Economic Committee without agreement being reached. Accordingly, he formally proposed that further discussion of the draft resolution on international machinery for trade co-operation and of the Soviet Union amendments thereto be deferred to the Council's resumed twentieth session.

*The Indian proposal was adopted by 14 votes to none, with 3 abstentions.*

DRAFT RESOLUTION ON INTER-REGIONAL TRADE CONSULTATIONS

4. Mr. de SEYNES (Under-Secretary for Economic and Social Affairs) recalled the explanations given in the 186th meeting of the Economic Committee concerning the resolution on inter-regional trade consultations—namely, that the procedures envisaged in the resolution were not designed to preclude any interested Government, as defined in operative paragraph 1, from participating in any inter-regional trade consultations which might be organized in pursuance of the terms of the resolution. The purpose of operative paragraph 2 was to ensure that no trade consultations should be initiated unless at least two of the three regional commissions decided that they should be organized.

5. The PRESIDENT felt he might safely say that the Council agreed with the Under-Secretary's interpretation of the draft resolution.

*The draft resolution was adopted by 16 votes to none, with 1 abstention.*

6. Mr. KUMYKIN (Union of Soviet Socialist Republics) said that, in casting his vote, he had held the view that it was essential that trade experts from the People's Republic of China should be allowed to take part in the inter-regional trade consultations when held.

7. Mr. NOSEK (Czechoslovakia) said that he had held the same view in casting his vote.

8. Sir Alec RANDALL (United Kingdom) said that he had voted in favour of the resolution, his delegation attaching special importance to operative paragraph 3. He was sure that the Secretary-General would not only

keep the Council informed of developments, but would also refer the matter to the Council again if he ran up against any administrative or financial difficulties.

9. Mr. KING (United States of America) had voted in favour of the resolution on the understanding that participation in the consultations would be governed by the principles indicated by the Under-Secretary for Economic and Social Affairs in the Economic Committee. In any event, the question of which countries should participate was a legal matter.

10. Mr. CORKERY (Australia) said that his delegation was still not convinced that any greater expansion of international trade would be achieved by means of the proposed consultations than through existing arrangements. The yield from the consultations would not be commensurate with the effort entailed; moreover, the consultations would encourage bilateralism, thus cutting across the endeavours that many countries were making to promote international trade multilaterally. Nevertheless, the Australian delegation realized that certain smaller countries did not possess well-developed facilities for trade consultation, and on that account he had refrained from voting against the resolution, and had abstained.

11. Mr. HSIA (China) had voted for the resolution on the same understanding as that of the United States representative. His delegation's views on inter-regional trade consultations were similar to those that had been expressed in the Council by the Executive Secretaries of the Economic Commission for Latin America (ECLA) and the Economic Commission for Asia and the Far East. It had supported the resolution because it was in favour of expanding international trade; nevertheless, it considered that the methods envisaged in the resolution were not only no better than those already practised but in many respects inferior to them.

*The report of the Economic Committee was unanimously adopted, subject to the decision already taken to defer to the resumed twentieth session the debate on the draft resolution on international machinery for trade co-operation.*

#### QUESTION OF ADMISSION OF NEW MEMBERS TO THE REGIONAL ECONOMIC COMMISSIONS

(E/2684, E/L.634, E/L.679 and Add.1, E/L.680)

12. The PRESIDENT drew attention to the Soviet Union draft resolution (E/L.634) on the admission of Albania, Bulgaria, Hungary and Romania to membership of the Economic Commission for Europe (ECE); to the draft resolution submitted jointly by the delegations of the Dominican Republic, Ecuador, Venezuela and Argentina (E/L.679 and Add.1) on the question of inviting Spain to attend sessions of ECLA; and to the draft resolution submitted jointly by the delegations of the Dominican Republic and Ecuador (E/L.680) on the admission of Spain to membership of ECE.

13. Sir Alec RANDALL (United Kingdom), invoking rules 50 and 55 of the rules of procedure, formally moved that the debate on the question of the admission of new members to ECE be adjourned until the Council's

resumed twentieth session. The question was highly controversial, and likely to arouse strong, and even bitter, feelings. If the Council embarked upon a substantive discussion of the issue at the present juncture, the United Kingdom delegation would have to take a very strong line; an acrimonious political debate would be unfortunate.

14. Moreover, when the Council resumed its twentieth session in December, much might have happened to improve the international atmosphere. The Foreign Ministers of France, the Soviet Union, the United Kingdom and the United States of America had been directed to consider, among other things, the part which ECE might play in increasing contacts between east and west. It would be wise to await the results of their discussions before taking action in the Council.

15. Nothing would be lost by postponing a decision on the matter until December, at least so far as Albania, Bulgaria, Hungary and Romania were concerned, because those countries were already consultative members of ECE, participating in the work of all its committees; moreover, the next plenary session of the Commission would not take place till March 1956.

16. His motion did not apply to discussion of the question of membership of ECLA.

17. If his motion was carried, he was prepared to give an undertaking that his delegation would not, at the resumed session, seek any further postponement of the decision on the question of the membership of ECE.

18. The PRESIDENT said that any action by the Council on the membership of ECE could hardly be divorced from the wider issues which would be considered at the meeting of the Foreign Ministers of the four Powers in October, and by the General Assembly, and he thought that it would be a pity to risk jeopardizing the prevailing improvement in international relations by discussing the matter at the present time.

19. Mr. DIAZ ORDÓÑEZ (Dominican Republic) pointed out that, when it had first been suggested at the 878th meeting that consideration of the item on the admission of new members to the regional commissions should be postponed, his delegation had said that it would agree to that proposal provided it did not lead to the item's being deferred to another session.

20. His delegation was as anxious as any other to do what it could to foster the goodwill which had resulted from the recent meeting of Heads of Government and to avoid provoking a discussion which might endanger the present peaceful atmosphere; but it stood by its previous view and therefore could not accept the United Kingdom proposal. It could only reaffirm its position, and emphasize that it wished the question to be discussed at the present session.

21. Mr. KUMYKIN (Union of Soviet Socialist Republics) observed that various delegations, and the President himself, had approached him to secure his agreement to deferment of consideration of the question of membership of ECE and ECLA until the resumed twentieth session. Accordingly, he supported the United Kingdom motion that the debate on membership of ECE be adjourned.

22. He would go farther, and propose that consideration of the whole question of admitting new members to regional economic commissions—that was to say, to ECLA as well as to ECE—be adjourned until then. The arguments advanced by the United Kingdom representative against discussing membership of ECE applied equally to the discussion of membership of ECLA. Moreover, the question of the admission of Albania, Bulgaria, Hungary and Romania to membership of ECE was of longer standing and more pressing than that of inviting Spain to attend sessions of ECLA, so that there was the less reason to defer consideration of the former question.

23. The PRESIDENT thought that a vote should be taken first on the United Kingdom motion, and then on that part of the Soviet Union motion which related to ECLA.

24. Mr. KUMYKIN (Union of Soviet Socialist Republics), supported by Mr. NOSEK (Czechoslovakia), maintained that the Soviet Union motion as a whole, being more far-reaching, took precedence over that of the United Kingdom.

25. Mr. PICO (Argentina) recalled that his delegation too had contributed to the favourable atmosphere in which the Council had worked at the present session; but there was one very practical reason why it could not support the United Kingdom motion. It must be remembered that ECLA met only every two years, and that its next session would be opening very soon. Consequently, the authors of the draft resolution providing for Spain to be invited to attend sessions of ECLA were most anxious that a decision on the question be taken forthwith in the hope that Spain would thus be enabled to take part in the forthcoming session.

26. Mr. KOTSCHNIG (United States of America), speaking to a point of order, said that the Council's rules of procedure required that the procedural motion first introduced be put to the vote first.

27. The PRESIDENT accepted the United States representative's interpretation of the rules of procedure. The United Kingdom motion would be put to the vote first, followed by that part of the Soviet Union motion which related to ECLA.

28. Mr. FAHMY (Egypt) wished to know whether the United Kingdom representative had moved the adjournment on the understanding that, if the motion was carried, a final decision on the question of membership of ECE would be taken at the resumed twentieth session.

29. Sir Alec RANDALL (United Kingdom) explained that he had merely said that, if the motion was carried, he would give an undertaking that his own delegation would not seek further postponement. He now wished to go farther, and make adoption of his motion subject to the understanding that the question would be considered, and a decision taken upon it, at the resumed session.

30. Mr. MENEMENCIOGLU (Turkey) observed that his delegation could not subscribe to such an understanding; it could, however, vote in favour of the motion in its original form, which committed only the United Kingdom delegation to avoiding further postponement.

31. Mr. KOTSCHNIG (United States of America), Mr. BORIS (France) and Mr. VIRA (India) said that their delegations, like the United Kingdom delegation, were prepared to undertake not to seek further postponement at the resumed session, if the motion was carried.

32. The PRESIDENT put to the vote the United Kingdom proposal that the debate on the question of admission to membership of ECE be adjourned until the Council's resumed twentieth session.

*The United Kingdom proposal was carried by 12 votes to 1, with 5 abstentions.*

33. The PRESIDENT invited the Council to vote on the Soviet Union proposal that the debate on the question of admission to membership of ECLA be adjourned until the Council's resumed twentieth session.

*The Soviet Union proposal was rejected by 11 votes to 4, with 3 abstentions.*

34. Mr. ENGEN (Norway), explaining his vote on the United Kingdom motion, said that his delegation was in favour of the admission to full membership of ECE of all sovereign States which so desired, because that body ought to operate on a universal basis and not exclude any part of Europe. Consequently, had the Soviet Union draft resolution (E/L.634) and the draft resolution on ECE (E/L.680) been put to the vote, he would have voted for them. The United Kingdom delegation's arguments for adjourning the debate had, however, been convincing, and he had therefore not opposed its motion.

35. Mr. MENEMENCIOGLU (Turkey) explained that he had voted in favour of the United Kingdom motion on the understanding that only those delegations which had undertaken not to seek further postponement at the resumed session would be bound by that undertaking.

36. He had voted against the Soviet Union motion for the reasons advanced against it by the representative of Argentina.

37. Mr. KUMYKIN (Union of Soviet Socialist Republics) said he had abstained from voting on the United Kingdom motion because he considered that the order in which the President had put the motions to the vote was not consistent with the Council's rules of procedure.

38. The PRESIDENT invited the Council to consider the draft resolution on the question of inviting Spain to attend sessions of ECLA (E/L.679 and Add.1).

39. Mr. DIAZ ORDOÑEZ (Dominican Republic) explained the reasons that had prompted the submission of the draft resolution. Its authors were firmly convinced that the presence of an observer from Spain at meetings of ECLA would make a useful contribution to the attainment of the Commission's aims. They had also taken account of the attitude adopted by the Council in respect of similar cases, as shown, for instance, in that of Italy, by resolution 515 B (XVII); they therefore hoped that the Council would request the Secretary-General to authorize the Executive Secretary of ECLA to invite Spain to attend ECLA sessions on a basis similar to that provided for in paragraph 6 of the Commission's terms of reference, concerning Members of the United Nations not members of ECLA.

40. Moreover, his delegation thought it imperative, for the practical reason advanced by the Argentine representative, that the Council take a decision on the draft resolution at the present session, and hoped that, as a result of that decision, ECLA would be able at its forthcoming session to welcome a new observer whose collaboration would make its work even more fruitful.

41. Mr. ALFONZO RAVARD (Venezuela) agreed with the views expressed by the representative of the Dominican Republic, and urged the Council to adopt the draft resolution. To invite Spain to send observers to meetings of ECLA would be a wise and just decision in view of the inestimable contribution that country had made to the economic, social and cultural heritage of Latin America. The Latin American States regarded Spain as their mother country, to which they owed their very existence, and were bound to Spain by unbreakable bonds of blood, language and custom.

42. Mr. TRUJILLO (Ecuador) stressed that the presence of observers for the Spanish Government at meetings of ECLA would be fully justified, if only from the historical point of view, by the traditional bonds uniting Latin America with Spain, not only in the economic, but also in the cultural, linguistic and artistic spheres. It was certainly unjust that Spain should not have been admitted to the United Nations, and his delegation thought it only fair that that country should now be invited to attend meetings of ECLA, where it could give the Latin American countries valuable help in developing their economic destiny.

43. Mr. BRILEJ (Yugoslavia) questioned the grounds on which the Dominican Government had based the request that Spain be admitted to ECLA, as stated in the communication addressed to the Secretary-General by the Dominican representative (E/2684). Paragraph 6 of Council resolution 106 (VI) referred to in that document applied only to Member States of the United Nations. It provided for participation of countries situated outside the geographical area of a regional economic commission, but only for specific purposes and not as full members. There had, moreover, been no formal request from ECLA itself. In spite of those legal considerations, however, his delegation would abstain, in view of the fact that four members of the Council who were also members of ECLA were sponsoring the draft resolution.

44. Mr. KOTSCHNIG (United States of America) said that the United States delegation would vote for the draft resolution. There was no connexion between the present issue and that of the admission of new members to ECE, since Albania, Bulgaria, Hungary and Romania were already participating in the work of that Commission. The draft resolution did not propose that Spain should be admitted to full membership of ECLA, but only to a status similar to that already granted to Italy in ECLA. There was a close affinity between Spain and the Latin American republics, which made up the greater part of ECLA's membership, and they also shared important economic ties; and he therefore hoped that the Council would ask the Secretary-General to take the action proposed in the draft resolution.

45. Mr. FAHMY (Egypt) said that his delegation believed in the principle of universality, and was convinced that Spain could make a contribution to ECLA's progress. In view also of the traditionally close relations between Egypt and Spain, his delegation would vote for the draft resolution.

46. Sir Alec RANDALL (United Kingdom) said that, having heard the eloquent pleas of the Latin American members of the Council, his delegation would be very happy to vote in favour of the draft resolution.

47. Mr. BORIS (France) said that his delegation would vote for the draft resolution in the light of the precedent created by the invitation extended to another country which was not a Member of the United Nations—namely, Italy—to attend meetings of ECLA in a consultative capacity. He stressed that it was a very different matter from that of admitting several countries to ECE as full members with voting rights—a question that was likely to provoke discussion of a political nature which would be inopportune in present circumstances. For that reason the French delegation had voted for the postponement of that question, while retaining the firm hope that the trend of events would permit of its early solution to the satisfaction of all concerned.

48. In the case then before the Council, the French delegation thought that account should be taken of the desire expressed by four members of the Council which were also members of ECLA; and it had also taken into consideration the historic cultural, social and economic bonds uniting Spain with the Latin American countries.

49. Mr. TVEITE (Norway) said that the desire of the Latin American countries to see Spain play its part in the work of ECLA was understandable, and it would therefore be only natural for the Council to meet their wishes. His delegation would therefore vote for the draft resolution.

50. Mr. PICO (Argentina) said that he had already expressed his delegation's interest in the matter during the procedural discussion earlier in the meeting. He subscribed to all the cogent arguments advanced by the other Latin American members of the Council, and would only add that the dominant characteristic of the economic and social life of the Latin American countries was their common origin and the strength of their spiritual ties with Spain.

51. Mr. HSIA (China) said that in view of the cordial relations which existed between his country and Spain, and because he believed that the latter's participation would further ECLA's aims, he would vote for the draft resolution.

52. Mr. MENEMENCIOGLU (Turkey) said that the arguments in favour of the joint proposal had been adequately stated by the four authors. His delegation believed that it might be very fruitful to associate Spain with the work of ECLA and he would therefore vote for the draft resolution.

53. Mr. AHMED (Pakistan) said that the admission of Spain to the work of ECLA would mean a great deal to the countries of Latin America, all of which had very

close ties with that country. His delegation wholeheartedly supported the draft resolution.

54. Mr. STIKKER (Netherlands) said that his delegation would have great pleasure in voting for the draft resolution.

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

55. The PRESIDENT declared that the Council had completed its consideration of item 2 of its agenda—world economic situation.

#### AGENDA ITEM 5

##### International commodity problems

REPORT OF THE ECONOMIC COMMITTEE (E/2788/Rev.1)

56. The PRESIDENT invited the Council to consider the report of the Economic Committee (E/2788/Rev.1) concerning the report of the Commission on International

Commodity Trade on international commodity problems (E/2745 and Add.1).

*The report was adopted, without comment, by 17 votes to none, with 1 abstention.*

57. Mr. MORALES (Argentina) said that he would like to comment on the report just adopted, not as Chairman of the Commission on International Commodity Trade, but as representative of Argentina. His delegation was extremely satisfied with the eminently constructive tone of the discussion on international commodity problems in the Economic Committee. That would certainly assist the Commission in its future progress. It was to be regretted that the United States of America had not been able to take a more direct part in the Commission's work, but he hoped that that country would bear in mind the opinions expressed by the members of the Commission and would eventually see its way to participate more actively in the Commission's work.

The meeting rose at 4.50 p.m.