UNITED NATIONS



ECONOMIC AND SOCIAL COUNCIL

Saturday, 11 July 1953 at 10.30 a.m.

722nd Meeting

Sixteenth Session
OFFICIAL RECORDS

PALAIS DES NATIONS, GENEVA

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Allegations regarding infringements of trade union rights
received under Council resolutions 277 (X) and 474 (XV)
(E/2434, E/2464 and E/L.532) (concluded)
Full employment (resumed from the 721st meeting):

- (a) Reconversion after the rearmament period (E/2421 and E/2474):
- (b) Consideration of replies from governments to the questionnaire on full employment (E/2408 and Add.1 to 3, E/2408/Add.4 and Corr.1, E/2408/Add.5, and E/2445 and Add.1 and 2);
- (c) Report of the International Monetary Fund under Council resolution 427 (XIV), paragraph 6 (E/2454 and E/L.519);

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President: Mr. Raymond SCHEYVEN (Belgium).

Present:

The representatives of the following countries: Argentina, Australia, Belgium, China, Cuba, Egypt, France, India, Philippines, Poland, Sweden, Turkey, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Venezuela, Yugoslavia.

Observers from the following countries: Dominican Republic, Indonesia, Italy, Japan, Netherlands.

The representatives of the following specialized agencies: International Labour Organisation, Food and Agriculture Organization of the United Nations, International Monetary Fund.

Allegations regarding infringements of trade union rights received under Council resolutions 277 (X) and 474 (XV) (E/2434, E/2464 and E/L.532) (concluded)

[Agenda item 17]

- 1. M. SOLOVYOV (Union of Soviet Socialist Republics) said that the allegations in document E/2464 provided no fresh information. The question of the alleged infringements of trade union rights had already been discussed at the twelfth and fifteenth sessions. On both occasions the Soviet Union delegation had made its position clear and, in particular, had contrasted the wide-ranging nature of trade union activities in the Soviet Union with the restrictions placed upon them in capitalist countries.
- 2. There were, accordingly, no grounds for discussing the alleged infringements of trade union rights in his country, and he would oppose the Argentine draft resolution (E/L.532) and the proposal made at the Council's 719th meeting by the representative of the International

Federation of Christian Trade Unions that an international committee be set up to investigate the whole question. Any complaints should be considered by the Council itself, which should not attempt to evade its obligations.

- 3. Mr. TSAO (China) said that he would vote for the Argentine draft resolution, but wished to make it clear that his vote should not be taken as reflecting the Chinese Government's views on the interpretation of the relevant provisions of the Charter (Articles 2, paragraph 6, and 62) or on the substance of the allegations under discussion.
- 4. Mr. JOBERT (France) said that his delegation would vote in favour of the Argentine draft resolution, which certainly provided, not only the most expeditious way of ending the discussion, but also the easiest solution to the problem confronting the Council. He shared the view expressed by the Yugoslav representative at the previous meeting that the Council should very shortly examine the substance of the problem, and seek to improve the existing procedure for examining allegations regarding infringements of trade union rights made against States which were not members of the International Labour Organisation.
- 5. Mr. MICHANEK (Sweden) reiterated the view he had expressed at the 708th meeting that the existing procedure designed to ensure freedom of association could be improved upon. He recalled that the issue was now under consideration by the International Labour Organisation, and was sure that that agency's conclusions would be valuable also in the case of the procedure to be adopted in the case of non-member States.
- 6. Subject to the above reservations, he would vote for the Argentine draft resolution (E/L.532).

The draft resolution was adopted by 16 votes to 2.

Full employment (E/2404, E/2408 and Add.1 to 3, E/2408/Add.4 and Corr.1, E/2408/Add.5, E/2421, E/2445 and Add.1 and 2, E/2449, E/2454, E/2474, E/L.519 and E/L.531) (resumed from the 721st meeting)

[Agenda item 2]

7. Speaking at the invitation of the PRESIDENT, Mr. MOERI (International Confederation of Free Trade Unions) reminded the Council that it had placed the question of reconversion after the rearmament period on its agenda at the request of the International Confederation of Free Trade Unions (ICFTU). ICFTU had submitted two memoranda (E/2421 and E/2474), in which it had formulated practical recommendations. He would, therefore, confine himself to the principal aspects of that essential problem in the hope that the Council would be able to see its way to submitting to govern-

ments recommendations supplementing those formulated by the Federation. Governments and international bodies could use ICFTU's recommendations as a basis for a full-employment policy designed to check the economic depression resulting from decreased expenditure on armaments.

- 8. International relations had recently improved; that had been noticeable at the recent 36th session of the International Labour Conference, at which several speakers had said that the peaceful co-existence of apparently contradictory political ideologies was perfectly possible. Experience had given governments grounds for caution, but if the new developments were confirmed they must be boldly taken advantage of to ensure lasting peace with social justice. It must not be forgotten that the peoples of the whole world ardently yearned for peace.
- 9. The gradual, slow change in international relations was leading to a reduction in the rate of arms production. Financial difficulties, too, were causing governments to spread their armament programmes over a longer period. The decrease in arms production would affect employment. During the transition period the danger of unemployment must be reduced as much as possible. Governments should hasten to make all the necessary arrangements to direct to the production of consumer goods and the improvement of living standards the industrial resources thus released. That policy required an increase in the technical assistance furnished to the under-developed countries and in the volume of capital investment there. Finally, a reduction of the working week was one means of combating unemployment. That would call for both national and international action, besides the good will of employers' associations.
- 10. It was for the Council to persuade States Members to draw up reconversion programmes as soon as possible. It must prepare the way for the essential international action. In that connexion, he pointed out that the Council had been considering the problem of full employment since 1950, and, in a number of resolutions, had encouraged the development of international investment, the creation of a special fund to provide long-term loans at low interest for the economic development of under-developed countries, and the adoption of other important measures designed to eliminate unemployment.
- 11. The Council was the international body competent to persuade governments of the serious position that could arise from an increase in unemployment, and to ask them to take all necessary measures in time to avert a crisis.
- 12. Many countries had endeavoured to stabilize employment, either by imposing economic controls or by propaganda directed at those concerned. Some of them had controlled, restricted or even prohibited investment during periods of economic expansion. In other countries, where a liberal economic policy was still being followed, governments had tried to couvey to employers the fact that less urgent large-scale works should be carried out only during periods of economic depression. Those appeals, however, had gone unheard,

- especially as undue investment during boom periods had too often offered the taxpayer a means of reducing his tax burden. Recent legislative measures adopted by one Government had encouraged employers to set up crisis reserves by the introduction of a kind of compensatory system of tax rates. It was far-sighted measures of that kind at national level which should be encouraged, since they offered the best guarantee against the risk of undesirable political adventures.
- 13. If the Council were to carry out a programme as ambitious as that which ICFTU had placed before it, it was clear that governments would have to accept considerable financial sacrifices. As had been proposed by the British Labour Party, a part of armament expenditure would have to be earmarked for increasing technical assistance to under-developed countries; international organizations would in that way be enabled to help relieve the extreme poverty which existed in many regions of the world.
- 14. The Belgian representative had deplored the trade restrictions imposed by countries suffering from an adverse balance of payments. He shared that view, although he would not go so far as to say there was a point at which the development of employment conflicted with economic necessities. The modern worker was not ready to accept unemployment, even if the economists regarded it as an inevitable phenomenon. Employment should be developed under conditions of freedom of trade to the extent that such freedom did not damage the interests of the working classes.
- 15. He appreciated the great financial effort made by the United States of America to put the economy of the free world on a sound footing. That country could ensure world financial stability ouly if it allowed other countries to make good their dollar shortage by buying foreign goods itself. That view appeared to be accepted in responsible quarters in the United States of America.
- 16. Western capitalism would survive only if it provided proof that it was better able than the totalitarian countries to give men security of employment and to ensure their general welfare in conditions of freedom and peace.
- 17. ICFTU recommended immediate research into the probable consequences of a reduction in armaments production. It also recommended that a programme of action should be worked out to meet the undesirable repercussions which might result from a decline in such production, and to enable the resources thus made available to be diverted to activities calculated to make life better for mankind. It further recommended the adoption of measures designed to increase individual consumption through a policy of high wages, improvement of social security and the reduction of taxes for the lowerincome groups. In conclusion, it recommended that public investment should be increased, especially in housing, and that the industrialized countries should adopt a policy of developing public and private investment in the under-developed countries.
- 18. The PRESIDENT, recalling the fact that the Council had heard the representative of the World Federation of Trade Unions (WFTU) at the previous meeting and had just listened to the representative of

- ICFTU, said that he had been approached by the President of the International Federation of Christian Trade Unions (IFCTU), who had requested that he too be given an opportunity of making a statement to the Council on the subject of full employment.
- 19. As the President of IFCTU had not known earlier that he would be visiting Geneva, his organization had not been able to comply with the provisions of rule 85 of the Council's rules of procedure—namely, that it submit its application for a hearing not later than fortycight hours after the adoption of the agenda. He (the President) had therefore consulted the Chairman of the Council Committee on Non-Governmental Organizations, who, after consulting its members, had informed him that no memher had raised any objection to granting the request of the President of IFCTU.
- 20. He therefore suggested that the representative of IFCTU should be heard later during the meeting.

It was so agreed.

- 21. Mr. BUNGE (Argentina) said that, as the Belgian representative had emphasized at the 720th meeting, most countries found it imperative to protect themselves against the impact on their economy of a possible recession in the United States of America. Under-developed countries, the bulk of whose exports comprised raw materials, were in a particularly vulnerable position owing to the sharp divergence, as between under-developed and highly developed countries, in the relation of the per capita increase in the demand for industrial products to the per capita increase in income. Only by creating new industries and promoting intra-regional trade could a way out of that difficulty be found. The industrialization of the under-developed countries might be condemned by outmoded nineteenth-century economics, but it offered the only hope of increasing effective demand in Latin America and avoiding a perpetual disequilibrium in the foreign trade of the region.
- 22. A further prerequisite of full employment in that region was the maintenance of fair prices for raw materials in relation to those of manufactured goods. It was significant that the great Powers always applied controls when raw material prices were rising, but refrained from doing so when they were falling, and that they were less concerned about increases in the prices of manufactured goods.
- 23. Peace must he accompanied by progress. Argentina had constantly striven to live up to that principle by practising a policy of economic development compatible with foreign trade, and by concluding regional agreements, such as the pact recently signed with Chile.
- 24. Mr. NUNEZ PORTUONDO (Cuba) said that he would confine himself to a few observations on each subitem of item 2. With regard to reconversion after the rearmament period, he pointed out that that process would be feasible only when confidence between nations had been restored. He was somewhat sceptical on that score, and his misgivings had not been allayed by recent international events.
- 25. He was pleased to see that the views of ICFTU on the need for stabilizing prices of raw materials by international agreement coincided so closely with his own.

- In that connexion, he recalled the Cuban delegation's successful efforts at the seventh session of the General Assembly to secure the provision of the necessary funds for the convening under the Council's auspices of the International Sugar Conference, which was due to open on 13 July in London. He was glad to notice that ICFTU had welcomed that step and expressed the hope that it would lead to the conclusion of a satisfactory agreement. He felt that any such agreement would act as a pointer for similar measures for other primary products. But the prices finally negotiated should always ensure a fair wage to the workers engaged in producing the commodities concerned.
- 26. The Cuban delegation approved most of the recommendations put forward by ICFTU. He wished to congratulate the Confederation on its excellent work, and would be willing to support any draft resolution that might be introduced to give effect to its recommendations.
- 27. As to the replies submitted by governments to the questionnaires on full employment, he considered that they would constitute a valuable fund of additional information. He deprecated, however, a tendency on the part of certain governments, particularly that of the People's Republic of Romania, to exaggerate, for reasons of domestic politics, the extent of their achievements.
- 28. He had also read with great pleasure the report of the International Monetary Fund (E/2454) and the address given by its Managing Director (E/L.519) to the 74th congress of the International Chamber of Commerce in Vienna on 20 May 1953. Owing to the fact that those documents had been circulated only recently, and to the need for subjecting them to detailed analysis, he had as yet received no relevant instructions from his Government. He wished, however, even at that early stage, to endorse the conclusions reached in the last paragraph of the Managing Director's speech, and, in particular, the view that "the effectiveness of [the Fund as a] forum will depend in large measure on the willingness to co-operate of those governments which participate in it".
- 29. With regard to measures to combat inflation, he felt that the Secretary-General had produced an impartial and objective study. He agreed with the view expressed in paragraph 10 that it would be contrary to the terms of Articles 55 and 56 of the Charter of the United Nations to eliminate inflation by increasing the amount of unemployment in the world. He was, however, no more enthusiastic about the alternative solutions proposed: wage control, which would link wage increases to increases in productivity; or price controls, accompanied by freely fluctuating wages, since inflation in Cuba was mainly caused by rises in the prices of imported articles.
- 30. With reference to the statement in paragraph 16 about the structural unemployment that was characteristic of under-developed countries, he observed that Cuba's main industry, the growing and processing of sugar, suffered from a large measure of seasonal unemployment. The remedy lay in the creation of new outlets for employment by more intensive economic development. He drew attention, in that connexion, to the extract from a publication of the Fund reproduced on pages 5

and 6 of the Appendix to document E/2449, where it was maintained that part of the reserve labour force in under-developed countries could be used for investment projects without reducing the output of consumer goods and that that process could, in certain cases, raise output and real wages without causing inflation.

- 31. The Cuban delegation would vote for any draft resolution calculated to further the discharge by the Council of the responsibilities laid on it by Articles 55 and 56 of the Charter, but only if the proposals were constructive and designed to achieve concrete progress, and did not smack of doctrinaire propaganda.
- 32. Speaking at the invitation of the PRESIDENT, Mr. TESSIER (International Federation of Christian Trade Unions) recalled that his Federation, the oldest of the international trade union organizations, had submitted a note to the Council containing its views on the possible extension of technical assistance and stimulation of social progress through the reduction of expenditure on armaments. The world was faced with an ineluctable choice: either it must allow the armaments race to continue, with its crushing burdens and resultant instability, or it must take the path of peace and establish a definite legal order under which there would be rivalry in social progress. The problem of economic and financial reconstruction was thus closely linked with that of disarmament.
- 33. He would remind the Council that in a recent speech Mr. Bidault, French Minister of Foreign Affairs, had pointed out that it had never been more certain that the armaments race was a race of death for civilization as a whole, and that reconversion had never offered so great a promise of a happy life. Mr. Bidault had added that twenty years previously the Soviet Union had made serious proposals for world disarmament. It could, therefore, be hoped that the desire for understanding would make it possible to circumvent legal subtleties and diminish political suspicions.
- 34. At the thirty-ninth session of the Semaines sociales de France, held at Dijon in 1952, Mr. François Perroux had suggested that the United Nations should send the Soviet Union an official proposal for disarmament; under the terms of that proposal, the sums now being spent on armaments would be credited to a joint fund for world economic development. On 16 April 1953, the President of the United States of America had announced that his Government was prepared to ask its people to join with all other nations in devoting a large proportion of the savings that disarmament would bring to a fund for technical assistance and world reconstruction. Under the terms of the Charter, it was for the Council to give effect to the suggestion made by President Eisenhower.
- 35. He then referred to the work done by the Disarmament Commission; the results it had so far achieved were most promising. In that connexion, it should not be forgotten that, as early as August 1917, Pope Benedict XV had declared that the material force of arms must be replaced by the moral force of law through the establishment of an international system of arbitration.
- 36. Mr. François Perroux had endeavoured to estimate the amount of the resources which disarmament would release for the carrying-out of the Expanded Programme

- of Technical Assistance. Total expenditure on rearmament was roughly about \$40,000 million, or 10 per cent of the world total of national incomes. The amount of capital required to increase the national incomes of the under-developed countries by 2 per cent per annum was \$18,000 million. If the amount of national savings in the under-developed countries —that was, about \$9,000 million—were deducted from that figure, it would be seen that about \$10,000 million a year should be allocated to economic development. In 1920, capital investment in the under-developed countries had amounted to \$120 million. At the present time it was rather more than \$1,000 million. Consequently, if $2\frac{1}{2}$ per cent of the total of national incomes were earmarked for the economic development of the under-developed countries, the amount of investment in those countries could be increased sixfold.
- 37. IFCTU proposed that the Council should express its desire that the Disarmament Commission reach a rapid and positive solution of the problems it was examining. The Council should also recommend a study to determine the amount and application of funds that could be released through a reduction in armament expenditure, with special reference to problems of productivity, trade and housing conditions.
- 38. Mr. MEADE (United Kingdom) remarked on the fact that the different members of the Council inevitably varied in their approach to the problem of full employment and in the importance they attached to its various aspects. For the less developed countries, the problem was inextricably linked with economic development. Moreover, those primary producing countries with low incomes per head of population and pressing development needs were not the potential initiators of a general recession. The highly industrialized countries must acknowledge that they bore the heaviest responsibilities for maintaining high and expanding levels of economic activity and employment in the world as a whole.
- 39. At its fourteenth session, the Council had concentrated mainly on the international aspects of policies for full employment and economic stability, and he was therefore glad that at the present session the emphasis was to be on domestic policies.
- 40. It was encouraging to note from a survey of the past three years that the boom of 1950/51 had not been followed by anything like a depression, although there had heen a relative stagnation of output and a rise in unemployment in the industrialized countries of the west. He could not, however, agree with the Soviet Union representative's apparent contention that the rise in unemployment in 1952 had been due to the rearmament programmes of the countries concerned; since defence demands in recent years had, in fact, added to the total pressure of demand on the manpower and other resources of those countries. That was indeed illustrated by the remarks of the Chancellor of the Exchequer to which the Soviet Union representative had referred. The initial widespread reduction in demand for certain consumer goods in 1951 seemed to have been due to a natural reaction from the earlier stock-building boom, and to some spontaneous change in the normal pattern of demand. Thereafter, a consequential fall in the incomes

in primary producing countries, together with spreading import restrictions, had added their depressing influence. Shifts in patterns of consumption and of demand generally were liable to cause some temporary unemployment, but they were unavoidable in any society in which consumers were allowed a genuine freedom in deciding how to spend their incomes.

- 41. One of the main objectives of national and international policies must then be to make sure that the relative stagnation of the world economy during the past year appeared in retrospect simply as a temporary phase of adjustment from the 1950/51 boom to a new era of steady expansion. He regretted that the Secretariat had not included in its analysis of the replies to the full employment questionnaire a brief assessment of the more significant trends in the world economy since the period covered by the "World Economic Report". During the past year, there had been a rapid expansion of output and rising levels of employment in North America. The picture was less clear in Western Europe, but was still moderately encouraging. There were some signs of a new upward trend of output in countries where there had earlier been a fall, and unemployment had fallen below the peaks of 1952. At the same time, a more satisfactory pattern of international payments had been established, though at the cost of a reduced volume of trade. The document prepared by the Secretariat (E/2445) showed that the countries which had submitted forecasts of activity in 1953 were all anticipating some improvement over the 1952 levels. The question which mainly concerned the Council was whether those hopes could be realized.
- 42. With regard to the question of reconversion after the rearmament period, he agreed with ICFTU that any problem created by falling demand in the defence sector would not be solved almost automatically by the freeing of a great, pent-up civilian demand for both consumer goods and investment, as had been the case in the period immediately following the end of the Second World War. At the same time, however, the problem should not be exaggerated, and the extent of reconversion required would be far less than in 1945. He did not think that prospects of reduced expenditure on defence would necessarily constitute a serious menace to the world's prosperity. On the contrary, any reduction would provide opportunities for more rapid increases in investment in civilian industry and in standards of living, provided that the main industrial countries pursued positive domestic policies for maintaining high levels of output and employment. In connexion with the type of policies required, he referred to the report on National and International Measures for Full Employment,1 and said that experience had, on the whole, shown its recommendations to be sound. The first essential was for governments to arm themselves with the technical means of diagnosing economic trends aud of influencing the direction of the national economy. The specific measures to be taken would vary with the particular problems of each country. Subject to that qualification, his delegation would accept many of the specific suggestions made in ICFTU's memorandum (E/2474). There were, how-

ever, two proposals about which he had considerable misgivings.

- 43. In the first place, governments would have to be extremely cautious in stimulating increases in money incomes as a means of raising consumption. If they outstripped increases in productivity and raised the general level of domestic costs, increases in money incomes might have adverse effects on the balance of payments that could jeopardize the success of any country's full employment policy. Secondly, it seemed inappropriate for the Council to attempt to establish a special international fund for financing housing development, as was suggested by ICFTU. He did not think it desirable for the Council to attempt to influence the detailed pattern of investment in member countries by providing funds for such very specific purposes, and he doubted in any case whether the method proposed would achieve its aim.
- 44. He turned next to the two notes by the Secretary-General on the report on measures designed to recoucile the attainment and maintenance of full employment with the avoidance of inflation (E/2404 and E/2449). The Council should be grateful to the Swedish representative, who had drawn special attention to that problem at the previous meeting, since the maintenance of genuinely full employment might well depend upon its solution. In any country which tried to trade freely with others, and where consumers were free to choose how they would spend their incomes, there might be marked changes from time to time in the pattern of demand for the products of different industries. In those conditions, any measures which could be taken, either to encourage the movement of labour and other resources into sectors of expanding demand, or to prevent a sudden excessive demand in particular sectors from forcing up the general price-level unduly, would make it possible to maintain a higher level of total demand and employment over the whole economy without price inflation. It would seem from experience in the United Kingdom that governments would seldom have found it sufficient in recent years to concentrate exclusively on general policies for maintaining aggregate demand. On the contrary, the most careful and discriminating use of a variety of measures for influencing the economy had been required at different times, and he referred to some of the specific measures taken in the United Kingdom. During the past two years in particular, his country had found monetary and credit policies acting upon demands for investment to be of the utmost importance.
- 45. Another important lesson of the post-war years had been that to maintain full employment without inflation in a free society, wage-earners, farmers and others must play their part by refraining from taking advantage of high levels of demand for their services to try to increase their real incomes faster than the rise in the income of the community as a whole would allow. That was perhaps an area in which governments could still intensify their efforts to increase the general understauding of economic conditions and policies among all sections of the community and to adopt, wherever possible, policies which were accepted as socially just and worthy of respect.

¹ United Nations Publication—Sales No.: 1949.II.A.3.

46. Finally, he would give some indication of recent developments in the United Kingdom. The figures quoted by the Soviet Union representative at the 720th meeting to show the rise in unemployment in 1952 were most misleading, and he would point out that the level of unemployment in the United Kingdom in 1952 had never risen as high as $2\frac{1}{2}$ per cent of the total number of persons employed. The Secretariat's analysis of the replies of governments to the questionnaire (E/2445)suggested that employment prospects were more uncertain in the United Kingdom than in some other countries. His Government had stated in its reply that no precise forecasts of the level of employment and unemployment had been made for 1953 but that, provided exports were maintained at recent levels, there would be a high level of employment. In fact, unemployment had been falling steadily during the first five months of 1953, and in May had been only 1.8 per cent of the estimated total number of employable persons.

47. The main aim of United Kingdom policy during 1952 and 1953 had of necessity been to reverse the serious worsening of the balance of payments which had set in about two years previously. The policy had met with success, and by the end of 1952, the menace of inflation had been largely defeated. Production was increasing, and the latest figures showed output to be rising above the 1951 level. Subject to the prime need to avoid any overloading of the economy and new pressures on the balance of payments, the United Kingdom's domestic policies were designed to encourage new expansion.

48. In conclusion, he thanked the Australian representative for his reference to the suggestions made by the United Kingdom delegation at the fifteenth session, and said that he still believed those to be the aims which the Council should pursue. He would speak at a later stage on international measures to promote full employment and on the report of the International Monetary Fund on the adequacy of monetary resources (E/2454).

49. Mr. MONTOYA (Venezuela) said that he would confine his remarks to the problem of reconversion after

the rearmament period. Various national and regional measures of limited scope had already been suggested to combat the possible adverse effects on the economy resulting from a sudden falling-off of arms production. Some of those suggestions had been put into practice, but more general international measures would certainly be required. Among the long-term programmes which would be needed to meet the problem, he emphasized the importance of the economic development of the under-developed countries. He would not deal with that question from the point of view of improving the living standards of their peoples, for that would be discussed under item 3 of the agenda (economic development of under-developed countries), but he would stress its importance also from the point of view of increasing international trade and opening up new markets. Markets in the under-developed countries were at present limited, not only by geographical obstacles and transport difficulties, but also by the very low purchasing power of their populations. With economic development and industrialization, such countries would become better purchasers. That was illustrated by the rise in imports into Latin America over the past fifteen years which could not be accounted for entirely by the rise in exports, and must be attributed partially to industrialization programmes. The acceleration of economic development might be assumed to lead to a reduction in the country's dependence on the outside world, but in fact a rise in the standard of living normally brought about greater interdependence of the economies of different countries because of the increased demand for products of all

50. In conclusion, he supported ICFTU's proposal (E/2474) that the Council should initiate research into the probable effects of the falling-off of arms production. However, in his opinion, the Council should not take any further action on that proposal at the present session since it could not draw up programmes of action until it had heard the results of the research.

The meeting rose at 1 p.m.