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ECONOMIC AND SOCIAL COUNCIL  
Fifth Session

VERBATIM RECORD OF THE NINETY-SECOND MEETING

Lake Success, New York,  
Thursday, 24 July 1947, at 11:00 a.m.

Acting President: Mr. Jan PAPANEK (Czechoslovakia)

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The PRESIDENT: I declare the ninety-second meeting of the Economic and Social Council open.

REPORT OF THE SECOND SESSION OF THE ECONOMIC AND EMPLOYMENT COMMISSION

The PRESIDENT: We shall continue our discussion with regard to the Report of the Economic and Employment Commission.

Mr. NEHRU (India): I did not intend to take part in this preliminary discussion. The only reason why I asked the Commission yesterday to speak on the subject was that certain strictures had been made on the work of the Commission which seem to me to call for a reply.

I should like to remind the Members that although I am representing India on this Council, I am also a Member of the Economic and Employment Commission. The reply must, however, come from our Soviet Union colleague, who is the Chairman of the Commission, and also from our distinguished Rapporteur. I propose to confine my remarks to a few points which were made yesterday by some of the speakers and which are of special interest to India.

I presume we shall have a further opportunity of making more detailed observations on the specific recommendations of the Commission. We were told yesterday that the Commission's Report which we are now considering is full of generalizations, some of which are positively inaccurate and that it fails to make any constructive suggestions. I believe that there is also a suggestion that the Report showed evidence of political bias. We were told by our British colleague that although the Commission was expected to act as a body of independent experts, it had not quite come up to expectations. I gathered from Mr. McNeil's remarks

that his sense of disappointment is so keen he doubts the value of any of our work done in the Commission on such lines.

I hope my colleagues will forgive me if I misinterpret their remarks, but I think I am right in saying that this was the purport of their observations. Speaking as India's representative, might I say that I share the disappointment to some extent, though not perhaps for the same reason. To illustrate my point, I will deal mainly with Part V of the Report, which deals with the question of the better utilization of world resources. This is a subject in which countries such as India are deeply interested. I was, unfortunately, not present when the Report was drafted, but I do find now that Part V does not state the views expressed by some of us in the Commission either accurately or fully, but the criticism is made that the Part contains too many generalizations. May I ask whether the Report which the Commission was asked to make to the Council under the resolution of 28 March could have been made in any but very general terms.

The resolution, as we know, refers to certain broad objectives, and requests the Commission to submit a Report on the most appropriate forms of international action in facilitating the better utilization of the world's resources. This is a vast subject, and it seems to me that the Commission quite rightly decided to make no concrete recommendations until the whole problem had been studied, and carefully studied, by the Sub-Commission on Economic Development.

The intention, I believe, was to summarize the divergent views expressed by the Members of the Commission in the Report, and to leave it to the Sub-Commission to frame an acceptable scheme of international collaboration for the information of the Commission. It is wrong to

treat Part V of the Report as containing a set of recommendations made to the Council. The correct position is that no recommendations have been made or should be made to the Council on this question of development of better utilization of world resources until the Sub-Commission on Economic Development has reported to the Commission. Although this is the position, the fact remains that some of the views expressed by Members of the Commission have not been correctly set out in the Report. I would even say that Part V, as drafted, gives no clear guidance or instructions to the Sub-Commission on Economic Development, as to the manner in which it should perform its tasks.

Some of my colleagues have commented on the first sentence of paragraph 5 of chapter V, and others on the last sentence of paragraph 3 of this chapter/<sup>saying</sup> that the form in which these ideas have been presented, they seem to have been put forward by some one who is lacking in the rudiments of intelligence. Some of these ideas were put forward by me as a Member of the Commission. They form part of the comprehensive statement which dealt with the broad objectives of a national development programme.

If the statement is read in full, it will be found that certain elements are fitted into a coherent plan of national development. I stressed the development of internal markets, where such markets have not been fully developed, as in India, and on reducing the dependence on foreign markets for vital commodities such as food, without, however, in any way restricting or reducing trade with foreign countries in other commodities which cannot be produced efficiently or economically at home.

By preparation for defense, I meant the development of key industries and basic industries which are necessary for strengthening the economic structure and also the production of essential consumer goods such as transport, textiles, the shortage of which during the last war had a disastrous effect on the health and well-being of India. I certainly did not suggest that we should enter into an armaments race with other countries.

These statements have, however, been torn from their context and have been condensed to such an extent and presented in such a form that they quite naturally invite criticism. One may disagree or agree with these views, but it does not serve any useful purpose to accuse those with whom one disagrees as being politically biased. I am not quite sure whether this was the expression used by Mr. McNeil, but I think this was the general purport of his criticism.

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It seems to me that if experts are to be employed in these commissions, they should be independent experts and not men who are merely expected to sign on the dotted line and to refrain from giving free expression to their views on economic questions where such questions are closely interrelated with political questions, or where their views may be in conflict with those of other representatives. I doubt if there would be a place for independent experts from countries such as mine on these commissions if we were not given full scope to express our views freely.

There is so much divergence of views that some of us are quite anxious that the experts should prepare some agreed scheme of international collaboration for our consideration as soon as possible. But differences of opinion cannot be resolved in one or two meetings, especially when the experts represent independent nations or nations which aspire to be independent and which have varying outlooks, problems and interests.

Let me illustrate my point again by drawing attention, as I did in the meeting of the Commission, to the work of the Asia Relations Conference. I was reading the verbatim record a few minutes ago and I find that Mr. McNeil has referred to political propaganda. I read no political propaganda. I find it is essential, if the tasks which the Commission has undertaken are to be performed properly, that the work of such bodies as the Asia Relations Conference should be studied carefully and intelligently. We have done much more constructive thinking, much deeper thinking on this problem in this Conference than in other bodies in Asia and than we have been able to do here, and it is for this reason that I draw the attention of my colleagues to this Conference and to the conclusions reached at this Conference.

What was our general approach to the problem of economic development in the Asia Relations Conference? At that momentous session, there were thirty-two countries represented: countries of the Middle East, countries of Soviet Asia, countries of the Far East and of the Near East, including the countries of Indonesia.

Since I have mentioned the name of Indonesia, may I say how deeply we in India -- and, I am quite sure, all our brethren in Asia and all democratic peoples through the world -- sympathize with this heroic people, who are undergoing such trials and tribulations and who are struggling so gallantly to maintain their liberty against considerable odds. I do not wish to labour that point any longer, since I may be accused of carrying on political propaganda.

If I may come back now to a discussion of the work of the Conference, I should like to say that our main purpose there was to study our common economic, cultural and social problems and to try to devise measures which would enable us, in co-operation with these countries and within the sphere of larger international co-operation, to undertake the task of reconstruction and development of our entire economic, social and cultural life.

We examined these problems very carefully, and we came to the conclusion that what was needed in Asia were not only drastic measures of agricultural reconstruction, but also industrialization, the development of trade and the development of every aspect of economic life, and that this was to be done by measures of regional co-operation and internal development which would be linked with, and which would form part of, a larger scheme of world co-operation under the auspices of the United Nations.

Above all, however, the conclusion which we considered to be of the greatest importance, and to which we do attach the greatest importance, was this: We found that all our difficulties and problems -- or, at any rate, many of them -- arose from the fact that in the immediate past we have been dependent economies; that the character of our economy was that of a colonial or dependent economy. We therefore studied that subject. I cannot go into too great detail here; I have already submitted the documents on that subject to the United Nations Secretariat. However, I might say that we came to the conclusion that if we were to develop our economic and social life on broad and comprehensive lines, and if we were to advance toward the goal which has been set out in the United Nations Charter, the social and economic well-being of the people with due respect for the principle of self-determination and equal rights, it was essential that we should free ourselves from the dominance of foreign political influence and foreign capital and personnel.

I have used the word "dominance." We want co-operation; we want genuine co-operation. As to dominance and exploitation, however, we are not going to stand them any longer. That was the final conclusion of the Asia Relations Conference.

I have put this whole idea into a few words. The idea has been discussed very fully in the documents to which I have referred. But if a member of one of our commissions were to put these ideas forth in the Commission, would he be guilty of political propaganda and political bias? If these are the views held by representatives of two-fifths, or perhaps three-fifths, of the world's population, and



if these views are advanced by experts representing these countries in the commissions and committees of the United Nations, should they be turned down and brushed aside merely because one of our colleagues and friends considers that they show political bias and prejudice? I do not think that we should be advancing the work of the United Nations, or furthering the cause of international co-operation, if we were to turn down ideas on economic subjects merely because they have a political foundation or because they are interrelated with political ideas.

In conclusion, I should like to say a few words on a point which I believe my friend, Dr. Malik, raised yesterday. Dr. Malik complained that the countries of the Middle East were not represented on the Asia Commission and, if I understood his remarks correctly, there was too great a preponderance of non-Asian representation. He also referred to the difficulties which confront India and perhaps the inability of India to represent other interests.

I should like to point out that, for the last six weeks, India and one or two other countries of Asia have been struggling to increase the representation of Asian countries on the Asia Conference. This is a subject which we shall discuss separately, and I shall have something to say on that subject. However, it does seem to me that when a question like representation on the Asia Commission arises, it is largely for what I might call political reasons that our suggestion, which was a fairly reasonable one, was turned down.

I feel we must take a broad and deliberate view in these matters. We cannot dissociate the economic from the political problem. Our objective is a common objective; the objective has been set out in the United Nations Charter. We are trying to interpret it liberally and constructively so as to advance the common purpose and the common objective which we have in view.

I feel that it is not right to accuse us of political bias if we take a more liberal view of this principle of self-determination or equality than others do and if we try to give effect to these principles and to bring out these ideas in the Commissions of the Council.

Mr. MALIK (Lebanon): I should like to dispel a very simple misapprehension which might have been produced by the remarks of the representative of India. He spoke about my referring yesterday to the Economic Commission for Asia and the Far East. As a matter of fact, I did not refer to that Commission at all. My remarks confined themselves to the Economic and Employment Commission and its bodies.

I said that I regretted very much that there was no representative of the Middle East on any of these Commissions of the Economic and Social Council, and that the nearest country to the Middle East represented on the Economic and Employment Commission and its Sub-Commission was India, which already had enough on its hands. Therefore, it was not fair to overload it with even greater responsibilities.

Mr. SANTA CRUZ (Chile)(Interpretation from Spanish): As has been the case on previous occasions, we have listened with great interest to the discussion which has taken place on the Report of the Economic and Employment Commission. This Report has resulted in a most fruitful discussion in the Council. Various delegations took the opportunity of expounding upon the ideas contained in the Report and the draft resolution, and they expressed their points of view on many vital items with regard to relations between the nations of the world. Some of the remarks that have been made have been of special interest to us, namely, the remarks made by the representatives of Lebanon, China, the United Kingdom, Canada, and, this morning, the remarks of the representative of India.

The main question that interested us was the attention drawn to the development of countries of little economic development. Latin America, within the Economic and Social Council, has always emphasized the importance of the question that attention should be brought to bear to promote further the economic development of countries that are not as yet so well developed, and has supported everything that had been said and done to this effect.

At present there is a project that concerns the economic development of our continent, Latin America, that has to be submitted through the United Nations, and we feel confident that it will meet with an approach in accordance with the views expressed within this Council on this matter.

We should like to draw attention to what has been said by **Mr. Martin, the representative of Canada, the fact that countries** that at present are less economically developed, not only constitutes a danger for better developed countries, but on the contrary, it is an important item for development of international trade of these countries.

To what Mr. Martin has stated, I would like to add a few paragraphs of what Mr. Spruille Braden said in a book called "Industrialization of Latin America." His idea is that in the measure in which the economic power of a nation increases through industrialization in the same measure there are greater possibilities for exports. He further says that the measure in which a customer nation may through industrialization increase its exports is exemplified by the economic history of the United States.

The early stages of our industrial development were largely financed by our foreign investors. There were those in England and elsewhere who warned against the export of capital to the United States, believing that this profitable market for their country would thus be destroyed. Those were indeed false prophets.

In the seventy years following the middle of the nineteenth century, our imports of manufactured goods increased six-fold. Yet, we must state that our desire for the economic development of those countries, by no means ~~infers that they~~ should merge into a self-sufficient economy.

We have the same feeling about it that the representatives of Canada and the United States. We need to promote economic development and to raise the level of life in accordance with the Charter of San Francisco. This is important because raising the level of life is the best guarantee for peace and real democracy. We do not believe in economic self-sufficiency. We do believe in interdependence as has been stated by Mr. Martin and by the representative of the United States.

The President of Chile, in his recent journey to Brazil and Argentina proclaimed that we were inspired by the principle of international co-operation, and on the anniversary of the signing of the Charter at San Francisco, it had been said that all countries must adjust their individual interests to world economic interests. We believe in such adjustment and in such co-ordination, and for this reason we presented our programme of economic development to the United Nations, so that it would not only serve our individual purposes but everybody's as well. We believe in the truth of what has been said by President Roosevelt.

We know that the day of the exploitation of the resources and the people of one country for the benefit of any group in another country is definitely over. Each one of us has learned the glories of independence. Let each one of us learn the glories of interdependence.

As far as the Report is concerned, we consider that it should be approved. There are some observations which have been made that are true, and, in the Economic Commission, we are going to submit our views on different points in particular.

Mr. BELLI (Cuba) (Interpretation from Spanish): I have just been informed that the staff of the Secretariat of the United Nations is holding an important meeting at 12:15 p.m. I should like to ask the Members of the Economic and Social Council to adjourn now, so as to allow the Secretariat to attend this very important meeting. We could then meet again at 2:00 p.m. instead of 2:45 p.m. I request that we do this in deference to the members of the staff who have helped us so well in all our work.

The PRESIDENT: It is rather irregular to interrupt our work. I should like to know the feelings of the Members as briefly as possible, so as not to defeat the purpose which the Cuban representative has in mind. If no one objects, we could perhaps meet again at 2:00 p.m. and accomplish our work.

Mr. STINEBOWER (United States): I agree with the President that it is not only irregular, but I think it is a highly improper request. However, I am not going to object. I should like to point out that we shall lose an hour and fifteen minutes, and it has been suggested that we only gain forty-five minutes by meeting earlier.

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I should like to suggest that if we grant this extraordinarily improper request, we be prepared to sit also another half hour -- in other words until 6:00 p.m. -- and that we be assured that it will not involve additional budgetary expense to the Secretariat on the part of over-time.

Mr. BELT (Cuba) (Interpretation from Spanish): I should never have thought that it would be improper to be polite and not to acknowledge the services that the Secretariat have always so kindly given us.

Mr. STINEBOWER (United States): I wish to apologize to the representative of Cuba and to make one thing clear. I did not mean his courtesy in putting forth a request of the Secretariat. I think it was improper of the Secretariat to have asked him, or any Member of this Council, to sponsor such a request.

Mr. OWEN (Assistant Secretary-General in charge of Economic Affairs): I very much appreciate the courtesy of the representative of Cuba in putting forward this request on behalf of the Secretariat. I am bound to say, however, that this request is new to me, and I do not make it on behalf of any of my colleagues.

Mr. BELT (Cuba): The Secretariat did not ask me to request the adjournment of this meeting. I knew that the meeting was going to be held at 12:15 p.m., and that is why I asked the Council to adjourn.

The PRESIDENT: Before adjourning, I wish to draw the attention of the Members of the Council to the fact that this decision will change our programme. Instead of discussing matters in the Committees, we will have to continue the discussion in the Council and complete our agenda. After disposing of the agenda in the Council, we shall continue our discussions in the two Committees: the Economic Committee and the Social Committee.

The meeting rose at 12:15 p.m.