

SUMMARY RECORD OF THE SEVEN HUNDRED AND TWENTIETH MEETING

held on Thursday, 1 August 1974, at 9.20 p.m.

Chairman: Mr. A. HUND Pakistan

THE IMPACT OF MULTINATIONAL CORPORATIONS ON THE DEVELOPMENT PROCESS AND ON INTERNATIONAL RELATIONS (agenda item 8) (concluded) (E/AC.6/L.556/Rev.2)

The CHAIRMAN said that draft resolution E/AC.6/L.556/Rev.2, which was now before the Committee, embodied all the amendments accepted during previous discussions. He assumed that there would be no objection to its approval.

Draft resolution E/AC.6/L.556/Rev.2 was approved. 1/

Mr. SCHWEBEL (United States of America) expressed his delegation's pleasure at the consensus reached which would enable the United Nations to launch out on a new and continuing activity. He desired to draw attention to three points: the views expressed by the United States delegation at the sixth special session of the General Assembly at the time of the adoption of the Programme of Action on the Establishment of a New International Order remained unaffected; his delegation regarded the resolution as an important step forward and warmly supported it; and it had no reservations concerning the text approved.

Mr. BERNIERE (France), speaking on behalf of the States members of EEC, welcomed the happy outcome of the discussions that had been held. Those members of the Community which had formulated reservations on the question of multinational corporations, not in connexion with resolution E/AC.6/L.556/Rev.2 but on the occasion of the adoption of the Declaration and Programme of Action on the Establishment of a New International Economic Order, desired it to be understood, that the approval of the resolution in no way affected the reservations expressed earlier.

On behalf of all States members of EEC, he wished to comment on the use of the term "transnational" in place of "multinational" corporations. In order not to delay the approval of the resolution, the delegations in question had willingly acceded to the request of the Group of 77 and had formulated no objection on the subject. They wished it to be clearly understood, however, that their agreement in no way meant that they had accepted there and then a precise definition of the multinational corporation; that was far too controversial a subject to be decided off-hand. For the time being there was no internationally recognized definition of the multinational corporation and it was therefore impossible for the members of the Community to adopt a final position on the matter. The Mexican representative, who was to be congratulated on having raised a problem of great importance, had not asked for any immediate decision. The members of the Community therefore hoped that one of the first tasks of the Special Intersessional Committee and of the information and research centre on transnational corporations to be established would be to study the question of that definition.

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1/ Subsequently adopted by the Council as resolution 1908(LVII).

Mr. MORDEN (Canada) said that his delegation, too, welcomed the consensus reached. It had certain reservations about the use of the term "transnational" but had not wished to pursue the matter in the recent discussions in order not to delay agreement on the text of the resolution. He trusted that the approval of the resolution would not prejudice any subsequent decision which might be reached in the Special Intersessional Committee on the general nomenclature that should be used as United Nations activities on the subject proceeded.

Mr. YAMADA (Japan) thanked all the members of the Committee, in particular the members of the Group of 77, who had made concessions to accommodate the views of his delegation regarding the text that had been adopted. His Government had no reservations concerning that text and intended to contribute to its implementation. There was no need for him to restate the position of his Government as defined at the sixth special session of the General Assembly.

Mr. WANG Tzu-chuan (China) said that his delegation fully supported the text which had been adopted. It had already stated its views in connexion with the report of the Group of Eminent Persons to study the Impact of Multinational Corporations on Development and on International Relations (E/5500/Add.1(parts I and II)).

Mr. NESTERENKO (Union of Soviet Socialist Republics) said that, the approval of the resolution notwithstanding, his delegation adhered to its previous remarks concerning the financial implications, if any, for the regular budget. He desired the Secretariat to take note of the fact that the Soviet Union delegation would in due course outline its ideas on that subject in greater detail.

In reply to a further observation by Mr. NESTERENKO (Union of Soviet Socialist Republics), the CHAIRMAN said that the text of the resolution had been produced in a great hurry; any errors detected in the document, should be brought to the notice of the Secretariat.

Mr. POCKOCK (Australia) said that his delegation, too, was satisfied with the happy outcome of the discussions. He associated himself with the remarks made by the Canadian representative concerning the use of the term "transnational". Its incorporation in the text adopted should not preclude further discussion on the question of terminology. He also desired to remind the Committee of the valuable contribution made by the Canadian delegation, which had opened the debate on the subject by submitting a workmanlike text (E/AC.6/S.554) at an early stage of the discussion. He looked forward to further consideration of that proposal in the Special Intersessional Committee.

Mr. BARCELÓ (Mexico), speaking on behalf of the Latin American countries and more generally of the members of the Group of 77, thanked the French, Canadian and Australian delegations, which had made valuable contributions to the debate. The discussion on the terminology to be adopted would have to continue either in the Special Intersessional Committee or at the proposed information and research centre.

The CHAIRMAN said that consideration of agenda item 8 was concluded.

The meeting rose at 9.45 p.m.