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REPORT OF THE INDIAN DELEGATION OF THE 16TH SESSION OF THE ECONOMIC AND SOCIAL COUNCIL

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REPORT OF

THE INDIAN DELEGATION

TO THE 16TH SESSION

OF THE

ECONOMIC AND SOCIAL COUNCIL

HELD

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GENERAL SURVEY

The 16th Session of ECOSOC was inaugurated by the President of the Council, Mr. R. Scheyven of Belgium on the 30th June 1953 with a short statement in which he recalled the harmony that had prevailed during the 15th session, and expressed the hope that the 16th Session would also work in a similar spirit. The President had no cause to be disappointed. Indeed the mood of the Council during this session, from all accounts, was even more cordial than during the preceding one. This was true not only of the day to day business conducted in plenary meetings, in the meetings of the Social Committee, the Economic Committee, the Technical Assistance Committee and even in the Committee on Non-Governmental Organizations, but also of the social activities outside the conference rooms. There was on the whole free and cordial intermingling among delegates irrespective of their countries of origin. This was largely due to the general policy of *detente* of the USSR and the consequent restrained attitude of their Delegation on all controversial questions. Personalities also had something to do; Dr. Arutyunyan, leader of the Soviet Delegation, being highly respected for his knowledge of economic affairs and his ability to speak to principles and avoid personalities, and Mr. Baker of the U.S. Delegation (who is President of the Ohio University) being a gentle and agreeable personality with a fairly objective and detached mind.

The question of Economic Development of Under-developed Countries rightly occupied, as in the past, a most prominent position in the problems discussed by the Council and on this occasion additional interest was created by an American proposal, calling upon the Member Nations of the UN to devote a proportion of savings on armament expenditure arising from "a genuine internationally supervised disarmament" to an international fund for the purpose of assisting economic development and reconstruction. This was clearly a propaganda move on the part of the Americans but from the point of view of the under-developed countries was, of course, unexceptionable.

The dramatic announcement by the Soviet Union and Poland to contribute to the Technical Assistance Fund the sums of 4 million Roubles and 300,000 Zlotys respectively was entirely unexpected. The announcement received a general welcome not only because it was material addition to the resources of the Technical Assistance

Board, which is facing a difficult financial situation, but as a gesture that those and other like-minded countries may participate in the future more actively in the UN activities in the social and economic fields.

This session witnessed the proposal for a Special United Nations Fund for Economic Development move, a step forward as a result of the admirable report produced by the Committee of Experts. It is now up to the General Assembly, which has the primary responsibility in the matter, to decide whether to go ahead. But the Industrialised Countries have by no means reconciled themselves to the idea and their objections were as vocal as ever.

The question of setting up an I.F.C. was also kept alive with some difficulty and the reluctant International Bank has been asked to submit a more detailed analysis on the subject in order to enlighten the governments and parties concerned. On both questions the Indian Delegation (Shri B. R. Sen) took the leading part in urging more positive steps. We pointed out that "prosperity" like "peace" was indivisible and that poverty could become a greater danger to peace than the present irritants in the international situation. The ideological and power political considerations involved in this problem were reflected in the interchanges between the USA on the one hand and the Soviet Union and Poland on the other. The US Delegate argued that while his government was anxious to increase its aid to under-developed countries it was unable to do so because of aggression and threat of aggression. The Soviet Union and Poland attacked the U.S. for exploiting the peoples of under-developed areas, restricting their trade by political and economic pressure and worsening their terms of trade by lowering the prices of primary commodities such as tin and rubber. The Yugoslav contribution was a detailed analysis of the role of private investment in under-developed countries which led to the conclusion that private investment was politically undesirable and inadequate to play a major role in this task, and that in the long run large scale private investment would have an adverse effect on the balance of payments position of the country receiving the capital.

In the debate on full employment great concern was expressed in the Council lest reconversion after the rearmament period should lead to economic recession. The influence of the U.S.A. on world economy received special attention from the Belgian delegate who pointed out that a reduction of 1 per cent. in the national income of the U.S.A. was sufficient to cut her imports by 20 per cent. with catastrophic consequences to the "free" world. The Soviet and Polish delegates dwelt on the superiority of their own economic system, and condemned rearmament and restrictions on trade. We

reiterated that world economy could not operate on an expanding basis without the development and industrialisation of under-developed countries. The interrelation between full employment and inflation in industrialised countries and inflation in under-developed countries in the process of industrialisation were also discussed and they are to form the subject of a questionnaire to governments.

Another limited achievement was in the Fiscal sphere. The Council adopted a resolution recommending that double taxation should be avoided and appealed to the highly developed powers to give favourable consideration to the feasibility of taxing exported capital to under-developed countries primarily in the country in which the income is earned. The resolution was the result largely of the efforts of the Indian Delegation to place the whole matter on a practical as distinguished from a purely academic and idealistic basis.

The question of Restrictive Business Practices evoked ideological controversies involving cartels etc., but there was no desire to discuss the substance of the Ad Hoc Committee's report on the subject and therefore it was decided to circulate it and ask for comments from governments, Specialised Agencies and GATT.

The debates on technical assistance were more lively than usual with the Soviet Representative taking a prominent part. The decision of his government to contribute to the Fund had given Mr. Arutyunyan, the Soviet leader, additional prestige and he was not slow in exploiting it. As regards the substance of the problem the Council has asked for a revision of the programme in the field of Public Administration. The expanded programme was scrutinised in minute details; the question of administrative costs, which the Soviet delegate wanted to be cut drastically, the functions of Resident Representative—considered unnecessary by the Soviet delegate—and their relations with host governments, where Mr. B. P. Adarkar insisted that the Resident Representative should give advice only at the express request of governments, were given much prominence. The grave financial situation of the T.A.B. which the Chairman said would certainly lead to curtailment of fellowships and even programmes overshadowed all other problems. Another aspect of the financial problem was that while the budget was based on year to year pledges from member governments, which were not always honoured in full, the technical assistance schemes needed resources on a long term basis. No solution was found to this dilemma. India and other countries stated that they could not commit themselves in advance. The debate ended with a speech in the plenary session by the Indian leader (Shri B. R. Sen), who attempted to place the whole problem in a true perspective, a speech which was received with appreciation all round.

The reports of the Regional Commissions—Economic Commission for Europe and the Economic Commission for Latin America—evoked interesting debates; the main emphasis in the case of ECE being on East-West trade and on problems of industrialisation in the case of ECLA. Both Commissions reported encouraging progress though there was still much to be done.

The question of Assistance to Libya was assured of unanimous support but the Anglo-Libyan Treaty of 31st July 1953, under which the U.K. has received military bases and other privileges in return for a subsidy to Libya of $2·5 million a year created a new situation. Moreover, a draft resolution sponsored by Egypt and Turkey was so worded that bilateral agreements of this type appeared to be covered by it. In the circumstances the Indian Delegation was unable to vote for the resolution and we pointed out that in our view agreements of this type could not be in the best interests of a young under-developed country such as Libya. Egypt lodged "the most express reservations" on this treaty and the Soviet delegate declared that it was a clear violation of the U.N. principles and the Charter.

Among the reports of the Specialised Agencies those concerning the F.A.O., I.L.O., and W.H.O. were the most interesting. The inter-relation between population and food production was a feature of the debate on the F.A.O. report, in which Shri B. R. Sen took a prominent part and urged a concerted international effort to tackle the population problem. Mr. MacDougall of the F.A.O. complained that the budget of his organization in real terms was less than in 1945, while the demands on services had increased enormously. He was, however, more optimistic about the food problem and stated that the F.A.O. did not subscribe to neo-Malthusian doctrines. The I.L.O. report laid emphasis on the lack of international effort during recent years, in the economic and social field owing to political considerations and the dangers of peace in the form of unemployment; productivity and Freedom of Association were other topics where the I.L.O. was making an important contribution. The report of the W.H.O. was very well received by the Council, but there were no offers to increase contributions to this important Specialised Agency. Shri Dharma Vira advocated a dynamic budget that the U.K. delegate eulogised the virtues of stability, particularly in financial matters. During the consideration of the report of I.C.A.O. and W.M.O. we (Shri S. Sen) pressed for more adequate geographical representation in the staffing of these organizations.

The report of the Executive Board of the UNICEF was greeted with unanimous appreciation; the Council had recommended to the General Assembly that this organization should be retained permanently, and that its name should be changed to "United Nations Children's Fund" while retaining the symbol UNICEF. The office of the U.N. High Commissioner for Refugees was extended for another five years; Dr. Goedhart, the High Commissioner explained that his task was far from finished and it would take many more years to come. Both UNICEF and the High Commissioner for Refugees are apparently in need of more money. Miss Bernardino of the Dominican Republic, Chairman of the Commission on the Status of Women, who was present during the session introduced the report of her Commission. The Council adopted some eight resolutions, including those on a draft Convention on Nationality of married persons—governments have been asked to give their views on this subject—convention on the political rights of women, political rights of women in trust and non-self governing territories, and technical assistance programmes in relation to the status of women. The spokesmen of the Soviet Union and Poland claimed that while in their countries the women enjoyed equal rights with men, the position of women in other parts of the world was extremely unsatisfactory and that the Commission had done very little to improve it. We also pointed out that the Indian Constitution had guaranteed equal rights for women and that in public and other services women enjoyed equal pay for equal work. The report of the Social Commission was criticised by the Egyptian delegate, Mr. Azmi, for not giving guidance on vital issues, and the Soviet delegate complained that the Commission was concerning itself with minor issues, while such problems as social security and social insurance had been ignored. Nevertheless, the report was approved with a large majority. The report of the Commission on Human Rights was presented to the Social Committee by its Chairman, Mr. Azmi, who advised the Committee not to discuss its substance as it was too technical.. His advice was readily accepted and the report has been transmitted to the General Assembly which may consider giving guidance on political issues. The Commission has been asked to complete its drafting of the Convention on Human Rights in its 10th session. The Sub-Commission on Prevention of Discrimination and Protection of Minorities was criticised by many delegates for its inactivity and method of operation. An attempt by the Latin American States and Yugoslavia to preclude immigrants from the Special Protection proposed for minorities was strongly opposed by the Indian delegation and the whole question has been referred back to the Commission for re-examination and for a definition of the term "minority"; the Council has decided that the Sub-Commission should meet once a year.

A programme of concerted practical action in the social field was the most important item in the social field to be considered by this session. The project is an ambitious attempt to initiate and coordinate programmes for economic and social development particularly in the under-developed areas; it calls for action in almost all fields of economic and social activity with particular emphasis on Community projects. We welcomed these proposals as being in the spirit of our Five Year Plan and pointed out that hitherto the U.N. contribution was mainly in the form of studies, though occasionally experts had been provided; and that it was time something concrete was done. While the programme is most commendable on paper, it remains to be seen how it will work out in practice.

The question of alleged infringements of trade union rights was quickly disposed of as there was hardly any desire to discuss the substance of the complaints; the Secretary-General has been requested to communicate again with the governments concerned; Spain, the Soviet Union and Rumania. His previous communications did not elicit even an acknowledgment.

On the question of Narcotics we persuaded the Council not to insist on the immediate discontinuation of the "legal existence" of opium smoking, on account of the problem of addicts but pointed out that our vigorous efforts to abolish smoking were likely to free most parts of India of this evil by the end of 1959. The Secretary-General, Mr. Hammarskjoeld, has been looking into Coordination questions personally. He presided over the 13th session of the Administrative Committee on Coordination which has decided to review its procedures and methods of work to make them more effective. But some delegations, and in particular the U.S. Delegation, expressed their dissatisfaction on the grounds that the reports did not include the results of achievements of the ACC; but these reports were concerned with the processes of coordination and not their results. We did not find difficulty in appreciating this position. However, the Secretary-General is to issue a separate paper making up this deficiency. The Council has decided that the form of reports of the Specialised Agencies may be changed, on an interim basis, so that certain aspects of their work, which are of primary interest to the Council, are given particular attention. A report will be submitted by the ACC to the 17th session on the entire question of reporting by Specialised Agencies.

The questions though innocuous in themselves provoked political discussion. First, there was a request from the Government of Viet-Nam to accede to the Convention on Road Traffic. The Soviet delegate argued that this government was "illegal" and therefore the U.N. should not allow it to accede to the Convention. The French delegate, who had sponsored Viet-Nam's request rejected the Soviet allegations and claimed that accession to conventions should be based on the principle of universality. We abstained on this vote and Shri B. R. Sen said that the question of sovereignty was clearly implied in Accession to Conventions. The Council, however, approved the French proposal. The second question was a request from the Government of the Federal German Republic seeking accession to the Convention on the Declaration of Death of Missing Persons. The Soviet and Polish delegations took strong objection to this proposal on the grounds that only a united Germany could accede to U.N. Conventions, that under the Postdam Agreement this was a matter for the four occupying Powers; that by acceding to this request the forthcoming Four Power talks on German unification would be sabotaged and so on. We voted for the proposal on humanitarian grounds as this would benefit the relatives of the victims of Hitler's Germany. Shri S. Sen explained that acceptance of this proposal, in our mind, would have no such political and constitutional implications as apprehended by some Delegations, that though we were one of the first countries to establish diplomatic relations with the Federal Republic of Germany we did not recognise its government as that of the whole of Germany. The Council approved this proposal as well.

The problem of relief and rehabilitation of Korea was not discussed in view of the signing of the Armistice. Shri B. R. Sen took this opportunity to express the hope that it might become possible to come to some working arrangement to extend U.N. aid to the whole of Korea.

Mr. Hammarskjoeld, the Secretary-General of the U.N., reported to the Council personally on his discussions with the U.S. authorities on the question of access to Headquarters of Representatives of Non-Governmental Organizations. His introductory statement on the subject and his subsequent replies to questions did much to alleviate the doubts and apprehensions which his report had created. Nobody in the Council, not even the American delegate attempted to justify the U.S. attitude on the interpretation of the Headquarters agreement. Shri B. R. Sen pointed out that the U.S. did not appear to have the slightest legal backing for their claim to the right to exclude representatives of organizations going to U.N. Headquarters District on U.N. business. The Secretary-General, in reply, reassured the Council that he accepted that legal interpretation and that a procedure had been worked out whereby disputed cases would be sent for arbitration *ex ante facto* so that the result of arbitration would be of practical use. The Council approved a draft resolution submitted by Cuba but amended at our request which noted the progress made and expressed the hope that any remaining questions would be satisfactorily and expeditiously resolved within the provisions of the Headquarters Agreement.

We were instructed to seek re-election to the Fiscal Commission where our term was due to terminate at the end of this year and to seek election to the Commission on the Status of Women. Our efforts were successful in the case of the Fiscal Commission, and India was returned with 16 out of 18 votes. But for the election to the other Commission there were 12 candidates (countries) and only six seats. Perhaps this is a sign of the growing importance of the role of women in U.N. affairs. However, in spite of the great goodwill that India enjoys in the U.N. circles, our efforts to raise India's respresentation on functional commissions from six to eight were not universally welcomed. Only the great Powers have more representation and all others much less. In the circumstances India failed to become a member, but our defeat was by no means ignominous. Four countries did much worse.

The growing prestige of India in the international field was very much in evidence during this session, particularly as a result of our role in the Korean issue. This placed the Indian delegation in an advantageous position but at the same time its responsibilities were also enhanced. The delegation endeavoured to discharge its duties to the best of its ability in accordance with the instructions of the Government of India and in the light of the high standards the Council has come to expect from Indian Delegations.

Shri B. R. Sen was approached by representatives of various delegations to stand for election to the Chairmanship of the Economic Committee which had fallen vacant as a result of the absence of Mr. Birecki (Poland). In view of this general desire Shri Sen agreed to the suggestion and was elected unanimously by a voice vote after the most generous tributes had been paid to his eminent qualifications for holding this post, the solitary exception being Dr. Hsia, the "Representative of China", himself a very agreeable man, who later privately expressed his apologies for his inability to join in the public tributes.

CHAPTER I

Agenda of the Council—E(2472)

The provisional Agenda of the session evoked a great deal of controversy on account of delay in the preparation and distribution of documents. There was a strong feeling among most delegations that the Council should adhere to the 6 week rule (Rule 14 of the Rules of Procedure). The U.K. which had proposed a postponement of this session anticipating this difficulty took a leading part in proposing the deletion of certain items and sub-items on these grounds. There was also a desire to defer the consideration of issues which were likely to provoke controversies. The Indian Delegation was not averse to postponement of certain items, but we were anxious to retain *Item* 3(d) which concerned relative prices of goods moving in international trade, and the repercussions of changes in the terms of trade on economies of Countries in the process of development, but the Council decided otherwise, by a narrow majority. The other items to meet the same fate were:

Item 6.—Question of admission to membership in the Regional Economic Commissions of States not members of the United Nations.

Item 15.—Freedom of Information.

Item 16.—Forced Labour.

Item 24.—Report of the UNESCO.

Item 28.—Report of the Telecommunication Union.

While the above items were deleted from the Provisional Agenda, the Council decided to include two additional items:

Item 42.—Accession of Viet-Nam and the State of Vatican City to the Convention on Road Traffic of 19 September 1950.

Item 43.—The request of the Government of the Federal Republic of Germany to accede to the Convention on the Declaration of Death of Missing Persons.

The Council will consider item 40 and 41 of its Agenda concerning work of the Council in 1954 and "Disposal of items arising out of the eight regular session of the General Assembly" at its resumed session later this year.

CHAPTER II

ECONOMIC SUBJECTS

1. *Full Employment*:

(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. 1-3, E/2408 Add. 4 and Corr. 1, E/2408/Add. 5 and E/2445 and Add. 1-2);

(c) *Report of the International Monetary Fund on Adequacy of Monetary Reserve under Council resolution* 427 *(XIV), paragraph* 6. (E/2454);

(d) *Report by the Secretary-General under Council Resolution* 426 *B (XIV).* (E/2404 and E/2449).

In the general discussion on this subject, a number of important themes emerged, the most topical being the influence of the United States on world economy. Speaker after speaker referred to it in the most serious vein. The Belgian representative pointed out that a fall in U. S. national income of just one per cent was sufficient to curtail U. S. Imports by no less than 20 per cent with catastrophic consequences to the rest of the "free" world. This consideration was extremely relevant to sub-section (a) of this item: Reconversion after the rearmament period. Though this problem was posed by the International Confederation of Free Trade Unions as a general issue confronting all countries involved in the rearmament race, the anxiety of most members of the Council was based on apprehension that the U.S.A., whose defence budget is over fifty thousand million dollars a year, may not be able to avoid a recession in her economy during the reconversion period. The Philippine delegate, remarked that it was a sad commentary on the state of the world that humanity had to fear war as well as peace. The British representative admitted frankly that in an economy where the consumers had the freedom of choice nothing could prevent temporary setbacks and dislocations. The U.S. delegation took full cognisance of this sentiment and the U.S. delegate tried in some detail to reassure the Council. After complaining that many countries blamed the U.S. for taking either too much or too little from the outside world, he listed a number of factors which would ensure the continued

expansion of U.S. economy in the future. Among them, was the prolific increase in population by some 24 millions in the decade 1950 to 1960. Each year, he said, more than 2 million persons were being born and their needs would help to expand production in all spheres of economic activity. Moreover, he continued, the U.S.A. had faced an incomparably greater reconversion problem after the first world war and had accomplished it without serious disturbance in her economy. Even taking into account the pent-up civilian demand of the war years, which existed in 1945, the task of reconversion in present circumstances would be comparatively simple; and the U.S. Government was determined and confident that reconversion should and could be brought about undue disturbance in her economy.

While the major consideration in this discussion was the position of the U.S., the direct impact of reconversion on the economies of the other industrialized countries was also debated at length. The representatives of the Soviet Union and Poland said that in spite of the vast armament expenditure in the Western countries, unemployment had persisted and even increased. According to them, this proved that rearmament did not only not help in solving the unemployment problem but, on the contrary, aggravated it. They tried to substantiate his thesis by pointing out that rearmament (a) prevented expansion of civilian industries, (b) starved other industries of scarce raw materials, forcing them to curtail production, and (c) resulted in loss of markets owing to the inability to produce and export goods.

The Soviet delegate then put forward his favourite theme that the main remedy for all such ills was normal trade. His arguments were not very convincing, though the picture he had painted was to some extent true of the conditions prevailing for a time in the U.K. in early 1952. The general opinion in the Council was that large numbers of men were employed in the armament industries and any reduction in armament expenditure would necessarily put men and women out of jobs. The Belgian delegate pointed out that even apart from an actual reduction in armament expenditure a levelling up of such expenditure was found to be sufficient in 1952 to increase unemployment appreciably. He explained that it could not be otherwise, when 25 per cent. of the world industrial activity was concentrated on the production of capital goods, and urged the great powers to expand civil expenditure. He also advocated unrestricted trade as a major factor in maintaining full employment.

The French delegate said that without an improvement in the international situation trade relations could not become normal. The answer of the Soviet delegate to this point was that normal trade relations could play an important part in ameliorating political tensions. He accused the Americans of hypocrisy in offering to send food to East Germany while refusing to trade with her.

The impact of trade cycles on world economy was also frequently mentioned. In this connection, the importance of developing techniques to forecast economic trends was emphasized on the grounds that if measures were taken to counter inflationary or deflationary pressures in time, the chances of success were good, otherwise they only aggravated the situation.

The inter-relation between full employment and inflation was also given a great deal of attention. The Secretary-General's undertaking to institute a study by experts on this question, was generally welcomed. The I.L.O. has promised to co-operate in this effort. Two specific problems needed careful examination. Firstly, the phenomenon common in the industrialized countries of the West, namely inflation during a state of full or over-full employment and the other, the inflation experienced by under-developed countries in the process of industrialization. The spokesman of Sweden advanced the view that wage rates held the key to the first problem. The Belgian delegate believed that under certain circumstances, full employment could be a hindrance to the stability of a country's economy and not in the best interests of the workers themselves. These views were hotly contested by Mr. Katz-Suchy of Poland who described them as "Class theory".

Throughout the discussion the international aspect was in the forefront. It was emphasized that full employment could not be maintained in many countries of the world by national action alone, and, that international cooperation was essential. In particular, the role of under-developed countries was considered a vital one. Not only did the speakers of under-developed countries emphasize that a world economy could not be expected to continue to expand without a large-scale programme to assist under-developed countries in their economic development but spokesmen of industrialized countries also voiced similar sentiments.

The Delegate of Yogoslavia urged the International Monetary Fund to offer increased loans from the Monetary Fund reserves to under-developed countries suffering from balance-of-payment difficulties. Such assistance, he added would not only benefit the under-developed countries concerned, but the world economy as a whole. The Argentine Delegate complained that under-developed countries in his region were suffering a perpetual disequilibrium in the balance of payments position. Because the great Powers imposed controls directly or indirectly on the prices of raw materials when they were rising but none when they were falling.

Shri B. P. Adarkar speaking on behalf of India, made the following points.

(a) Unemployment in under-developed countries sprang, first, from lack of production and lack of development; unemployment had increased to some extent during 1952 proving that economic development was not proceeding smoothly. The second cause was fluctuating prices of primary commodities.

(b) The existing full employment in many countries depended largely upon the armaments race which was pursued for political considerations and not to maintain full employment. The question of the armaments race and the ban on export of strategic materials to unfriendly states was outside the province of ECOSOC.

(c) The Indian Government agreed that international planning was necessary for reconversion and endorsed proposals of the International Confederation of Free Trade Unions as to the stabilisation of prices, the maintenance of demand and the creation of social capital; it was important for under-developed countries that demand for raw materials was not curtailed abruptly. European and American exports to other regions of the world could not be paid for unless those countries themselves made heavy purchases of raw materials and primary products from their trading partners.

The Report of the International Monetary Fund on adequacy of currency reserves (Document E/2454), was also discussed at some length. The Representative of the Fund, Mr. Willimas, introducing the report said that the Fund found it extremely difficult to define "adequacy of monetary reserves". The economic factors influencing various countries were so diverse that an adequate reserve for one country might not be sufficient for another, as the adequacy of monetary reserves depended upon the volume and volatility of trade and the economic policy of the country concerned. Most delegations, however, paid generous tributes to the Fund for the excellent report it had prepared. But the conclusions drawn by the Fund in regard to the relation between inflation and full employment were contested by the Polish delegate as representing bourgeois economic thought.

The Fund's estimate that requirements of monetary reserves as present were far greater than those considered sufficient before the war was moved by various delegations.

The French Delegate, Mr. Boris, expressed some doubts about the methods employed by the Fund in arriving at some of the conclusions in the report and said that the choice of 1938 as the base year for determining the extent to which existing monetary reserves were adequate was not entirely reliable. He also contested another statement of the Fund that in 1928 reserves had been adequate as a basis for international trade but not strong enough to resist the deflationery forces which came into operation a little later, and that in 1938 the reserves were adequate. Mr. Boris said that the actual position was that in 1929 there was hardly any unemployment in U.S.A. whereas in 1938 there were 8 million workers unemployed.

Shri B. P. Adarkar said that a careful study of the report had shown that the Fund did not consider itself to be in a position to combat a prolonged cyclical depression and that any contribution the Fund might make in that connection would be of secondary importance. Referring to the special problems concerning under-developed countries, he said that inflation in their case appeared to spring from the desire to speed up their programmes of economic development for raising their standard of living. Shri Adarkar then referred to the report by the Secretary-General (E/2445), and in particular to the paper prepared by the Economic Commission for Asia and the Far East on the relationship between employment and inflation. The report had recommended "deficit financing" as a means of stimulating economic development in countries suffering from unemployment and underemployment and had suggested that it might be better to accept some measure of inflation and a larger national gross product than stable prices and economic stagnation. Shri Adarkar said that largely on the advice of international organizations, India had fought shy of deficit financing and that he would like any guidance that might be available to under-developed countries on that important subject.

After the general debate, three draft resolutions submitted respectively by the Soviet Union (E/L.-531), Belgium, India and Sweden (E/L533), and France and the United Kingdom (E/L.545) were referred to the Economic Committee. The Soviet resolution aimed mainly at removal of discriminatory practices and other obstacles to international trade imposed by the United States and their allies and included a condemnation of rearmament. The joint draft resolution of Belgium, India and Sweden proposed the appointment of a committee of experts to study national and international measures needed to counteract any decline in economic activity resulting from a decrease in rearmament and invited member governments to take appropriate measures to facilitate reconversion measures necessary in the event of any decrease in rearmament and called upon the International Monetary Fund to keep under review the question of adequacy of reserves. However, the last two resolutions did not differ a great deal in substance and their sponsors (the five delegations of Belgium, France, India, Sweden and the U.K.) decided to coalesce them into a new draft resolution (E/AC.6/L.63).

Several minor amendments to this joint draft were proposed by the delegations of Latin American countries, Yugoslavia and Turkey, stressing particularly the need of accelerating economic development in under-developed countries; and inviting the I.L.O. to continue its studies of wage policies in relation to the problem of inflation. They were mostly accepted. The severest objections, however, came from the Soviet Delegate, who insisted upon immediate "removal" rather than "reduction" of obstacles to trade, and disarmament on the grounds that the "armaments race not only could not conduce to an increase in employment but also hindered the much-needed expansion of civil branches in industry". The joint sponsors of the draft resolution could not accept the Soviet amendments and considered the action proposed by them as quite adequate in the circumstances.

The Economic Committee approved the joint draft resolution by no less than 16 votes with two abstentions after the draft resolution and amendments proposed by the Soviet Union had been defeated.

However, when the report of the Economic Committee was considered in the Council, the Soviet Delegate took the unusual step of introducing a draft resolution similar to the one rejected by the Economic Committee. The ideological content of "full employment" embracing such issues as "the right to work", rearmament, restriction on trade etc., is so pronounced that apparently the Soviet Delegate did not wish to miss the opportunity of restating his case once again, even though the fate of his draft resolution was a foregone conclusion; and it was rejected by a large majority. The joint draft resolution was adopted by the Council by 16 votes with two abstentions (Soviet Union and Poland). The resolution requested the Secretary-General to seek the views of member governments on reconversion problems, and on repercussions of full employment policies on inflationary trends in advanced and under-developed countries; it also called on governments to reduce obstacles to international trade now and particularly if the international situation improved; and on the Fund to continue its studies on the adequacy of monetary reserves.

2. *Economic Development of Under-developed Countries*:

(a) *Report on a Special United Nations Fund for Economic Development, submitted by a Committee appointed by the Secretary-General* (*Council resolution* 416A (XIV), *General Assembly resolution* 622A (VII), (E/2381);

(b) *Report of the International Bank for Reconstruction and Development on the question of creating an international finance corporation* (*Council resolution* 416C (XIV), *General Assembly resolution* 622B (VII), E/2441);

(c) *Methods to increase world productivity (Council resolution* 416E, E/2435 and E/2440).

The high light of the general debate on this item was the announcement by the Soviet Union and Poland that they had decided to contribute the sums of 4 million roubles (£350,000 approx.) and 300,000 Zlotys (£27,000 approx.) to the Technical Assistance Fund. In the present difficult economic situation of the Technical Assistance Board this was no doubt a welcome addition to its resources, but it is the political significance of the gesture that attracted more attention among members of the Council. Moreover, the fact that these two countries had taken up a constructive attitude towards the specialized agencies in the earlier debates strengthened the view that they had embarked upon a new phase in their attitude towards the specialized agencies and other U. N. organs working in the economic and social field.

Another important development was the decision of the U. S. Government to pledge itself to the U.N. to implement, when conditions permit, the promise given by President Eisenhower in his speech of the 16th April, 1953, that when genuine "internationally supervised" disarmament became a reality part of the savings on armament expenditure would be utilized to finance an international fund for economic development of under-developed countries. This U.S. move evoked extremely favourable reactions, but unfortunately the U.S. Delegation used this pledge of help, at a hypothetical date, in a draft resolution to persuade the Council that in the meantime no useful purpose would be served by continuing to study the possibility of setting up a special United Nations Fund (E/L.536) which aroused strong resentment among delegates of under-developed countries.

The general discussion provoked interchanges between the U.S on one hand and the Soviet Union and Poland on the other. The Americans argued that aggression in Korea and threat of aggression elsewhere had handicapped their government in its desire to aid under-developed countries to a greater extent than they were doing at present. The Soviet Union and Poland blamed the United States by name and other "Capitalist" countries for exploiting the peoples of under-developed countries, for restricting their trade by all sorts of political and economic pressures, for using "aid" as an instrument of economic and political penetration, for taking more out as profits than the new investments and aid put together, and so forth However, the Soviet Delegate also said that he found the statements and conduct of the American Delegation here unexceptional but it was the views of American Congressmen and Senators and

certain actions of the American Government that he found objectionable and in conflict with the stand by the American Delegation to the ECOSOC.

The spokesmen of under-developed countries were as usual most eloquent about the poverty and misery of their countrymen and the danger of this situation to world peace. The delegates of the Latin American States, Philippines and Egypt, with revolutionary situations incipient in their countries, were of course most vocal in stressing this theme but Shri B. R. Sen also added that while there was a threat to peace now it would become incomparably greater and more dangerous if the world did not take adequate measures to remedy the present situation in which the great majority of the peoples of the world were eking out a miserable existence.

Having set this tone, the representatives of under-developed countries went on to explain why their countries were in this difficult situation. The Yugoslav Representative, Mr. Mates, said that their economies were of the colonial type, and that was the fundamental problem which had to be tackled. The Philippine Delegate, Mr. Lopez, blamed the industrialised countries for having imposed "distorted economies" on under-developed countries. The Latin American countries, Egypt, Philippines, Indonesia (non-member), Chile (non-member), complained bitterly about the wild fluctuations in commodity prices which had caused serious dislocation in their economies and resulted in balance of payments crises. The post-Korean boom and the recession in 1952 were singled out as an outstanding example of the type of problem which those countries were ill-equipped to face. It was argued further that the present situation in which their prosperity depended upon the world prices of a few commodities had to be remedied. They wanted more diversified and more balanced economies with a greater degree of industrialisation than existing at present, and added that industrialized countries need not fear such a development, as industrialisation would raise the standards of living of the peoples of those countries and increase their propensity to consume not only home products but also those imported from abroad, and that a healthy and expanding world economy could not be established while resources lay idle in industrialised countries and there was insufficient effective demand in under-developed countries.

Perhaps the most important topic discussed during the general discussion was methods of financing development of under-developed countries. The Yugoslav Delegate, Mr. Mates, made an important contribution on this topic, a greater part of which was devoted to an analytical study of the role of private investments. His conclusion was that private investment was politically undesirable, inadequate, and too unstable to be suitable for playing a major role in the task under consideration. He was supported by some other speakers, particularly Soviet and Polish, and challenged by the spokesmen of some of the industrialised countries, particularly Belgium. The main arguments of the Yugoslav theme were as follows:

(1) International private investments had been declining since World War I. The causes were mainly political. Nationalism had assumed major proportions and it was directed not only towards political but also economic independence, which manifested itself in nationalisation, exchange control and other restrictive measures. They were understandable and justifiable measures and reflected "the sovereign will of countries in the process of economic development".

(2) Private capital only operated in a "favourable economic climate" which meant security for the invested capital, freedom to withdraw profits and capital, free convertibility and multilateral trade. But in the present economic situation of under-developed countries such a favourable climate could only be brought about if there were a vast influx of capital. That vicious circle could not be broken by private capital.

(3) Private capital was extremely unstable. It had a tendency to dry up when most needed; for example, during an economic recession.

(4) During the last 20 years, U.S. private investment abroad had been insufficient to offset deficits in the balance of payments of other countries; the income accruing to the U.S. from its foreign investments during the period 1918 to 1950 was appreciably larger than the net export of private capital. In the case of the U.K. also this was true: in the period 1880 to 1913, while British foreign investments increased three-fold, income from them increased four-fold. In the third decade of this century the U.K. was reinvesting less than 40 per cent. of its current income from foreign investments. Mr. Mates substantiated his statements with quotations from authoritative reports and publications and said that in the long run private investments had an adverse effect on the balance of payments position of the countries receiving private capital. Mr. Arutiunian, the Soviet Delegate, said that during the period 1943-1949 the income accruing to U.S. private capital from India was ten times the net U.S. investments in that country. He also quoted similar figures of U.S. private investments in Latin America and the income from them.

(5) Private investment was inevitably channelled into export industries, exporting to countries from which the private capital originated; that caused a one-sided development of national economies and hindered multilateral trade.

(6) The profit motive hindered the investment of private capital in the basic branches of industry where they were most beneficial to the countries concerned as immediate profits in that sphere were not large enough.

(7) The report of the International Bank showed that private capital opposed the setting up of the International Finance Corporation, as it feared that investment would be directed into regions and projects in which it had no interest: that proved that private investments was outmoded.

(8) Discussions in the Fiscal Commission had showed that though avoidance of double taxation could be an incentive to private capital, such avoidance could not be made effective.

This was the case against private capital. But on the other hand the Belgian delegate argued:

(1) Private capital had provided the first investments in under-developed countries.

(2) In economic development there were considerable risks and one of the attributes of private capital was to take such risks.

(3) Private capital was not unstable; once invested it could not be withdrawn easily.

(4) It was only during the recent period that income from private capital was greater than new investment: it was because private capital had dried up.

(5) It was perhaps unfortunate that private capital had established public services too closely bound up with vital interests of states but the services had proved useful to those countries.

(6) Many private investors had felt that certain countries had taken unjust measures against foreign capital; they only wanted to be treated fairly.

(7) The great European money markets had lost their position in international financing owing to international developments in recent years and the American money market had not adapted itself to the exigencies of international private financing.

(8) Private capital was essential for the economic development of under-developed countries, and it would be a good idea if international institutions could be set up by private investors.

The Representative of the International Chamber of Commerce added that the normal flow of capital had been disturbed by various restrictions in international trade and convertibility of currencies and that unless that situation was remedied the present balance of payment difficulties would persist. Moreover, he felt that production in under-developed countries should be designed to supplement the production of the industrialised countries. This would provide additional incentives for the latter to invest. Public capital could never be sufficient to meet the requirements of under-developed countries and low interest loans would tend to encourage waste!

While making a note of this discussion it should be pointed that the Yugoslav Delegate did not say that private capital should be excluded altogether. But he maintained that the main role should be played by international public finance. This view had much support particularly among delegations of under-developed countries. Its advantages, in general, and that of the proposed Special United Nations Fund, in particular, were stated to be that the danger of political interference in the national affairs of the recipient countries would be precluded; that capital could be made available at long terms and at low rates of interest, that capital could be used also to meet the most urgent needs of the countries even if they were not profitable in the short term; and that the proposed Fund was a cautious project involving only 250 million dollars in the initial stage, which was well within the means of the countries concerned.

The reaction of the highly developed countries to the proposed SUNFED was extremely negative.

The U.S., U.K., and France frankly stated that the SUNFED project was not acceptable to them, that discussions at this stage were premature and could do more harm than good, that "it was a mirage which would vanish into thin air" at the touch of reality. The French Delegate went so far as to say that U.N. resolutions on the subject passed by a majority would not bring about the Fund which could be constituted only by a contract between the countries concerned. Australia and Belgium also took up a similar stand. The representative of China after much equivocation seemed also to support the industrialised countries.

The Soviet Union and Poland, while expressing sympathy for the needs of underdeveloped countries, said that the Fund would not solve their problem, as it could easily come under the influence of certain great powers as in the case of the International Bank. According to them, what was required was a resumption of the normal flow of trade without restrictions and without artificially imposed prices by monopolistic groups. In this connection, they repeatedly quoted the recent fall in prices of rubber and tin and the severe effect it had on the terms of trade of South East Asian countries, as due to U.S. policies. Mr. Katz-Sichy, the Polish Delegate, even claimed that there would be no need of foreign capital for under-developed countries, if trade were allowed to flow freely. Mr. Arutiunian, the

Soviet Delegate quoted the Economic Survey of Asia and the Far East 1951, as saying "in such quantitative terms greater stability of the demand for the raw materials exported by underdeveloped countries has even more importance than the current scale of foreign aid and loans".

The representatives of under-developed countries, on the other hand, were wholeheartedly in favour of the proposed Fund and said so clearly. Shri B. R. Sen took the lead in urging the Council to take a positive attitude towards the SUNFED project and said that the Council had to find an answer to three questions:

(i) whether the plan, as worked out by the Expert Committee, was of sufficient detail for their purpose, and sound and workable in their view,

(ii) whether a new organisation such as the detailed plan based itself on was necessary, and

(iii) whether the circumstances now were such that they could recommend to the General Assembly the establishment of the Fund.

He added that careful examination had shown that the plan presented by the experts was sufficiently detailed to form a basis for a concrete decision on the part of the U.N. and that there was no existing international institution which could serve the purpose in view. As regards the third question, he declared that while one had to recognise the statements of U.S., U.K., and others that they were not prepared to contribute to the Fund and the statement of the U.S. that they were not prepared to relinquish control over the funds they were contributing, in the present state of the international situation, it had to be pointed out that such an attitude was at variance with the General Assembly Resolution 520.A (VI) of January 1952 which called for international financial aid under the auspices of the U.N. for assisting the economic development of under-developed countries.

The question of the International Finance Corporation did not evoke much detailed discussion. Shri B. R. Sen devoted a greater part of his second statement during the general discussion to it. He pointed out that the opposition to the establishment of the IFC in the industrialised countries was by no means as unanimous as some critics had made out. At least two of them had expressed an interest in it. The only way to convince the others was to demonstrate in practice that the IFC was a feasible proposition. All those countries which disputed the practicability of setting up the Fund. also discounted the usefulness of the proposed IFC, excepting Belgium. without endeavouring to justify their view with reasoned arguments.

except that they could not spare any more money. For entirely different reasons, the Soviet Union and Poland were also strongly opposed to this project and the attitude of Yugoslavia was lukewarm to put it mildly. The support for this project in the Council was, therefore, even less than for the proposal to set up the Special Fund.

Mr. Hill, Representative of the Bank, said that while the International Bank believed that the IFC could play a useful role it did not consider that any good purpose would be served by advancing the project further against the wishes of the parties chiefly concerned. However, the Bank would continue to explore the matter with its member governments.

The question of productivity was also discussed in some detail. This supplemented the debates which had already taken place when considering the I. L. O. and F. A. O. reports. The U.S. Delegate said that his country attached great importance to the subject and had achieved a great deal, and now it was giving other free people a helping hand through the media of productivity groups in Latin America and Europe. He considered such help more important than granting credits. Other speakers emphasised the human factor: the importance of skill, necessity to share with the workers the benefit of increased output, the danger of exploitation, etc.. Shri B. R. Sen described the work that was being done in India and mentioned that the I. L. O. productivity mission was engaged on the establishment of a productivity centre in Bombay with the cooperation of the Government of India.

After the general debate the Economic Committee considered the resolutions and amendments proposed by various delegations. On the question of creating the Special United Nations Fund a draft resolution submitted by the United States (E/L. 536), proposed to the General Assembly a declaration that members of the United Nations would devote to an international fund the savings achieved through genuine internationally supervised world-wide disarmament and that it was premature to discuss a more refined plan for the establishment of the SUNFED in the absence of circumstances conducive to its realization. To this we proposed an amendment (E/L. 537), which would retain the draft declaration in an improved form and at the same time recommend to the General Assembly that it proceed to set up the Fund on the basis of the experts' recommendations. It was pointed out by us that, if and when disarmament of the kind envisaged by the U.S. became a reality, it should be possible to avail of it, but the SUNFED must first be established. However, in the meantime, the Philippine delegate proposed a compromise amendment to the USA draft, which appeared to be more acceptable to the highly developed countries. As the voting position was thus weakened, we agreed to arrive at an intermediate solution in informal

discussions. Accordingly, in collaboration with the United States and Australia, Cuba, Egypt, Philippines, and Yugoslavia, we brought forward a joint draft resolution (E/AC. 6/L. 76), which not only transmitted the report of the Committee to the General Assembly but also recommended its consideration in deciding what further step would be required in preparation for the establishment of an international fund. This resolution was accepted by the Economic Committee by 15 votes to none with 2 abstentions (one absent). USSR and Poland abstained. It may be pointed out that the sponsorship of this resolution by the U.S. delegation does not mean that the U.S. Government has at last reconciled itself to SUNFED. The U.S. Delegate made it quite clear that his Government was still opposed to it.

On the question of the International Finance Corporation we had at a very early stage proposed a draft resolution (E/L. 534) which while commending the International Bank for the useful contribution it had made, requested to prepare, in the light of the study already made, a "more detailed plan" for establishing, as soon as circumstances permit, an International Finance Corporation, and further to make a progress report to the Council at its next session. To this the United States, together with Australia, Belgium and the United Kindom, proposed an amendment (E/AC. 6/L. 73) just requesting the Bank to continue its study, and to explore the matter with its member governments. However, there was a large measure of support for our view that the Bank should produce at least an interim analysis and publish the results so as to create a more favourable atmosphere for the consideration of the proposal. The Bank itself was somewhat unwilling to undertake any further "formalisation" of the IFC proposal. We made it clear that our proposal did not involve any final plan for adoption by only a more detailed plan as a basis for further consideration by Governments and the private interests concerned, who appeared to be somewhat vague as to the contents and purpose of the proposal. Finally, as a result, once more, of private consultations outside the Committee, it was possible to arrive at a *via media*, according to which the Bank required "to present as soon as possible the results of a further study directed towards clarifying and analysing the questions that have been raised and the different points of view that have been expressed with regard to the merits of the proposal", and to report on the progress made in this matter and in its consultations with member governments, to the seventeenth session of the Council. This revised version of the resolution was adopted by the Committee by 11 votes to none with 3 abstentions (and 4 absent).

There was no further discussion in the Council and the resolution on the Special United Nations Fund was adopted by 15 votes to none with 2 abstentions (Soviet Union and Poland—one delegation absent), and on the International Finance Corporation by 14 votes to none, with 3 abstentions, Soviet Union, Poland and Yugoslavia (one absent).

On the proposal of the President a resolution was also adopted taking note with appreciation of the working papers prepared by the FAO and the I.L.O. on the problem of increasing productivity.

3. *Technical Assistance*:

(a) *Regular Programme of Technical Assistance (General Assembly Resolutions* 200 *(III)*, 246 *(III) and* 418 *(V)*— Doc. E/2414, E/L. 565).

The Council had before it the Report of the Secretary-General on the Regular Programme of technical assistance and a draft resolution submitted by the French Delegation noting the report with satisfaction. The general aspects of this programme partially overlapped with those of the Expanded Programme—considered separately. The Council, however, gave specific attention to the activities of the U.N. Technical Assistance Administration in its own field under this sub-item.

Most delegations, including those of France, USA, and UK., paid tributes to the work of the UNTAA and to the merit of the Report itself, which gave a comprehensive picture of the needs of the requesting countries and the efforts made to provide them with technical assistance. USA felt that one report was sufficient for the information of the Council instead of separate reports on public administration and other aspects of the UNTAA's work. U.K. suggested that future reports should contain an evaluation of the usefulness of the services rendered. On the other hand, the USSR delegate was critical on the ground that the administrative and indirect operational costs of the UNTAA were too high. After further discussion as to the precise form of the resolution, the French draft resolution was adopted by 16 votes to none, with 2 abstentions (Soviet Union and Poland).

(b) *Technical Assistance in Public Administration.*

The Council had before it a separate report on technical assistance for public administration (Doc. E/2415), which had suggested that, in view of the changes in scope and objectives which had taken place in the public administration programme, the Council should recommend to the General Assembly a revised programme. Accordingly the delegations of Argentina, Cuba, Egypt, the Philippines, Sweden, the U.K. and U.S.A., tabled a joint resolution proposing to the General Assembly, firstly, an amplification of the terms of reference of the public administration programme, and secondly, the provision of

appropriate funds for the purpose, (Doc. E/L.562). To this France proposed a minor amendment suggesting that not only the exchange of technical information but also its collection and analysis should be arranged in collaboration with the International Institute of Administrative Sciences and other institutions concerned.

In the discussion that ensued it was recalled that the original idea of an international institute of public administration had been transformed into a complete programme of technical assistance in public administration. It had become necessary, however, to define more clearly the aims and methods of technical assistance in this field. It was also felt that a new General Assembly resolution to this effect was now necessary to supersede the provisions of resolution 246 (III) in this regard. The sponsoring delegations welcomed the manner in which the programme was developing in the recent past. The delegations of France and Belgium desired greater collaboration with the International Institute of Administrative Sciences (Brussels). The USSR delegation enquired whether this would involve a larger grant of funds to the Institute and stated that the funds of the programme should not be diverted to private organizations under disguise of collaboration. According to the Secretariat, the Institute had been receiving a block grant of $10,000 per annum and correspondingly important work was being done by it in return. The financial implications of the resolutions were also raised by the delegations of the U.K. and India (Prof. Adarkar) and an assurance was sought that the revised programme would not lead to increased allocations. As, however, the resolution was a recommended resolution for the General Assembly, it was felt that it should not be binding upon the Secretary-General or the General Assembly in respect of financial implications. It was a general feeling of many delegations, though, that the financial implications should have been more fully clarified by the Secretariat.

Finally, the joint draft resolution, as slightly amended by France, was adopted by the Council by 16 votes for, none against, and 2 abstentions, (Soviet Union and Poland).

(c) *Expanded Programme of Technical Assistance.*

The Council referred this item in the very beginning to the Technical Assistance Committee (TAC) for detailed examination in view of the statutory importance of that committee in relation to the Expanded Programme of Technical Assistance (EPTA). The Committee held several meetings and had before it the following agenda:

1. Report of the Executive Chairman of the Technical Assistance Board (TAB) to the TAC. (Doc. E/2433).

2. Coordinated Country Technical Assistance Programme. (Doc. E/TAC/12, and E/2450).
3. Responsibilities of the resident representatives of TAB and the corresponding responsibilities of the field representatives of the participating agencies. (Doc. E/TAC/13 and E/2450).
4. Financial Arrangements for 1954.
5. Proposed Reporting system. (Doc. E/TAC/9).
6. Future financing of the EPTA. (Doc. E/2470 and T/2446).
7. Other business.

The Committee heard a statement by Mr. Owen, Chairman of TAB. The salient points of this statement were as follows:

(i) Future prospects of the EPTA were clouded with uncertainty about continued financial backing for the programme which required resources on a long term basis. (ii) The comparative figures for the activities of the TAB under the EPTA as regards the number of experts employed, fellowships granted, the countries and territories covered, had gained a remarkable momentum. (iii) Another gratifying development was technical assistance rendered by beneficiaries themselves, *e.g.*, India, who supplied 84 experts and acted as host to 91 fellows during 1952. (iv) A stage had been reached where the supply of experts was no longer the main limiting factor. The financial situation of the Board had become extremely grave.

In 1953, accounts had been balanced, thanks only to an unspent balance from the first period. No corresponding relief would accrue to the 1954 budget, and, therefore, unless contributions rose during that year, a severe curtailment of activities, entailing a cut of 20 per cent in current projects. It would be necessary, for example, for UNESCO to slash fellowships from 230 in 1953 to 16 in 1954. There could also, be no question of launching fresh schemes. (v) The appointment of resident representatives in several countries and areas had made it possible to co-ordinate technical assistance programmes at country level. (vi) Even more important than the question of financing the current programme, the issue of continuity caused the greatest concern, as it was necessary to build up technical assistance on a long term basis.

After this there was a general debate on the EPTA as a whole in which all delegations expressed their strong support of the programme. Particular concern was expressed at the future financial prospects. Prof. Adarkar on behalf of India stressed that the EPTA constituted the strongest link between the United Nations, the specialized agencies and Member states. However, the so-called Expanding Programme was contracting whereas there was increasing need of the programme

being expanded to meet the requirements of under-developed countries. The commitments assumed were of a multilateral nature and it was essential that governments, especially of the more advanced countries should adhere to their pledges. He further stated that the Government of India were beginning to doubt the efficacy of the programme as applied to India and that the opinion was gaining currency that the benefits derived by India were not commensurate with the cost. Without committing his government he expressed readiness to join in any resolution supporting and extending the programme, provided that the highly developed countries paid their due share and afforded a greater measure of assistance to under-developed countries.

The representatives of the highly developed countries, including Australia, USA, the U.K. and France, while supporting the continuation of the programme were inclined to suggest "stabilisation" of the EPTA budget at the existing level. The USA delegate stated that his government had full faith in the programme and that despite difficulties would continue to support it liberally. The French delegate felt that a certain tightness of funds would encourage a better return. This view was generally voiced also by Belgium, Sweden and other developed countries. In their statements, there was a greater emphasis on economies than on expansion of the programme.

On the other hand, representatives of under-developed countries, while stressing the need for economy especially in the sphere of administrative costs, pressed for the financial and material expansion of the programme. Thus, the Philippine delegate, after praising the TAB as well as the participating organisations for the greater degree of co-ordination achieved by them, urged that economies should not be at the expense of the various projects which were in view.

Interesting sidelights of the debate were the following: (i) There was a propagandistic duel between the USA and USSR delegates over the question whether or not the Point Four programme of President Truman was the principal motive force for the EPTA. (ii) The USSR delegate ridiculed the idea that EPTA funds should be applied for projects which had no direct relationship with economic development, and incidentally mentioned the projects for technical assistance for police administration in Afghanistan and jail administration in India. To this the Indian delegate (Mr. Adarkar) replied that under the EPTA not only purely economic but also social and other projects were possible, and that, in any event, an overwhelming majority of projects, not only in India but all over the world were devoted to economic development in its strictest sense. (iii) Five resident representatives for Asian region, including India, Pakistan, Indonesia, Ceylon and the Philippines, who were available at the moment in Geneva, were invited by the Committee to give their personal impressions on the progress of the EPTA in their respective areas. Mr. Steinig (Resident Representative for India) explained his work of coordination in India in relation to the Five Year Plan in an instructive speech. The other representatives also illustrated their activities by giving an account of the projects in their respective fields.

Coordination of Programmes at country level and the role of Resident Representatives.—The Committee, then proceeded to consider an important matter relating to the EPTA such as coordination of programmes at country level and the role of the TAB representatives in relation to representatives of other organisations in the field. After a thorough discussion of the matter, the Committee adopted a resolution accepting the measures proposed by the TAB in Doc. E/TAC/12 for improving the procedures whereby programmes could be developed and coordinated at country level.

It also requested TAB to report at a later session on the results obtained and reminded member governments of General Assembly resolution 519 (VI) regarding strengthening the internal administrative machinery for co-ordination in each country for facilitating the work of the programme. The Soviet delegate, Mr. Arutiunian, said that the system of appointing Resident Representatives was unnecessary as many of the governments of the so called under-developed countries were quite capable of co-ordinating their programmes. Mr. David Owen, Chairman of TAB, in reply said that Resident Representatives were appointed at the express request of governments and they would certainly be withdrawn if they were no longer needed.

Mainly at the instance of the Indian delegate, the Committee accepted the principle that responsibility both for planning and for integration of technical assistance activities rests with the governments concerned and that in this, as in other matters, advice was to be rendered by the Resident Representatives at the express request of governments.

As regards the appointment of Resident Representatives, although it was realised that the Chairman of TAB had already been authorized to employ them in his own authority, many delegations expressed the view that, especially in the present financial circumstances, further appointments should be restricted as far as possible and also that existing personnel should serve areas comprising more than one country. Economy, consistent with maximum efficiency, was suggested as the guiding principle. In this connection, it was further suggested that the Participating Organisations might make use of common services with a view to reducing the overall expenses of the programmes. The Committee hoped that the entire question

might be considered by the Advisory Committee on Administrative and Budgetary Questions in the course of their general review.

An important aspect of these appointments of Resident Representatives, is that at present it appears that practically all the 30 persons appointed to these rather high-level and lucrative posts appear to be drawn from Europe and North and South Americas. Not one is an Asian, even among those who are serving the Asian Region.

Administrative and indirect operational costs.—The Committee gave considerable attention to administrative economies. The Chairman of TAB explained that the complexity of the organisational arrangements for the EPTA involved somewhat higher expenses, but that the "indirect operational costs" which seemed to inflate the administrative budget were strictly not administrative costs. Such costs could be better described as "undistributed project costs." The Soviet delegate made strong complaints that the administrative costs which he estimated at 25 per cent. of the budget should be cut and the savings utilised for programmes in the field. The Chairman TAB assured the Committee that all possible attention would be given to the question of administrative economies as desired by the Committee, and that the Soviet estimate of administrative costs was incorrect.

Financial arrangements.—There was a thorough discussion of financial arrangements and procedures. In the first instance, the rate at which contributions were being paid against their pledges by governments was regarded as too slow. Secondly, the Committee felt that improved financial procedures might give a greater degree of stability to the EPTA and decided that a review of these procedures should be undertaken immediately. To this end, a resolution was adopted requesting the Chairman of the TAC to appoint a Working Party to conduct such a review and to report to the TAC during the eighth session of the General Assembly. Moreover the resolution directed the Working Party to review at a later date, the system of allocation of funds which had been established under Council Resolution 222 (IX) and to suggest modifications as from 1955.

As regards the future financing of the EPTA, the Committee recognised the desirability of establishing a more stable basis for long-term financing, but noted that this problem raised constitutional and budgetary difficulties in many countries. On the entire question of future financing, the Committee proposed, for the adoption of the Council, a comprehensive resolution in four parts as follows: (a) urging governments to give continued support to the EPTA and for the financial year 1954 contribute so as to "meet to the maximum extent possible the programme needs of 1954, and in any case so that the funds available shall be no less than the amount earmarked by the TAB for the approved 1953 programme" (which amounts to $25.3 million); (b) recommending to the General Assembly to make 75 per cent. of total funds (excluding carry-over) available for allocation to the participating organisations, the balance being retained in the Special Account for administrative expenses of the TAB and the Resident Representatives and for further allocation to participating organisations by the TAB; (c) approving the appointment of the Working Party for considering the financial procedures and requesting the TAC to submit the findings to the resumed session of ESOSOC during the eighth session of the General Assembly; and (d) inviting such participating countries *as were in a position to do so* to take steps, within their constitutional limitations, to ensure the long-term stability of the finances of the EPTA.

Miscellaneous.—Amongst miscellaneous matters discussed by the Committee were the issues of co-ordination of programmes of economic development and technical assistance and the problem of supply of equipment. At an early stage in the debate the delegates of Sweden and Turkey had indicated preference for strengthening the programmes of technical assistance by combining them with direct assistance in the supply of funds as well as equipment, in a co-ordinated manner. Their main idea was that this could take the place of other financial programmes of the UN, such as the proposal to set up the Special United Nations Economic Development Fund (SUNFED) or the International Finance Corporation (IFC). We supported this idea in general terms without accepting and dropping of SUNFED or IFC. Sweden actually proposed a resolution in somewhat vague terms in the Technical Assistance Committee suggesting co-ordination of the EPTA with the various schemes of economic development, but withdrew it for procedural reasons, as it was for the Council itself rather than the TAC to consider this matter. As regards the question of supply of equipment along with technical assistance, we pointed out the serious difficulties arising in the execution of technical assistance projects and their subsequent implementation in relation to various developmental plans owing to the absence of adequate quantities of equipment. The Executive Chairman promised to look into any special cases if brought to his attention.

Discussions in the Plenary Session of the Council.

When the report of the TAC (Doc. E/2497) came up for consideration in the Council, there was a short general debate in which the delegates of USSR, India, USA, Poland and France participated. The USSR delegate felt that the entire resources of the EPTA should not be scattered but should be concentrated in the hands of a single body for utilisation. On behalf of India, Shri B. R. Sen said that it was necessary to regard the problem of technical assistance from the general viewpoint of aid to under-developed countries and that technical assistance should be allied with the investment of capital in those countries. The true value of technical assistance seemed to be finding growing appreciation, as was indicated by the offer of the Soviet Union and Poland to contribute to it; by its very nature, technical assistance was bound to increase and any attempt to constrict or circumscribe its growth must end in sterility and stagnation. It was to be remembered that capital investment in under-developed countries was not international charity but essentially a process of mutual help. With regard to the financial crisis of the EPTA, he proposed various measures of economy especially in the administrative sphere. The French delegate struck an optimistic note, commending the efficacy of the instrument which had been forged to resolve the complex problem of the transmission of technical assistance afforded by the more to the less fortunate nations through so many agencies. The USA delegate promised the continued support of his government to the EPTA and hoped that the evaluation of the results of the EPTA would be available in future. The delegate of Poland supported the view that it was essential that the EPTA should be closely allied with the economic development of underdeveloped countries.

The draft resolutions contained in the TAC's report (E/2497) was then put to the vote. The resolution dealing with financial procedures was adopted by 16 votes to none, with 2 abstentions (USSR and Poland), while the final resolution dealing with the future financing and relevant arrangements was adopted unanimously.

4. *Restrictive Business Practices*:

The Council had before it the Report of the *Ad Hoc* Committee on Restrictive Business Practices and of the Secretary-General under Council Resolution 375 (XIII)—(Doc. No. E/2979, E/2379/Add. 1, E/2379/Add. 2, E/2380, and E/2443).

There was a move on the part of some important countries to postpone consideration of this matter *sine die*. Quite early in the session, a draft resolution was moved jointly by the U.K., Belgium, France, Egypt and Turkey, requesting the Secretary-General to transmit the Committee's Report and the Secretariat's analysis to member governments, the specialised agencies and intergovernmental organisations concerned for examination and comments, and also to circulate such comments as he may receive to the governments and organisations together with an appropriate analysis. Furthermore the draft Resolution suggested that the question of taking action under paragraph 6 of Resolution 375 (XIII) namely, inviting the views of intergovernmental organisations concerned on the Special Organisation to be created for control of restrictive business practices and to report thereon to the Council, action should be taken up by the Secretary-General at a later stage.

In the general debate, most delegations were reluctant to go into the substance of the Ad Hoc Committee's recommendations at this stage. The sponsors of the joint resolution including France, Belgium and the U.K. explained why immediate action was not feasible. They pointed out that the Council could not study all the aspects of restrictive business practices at the present session and that it was necessary that the governments should have more time to study the reports in detail before coming to any decision. France was of the view that this would give all countries further time to apply existing measures, such as the Union Convention regarding Patents etc., and to introduce other similar measures. Belgium assured the Council that it was not intended to procrastinate in this connection. The Belgian delegate regretted that the report was clear as to restrictive practices with regard to goods but vague with regard to services. The Swedish delegate, who had tabled an amendment jointly with the Yugoslav delegate, was of the view that the question should be kept alive by requiring the Secretary-General to continue to summarise all relevant information on legislative and administrative developments in the field and to report to the Council from time to time.

Naturally the central issue in the debate was the position of cartels and trusts. While almost all delegations agreed that it was essential to control the activities of cartels, there was no such unanimity as to the methods of achieving this objective. Poland accused U.S.A. that the latter's aim was merely to create a new structure of cartels in which US interests would play the dominant part. USSR joined Poland in attacking USA for the latter's alleged "discriminatory practices" against the Peoples' Democracies in general and the various embargoes on trade.

Shri Adarkar, speaking for India, stated that the Government of India was agreeable to the course of action proposed in the joint resolution, provided it was clear that the GATT authorities would be consulted by the Secretary-General. He pointed out that Chapter V of the Havana Charter contained provisions which met the requirements of India and other under-developed countries. The problem of restrictive practices, he said, was part of the wider field covered by the Havana Charter and it was no use singling out each issue for separate action. In this view, the Australian delegate supported us,

by stating that the Australian Government would deprecate the discussion of restrictive business practices if that meant that the remainder of Chapter V of the Havana Charter was lost sight of.

After the general debate, the joint resolution, together with the slightly revised amendment, was put to vote and adopted by 16 votes to none, with 2 abstentions. The final resolution *requests* the Secretary-General to transmit the Ad Hoc Committee's Report for comments to member governments and intergovernmental organisations (including GATT), to circulate the comments received, and to continue to summarise relevant information on the subject for consideration of the Council. It postpones action by the Secretary-General as regards reporting in the question of the organisation necessary to control restrictive business practices. Finally, it provides for resumption of the consideration of the matter not later than the 19th Session of the Council.

5. *The Report of the Fiscal Commission*:

The Report of the Fourth Session of the Fiscal Commission (Document E/2429) caused a great deal of controversy as a result of an attempt by Cuba supported by Argentina, Venezuela, Uruguay, Egypt and the Philippines to alter the substance of Resolution B, submitted by the Fiscal Commission on international tax problems. The Cuba resolution, E/L.510, which had been rejected by the Fiscal Commission was moved again by Cuba before the Council. Its purport was to exempt, completely, exported capital to under-developed countries from all taxation in the country of its origin. While this principle is no doubt advantageous from the point of view of under-developed countries it was obviously unacceptable in practice to the capital exporting countries for various reasons. The U.S. delegate said that his country was most anxious to help under-developed countries and the question of incentives to capital investment in those areas was being re-examined by the Treasury Department and Congress, along with other tax problems. He could not, therefore, at this stage support the Cuban resolution. Other speakers said that such a measure would lead to tax evasion and complaints of discrimination. It was clear that U.S.A., U.K., France, Belgium, Sweden and Australia would vote against the resolution. It was also certain that the Soviet Union, Poland, China and Yugoslavia would abstain. The voting position therefore was somewhat uncertain: six countries in favour, six against and four likely to abstain. Our Delegation seemed to be holding the balance between the two sides and our efforts were therefore directed towards bridging the difference between them and to support the Fiscal Commission draft resolution. Shri

Adarkar pointed out that the Fiscal Commission's resolution in question contained important concessions from the point of view of under-developed countries; and that at this stage the best these countries could hope for was an acceptance by the capital exporting countries of the principle of avoidance of double taxation as an incentive for private investment abroad and that an insistance on complete exemption of taxation by capital exporting countries, amounting to an encroachment on national sovereignty would defeat our purpose.

There was also a U.S.A. amendment (E/L.520) which was accepted by Argentina and which proposed to refer the matter back to the Commission. We opposed this amendment on the ground that this would only delay matters by some two years.

In view of the multiplicity of views and amendments advanced, the matter was referred to the Economic Committee where finally a compromise was reached, which was a slight improvement on the Resolution B of the Fiscal Commission's report. According to the compromise resolution (Document E/2478), the Fiscal Commission will continue its study of the problem and submit further studies to the Council in due course, and, in the meantime, the capital-exporting countries are asked to give special consideration to the feasibility of income from foreign investments being taxable *only* or primarily in the country in which the income was produced. The compromise resolution was adopted both in Committee and in the Plenary Session by 15 votes to none with 3 abstentions. (Soviet Union, Poland and Yugoslavia). The delegations of the Soviet Union and Poland hardly participated in the discussions on this subject and the Yugoslav delegate pointed out that fiscal policies were of very little consequence in solving the problems of under-developed countries.

6. *The Question of Assistance to Libya*:

The Council was asked to consider a memorandum from the Government of Libya (E/2469, E/2469/Corr. 1) on this subject in the light of General Assembly Resolution 515 (VI). The entire Council, without exception was in favour of the principle of extending economic assistance to Libya and this issue was therefore assured of a smooth passage in the Council and of unanimous support. But a few days before the item was actually taken up the Anglo-Libyan Treaty was signed in Benghazi on the 31st July 1953 by virtue of which the U.K. was granted military bases and other privileges for a period of 20 years in return for economic aid of £ 2·5 million a year. The announcement of a long term treaty of this sort came as a surprise to most delegations and it is in this context that the discussions in the Council have to be examined.

Mr. Aneizi, Observer of the Government of Libya made a statement, on the 3rd August, to the Council setting forth the case for assistance to his country by U.N. and Member States the main points of which are given below. But he made no mention whatsoever of the Treaty his government had signed three days earlier with the U.K. and which was etremely relevant to the whole issue under consideration. He said:

(1) The Libyan Government and the people of Libya were grateful to the United Nations for declaring Libya's independence and for assisting that country in making this independence a reality.

(2) The various organs of the United Nations had discussed the question of providing economic assistance to Libya and his Delegation attached great importance to the present discussions in the Council.

(3) The needs of his country were enormous owing to the great poverty of the people: the national income per head was 35 dollars a year, infant mortality was at least 300 per 1,000, the rate of illiteracy was 85 to 90 per cent., there was a 35 per cent. budget deficit.

(4) The resources of the country were very meagre: the population had latent skill but it had to be developed and improved.

(5) The climate was harsh and capricious and there were frequent draughts.

(6) There was a great shortage of capital.

(7) For the above reasons, Libya required economic assistance on a long term basis both from the United Nations and individual Members.

(8) Technical Assistance experts had done some good work in Libya: he regretted that this assistance might be curtailed, owing to the financial difficulties of the Technical Assistance Fund.

(9) The Libyan Government wished to thank the United States for the assistance given under the Point 4 programme, and he hoped that this assistance would be increased.

(10) The Libyan Government had established, on the recommendation of the United Nations' Commissioner in Libya and on the advice of the United Nations and other experts two financing agencies designed to receive and expend foreign funds for financing development projects: the Libyan Public Development and Stabilization

Agency and the Libyan Finance Corporation. The former for projects financed on a grant-in-aid basis and the latter for projects financed by means of development loans.

(11) The Libyan Government had received funds from the Governments of U.K., France and Italy and he hoped that their contributions would be increased further.

(12) The Libyan Government had prepared a five years' development plan (Document E/2469): this entailed a total expenditure of nearly 18 million Dollars over the five years.

(13) The grievous war damages in Libya had not yet been repaired: the cost of this would be about 35 million Dollars.

Mr. Aneizi ended his statement with a repetition of his earlier appeals for economic and financial assistance from the United Nations and other member countries, and expressed the hope that the draft resolution E/L.563 sponsored jointly by Turkey and Egypt would be adopted by the Council.

The Turkish Delegate was the next to speak. He introduced the joint Turkish-Egyptian draft resolution and said that while the Libyan Government and people were making determined efforts to cope with the economic problems of that country, they nevertheless required assistance from abroad. It was for this purpose that his Delegation had joined with the Eygptian Delegation in putting forward the draft resolution.

The Egyptian Delegate made a long statement on behalf of his Delegation describing the economic situation of Libya and her need for assistance from abroad. But he criticized the Conferences held in 1951 of the Representatives of the "states directly interested" in the future of Libya and which culminated in Libya joining the Sterling Area, as a grave mistake on the ground that no distinction should have been made between the states directly and those indirectly concerned with the fate of Libya.

The trend of his other remarks was also designed to emphasize that the question of Libya was a United Nations responsibility and not only a responsibility of individual or groups of countries.

The U. K. Delegate, Mr. Meade, drew attention to the urgent needs of Libya arising from lack of resources, war damage, povetry etc., and appealed for fresh assistance from all countries, without making any reference to the Anglo-Libyan Treaty. The French Representative, Monsieur Garrau expressed great sympathy for the

people of Libya in their present plight which he had seen for himself during a recent visit and said that France would give wholehearted support to that country. The U.S. Delegate, Mr. Baker, joined in the previous appeals for economic assistance for Libya and added that his Government had made available during the fiscal years 1952 and 1953 three million Dollars for assistance in various forms.

All the three speakers from U.K., France and U.S.A. offered their support to the draft resolution.

It was at this stage that Shri B. R. Sen intervened on behalf of India. His statement was listened to with rapt attention in all parts of the Council. In view of the leading part, which India had taken in the establishment of Libya as an independant state, considerable importance was attached to our views by all Delegations including the Representative of Libya. It was on that account that strenuous efforts had been made by the interested parties to persuade us to become a joint sponsor of the resolution. Moreover, the Anglo-Libyan Treaty had evoked much comment here and knowing the policy of the Government of India on "aid with strings attached" particularly when the "strings" are in the form of military bases, there was a natural expectancy to hear our views.

Shri B. R. Sen after thanking Mr. Aneizi for the interesting statement he had made before the Council and after tracing in brief the more important events leading to the establishment of the United Kingdom of Libya and the General Assembly Resolution 515 (VI) asking the Council to study and put forward proposals for providing additional economic and financial assistance to Libya, said that certain informal discussions had taken place among Delegations to reach an understanding on this question. But the Anglo-Libyan Treaty signed on the 31st July had created an entirely new situation. Libya was of course an independent country and it was up to her to decide the most suitable form of assistance she should seek. Nevertheless, the United Nations occupied a special position in relation to that country having been instrumental in its establishment as an independent state. The United Nations had therefore a clear responsibility in helping her to preserve and consolidate her independence and to build a sound and viable economic foundation without which independence would have little meaning to the Libyan people. It was in the light of that responsibility that the Indian Delegation desired to comment on the relations between the U.K. and Libya and those comments were valid on account of that responsibility. Shri Sen continued: There could, of course, be no objection in principle to bilateral assistance to Libya. The agreement signed in December 1951 by the U.K. and France was bilateral and did not find any disapproval from the United Nations. In fact, bilateral assistance was regarded as one of the established methods of international assistance, both with regard to developed and under-developed countries. India was receiving bilateral assistance from several countries, such assistance being given and accepted only on the basis that promotion of economic and social well-being was an essential contribution to world freedom and stability. There was, however, cause for anxiety where bilateral assistance was offered, to use a popular phrase, with political strings attached—especially if the parties to the arrangement were wholly unequal in bargaining strength economically or otherwise. Economically as the United Nations Commissioner had said, Libya was one of the poorest independent countries of the world. She was still devastated with the effects of the campaigns, which had passed over her during the war. She stood in need, as the United Nations Commissioner stated, of assistance from outside for a long period to become economically viable. In such a case, one felt doubtful if trading of aid against political and military concessions could really be in the long term interests of that country. Shri Sen added: "We make these remarks in a spirit of sincere friendship and affection towards the people and Government of Libya. Our country had taken a great interest in the establishment of an independent Libya through the United Nations. We naturally look forward with anxious sympathy towards the building up of a happy and prosperous Libya, even though at the present moment, owing to our own gigantic refugee and other problems we are unable to come forward with any material assistance."

Shri B. R. Sen then spoke about the draft resolution under consideration and said that it did not make any mention of the special account of voluntary contributions a study of which had been asked for by the General Assembly. He asked whether this omission was due to apprehension of certain parties that opening of a special account might disturb the bilateral assistance, which was now forthcoming. Even though, he continued, the resolution stated that any assistance, given to Libya should be in the spirit of the United Nations Charter, the mere invocation of the spirit of the Charter had not always been a guarantee of its observance. Therefore, the Council by adopting a resolution such as the one under consideration which made no provision for the institution of a United Nations machinery for voluntary assistance and which indirectly placed a blanket approval on "other channels" of assistance, might lend itself unwittingly to supporting form of bilateral assistance which might not be altogether in the interests of a young and under-developed country such as Libya. For these reasons, Shri Sen added, the Indian Delegation could not vote for the resolution but at the same time it did not want to bar any doors of economic assistance to Libya, and therefore, it had decided to abstain from voting.

The statement of the Indian Delegation created a deep impression on the Council but the questions we had posed were, of course, delicate. Most delegations had no instructions from their Governments on the attitude to be adopted on the Anglo-Libyan Treaty which had been signed only three days before. Consequently, they preferred to keep silent on this occasion excepting the Delegates of Yugoslavia and the Soviet Union. Mr. Mates of Yugoslavia agreed with other speakers that Libya needed aid urgently and that the U.N. should extend this aid. However, he did not like the draft resolution in all its details and he reserved his right to comment on it in the General Assembly. The Soviet Delegate, Mr. Arutiunian recalling that the Soviet Union had always supported Libyan independence said that there was no doubt that Libya needed assistance and that it was the duty of the U.N. to give assistance. But, he added, that aid should be given in accordance with the principles of the U.N. and not traded for military or political concessions; the recent Treaty between the U.K. and Libya was a clear violation of the principles of the United Nations, and Council resolution 222 (IX) which laid down that economic assistance to under-developed countries should not become a means of foreign economic and political interference in the internal affairs of the country receiving such assistance. He considered a mere reference to the spirit of the Charter, contained in the draft resolution, as insufficient to ensure that economic assistance to Libya would not be based on military and political concessions inconsistent with that country's independence. Mr. Arutiunian expressed surprise that Egypt should have sponsored such a resolution when she herself was trying to regain her freedom from similar military provisions of the Anglo-Egyptian Treaty of 1936. After delivering a peroration on the sacred nature of national independence, he declared that while he would not vote for the resolution he would also desist from voting against it as a gesture of the desire of his country to see that Libya received aid from U.N.

Incidentally, this was one of the very rare occasions during this session that the Soviet Delegate had chosen to attack the U.K. The more common experience had been to see the Soviet Union championing the cause of the U. K., somewhat to the embarrassment of the British Delegate, against alleged U. S. Plans to acquire British assets abroad. Even this attack was moderately worded and was delivered in a friendly manner. Mr. Meade of the U. K. Delegation in reply said that the Treaty in question was in the spirit of the U. N. Charter and quoted Article 4 as a guarantee of the continued independence of Libya. But Mr. Arutiunian reiterated that an exchange of financial aid for military concessions which the Treaty clearly stipulated was undoubtedly against the principles of the Charter.

Mr. Abdel Rajek of Egypt also intervened to say that the resolution expressly invoked aid in accordance with the principles of the Charter and that Egypt was opposed to aid involving political or military domination. He, therefore, wished to "enter the most express reservations" with regard to the Anglo-Libyan Treaty. Mr. Arutiunian contested the interpretation given by the Egyptian Delegate of the draft resolution by pointing out that the expression "other channels" in the Consideranda clearly covered a treaty such as the one under debate and stated that the resolution did a dis-service to Libya and that it was surprising that Egypt, which had struggled for Libya's independence and for freedom of oppressed peoples everywhere should have lent support to such a resolution.

The draft resolution E/L.563 was adopted by 15 votes with 3 abstentions (India, Poland and the Soviet Union).

7. *Report of the Economic Commission for Latin America:*

(E/2405 and E/2405/Add. 1).

Mr. R. Prebisch, Executive Secretary of the Commission introduced the Report. He said:

(a) The Commission's main task at present was to develop a planning technique for economic development. The Latin American countries had lacked foresight in their investment policy; this had resulted in distortions in the economic pattern and hence the precarious state of the balance of payments of a number of those countries.

(b) As in other under-developed countries there was a scarcity of capital in Latin American countries as well; it was, therefore, necessary to exercise great care in the selection of investment projects and the husbanding of savings in the right form.

(c) At the present rate of economic development in Latin America, it would take 2½ centuries for the *per capita* income in that region to reach one-third of the present *per capita* income in the U.S.A.; therefore, there was an urgent necessity to improve upon the present rate of development.

(d) The industrialisation of the Latin American countries had to be carried out along with expansion of exports and replacement or substitution of certain types of imports. The latter objective did not mean that these countries would resort to an economic development of an autarchic nature. Careful study of this problem was necessary in cooperation with other countries so that a programme could be worked out on a long term basis.

This would also help the industrialised countries to plan their export policy in the long run.

In the ensuing debate apart from the usual felicitations to the Commission, the Latin American countries were most eloquent about their low standard of living and the progress required to bring it up to the high level of Europe and the U.S.A. Delegates from countries outside the Latin American regions also had much to say. A number of them pointed out that the rate of development in Latin America was extremely high compared to other under-developed countries.

Prof. Adarkar emphasised the importance and advantages of a balanced economy. He pointed out that during the post-war period only countries with balanced economies were able to cope more adequately with the fluctuations in international trade, and price movements. Among this category of countries, he included the United States and India. Moreover, Shri Adarkar pointed out that the problems of ECLA and ECAFE were similar to some extent and that there should be close co-operation between these two Regional Commissions on the one hand and the Economic Commission for Europe on the other. He depricated the suggestion that industrialisation would lead to autarchy. On the other hand, he said the volume of trade, of industrialised countries was generally higher than that of the less developed countries.

The Report of the Economic Commission in Latin America had contained a draft resolution for the consideration of the Council. The terms of this resolution were somewhat too detailed, in that they included approval of priorities and recommendation of an increased budget, etc. The Indian Delegation along with U.S. and France had submitted an amendment to this resolution bringing it into line with the resolutions adopted in respect of ECAFE, the Specialized Agencies and the ECE. The Latin American countries, however, insisted upon the ECLA resolution being adopted in the original form. Hence a compromise resolution (E./L.530) jointly submitted by Argentine, Cuba, France, India, U.S.A., Uruguay and Venezuela was proposed. This was unanimously adopted.

8. *Economic Commission for Europe:*

(E/2382)

Mr. Gunnar Myrdal, Executive Secretary of the E.C.E. introducing the Report drew attention of the Council to the following important points:

(a) the correct approach to the European economic problem was a sound long-term approach designed to solve fundamental defects in the existing economic pattern; his organisation was trying to do this through Specialized Committees, etc., and had received encouraging response from member governments.

(b) East-West trade in Europe had failed to advance and E.C.E. Committees were still predominantly West European. However, recently there had been some improvement in both cases. The April 1953 Conference on East-West trade was a workman-like affair and had laid the foundation for expansion of trade. But no dramatic results could be expected as trade links once broken took time to readjust themselves. The East European countries were also showing keener interest in the Committees as well and in the Timber Committee the Soviet Union had already made a notable contribution.

(c) E.C.E. was acting as an intermediary with fruitful results between countries which had no diplomatic relations.

(d) E.C.E. attached great importance to the closest possible collaboration between itself and the sister commissions for Asia and the Far East and Latin America; he intended to tour the ECAFE countries with Dr. Lokanathan in order to further this cause.

(e) Even the West European countries needed development and besides there were in Europe truly under-developed countries; economic development had therefore, been given more and more attention; the Rural Electrification Study Group, International Council on Building Research, etc., were examples.

Mr. Myrdal concluded by saying that while the last six years were years of frustration E.C.E. had laid a foundation on which much could be built up and serve the cause of world peace, given the cooperation of all countries in Europe.

There were many tributes from all sides to the work of the Commission and the Soviet Union was very much on the defensive in sharp contrast to her stand in previous sessions. While paying tributes to both the Executive Secretary and Secretariat and the objective of expanding east-west trade, Mr. Arutiunian added that it was not the fault of his country that success in this field was so limited and that the E.C.E. Committees consisted mainly of the West European countries. At the same time he held forth promises of more active cooperation from his side in the future.

The Indian Representative, Shri B. P. Adarkar, joined in the general commendation of the Report and pointed out that the "cold war" and its concomitant—the ban on trade of strategic materials, which

were difficult to define—had prevented normal trade but rigid bilateralism had also contributed to this unsatisfactory situation. He hoped E.C.E. would find a middle way. Shri Adarkar then stressed the importance of the electric power projects in Europe and also the need of coordinating the activities of the three Regional Economic Commissions with a view to the utilisation of surplus industrial capacity of the European countries in the development of under-developed areas. Industrialisation of under-developed areas would lead to increased demand for more producer and consumer goods from Europe.

The draft resolution contained in the E.C.E. Report was adopted unanimously.

CHAPTER III

REPORTS OF THE SPECIALIZED AGENCIES

1. *Report of the I.L.O.*:

(E/2462).

The Report of the I.L.O. was presented to the Council by the Director General, Mr. Morse, who among other things said:

(a) while the world political situation had hampered international work in the economic and social field during the last three years, the Technical Assistance Programme had made some head-way.

(b) peace would also have its own problems. *e.g.*, full employment.

(c) improvement in productivity was extremely important; the I.L.O. mission in India was an example of the work that the organization was doing in this field.

(d) The Governing Body's Committee on Freedom of Association had done some good work already.

(e) Coordination of the work of international and regional organisations was essential in order to avoid overlapping and improve efficiency; national governments themselves should coordinate their activities in this field.

Shri Adarkar commended the I. L. O. on the excellent work it was doing in implementing U.N. programmes. e.g., land reform, forced labour, human rights, emergency programmes in Korea and the Middle East, but said that the report presented to the Council was too long. A more concise document, with greater emphasis on the coordination aspects of the organisation's work would have been more useful to the Council and the Ministry dealing with U.N. affairs in India. He added that it was not the business of the Council to sit in judgment over what the I.L.O. did or did not do but to see that the activities of the I. L.O. were properly coordinated with the related activities of other specialized agencies and Commissions of the Commissions of the U.N. Shri Adarkar criticized the lop-sided nature of the migration schemes in which the I. L.O. was participating. These schemes, he said, were in the main restricted to the migration of Europeans to certain Latin-American States, even though the needs of the over-populated Asian States were greater and more urgent. He urged the I. L.O. to bear this aspect of the question in mind.

Other speakers also praised the various activities of I. L.O. and a resolution moved by the United Kingdom "noting the Report of the I. L.O." was passed by 16 votes with 2 abstentions (Poland and the Soviet Union).

2. *The Report of the F.A.O.*:

(E/2432 and E/2432/Add.1)

Mr. McDougall's FAO introductory speech on the report laid emphasis on the relationship between world food production and world population, which was growing more rapidly in the developed than in the under-developed countries. The recent bumper harvest in North America had raised doubts whether food production was actually lagging behind the increase in population. However, he added, in less favoured regions, *per capita* food consumption was still less than before the war. Demands on the F.A.O. for its services had increased owing to the success of its Technical Assistance Programme and also owing to the success of the W.H.O. in combating disease, at the same time the budget of the Organization had not increased in real terms and was now less than in 1945.

Shri B. R. Sen made a statement on behalf of the Indian Delegation. He agreed that the F. A.O. was right in placing the population problem in the forefront but, he said, unfortunately all sorts of prejudices and preconceived notions were retarding attempts to deal with this problem, and urged that a concentrated effort on an international scale should be made. Shri Sen referred to the importance of irrigation, pest control and land reform, in increasing food production. He pointed out that the State Governments in India had taken far-reaching legislative measures to redistribute land on an equitable basis. He was convinced that the problem of the under-developed countries in this sphere could not be solved by free enterprise and that planning by Governments was essential. He quoted the Indian Five Year Plan as an example. Finally he said that the common people in many countries had come to appreciate the real meaning of international cooperation through the Technical Assistance Programme, but this had to be expanded still further; however, he drew attention of the Council to the observation of the F.A.O. regarding the need of keeping under watch the new system of making the T.A.B. an over-all authority for all Technical Assistance Programmes as this was likely to increase administrative costs.

While most other speakers were content with paying compliments to the F. A.O. for its various activities and a resolution on the usual lines was moved by Sweden (E/L.511), the Argentine Delegate moved an amendment in association with Egypt, which desired the F.A.O.

to keep in mind the need for industrial development of under-developed countries, whilst framing its programme. The amendment was supported by the other Latin American countries and Philippines. Shri B. R. Sen intervened to complain that the F.A.O. programme was not in any way intended to come in the way of industrial development and that in any case it was for the National Governments to decide between the relative needs of growing more food and industrialising their respective territories. The F.A.O. was mainly an advisory and assisting body and had no hand in framing the national programmes of industrialisation. On Mr. McDougall's confirming Shri B. R. Sen's interpretation of the functions of the F.A.O. as correct the amendment was withdrawn. The Swedish resolution was carried by 16 votes with 2 abstentions—Poland and the Soviet Union. Moreover, Mr. McDougall added that in contrast to Neo-Malthusians the F.A.O. believed that the food problem could be solved by the reduction of losses to growing crops, animals and food in storage; increased yields could transform the picture altogether.

3. *Report of the World Meteorological Organisation*:

(E/2428)

Mr. Swoboda, Secretary-General of the WMO said that administrative and financial difficulties inherent in the establishment of a new organisation had been overcome and now technical activities were in the forefront and that it was cooperating with T.A.A. in this field. There were now eight technical committees and six regional associations. Membership of the organisation including states and territories had reached 80. During 1952, the Secretariat had more than doubled. Among its many activities arid zone research was receiving special attention and this would help to improve living conditions in arid and semi-arid areas. Mr. Swoboda also mentioned that it was cooperating with international Council of Scientific Unions, International Union for Geodesy.

Replying to various points raised during the discussion he added:

(a) WMO budget had no provision for meetings of expert commissions and, therefore, the organisation had to accept invitations of various countries (question raised by Yugoslavia).

(b) the question of Locust Control will be examined in the near future; African regional association had worked on this problem in great detail and it was hoped to extend the WMO programmes of Locust Control to other countries (question raised by Argentina).

(c) ten nationalities were represented in the small secretariat; recruitment was being carried out by the Chief of Administrative Services in consultation with Heads of Sections (question raised by Shri S. Sen).

(d) extension of meteorological messages to whaling ships might be achieved very soon (point raised by Shri Sen.)

A resolution moved by France (E/L.526) of the organisation was adopted by 18 votes to nil.

4. *Report of the Universal Postal Union*:

(E/2383).

Mr. Hess, Director of the UPU, introduced the report with a short statement. He said that the XIII Universal Postal Congress held in Brussels in 1952 had revised all the agreements of the Union and that these had come into force on the 1st July, 1953; the Union had moved into its new building in Berne, in 1952; the financial situation of the Union was satisfactory.

Answering questions raised by the U.S. Delegate he added that T.A.A. had not yet asked the Union for Technical information but the Union was fully prepared to cooperate; the Union's budget for the current year would be included in the report in the standard form pursued by other Specialized Agencies; the issuing of stamps by postal authorities in the host countries was a question to be solved between the Specialized Agencies and the host governments.

The usual resolution moved by Belgium was adopted by 17 votes to 0, one member being absent.

5. *Report of the International Civil Aviation Organization*:

(E/2417)

Mr. Marlin in his introductory statement confined himself in the main to the achievements of his organisation during the last eight years and added that it was trying to keep abreast of the latest technical developments and to give technical assistance within the limits of its allocation from the technical assistance fund.

Tributes were paid by all speakers to the splendid work this Specialized Agency was doing. The contribution of the Chinese Representative included a reference to the settlement of India-Pakistan differences over the opening of an air service between India and Afghanistan. He seemed to imply that the credit for this settlement should go to the ICAO and Pakistan. Shri S. Sen on behalf of India refuted this version of the dispute and pointed out that the report under consideration had provided a correct statement of the case and that India was glad that an amicable settlement had been reached.

Shri S. Sen urged the Organisation to give greater consideration to the need for recruitment of its personnel on the basis of geographical representation as the staff at present appeared to be predominantly nationals of a few countries. He found it difficult to believe that suitable persons from other countries were not available. Mr. Marlin replying to this criticism said that Mr. P. K. Roy had been appointed Head of the Legal Department of the ICAO.

A resolution moved by the United Kingdom "noting" the Report was adopted by 16 votes with 2 abstentions (Poland and the Soviet Union).

6. *Report of the World Health Organization*:

(E/2416, and Add.1, Add.2 and Add. 3).

Dr. Dorolle, Deputy Director General of the World Health Organization presented the Report to the Council. He explained that as the Director General Dr. Chisholm was due to retire shortly he had come forward with the Report in order to maintain some measure of continuity. Following are the main points of his statement:

(a) The World Health Assembly did not finish its work until the 26th May, 1953 and consequently the Report of the WHO could not be presented to the Council at an earlier date.

(b) The main difficulty the WHO was facing in fulfilling its programme was not so much the shortage of funds as the difficulty of procuring the services of trained persons, who were extremely scarce.

(c) The WHO was carrying out considerable coordination in the field of health in cooperation with TAA, the Colombo Plan, the Administration Committee on Coordination, and other Specialized Agencies.

(d) The WHO had decided to continue to meet each year.

(e) In accordance with the wishes of the Council the WHO had undertaken a study of the results of the implementation of its programme; this was a task of considerable difficulty.

The Indian Representative, Mr. Dharma Vira said that the Indian Delegation was glad to note:

(a) that the establishment of Regional Organisations, about whose utility some delegations had misgivings at one time, had resulted in more effective planning and implementation of field programmes;

(b) that the appointment of Area Representatives to coordinate international health work with the national health work and related work of the other Specialized Agencies in their areas had proved successful.

He hoped that this experiment would be extended to more areas. Mr. Dharma Vira then emphasized the importance of providing adequate funds to the WHO over a sufficiently long period so that its work could be planned on a long-term and expanding basis. What, the WHO required, he added, was a dynamic budget. In the circumstances he depricated the reduction in the funds made available to the WHO for the year 1954.

In the ensuing discussion generous tributes were paid to the work of the WHO and personal tributes to the departing Director-General, Dr. Chisholm, in which the Indian Representative joined. But a number of countries, including United Kingdom and France did not think that additional funds would be available.

A draft resolution moved by India was adopted by 16 votes with 2 abstentions (Soviet Union and Poland).

CHAPTER IV

SOCIAL SUBJECTS

1. *Infringement of Trade Union Rights*:

(E/2464 and E/2424).

Before the discussion on this item there were three statements by the Representatives of the World Federation of Trade Unions, the International Confederation of Free Trade Unions and the International Federation of Christian Trade Unions. The Representative of the World Federation of Trade Unions complained that the present procedure under which complaints against members of the I. L. O. were automatically transmitted for consideration by the Governing Body Committee on Freedom of Association, was completely unsatisfactory. He stated that this procedure was cumbersome and involved long delays, whereas in many cases the need was for urgent action. Moreover, the Committee often refused to consider complaints on the grounds that information was not sufficient. The Representative had also other criticisms to make of capitalist countries and colonial powers. He would not, however, identify any country by name.

The Representative of the International Confederation of Free Trade Unions said that while complaints against members of the I. L. O. were being considered in a practical way those against non-members of the I.L.O. were going by default. The present procedure of the Secretariat writing to the governments concerned without eliciting any replies was serving no useful purpose. The Council should evolve some other method of tackling these problems.

The Representative of the International Federation of Christian Trade Unions laid emphasis on the right of workers to join any trade union they wished.

The Council was most reluctant to discuss the substance of the two documents E/2464 and E/2424 which had set out the action taken by the Secretary-General in regard to complaints against Governments which were not members of the I. L. O. including Spain, Soviet Union and Roumania. None of these Governments had replied to the S.G's communications. In the case of Spain, the Argentinian Delegate said that the charges were biased and unsubstantiated. The Soviet Delegate said that the charges against

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his country were "ridiculous" and he had said so during the discussion on this question in the 15th session of the Council and, therefore, there was no necessity to reply to the Secretary-General's communication. However, this discussion was not pursued and most members were relieved when the Argentine Delegate proposed a resolution requesting the "Secretary-General to transmit to the governments concerned the allegations regarding infringements of trade union rights" contained in documents E/2434 and E/2464. This resolution was passed by 16 votes with two against (Poland and U.S.S.R.). The Soviet Delegation stated that the Council should make it its business to discuss such complaints whether the governments concerned were members of the U.N. or I. L. O. or not.

As most delegations were anxious to avoid a discussion of this controversial subject, the Indian delegation took note of this sentiment and desisted from initiating a controversy.

While the Council has decided on this occasion to take the easiest way out more than one delegate had made it clear that the present procedure is unsatisfactory and that a more adequate procedure will have to be devised in the near future.

2. *The Annual Report of the U.N. High Commissioner for Refugees*:

[A/2394 and General Assembly Resolution 428 (V)].

The U. N. High Commissioner for Refugees, Dr. D. J. van Heuven Goedhart presented the Report on the 6th July, 1953. He said that when the General Assembly decided to establish his office for a period of three years it did not seriously think that his task would be finished during the course of that period. Actually the task was far from being finished yet and it was likely to take many years to come. The relations of his High Commission with the Secretary-General of the U.N. were extremely satisfactory. Apart from improving the situation of the refugees his organisation was promoting international conventions for their protection. However, the financial situation was extremely serious as the voluntary contributions to the Refugee Emergency Fund had amounted only to $ 1 million so far instead of $ 3 million as expected. If this situation continued the High Commission would be forced to discontinue aid to certain refugees, *e.g.*, 15,000 refugees in Shangai.

While there was general appreciation of the Report, the Polish and Soviet Delegates were critical on the grounds that the High Commission was not doing enough to repatriate the refugees to their countries of origin, and this fact, they said, was not contributing to peace.

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The Indian Representative, Mr. Dharma Vira, made it quite clear, that we had to cope with some eight million refugees and that we were in no position to accept financial responsibilities for refugee work in other parts of the world. But he added that we were, of course, sympathetic to all efforts made in improving the lot of these unfortunate persons.

A resolution sponsored by the United Kingdom, Australia, and Sweden was adopted by 16 votes to 2 (Soviet Union and Poland) recommending the continuation of the office of the High Commissioner for a further period of five years.

There was no proposal to extend the functions of the High Commission and hence there was no occasion to express any opinion on this question. But the French Delegate put forward a draft resolution (E/L.523) designed to increase the powers of the Advisory Committee *vis-a-vis* the High Commission which in our opinion was so confused that instead of helping the High Commissioner in the discharge of his functions it would have merely created obstacles Mr. Dharma Vira drew the attention of the Council to the implications and drawbacks of this resolution and our view was supported by other delegations as well. As a result the French delegate had second thoughts and withdrew his resolution. He has, however indicated his intention to bring up this matter again during the next Session of the Council.

3. *The Report of the Commission on the Status of Women*: (E/2401).

Miss Bernardino, Chairman of the Commission on the Status of Women, presented the report to the Social Committee. The important points of her statement are as follows:

1. One of the long standing questions still before the Commission was the question of conflicting national laws concerning the new nationality for women upon marriage; she drew attention to the Cuban resolution on the subject which was designed to prevent loss of nationality through marriage and to guarantee equal rights to both men and women. She proposed that this Cuban resolution (Resolution B of the Report) should be referred to the Secretary-General for ascertaining the views of member governments.

2. There was the question of status of women in private law. Two resolutions had been put forward on this subject. Resolution C recommended that the draft Covenant on civil and political rights, now under preparation by the Human Rights Commission, incorporate an article guaranteeing equality in all matrimonial matters. Resolution D urged the governments to ensure to wives the right to work outside their homes and to give them equality in acquiring, using and disposing of property.

3. Twenty-five nations had signed the Convention on political rights of women, adopted by the G.A. in December, 1952. She described this Convention as an important step forward and that this achievement by itself justified the existence of the Commission on the Status of Women which had prepared the Convention. Moreover, the Commission had invited the Secretary-General to ask countries not members of the U.N. but who belonged to any specialized Agencies or were parties to the Statute of the International Court of Justice, to sign this Convention (Resolution E).

4. It was proposed to suggest to the Secretariat to submit plans setting out the methods by which equal political rights for women could be made effective in practice; and to invite Administering States to encourage the development of political rights of women in Trust and Non-Self-Governing Territories (Resolution F).

5. There was a resolution on equal pay for equal work (Resolution G).

6. There were two resolutions on educational opportunities for women (Resolution H. and I).

7. Finally there was Resolution J, recommending technical assistance on the question of status of women.

Miss Bernardino also appealed to the U.N. to give more important positions in the Secretariat of the U.N. and the Specialized Agencies to women.

Before dealing with the various resolutions and amendments, members of the Committee participated in a general discussion. There was universal praise for the work the Commission had already done. The Soviet Union and Poland, however, added that more should be done to ameliorate the conditions of women in other countries except their own where, they claimed women enjoyed complete equality in all spheres of social and political activity. As regards the Report of the Commission, particularly the resolutions contained in it, opinion was by no means so unanimous. as will be seen below. The Indian Representative, Shri Dharma Vira, stated that his Government was in general agreement with the resolutions in question. In India women enjoyed equal political rights, and equal pay in all public services and even inside sectors of private enterprise and that the Fair Wages Act of 1950 was designed to remove disparities wherever they existed, particularly among workers doing manual work. It had not yet been possible to implement this principle among these workers and it was on that account that the Government of India had not been able to ratify the I.L.O. Convention on this subject.

Resolution B on the nationalities of married women caused some concern among various delegations, particularly of the U. K., Belgium and France. They felt that the draft resolution was not sufficiently complete to justify its being submitted to governments for expression of opinion or comments. But other delegations held that the mere act of submitting this resolution to governments for comments did not imply either direct or indirect acceptance of the Draft Convention embodied in it. On the other hand, it would facilitate the drafting of more satisfactory instrument in the future.

After long discussions, an amended version of Resolution B was adopted by fourteen votes for, one against and three abstentions.

The Egyptian amendment, document E/AC. 7/L.155, was negatived by four votes for, eight against and six abstentions. We abstained on this vote, as the amendment seriously weakened the original resolution. The amendment was designed to safeguard the practice in Islamic countries.

As regards Resolution C, the Indian Delegation moved an amendment (E/AC. 7/L.162) which replaced the original Draft Resolution C contained in the Report. The Indian Draft Resolution drew the attention of the Commission to Article 22 of the Draft Covenant on Civil and Political Rights included in the Report of the ninth session of the Commission on Human Rights and suggested to the Commission on the Status of Women to reconsider the recommendation in the light of the provisions contained in that Article. This Resolution was approved by 17 votes for, and one abstention.

Resolutions D, E, F and G were adopted without any change and an amended version of H was also approved by the Committee.

Resolution J on Technical Assistance was a source of considerable controversy. Some Delegations felt that by seeking technical assistance in this field of Human Rights the T.A.B. was being asked to enter yet another new field of activity whereas it was already stretched to the limit of its resources, which were now being utilised in more important projects. The U. S. Delegation moved a new resolution (E/AC. 7/L.163) in place of the original Resolution J and this was adopted with slight amendments by 15 votes for, none against and 3 abstentions. (U.K., France and Sweden). It was a marked improvement on the original resolution. The passing of this resolution should not be construed to mean that T.A.B. will in future be expected to assist all activities in the sphere of Human Rights.

The Plenary meeting of the Council adopted the Resolutions without any changes.

4. *Report of the Social Commission*:

(E/2437).

The Report of the Social Commission was first taken up in the Social Committee and chapters I, II and V were discussed. Chapters III and IV were included in the Agenda of the Council as separate items, namely UNICEF and Programme of Concerted Practical Action in the Social Field.

The general discussion centred around such important problems as development of community welfare centres, national programmes for family and child welfare and advisory social welfare services, housing, dissemination of information on U.N. activities in the social field and their coordination. Shri Dharma Vira stated on behalf of the Indian Delegation that India was engaged in a large scale programme of social improvement and consequently his country was deeply interested in the Social Commission's Report. In particular he pointed out that paragraph 32 of the Report, regarding the importance of integration of projects of social and economic development carried out by Technical Assistance and at a national level deserved special commendation. Moreover, he stated that the section dealing with the maintenance of community welfare centres was of particular interest to India as India had already under way 55 such schemes covering a population of some 10 millions and more schemes were being contemplated. Finally Shri Dharma Vira drew attention to the importance of strengthening national programmes for family and child welfare and providing adequate housing, particularly in the industrial regions, and added that in view of the impact a stable social structure would necessarily have on the maintenance of world peace, expenditure on social problems should be given the highest priority.

The comments of the other speakers were mixed. While there was general appreciation of the Report the U.S. Delegate pointed out that the presentation of important information was done in an unsatisfactory manner. The Egyptian delegate considered that the Commission had given no guidance on vital issues. The Soviet Delegate stated that the Commission was enaged on activities of secondary importance and it did not include such important questions as measures for proper social and unemployment insurance, the extension of old age, sickness and other benefits, etc.

The Belgian Representative complained that while in 1951 Europe had received 51·6 per cent. of fellowships in 1952 the proportion had fallen to 28 per cent and said that no further reduction should be made in Europe.

However, a draft resolution moved by the delegations of Argentina, China, and France was adopted by 15 votes to none with 3 abstentions. (Soviet Union, Poland and Egypt).

5. *Reports of the Executive Board of the UNICEF:*

(E/2337 and E/2430).

The Report of the Executive Board of the UNICEF was considered by the Council in its Plenary Session, and it was introduced by Mr. Georges-Picot, Assistant Secretary-General for Social and Economic Affairs, who read out a message from the Secretary-General commending the report to the Council and urging it to recommend the continuation of the humanitarian work done by this enterprise.

Mr. A. R. Lindt, Chairman of UNICEF's Executive Board reviewing the work of the organisation said that the programmes initiated by the Fund were always carried on by the governments concerned and pointed out that the benefit to children through these sources was continually expanding. He estimated that every month nearly two million more children were being helped by UNICEF programmes. He also referred to some 2,000 child-health centres that had been established in under-developed countries with the assistance of UNICEF. Mr. Lindt concluded with an appeal for contributions and reminded the Council that the Fund depended on voluntary contributions and expressed the hope that the target budget of $ 20 million would be achieved.

Representatives of the WHO and FAO made statements in the Council and mentioned their role in the programmes carried on by UNICEF. Moreover, observers from the World Federation of United Nations Associations and the International Confederation of Free Trade Unions expressed on behalf of their organisations the appreciation of the valuable work the Fund was doing. All the other delegations voiced similar sentiments. Shri Dharma Vira, paying a tribute to the Fund and its administrative staff said that while he had noted with gratification that the aid extended by UNICEF to the under-developed countries was substantial and formed a major part of the total aid he hoped that the proportion of aid going to under-developed countries would be increased still further. He complimented the Fund and the Specialized Agencies such as WHO and FAO for the excellent cooperation that they had been able to achieve in their activities and said that he would like to see this coordination and cooperation further strengthened. Shri Dharma Vira also stressed the desirability of the work of the UNICEF being put on a more stable and permanent standing, and expressed the hope that the change in emphasis from emergency programmes to

permanent programmes would not exclude assistance from the Fund to meet urgent needs whenever necessary.

A draft resolution included in the report of the Executive Board of UNICEF was examined by the Council together with an amendment (E/L.542) moved jointly by Argentina, France, India, Philippines and the U.S.A. The amendment having been accepted, the resolution was adopted unanimously. It will be observed that the resolution changes the name of the organisation of "United Nations Children's Fund" while retaining the symbol UNICEF. Other significant points from the resolution are:

(a) It approves the working arrangements between the Specialized Agencies and the UNICEF.

(b) It suggests that the Secretary-General should ensure that the programmes carried out by the UNICEF should be coordinated effectively with the technical assistance programmes of the U.N. and the Specialized Agencies.

6. *Narcotic Drugs:*

The following reports were considered in the Social Committee in the first instance:

(a) The Report of the Commission on Narcotic Drugs (eighth session) (E/2423).

(b) Report of the Permanent Central Opium Board (E/OB/8 and Addendum).

(c) Report by the Secretary-General on the United Nations Opium Conference. Council Resolution 436A (XIV) (E/2463).

(d) Problem of the Coca Leaf (Postponed to the 17th Session.)

The 8th Session of the Commission on Narcotic Drugs had devoted its attention mainly to the task of codifying in a single convention all existing international instruments for the control of narcotics, but the draft convention had not been completed in time to be considered by the 16th session of the Council. However, the Commission had submitted draft resolutions for the Council's consideration on the abolition of opium smoking, the problem of synthetic drugs and the question of cooperation between the U.N. and the Universal Postal Union in international control of drug traffic.

This and the other reports, did not evoke a general discussion and the Social Committee proceeded to examine the draft resolutions and amendments. The Indian delegation along with the U.K. moved a joint amendment to Resolution B, para 5 of the Report of the Narcotic Commission which demanded the immediate discontinuation of the "legal existence" of opium smoking. Shri Dharma Vira explained that the Government of India was entirely in favour of the abolition of opium smoking and had instituted vigorous measures to achieve this objective. These efforts had borne fruit already and it was hoped that by the end of 1959 opium smoking would disappear in most parts of India. Shri Dharma Vira added that this, notwithstanding, the Indian delegation could not support a motion calling for the immediate discontinuation of the "legal existence" of opium smoking as there was the question of addicts. These persons had been allowed under present regulations to register themselves upto the 30th September 1953 and they would have to be permitted legally to smoke, though under restrictions. Though this joint amendment was not put to the vote its substance was incorporated in the amended para. 5 of Resolution B. Shri Dharma Vira also drew the attention of the Secretariat to the continued use of the term "Indian Hemp" in official documents and said that the term "Cannabis" should be used instead as "Indian Hemp" was not peculiar to India and that in any case its use was steadily declining in his country. Mr. Gilbert Yates, the Director of the Narcotics Division of the UN Secretariat, after explaining the difficulty in effecting an immediate change, gave an assurance that in all future documents including the single convention the term "Cannabis" would be used. Besides the Resolution on the abolition of opium smoking as speedily as possible, the Council approved resolutions calling for information on synthetic drugs and the discontinuation of the work of the Secretary-General on the preparation of a list of pharmaceutical preparations containing narcotics.

During the discussion on the draft resolution on the Report of the opium Board, which included statistics on narcotics and a review of its work in 1952, Shri Dharma Vira stated that there had been some delay in the submission of statistics in time for inclusion in the Report, but that these had already been furnished to the Board. The Government of India was anxious to avoid such delays and had again sought the cooperation of the State Governments in the matter. It was therefore hoped that the submission of statistics would be expedited in future.

The remuneration of the members of the Permanent Opium Board was also examined and the Council agreed that some improvement was needed in the best interests of that organisation, and that a recommendation to the General Assembly should be made accordingly.

The main achievement of the United Nations Opium Conference held in May and June of this year, was the adoption of a Protocol for limiting and regulating the cultivation of the Poppy Plant, the

production of, International trade in, and use of opium. This protocol had already been signed by 20 States. In this connection the Report included resolutions requesting early application of this Protocol by all states and asking the Commission on Narcotic Drugs to draw up a model code to assist governments in the application of this Protocol. At the suggestion of the "Chinese" representative a "commentary" devised to serve a similar purpose was also considered necessary and resolutions to this effect were adopted.

The Council adopted the above resolutions without any change.

7. *Programme of Concerted Practical Action in the Social Field of the UN and Specialized Agencies*:

(E/2437).

This report prepared by the Secretary-General was introduced to the Council by the Assistant Secretary-General for Economic and Social Affairs, Mr. Georges-Picot who drew attention to a few of the more important issues raised in the report. These are:

(a) Special attention should be given to Community Organization and development, particularly in under-developed areas.

(b) Social Welfare Centres, Cooperatives and rural credit institutions should be established.

(c) Home crafts and rural industries should be encouraged.

(d) International organisations should assist in training personnel through various methods as without trained personnel social development could not make a headway.

(e) New financial and other resources should be raised at country level for this purpose as international resources were strictly limited and completely inadequate for the requirements.

Besides the above Report the Council had received a long draft resolution on this subject from the Social Commission.

In the general discussion, Shri Dharma Vira stated that the Government of India were extremely conscious of the importance of developing human and material resources at a community level. The Indian Five Year Plan had accorded a prominent position to this aspect of the development problem, Mr. Dharma Vira continued; every effort should be made to improve social services in under-developed areas; more resources were required for this purpose than existing at present. It was also essential to integrate programmes at the national level with those operated by international agencies. The UN contribution hitherto had been more in the form of studies and reports and occasionally in the form of experts but what was needed was the provision of basic facilities and assistance in developing self-help as laid down by the General Assembly Resolution 535 (VI). It was therefore all the more welcome that the draft resolution submitted by the Social Commission had emphasized the necessity for concrete measures to aid Community development projects and to provide training facilities.

The other contributions in the general discussion also reflected the importance of the issues raised in the Secretary-General's Report and their potentiality in making a major contribution to developments in the social field. On the whole, they commended the suggestions put forward but the delegates of the Soviet Union and Poland complained that they did not go far enough as many problems of a more urgent and essential nature had been left out. In particular they singled out the questions of social security and social insurance and drew the attention of the Council to the Conference held in Vienna under the auspices of the World Federation of Trade Unions to study them. They suggested that the ECOSOC should consider the memorandum submitted by this Conference at the 17th session of the Council.

The importance of these issues and their complexity were also in evidence in the amendments that were submitted. The delegations of U.S.A., Argentina, Philippines and Yugoslavia put forward a joint amendment to the 1200 worded draft resolution submitted by the Social Commission. The ostensible purpose of this amendment was to create some order out of the confusion that was alleged to prevail in the draft resolution but judging from the reactions to it of most other delegations, this move only made the confusion worse confounded. The U.K., France and Sweden submitted an amendment to the joint amendment and these conflicting views could not be resolved in the Plenary. The Indian delegation considered that the amendments did not make a substantial improvement on the draft resolution and on the other hand made omissions of a serious nature from our point of view, *e.g.* the references to the importance of concentrating development efforts in under-developed areas which was a feature of the draft resolution. In order to reach an understanding a working group under the Chairmanship of Shri Dharma Vira was set up including representatives of Argentina, Philippines, U.S.A., Yugoslavia, France, Sweden, the U.K. and Venezuela. As a result of the efforts of this group an improved amendment, emerged but it could not obtain the support of the U.K., Sweden, and France. However, some important concessions were made to our stand and it recommended that:

(a) development efforts should be concentrated in under-developed areas,

(b) the necessity to institute studies to adapt projects to diverse geographic, economic, social and demographic conditions should not cause delays in meeting urgent needs,

(c) training of social workers should be on a general basis and not restricted to rural work, and

(d) there should be a greater sense of urgency in the tone of the resolution.

When this improved amendment appeared before the Council, there was a further spate of amendments and sub-amendments and the resolution finally adopted, though a rather long document, was more satisfactory and the Indian delegation voted in its favour. It was adopted by 15 votes with 3 abstentions (U.K., Soviet Union and Poland). The U.K. delegate explained that he could not support the resolution because it was too long and he feared that it would create considerable organisational difficulties. The Soviet and Polish delegates stated that as their suggestions for the inclusion of social security and social insurance etc., had been turned down, they could not support the draft resolution.

8. *Prevention of Discrimination and Protection of Minorities*:

Council **Resolution 443 (XIV) (E/2447).**

The Council was required to consider the above report as well as a number of resolutions on this subject submitted by the Human Rights Commission.

A representative of UNESCO reported on the work his organisation was doing in combating prejudice and discrimination. Many delegations took this opportunity to commend UNESCO on the excellent work it was doing in this field.

In the general discussion there was much criticism of the work of the sub-Commission, on various grounds, *e.g.* it was spending too much effort on minor issues such as the question of children born in wedlock, its work was not properly coordinated with the work of the Specialized Agencies etc. The Soviet Delegate complained that in this vitally important problem the achievements of both the Commission on Human Rights and the Sub-Commission were far from being notable and that it was only now after so many years of its existence that a concrete programme of work had been submitted. Shri Dharma Vira commented that the programme was not at all ambitious considering the magnitude of the task. He suggested that besides the general programme the Sub-Commission should submit to the Commission on Human Rights an annual programme; the Commission would thus be able to ensure that the Sub-Commission carried out its work in an orderly fashion.

The resolutions and amendments provoked much discussion both in and out of Conference rooms. Resolution B submitted by the Commission on Human Rights on the question of protection of minorities was acceptable to us but the Latin American countries enlisted the support of Belgium and Yugoslavia to an amendment designed to preclude certain types of immigrants from the special protection afforded to minorities. Shri Dharma Vira took objection to this amendment on behalf of the Indian Delegation on the grounds that U.N. should not become a party to the denial of protection to minorities; in the absence of a proper definition of "minority" governments could chose to declare any group of persons, against whom they wished to discriminate, "immigrants". There was a large number of persons of Indian Origin living abroad. Some of them were already suffering from discriminatory measures and U.N. approval of the principle of denying special protection to minorities would affect them adversely.

During the discussion it became clear that the main factor which was causing apprehension was the ambiguity of the term "minority" and as a precise definition had not yet been formulated it was considered that the two problems—discrimination and special protection should be dealt with separately. Two resolutions on this subject were therefore adopted. One recommends that all states should make every possible effort to abolish "any legal provisions and administrative or private practices which discriminate against certain sections of the populations". The other resolution recommends to the Commission on Human Rights and the Sub-Commission to continue their study of the problem of special protection and the definition of "minority" and to submit revised recommendations to the 18th session of the Council. Moreover, the Council adopted unanimously another resolution, seeking to safeguard any newly created minorities. Among the other resolutions adopted two are of some importance. First is the recommendation that sympathetic consideration should be given to requests for technical assistance in the eradication of prejudice and protection of minorities. The U.K. delegation did not favour this recommendation as they felt that technical assistance should not be asked to help in such fields till the main question whether technical assistance should extend its activities to the Social field had been decided. But this view did not find much support. The second resolution concerned the appointment of a Rapporteur for conducting investigations on discrimination in the field of education. There was a strong feeling that the services of Specialized Agencies and NGO's should be utilised for this purpose. However, a joint Indian-Swedish proposal suggesting that while a Rapporteur was necessary for this task, the Sub-Commission should examine which future studies should be undertaken by Specialized

Agencies and which are to be undertaken by the Sub-Commission itself.

The Indian Delegation abstained from voting on the resolution asking for wider ratification of the Convention on Genocide. Explaining our vote Shri Dharma Vira explained that genocide was a punishable offence in India but the Government of India had not yet been able to ratify the Convention and in this circumstance he could not vote for the resolution. Argentina, U.K. and U.S.A. also abstained.

The Council also decided that the Sub-Commission should in future meet at least once a year for three weeks by 16 votes with two abstentions (Belgium and U.S.A.).

9. *Report of the Human Rights Commission:*

(E/2447).

The Chairman of the Human Rights Commission, Mr. Azmi who is also the representative of Egypt to this session of the Council stated that it would be inadvisable for the Social Committee to examine the substance of the report as it was highly technical in nature. The Committee accepted this view without any dissenting voices and only a procedural problem remained. On this question, Mr. Azmi added that the Commission had finished its study of the covenant on civil and political rights but it had not examined the Federal State article, the reservations article, the final clauses, the implementation of the covenant on economic, social and cultural rights or the establishment of an office of a U.N. High Commissioner for Human Rights. Mr. Azmi, referring to some of these questions *e.g.* individual complaints, Federal State articles and reservations, said that they were regarded by some delegations as purely political issues on which the guidance of the General Assembly was necessary before the Commission could proceed further; and that other delegations had held that the Commission should examine at its 10th session the question of U.N. High Commissioner for Human Rights, the Federal State article and the provisions for the implementation of the covenant on economic, social and cultural rights. As regards the three U.S. draft resolutions on annual reports, advisory services and specific aspects of Human rights the Commission had decided to request the Council to communicate to Governments in this connection; the replies could be studied either by the Commission or referred to the General Assembly.

The procedural question—whether to refer the report back to the Commission for the completion of its work or to refer it to the General Assembly for further guidance provoked prolonged arguments.

On the one hand, the U.S., U.K., France, Belgium, Turkey and Argentina were adamant in their view that a reference to the General Assembly was wrong, as the task of examining the issues had been delegated by that body to the Commission; that it was premature as the Commission had not completed its work; and that it was derogatory to the Commission as it reflected on its competence to deal with these problems; and that in any case the General Assembly was not bound to place this item on its agenda of the 8th Session, even if the Council chose to refer it to that body.

Another group of countries including the Soviet Union, Poland, Egypt, Philippines, Uruguay, "China" and Yugoslavia were equally determined that the report should be referred to the General Assembly on the grounds that this problem had already been delayed far too long and a reference back to the Commission would only cause further delay. The Indian delegation supported this view and Shri Dharma Vira pointed out that it was clear that the Commission needed directives on certain questions from the General Assembly and if they were not obtained now, then next year the Council would be faced with a situation similar to the one confronting it at this Session. Mr. Azmi replying to his critics said that no question of the competence of the Commission was involved as the General Assembly had given directives on earlier occasions on a "territorial clause" and "the right of peoples for self-determination". Moreover, a new factor had emerged in as much as the General Assembly had invited Commissions dealing with legal problems to request the opinion of the Sixth Committee of the Assembly whenever necessary.

While the Indian delegation favoured the latter view we were anxious to avoid a vote on the subject as it would only exacerbate feelings. Our efforts were, therefore, directed towards seeking a compromise and a working group including India produced a formula which was more acceptable to both sides. This was eventually adopted after certain modifications, with two abstentions, Uruguay and Yugoslavia who objected to the recommendation that the Report of the 9th Session of the Commission should be referred to the States Members, the Specialized Agencies and NGO's for their observations to be submitted by 1st January 1954. As regards the Controversial question of precodure the Council decided to "transmit" the report to the General Assembly and asked the Commission to complete the drafting of the Covenants on Human Rights during its 10th Session. In this way action on both fronts was assured.

The Council also adopted a resolution deciding to transmit to Member States and Specialized Agencies for their comments the three resolutions proposed in the Commission by the U.S.A. a reference to which has already been made above.

CHAPTER V

ORGANISATIONAL AND ADMINISTRATIVE MATTERS

1. *Relief and rehabilitation of Korea:*

When this item came up for consideration, the Australian Delegate suggested that in view of the new developments in Korea, the Council should not take any action on the report of the U.N. Agent General for Korean Reconstruction. Shri B. R. Sen agreeing with this suggestion expressed the hope that an agreement might be reached to extend aid to the whole of Korea. The Australian suggestion was supported by other speakers and the President declared the item adjourned to the 17th Session of the Council.

2. *Accession by the Federal Republic of Germany to the Convention on the Declaration of Death of Missing Persons:*

The Secretary-General brought to the notice of the Council (E/2495) a request from the Government of the Federal Republic of Germany to accede to the above Convention. Moreover, the Secretary-General proposed that this item should be added to the agenda of the Council. This suggestion received general support excepting the Soviet Union and Poland. The case in favour of including this item on the agenda and acceding to the request in question was based in the main on humanitarian grounds. It was argued that by acceding to this Convention the Government of West Germany would be able to issue death certificates in respect of the many victims of Hitler's Germany and thus help the relatives of these victims. It was also pointed out that there was nothing new in this proposal as the Federal Republic of Germany had been admitted to membership to UNESCO nearly three years back and it had also been permitted to accede to other conventions such as the Convention on Road Transport. The Soviet Delegate argued, on the other hand, that by accepting this request the U.N. would be according recognition to the "Bonn Government" in an indirect way and as that Government did not represent Germany he was opposed to it. In international law only a united Germany would be entitled to accede to the convention in consideration and by raising this question now the forthcoming four power talks on German unity would be jeopardised. Mr. Katz Suchy of Poland added that it was ironical that a Ministry in the Bonn Government, consisting mostly of former Nazi should now be requesting to provide legal proof of the deaths of persons for which they themselves were largely responsible. In any case, he said, under the

Potsdam Government such questions were not a concern of the U.N. but of the four occupying powers.

The Philippine delegate took up an independent stand. He explained that his Government opposed the request of the Federal Republic of Germany on political grounds but did not want to vote against it on humanitarian grounds and therefore he would abstain.

After some discussion the Council decided to adopt a joint Cuban-Argentine Resolution inviting the West German Government to accede to the above Convention by 15 votes to 2 with Philippine abstaining. Shri B. R. Sen supported this Resolution on humanitarian grounds and explained that India was one of the first countries to establish diplomatic relations with that Government but his vote should not be deemed to signify that India recognised it as the Government of the whole of Germany.

3. *Admission of Vietnam and the Vatican State to the Convention on Road Traffic.* (*Document* E/2453):

The French Representative moved a joint resolution on behalf of France, Argentina, Cuba and the U.S.A. asking the ECOSOC to admit Vietnam and Vatican State as a party to the Convention on Road Traffic. The discussion on this item was short. The President ruled, at our request, that the resolution would be voted in two parts. The French delegate said that the Council had already approved applications from the Federal Republic of Germany and Monaco and now Vietnam and the Vatican State had applied, and hoped that the Council would approve their applications as well. The Soviet Representative said that the Government of Vietnam, from whom the Council had received the request, was an illegal government and, therefore, its application should not be approved. However, the resolution relating to Vietnam was adopted by 12 votes to 3 (Soviet Union, Poland and Yugoslavia) with 2 abstentions (India and Egypt). Shri B. R. Sen explaining India's vote said that while he agreed that there should be universality in adhesion to the convention the Council was being asked to decide the eligibility of Vietnam to accede to it and this raised the question of sovereignty and it was on this point that India had abstained. The other part relating to the Vatican was adopted by 16 votes to none with 2 abstentions. (Soviet Union and Poland).

4. *Question of Access to Headquarters of Representatives of non-Governmental Organizations in Consultative Status*:

The following documents were submitted for the Council's consideration:

(a) E/2492. Report of the Secretary-General on his Negotiations with U.S. Authorities.

(b) E/2397. Memorandum by the Legal Department of the U.N. Secretariat.

(c) E/2386. Communication from the Commission on Status of Women.

The dispute between the U.N. and the United States Government over the denial of visas to representatives of the World Federation of Trade Unions and the Women's International Democratic Federation was regarded by the Council without exception as one of fundamental importance. It was therefore extremely gratified when the Secretary-General, Mr. Hammarskjoeld, visited Geneva to present his report on the negotiations with the U.S. authorities and to participate in the discussions. His statement on the subject was very well received by all delegations and the Soviet and Polish delegations suggested that a verbatim text should be circulated to Members of the Council as it clarified certain issues which remained vague in the report (E/2492). The Secretary-General readily agreed to this proposal. He was also questioned repeatedly during the discussions on various points and his replies did much to dissipate doubts and apprehensions which had persisted even after his statement. A complete picture of the actual position in this matter was thus obtained and it is summed up below:

The United States Congress while ratifying the Headquarters Agreement had added a rider to the effect that nothing in the Agreement should be construed as diminishing the right of the U.S. to safeguard its own security. That rider could not be disregarded, but, if accepted, it would raise the question whether the United States could not, in the interests of its own security, go against the very principles of the Headquarters Agreement. This consideration had convinced him that his foremost objective should be to remove any ambiguity on this question and reach a firm understanding as to the rights of both sides.

He was bound by the Headquarters Agreement which had provided for cases of persons who though formally on an assignment to the U.N. had made that as a cover for another activity which the United States considered to be against its security. In these circumstances, he had no right to sanction a United States refusal to permit entry, nor did he want to seek such a right. His negotiations with the U.S. Government were in one sense complete. Both sides had stated their cases in principle. But an aura of disagreement remained and this could be tested in future in individual cases. However, he did not intend to restrict himself to future contingencies only, but would also take into account previous instances in his negotiations with the United States Authorities.

In the meantime, he had reached an understanding on the procedure to be followed in future when disputes arose. This was based on three principles:

(a) Decisions on the United States side would be taken at the highest levels, with the guarantees that that implied against mistakes and possible arbitrariness; (b) the decisions would be taken in due time so as to enable the United Nations to react and to consider the questions arising while those considerations were still of immediate practical significance; and, finally, (c) he would be supplied to the fullest possible extent with the information and evidence available so as to enable him to decide whether he considered that the action planned was in accordance with the Headquarters Agreement or not.

From a practical standpoint this procedure offered a satisfactory method of safeguarding the rights of the U.N. while recognising the legitimate interests of the United States. If no agreement could be reached on individual cases these would be referred to arbitration, in accordance with the procedure laid down, and this arbitration would be *ex-ante facto* which would be far more satisfactory than one held after the event.

The Council was on the whole more than satisfied with the progress the Secretary-General had been able to make, but considered that continued vigilance was necessary in the future. The fact that the Headquarters Agreement had been upheld and further negotiations would take place only within its provisions was largely responsible for reassuring delegates. In this mood, there was no inclination to support suggestions made by the Polish and Soviet Delegations that the Secretary-General should set a time limit on his negotiations on the previous cases and then seek arbitration. Most delegations were not anxious to revive old issues or to condemn the U.S.A. for violating the Agreement provided the future could be safeguarded.

Shri B. R. Sen participated in the discussions on behalf of the Indian Delegation and said that the implications of this dispute were extremely serious and could very well affect the success of U.N. activities at Headquarters. The facts of the case were—as stated in paras 13 and 14 of the Legal Department's memorandum—that "persons falling within the classes referred to in Section II of the Headquarters Agreement are entitled to transit to and from the Headquarters District, and that this right of transit has not been made the

subject of any reservation". Moreover, Article 13 of the Headquarters Agreement had afforded safeguards to the U.S. by enabling the Government of that country to restrict movements of persons whom it might consider undesirable. Shri B. R. Sen asked the Secretary-General how was it that in spite of these clear provisions the U.S. Government claimed the right to deny visas to persons whom it considered undesirable from the security aspect? He added that it was difficult to evaluate the intentions of any person and in any case, who was to be the judge? After welcoming the Secretary-General's reassertion that there was no foundation for any reservations outside the Headquarters Agreement itself Shri Sen added that as the Secretary-General had reported a substantial measure of co-operation from the United States authorities in the recent negotiations the Council would not wish to compromise further negotiations.

The Indian delegation also moved a draft resolution which while acknowledging the progress already made, requested the Secretary-General to submit a further report to the 17th Session of the Council. However, in the light of the explanations given by Mr. Hammarskjoeld we did not press our draft resolution and offered our support to the draft resolution submitted by Cuba after it had been suitably amended. The delegate of Poland also withdrew his draft resolution which called for a time limit and arbitration in favour of the amended Cuban resolution. This was adopted unanimously. It "notes the Report" and "oral Statements" of the Secretary-General and "trusts that any remaining questions will be satisfactorily and expeditiously settled within the provisions of the Headquarters Agreement".

5. *Co-ordination of the Work of the United Nations and the Specialized Agencies*:

(a) Reports of the Administrative Committee on Co-ordination. (E/2340, E/2445 and Corr. 1).

(b) Review of 1954 programmes and of the list of United Nations priority programmes in the economic and social fields [Council resolution 451-A (XIV)] (E/2480 and Corr. 1, E/2480/Add. 1).

(c) Communications from the Advisory Committee on Budgetary and Administrative questions. (E/2483).

Mr. Martin Hill, Director of Co-ordination for the Specialised Agencies and Economic and Social Affairs, opened the discussion with an introductory statement. He said:

(a) The thirteenth session of the Co-ordinating Committee was presided over by Mr. Hammarskjoeld, the Secretary-General, and it was decided to review its procedures and methods of work to ensure maximum effectiveness.

(b) Financial difficulties of Specialized Agencies arising out of requests for additional aid from U.N. organs had been explored and a recommendation made that the financial implication must be carefully examined in the light of Council Resolution 324-B(XI) and the relevant rules of procedure.

(c) Programme matters had been given major emphasis with particular reference to the expanded programme of technical assistance and the concerted programme of practical action in the social field; the machinery of the Administrative Committee on Co-ordination was available to the TAB, and as regards the latter problem an *Ad hoc* meeting of responsible senior officials of the organisations concerned had been held during the current session to define responsibilities and functions, and at another meeting programmes for 1954 would be discussed.

(d) As a result of the efforts of the ACC very close collaboration had been established among the staffs of various organisations.

In the general discussion the U.S. delegate, Mr. Mulliken, emphasised that the main objective of co-ordination was the concentration of resources and the establishment of priorities in the planning of programmes and the reports submitted did not furnish sufficient particulars of this aspect of the co-ordination work; the thirteenth report did not give any information on the results of the recommendations made in the 12th report on increasing food production, productivity, etc. Mr. Mulliken also criticised the Commission on Population, Status of women, Human Rights, and Narcotic Drugs for not setting out priorities in the form requested by the Council.

Other speakers referred to the need for economy on travel of representatives of specialised agencies. The French representative stated that correspondence could serve equally well in many cases. He wanted meetings and conferences to be reduced to a minimum with carefully prepared documentations. The representative of Belgium pointed out that the budgets of these specialised agencies were expanding continuously and said that this had to stop. Mr. Shaw, of Australia, drew attention to the need for co-ordination with other intergovernmental organisations; he emphasised that the highest priority to economic and social development programmes in under-developed countries, and the priorities laid down by the council should not be modified without extremely strong reasons. Mr. S. Sen stated on behalf of the Indian delegation that the administrative committee on co-ordination had done a good job of work and fully deserved to be complimented on its achievements.

Mr. Martin Hill replying to criticisms said that the ACC reports were not designed to give results of the activities of the committees, but merely to give a picture of the processes involved. The results were included in other documents submitted to the Council. However, the Secretary-General was preparing a paper giving concrete results and this should make up any deficiency in reporting.

Mr. Mulliken of U.S.A. moved a draft resolution, the main feature of which was a recommendation that the form of the reports submitted by the Specialised Agencies should be changed along certain lines indicated in the resolution. This was designed, he said, to relax the present burden of reporting on the Specialised Agencies, and at the same time to obtain information in a shortened but more useful form from the U.N. point of view. There was some controversy as to when the new form of reporting should begin and also the position of council resolution 128 (VI), which give directives on the present form of reporting, *vis-a-vis*, the new proposals. Finally, it was agreed that the ACC should report to the 17th session of the Council on this matter and that meanwhile the Specialised Agencies should "in addition to the background information contained in their annual reports", give particular attention in their next reports to certain questions specified in the draft resolution.

The U.S. proposals were, in the main, formulated in consideration of Article 63 of the Charter which calls for reports from Specialised Agencies, but the Soviet delegate pointed out that the Council had certain responsibilities by virtue of Article 58 as well. This article requires the Council to give recommendations to the Specialised Agencies in pursuance of U.N. objectives in the economic and social field. It was at his request that the words, "in addition to the background information contained in their annual reports", were included in the resolution; he maintained that without full information on the activities of the Specialised Agencies the responsibilities conferred by article 58 could not be carried out.

The Indian delegation tried to postpone the whole issue till a later session, but there was no support for our view. The U.S. move was to some extent inspired by British suggestions that there should be only biennial reports from the Specialised Agencies, in order to cut down the items on the agenda of the Council. We opposed these suggestions as the activities of Specialised Agencies are of considerable importance to under-developed countries and therefore the Council should keep a close watch on them.

6. *Non-Governmental Organisations*:

The NGO Committee held a number of both closed and open meetings and decided to recommend hearings in Council on various items in the case of a number of non-governmental organisations.

The Committee also heard statements on some of the items on the agenda by other organisations. The Belgium delegation desired to publicise the Union of International Associations and in particular their publication, "Yearbook of International Organisations", then submitted a draft resolution expressing the appreciation of the Council for the good work that this organisation was said to be doing, and asking member states to co-operate with it. However, on being assured that due publicity would be accorded to the organisation, the draft resolution was withdrawn.

A procedural issue arose involving the representative of the World Federation of Trade Unions. He had asked to be heard by the Council during the consideration of the Report of the I.L.O., but before the Committee met to examine applications for hearings the item was disposed of by the Council. He was, however, allowed to state his case when the Council considered infringement of Trade Union rights. The Committee also decided that in future it should be ready to meet right in the beginning of the session in order to avoid similar incidents and that if representatives of non-governmental organisations are delayed in their arrival, special consideration should be given to their cases.

7. *Financial Implications of Actions of the Council. Notes by Secretary-General.* E/2448 and Corr. 1, E/2448/Add. 1—3:

There was no discussion on this problem. Mr. Kotschnig, of the U.S.A., was the only speaker and he confined his remarks to paying compliments to the excellent notes that the Secretary-General had submitted, and to the fact that supplementary estimates amounted to only 75,000 dollars out of which 60,000 dollars were on account of additional projetcs of ECLA. On the latter point he said that the U.S. would try to ensure in the General Assembly that ECLA projects were carried out without additional burden on U.N.

8. *Arrangements regarding the Report of the Council to the General Assembly*:

The Council agreed to authorise the President to prepare the report in co-operation with the Secretariat. The First Vice-President, Mr. Munoz, of Argentina, explained that he would be unable to assist in this task, in accordance with usual practice, as he was required to leave Geneva to attend the Special General Assembly. Mr. Biricki, of Poland, the Second Vice-President, was absent from this session owing to illness. It has been arranged that copies of the reports should be supplied to both the Vice-Presidents before publication.

9. *Elections to Functional Commissions and Confirmation of Members*:

India's membership of the Fiscal Commission was due to end at the end of 1953, and in accordance with the instructions of the Government of India, we endeavoured to obtain support in the Council for our Candidature for another term, and to seek election to the Commission on the States of Women. In the Fiscal Commission five seats were due to fall vacant, and there were six candidates including three great powers—U.K., France, and China—whose election is more or less automatic in accordance with usual practice. The competition was therefore between India, Turkey and South Africa, and we were elected with the highest votes, (16) in this group as against 14 for Turkey and only 8 for South Africa, who lost. Only the United Kingdom received more votes (17). But our efforts in the Election to the Commission on the Status of Women did not meet with a similar success. Here there were 12 candidates for 6 seats, a rather extraordinary situation. Apparently Women's Organisations had been successful in persuading governments to seek representatives on this Commission. The fact that India was already a member of six out of eight functional commissions, and that we were also seeking re-election to the Fiscal Commission did not help matters. In spite of the great good-will that India enjoys in U.N. circles our desire to increase our representation still further was not universally welcomed.

Mr. A. S. Lall, India's representative on the Fiscal Commission was duly confirmed on the 5th August, 1953.

THE CALENDAR OF CONFERENCES—1953 and 1954

When the Calendar of Conferences for 1953 was discussed the President drew the attention of the Council to the resolution adopted by the Commission on Human Rights suggesting that the next session of the Sub-Commission on Prevention of Discrimination and Protection of Minorities should be held during January 1954. Some dissatisfaction was expressed by members of the Council on this postponement of the session which was due to be held in September 1953. However, it was decided that this matter should be discussed again when the Calendar of Conferences for 1954 was examined by the Council. During the consideration of the programme for 1954 the Chairman of the Human Rights Commission, who is also the representative of Egypt, suggested that the Sub-Commission, should meet twice during the forthcoming year and he was supported by the delegate of the Soviet Union, but the Council decided otherwise. The Sub-Commission will now meet in January 1954 for a period of three weeks. After some discussion whether the Commission on Human Rights should meet for seven or eight weeks, it was decided that it should call its next session for eight weeks starting from the 22nd February 1954. The other Conferences are to meet as follows:

The Commission on Status of Women	8th March—26th March
Statistical Commission	5th April—24th April (in Geneva)
Commission on Narcotic Drugs	20th April—14th May
Executive Board of United Nations Children's Fund	15th March—19th March

The delegate of Argentina has invited the Economic and Social Council to hold one of its two sessions next year in Buenos Aires. The Council has agreed to consider this request during its resumed session in New York.

CONCLUSION

The 16th session ended on the evening of the 5th August after a lengthy statement by the President reviewing the work of the Council. He commended the Council for whittling down an overloaded agenda and for avoiding the discussion of burning issues which could lead only to accusations and counter-accusations. Then he dealt with the achievements of the Council in relation to the problem of development of under-developed countries and said that if the world accepted poverty of a majority of humanity as a predestined inheritance then international understanding, the principles of U.N. and U.N. itself would become meaningless. In that connection the resolution of 4th August, calling for the diversion of savings from an internationally supervised disarmament could become a milestone in the history of United Nations but this, and also the question of a special United Nations Fund were both hypothetical and he regretted that the Council had not been able to achieve something more concrete even though less modest. The President then expressed the view that neither international public finance, nor completely free trade nor private investment held the key to the problem itself. Each had to play its part and the criticism of private capital which some delegations had made was hardly justified.

Finally, the President voiced his gratification at the excellent atmosphere in which the sixteenth session had worked and pointed out that for the first time many decisions had been unanimous or had been qualified only by abstentions.

Appendix I

RESOLUTIONS ADOPTED BY THE ECONOMIC AND SOCIAL COUNCIL DURING ITS SIXTEENTH SESSION FROM 30 JUNE TO 5 AUGUST 1953.

No. of Resolution	Title	Document Symbol
482 (XVI)	Economic development of under-developed countries:	E/RESOLUTION (XVI)/27
	A. Methods of financing economic development	
	B. Report of the International Bank for reconstruction and development on the question of creating an international finance corporation	
483 (XVI)	Full employment	E/RESOLUTION (XVI)/26
484 (XVI)	Annual report of the Economic Commission for Europe	E/RESOLUTION (XVI)/10
485 (XVI)	Annual report of the Economic Commission for Latin America.	E/RESOLUTION (XVI)/11
486 (XVI)	Report of the Fiscal Commission (fourth session):	E/RESOLUTION (XVI)/13
	A. Report of the Commission	
	B. International Tax Problems	
	C. Government Financial Reporting	
	D. Public Finance Information Service	
	E. United Nations Priority	
	Programmes and Concentration of Effort and Resources	
487 (XVI)	Restrictive Business Practices	E/RESOLUTION (XVI)/23
488 (XVI)	Report of the Food and Agriculture Organization of the United Nations	E/RESOLUTION (XVI)/3
489 (XVI)	Report of the International Civil Aviation Organization	E/RESOLUTION (XVI)/9
490 (XVI)	Report of the Universal Postal Union	E/RESOLUTION (XVI)/7
491 (XVI)	Report of the World Meteorological Organization	E/RESOLUTION (XVI)/8
492 (XVI)	Technical Assistance:	
	A. Regular Programme of Technical Assistance	E/RESOLUTION (XVI)/20
	B. Technical Assistance in Public Administration	E/RESOLUTION (XVI)/28
	C. Expanded Programme of Technical Assistance	E/RESOLUTION (XVI)/29 E/RESOLUTION (XVI)/31

No. of Resolution	Title	Document Symbol
493 (XVI)	Question of assistance to Libya	E/RESOLUTION (XVI)/21
494 (XVI)	Report of the Social Commission (ninth session)	E/RESOLUTION (XVI)/15
495 (XVI)	Reports of the Executive Board of the United Nations International Children's Emergency Fund	E/RESOLUTION (XVI)/14
496 (XVI)	Programme of concerted practical action in the social field of the United Nations and the specialized agencies	E/RESOLUTION (XVI)/18
497 (XVI)	Co-ordination of the work of the United Nations and the specialized agencies	E/RESOLUTION (XVI)/22
498 (XVI)	Report of the International Labour Organisation	E/RESOLUTION (XVI)/2
499 (XVI)	Report of the World Health Organization	E/RESOLUTION (XVI)/1
500 (XVI)	Annual Report of the United Nations High Commissioner for Refugees	E/RESOLUTION (XVI)/4
501 (XVI)	Report of the Commission on Human Rights (ninth session):	E/RESOLUTION (XVI)/25
	A. Report of the Commission	
	B. Draft International Covenants on Human Rights	
	C. Development of the work of the United Nations for wider observance of, and respect for, human rights and fundamental freedoms throughout the world; and annual reports of human rights.	
502 (XVI)	Prevention of discrimination and protection of minorities: report of the Commission on Human Rights (ninth session):	E/RESOLUTION (XVI)/24
	A. Membership and future sessions of the Sub-Commission on Prevention of Discrimination and Protection of Minorities.	
	B. I. Abolition of Discriminatory Measures	
	II. Protection of Minorities	
	C. Co-operation of Non-Governmental Organizations	
	D. Position of Persons born out of Wedlock	
	E. Convention on Prevention and Punishment of the Crime of Genocide	
	F. Protection of Newly-Created Minorities	

No. of Resolution	Title	Document Symbol
	G. Technical Assistance in the Fields of Prevention of Discrimination and Protection of Minorities	
	H. Programme of work of the Sub-Commission on Prevention of Discrimination and Protection of Minorities	
503 (XVI)	Allegations regarding infringements of trade union rights received under Council resolutions 277 (X) and 474 (XV)	E/RESOLUTION (XVI)/1
504 (XVI)	Report of the Commission on the Status of Women (seventh session):	E/RESOLUTION (XVI)/1
	A. Report of the Commission	
	B. Nationality of Married Women	
	C. Status of Women in Private Law	
	D. Status of Women in Private Law	
	E. Political Rights of Women	
	F. Political Rights of Women	
	G. Equal Pay for Equal Work	
	H. Educational Opportunities for Women	
	I. Educational Opportunities for Women	
	J. Technical Assistance Programmes in relation to the Status of Women	
	K. Questionnaire on Trust Territories as it relates to the Status of Women	
505 (XVI)	Narcotic Drugs:	E/RESOLUTION (XVI,
	A. Report of Commission on Narcotic Drugs (eighth session)	
	B. Abolition of Opium Smoking	
	C. The Problem of Synthetic Drugs	
	D. Co-operation between the United Nations and the Universal Postal Union in respect of Control of Narcotic Drugs	
	E. List of Basic Drugs and Preparations falling under International Narcotics Control.	
	F. Report of the Permanent Central Opium Board for 1952	
	G. Universal and early application of the Protocol for Limiting and Regulating the Cultivation of the Poppy Plant, the Production of, International and Wholesale Trade In, and Use of Opium	
	H. Model Code and Commentary for the Application of the Protocol for Limiting and Regulating the Cultivation of the Poppy Plant, the Production of, International and Wholesale Trade In, and Use of Opium	

No. of Resolution	Title	Document Symbol
	I. Assumption by Organs of the United Nations of Functions and Responsibilities Assigned to them under the Terms of the Protocol for Limiting and Regulating the Cultivation of the Poppy Plant, the Production of, International and Wholesale Trade In, and Use of Opium, and of the Financial Burdens Resulting Therefrom.	
506 (XVI)	Accession of Viet-Nam to the Convention on Road Traffic of 19 September 1949	E/RESOLUTION (XVI)/6
507 (XVI)	Accession of the Vatican City State to the Convention on Road Traffic of 19 September 1949	E/RESOLUTION (XVI)/5
508 (XVI)	Accession of the Federal Republic of Germany to the Convention on Declaration of Death of Missing Persons	E/RESOLUTION (XVI)/30
509 (XVI)	Question of access to Headquarters of representatives of Non-Governmental Organisations in consultative status	E/RESOLUTION (XVI)/19

The Council dealt with the following items other than by resolution :

1. Adoption of the sessional agenda
32. Non-governmental organizations
34. Calendar of Conferences for 1953
35. Calendar of Conferences for 1954
36. Elections
37. Confirmation of members of functional commissions of the Council
38. Financial implications of actions of the Council
39. Arrangements regarding the report of the Council to the General Assembly.

The relevant decisions will appear in the printed volume of resolutions.

Items 3(*d*), 6, 15, 16, 20(*d*), 24, 28 and 31 were deferred.

Items 40 and 41 will be considered at the resumed sixteenth session.

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