

SIXTH COMMITTEE: ORGANIZATION

SUMMARY RECORD OF THE THIRTY-SEVENTH MEETING

Held on Wednesday, 10 March 1948, at 4.00 p.m.

Chairman: Mr. E. COLBAN (Norway)

1. CONSIDERATION OF THE PROPOSAL OF THE DELEGATION OF MEXICO TO INSERT A NEW PARAGRAPH 2 IN ARTICLE 1 (Document E/CONF.2/C.6/98/Add.1)

Mr. AGUILAR (Mexico) said that in view of the extensive discussion that had already taken place on this subject a vote should be taken immediately,

Mr. WILCOX (United States) said that it would be extremely difficult to discover a proper basis of judgment on the question of equity in the relationship of the incomes of producers of raw materials to those of producers of manufactured commodities. The amendment seemed to imply a recommendation of, for example, minimum wage policies and limitations on corporation dividends but it was not the purpose, function or objective of the Organization to make such recommendations. He opposed the amendment.

Mr. MARTEN (United Kingdom) also opposed the amendment.

Mr. CHERIBOGA (Ecuador) said that the principle of the amendment had already been agreed on by the United Nations and that it should therefore be adopted if only for the sake of consistency.

Mr. MARTEN (United Kingdom) said that it had been alleged that the United Kingdom had voted in the General Assembly of the United Nations in favour of a certain principle; but in fact his country had voted only that the Economic and Social Council should promote studies of price relationships. Such a recommendation had already been incorporated in Article 69.

On the sense of the meeting being taken, fifteen delegates favoured the amendment and twenty-one opposed it. The amendment was therefore not approved.

2. FURTHER DISCUSSION OF THE REPORT OF THE SUB-COMMITTEE ON ARTICLE 94 (GENERAL EXCEPTIONS) (DOCUMENTS E/CONF.2/C.6/93, C.6/93/Add.2, C.6/93/Add.3, C.6/93/Add.4 and C.6/104)

Mr. HOLLOWAY (South Africa) said that his Government wanted a clear expression of opinion by the Conference as to whether or not it supported a derogation from the principles of Article 88A; he therefore withdrew the amendment presented in document E/CONF.2/C.6/93/Add.2. The amendment in document E/CONF.2/C.6/100 would therefore have to be put to the vote and he

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reserved the right to request a roll-call.

Mr. MARTEW (United Kingdom) said that his delegation supported the Sub-Committee Report together with the amendments proposed by the representative of Guatemala.

There were objections to the Australian proposal. It left in doubt whether the economic measures under discussion were subject to the Charter or not. The presumption that they would involve the Organization in political matters because an affected Member might complain under Chapter VIII. It was, further, undesirable that the decision on a vital matter of principle should be deferred. Thirdly, while the officials of the United Nations could offer valuable advice on the appropriate machinery, only the governments concerned could decide the principle.

A solution might be found by addressing a resolution to the General Assembly or to the Security Council but if this were done extraneous political considerations would almost certainly interfere with the decision.

The objection of the representative of Australia that a delegation of technical experts could not deal with political matters was irrelevant in view of the fact that the Sub-Committee Report merely stated that jurisdiction over political matters should belong to political bodies.

The omission of the phrase "shall not be subject to the provisions of this Charter" from the South African amendment involved a contradiction in terms since no provision had been included in it to ensure that political matters would be referred to the United Nations. It would be impossible, for example, for the Organization to pass judgement on a boycott without taking into account the relevant political considerations.

The object of the Conference was to set up a technical organization. Even if that organization were required to enforce political decisions, it would also require the power to do so. In fact the power of the Organization was limited to releasing Members from their obligations to an appropriate and compensatory extent if one Member was held to have failed to fulfil its obligations. The power to expel a Member had been specifically excluded. Since the United Nations was the only body competent to enforce political decisions, those decisions should themselves be taken by the United Nations.

Mr. POLITIS (Greece) said that he would like to make it clear that nothing he was about to say had any bearing on the issue before the Committee. He was not sufficiently acquainted with the problem and could not therefore say who was right and who was wrong.

He believed that there were, in fact, economic measures that a state could take in connection with an unsettled political issue. For example, in the territory of State A, there might be an armed rebellion assisted by State A's neighbour, State B. State A appealed to the United Nations and placed an embargo on all trade between B and A. Would that be a reason for saying that State A was violating the

violating the Charter? He did not think so.

It was, therefore, his opinion that, even if the specific case now before the Committee had not been raised, the Charter should make provision for economic measures which are closely linked with political questions. The Charter ought to make provision for them in the sense of excluding them, because he believed that an economic measure taken for political reasons was not properly speaking an economic measure but a political measure and as such was not within the competence of the Organization. The Charter was designed to regulate normal economic situations, not abnormal ones. An economic measure adopted for political reasons was so abnormal that it frequently worked to the detriment of the state applying it. It was taken under the influence of inflamed public opinion and was frequently regretted by the government obliged to take it.

The delegation of Greece, while unwilling to take a stand on the specific issue before the Committee, was in favour of the Sub-Committee's Report as amended yesterday by the Charter of the Sub-Committee, because the Report excluded political questions from the competence of the Organization, and because the delegation of Greece considered that economic measures closely linked with political questions - those being in fact political questions - should come within the competence of the United Nations.

Mr. WILCOX (United States) said that it was not the function of the Conference to take any stand on the question of whether or not it supported unilateral economic sanctions. The Organization should be an economic organization and should therefore not judge any measure employed in connection with a political dispute when that political dispute was within the jurisdiction of the United Nations. The Sub-Committee text was the only solution which promised to obtain general consent. He accepted the Guatemalan amendments to it.

Mr. COOMBS (Australia), in answer to the representative of the United Kingdom, said that he did not understand how political matters were brought within the scope of the Organization under his proposal. The real question at issue was what would happen while the Organization was waiting for the United Nations to take a decision. Secondly, while the deferment of a decision on major points of principle was in general dangerous, such deferment was only prudent when those taking the decision lacked both the relevant information and the competence. Thirdly, it was not proper to use as an argument against deferment any opinions that might be held on the adequacy of the United Nations.

It was true that certain countries might be left in an obscure position were the Australian proposal to be adopted, but it was probable that the contents of the relationship agreement would be known before the Charter came into force. The damage done by such obscurity would to that extent be mitigated.

It was doubtful if the present proposal did in fact keep political matters  
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out of the Organization. This could certainly be achieved by adopting the Australian amendment in document O.3/93/Add.3, according to which any decision taken by the Organization would be based on a recommendation by the United Nations. That amendment would, moreover, raise no difficulties about the interim period which would elapse before the United Nations made its recommendation.

Mr. HOLLOWAY (South Africa) said that the second sentence of the South African amendment made it quite clear that political matters would be referred to the United Nations. If an economic measure which led to a complaint was related to a political dispute which was itself not important enough to come before the United Nations, there was a presumption that the political aspects of the dispute were not significant.

Mr. HALDER (Iraq) supported the Sub-Committee Report together with the suggested amendment by the representative of Guatemala.

Mr. KUMARIN (Sweden) said that international disputes should never be settled by unilateral action. The Charter granted an exception in the case of essential security interests and such cases would be referred to the United Nations; any extension of the exception might, however, prove to be a tacit admission of the validity of unilateral economic measures. He supported the Australian proposal.

Mr. KALANDEAR (India) supported the Sub-Committee Report and the Guatemalan amendments thereto. The Report left no doubt that political matters were not within the jurisdiction of the Organization; it was, moreover, desirable that the Organization should decline either to condemn or to condone unilateral economic measures. Any overlapping of the respective jurisdictions of the Organization and the United Nations must be avoided.

He could not agree with the Australian representative that the proposal in the report failed to prevent consideration of political matters by the Organization. The Organization had to interpret the phrase "directly in connection with" but was not asked to pass judgment on the merits of a political case. Nor did he agree that the Conference lacked the proper information and competence to decide this question; it should not be difficult to give a clear answer as to whether or not it was desirable for the Organization to take up political matters.

The second Australian proposal could not be supported since the reference of a political matter back to the Organization when it had once been referred to the United Nations would be an anomaly.

Mr. GAIFFIER (Belgium) supported the representative of Sweden and suggested that agreement be reached on procedure rather than on obligations and commitments.

Mr. COOMBS (Australia), in answer to the representative of India, said that

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if, for example, a country applied an embargo against another for political reasons the Organization must decide whether the rules of the Charter must apply should the second country complain to it. It could not be said that the Organization, if it permitted the first country to continue the embargo would not be dealing with a political matter.

Mr. FAIVA (Brazil) said that Article 83A defined the respective competences of the Organization and the United Nations. The line between political and economic matters was a vague one, but he supported the Sub-Committee report because it provided a workable solution. It was important to arrive at a formula which would be generally accepted by countries which were directly concerned with this question.