

SIXTH COMMITTEE ORGANIZATION

SUMMARY RECORD OF THE TENTH MEETING

Held at the Capitol Havana Cuba
Saturday 13 December 1947 at 10 30 a m

Chairman Mr Eric COLBAN (Norway)

CONTINUATION OF DISCUSSION OF ARTICLE 74 (POWERS AND DUTIES OF THE CONFERENCE)

Paragraph 3

The CHAIRMAN announced that the sub committee established on the previous day for consideration of the Pakistan amendment to Article 74 paragraph 2 had unanimously accepted the following text The Conference may by an affirmative vote of a majority of the Members of the Organization assign to the Executive Board the exercise of any power or the performance of any duty of the Organization

The Committee adopted in first reading the sub committee proposal

The Chairman then reopened discussion of the amendments to Article 74 paragraph 3 In the previous meeting the representative of Australia had explained the significance of the two sub paragraphs of paragraph 3 and he wondered whether the representative of Uruguay still maintained his proposal to delete the two sub paragraphs

Mr GARCIA SERRATO (Uruguay) did not object to the suggestions of the Australian representative He pointed out that the main part of the Uruguay amendment provided that the decision to waive an obligation should be made by a majority of Members of the Organization

Mr AMADOR (Mexico) said that after an exchange of views with other representatives he had come to the conclusion that categories of exceptional circumstances should be determined by the Conference He therefore agreed that Article 74 paragraph 3 sub paragraph (a) should be maintained However he still considered sub paragraph (b) should be omitted

Dr COOMBS (Australia) said that while his first reaction was favourable to the elimination of sub paragraph (b) he would like to have some time to reconsider it

/The CHAIRMAN

The CHAIRMAN noted that there was almost complete agreement among the representatives of Australia, Mexico and Uruguay to retain sub-paragraph (a), but delete sub-paragraph (b). However, there remained another question to be solved - whether the two-thirds majority provided in Article 74, paragraph 3 of the Geneva text and as proposed by Mexico should be maintained, or replaced by a majority of Members of the Organization as proposed by Uruguay.

In reply to a remark by Mr. TINOCO (Costa Rica) who was under the impression that the representative of Australia might agree to a vote by the majority of the Members of the Organization, and thus make the decision unanimous, the CHAIRMAN pointed out that there were probably other members of the Committee who favoured approval by two-thirds majority of votes cast on the important question contained in paragraph 3.

Mr. STINEBOWER (United States), referring to the Australian representative's view on the matter, stated that his delegation had raised no objections to the adoption of the sub-paragraph (a) which the Australian representative had considered a necessary safeguard. He felt about the voting question just as the Australian representative felt about this sub-paragraph, namely that it was a fundamental matter. The question involved was even more important than that of assignment of functions to the Executive Board for which a two-thirds majority vote had been proposed. Waivers should be granted after due consideration. The varying importance of the functions of the Organization should be reflected in the different voting procedures. He therefore supported the Geneva draft and the Mexican amendment.

Mr. GAZDAR (Pakistan) supported the remarks of the United States representative as well as the Geneva draft of Article 74, paragraph 3.

Mr. KOJEVE (France), pointing out that in the case of a "heavy" weighted voting system a few great countries would have a power of veto even under the two-thirds majority clause, felt that he could not pronounce himself on the question until the matter of weighted voting had been settled.

Dr. COOMBS (Australia) acknowledged that all sides had made compromises in Geneva with regard to the paragraph 3. Acceptance of the provision of two-thirds of the votes cast was based - in Geneva as well as now - on the assumption that Alternative A of Article 72 would be accepted. In the case that another alternative would be adopted his delegation reserved the right to re-open the question of Article 74, paragraph 3 as well as to review any Article containing a reference to voting procedure.

Mr. PARANAGUA (Brazil), in view of the close relationship of the two questions under discussion, wished to reserve his position on Article 74,
/paragraph 3,

paragraph 3, until the question of voting in Article 72 had been settled.

Mr. FORTSCOMME (Belgium) wished to make clear that his support of Article 74, paragraph 3 was based on the assumption that the "one state-one vote" principle would be accepted.

Mr. AMADOR (Mexico) wished to clarify that all proposals put forward by the Mexican delegation were based on the assumption that the "one state-one vote" principle would be adopted.

The CHAIRMAN pointed out that in the first reading the majority had favoured Alternative A of Article 72 establishing the "one state-one vote system". Consequently the Committee could base the discussion on the assumption that Alternative A would be adopted. If not, then the question could be re-opened at the second reading.

Mr. TINOCO (Costa Rica) agreed with the Chairman as well as with the representative of France. He noted that, contrary to Alternative A, Alternatives B and C would be of greatest importance in connection with the provision of two-thirds of the votes cast. Computing numbers of votes under Table B, he showed that (two or) three countries could block decisions of the Conference, thus holding a sort of veto power.

Mr. GARCIA SERRATO (Uruguay) agreed with the Chairman's suggestion and proposed that the discussion in the first reading of Article 74, paragraph 3, should be closed.

In reply to a question by the Chairman, Mr. Garcia Serrato stated that "the majority of the Members of the Organization" clause was of primary importance to him. He agreed to accept the (secondary) provision of "two-thirds of the votes cast".

The CHAIRMAN noted that the view of the representative of Uruguay corresponded to the Mexican proposal and to the sense of the Committee in the first reading.

In reply to a question by Mr. KOJEVE (France), the CHAIRMAN pointed out that countries which had not yet taken a definite stand on those questions could do so at the second reading in the light of the decision regarding Article 72.

Dr. COOMBS (Australia) announced that after some consideration, he was prepared to accept the deletion of sub-paragraph "b".

Mr. HOLMES (United Kingdom), as one of the representatives who had supported the weighted voting system during previous discussion, declared that for the sake of expediency, he completely agreed with the Chairman's suggestion to consider Article 74, paragraph 3 in the light of Article 72, Alternative A. He could not agree, however, with the representative of

/Costa Rica

Costa Rica regarding the effect of weighted voting on the Article in question.

The Committee adopted in first reading Article 74, paragraph 3 of the Geneva Charter with the reservation suggested by the Chairman.

The CHAIRMAN stated that paragraph 4 could be considered as adopted in first reading since no amendments had been offered thereto.

Paragraph 5

Mr. STINEBOWER (United States) suggested that the drafting sub-committee attempt to correct the possibly misleading use of the term "Members" in the encyclical and in the particular sense, and that the legal section of the Secretariat check into this.

The CHAIRMAN thought that the Committee might establish, after the completion of the first reading, a drafting sub-committee which would correct all such ambiguities, before sending the text to the Central Drafting Committee established by the General Committee.

Mr. AUGENTHALER (Czechoslovakia) raised the question of whether paragraph 5 was departing from the principles expressed in the Charter of the United Nations, Article 2, paragraph 7, whereby the United Nations were pledged not to intervene in matters which were essentially in the domestic sphere. He considered that the Organization should not be empowered to make recommendations as far as the objectives of the Charter were concerned to one specific Member but only recommendations addressed to all Members jointly.

The CHAIRMAN replied that he did not feel a contingency would arise that could be interpreted as an interference with the economic independence of any Member.

Mr. TANGE (Australia) called the Chairman's attention to the provisions of Article 21, paragraph 4 (d), and other places in the Charter, which clearly would require the Organization to make recommendations and proposals to one specific Member. The drafting sub-committee should consider carefully, therefore, the power of the Organization in that context.

Mr. SPEEKENBRINK (Netherlands) supported the Australian viewpoint and added that Chapter VIII, dealing with the settlement of differences, presupposed the issuing of rulings by the Organization which could be directed to one Member. Unless this was maintained, the Organization would fall in its objectives.

Mr. GAZDAR (Pakistan) had suggested to redraft the paragraph which did not, in his opinion, interfere with domestic affairs. Mr. AUGENTHALER (Czechoslovakia) clarified that he referred only to recommendations which

/the Organization

the Organization would make as regards any matter pertaining to the purpose and objectives of the Organization as paragraph 5 clearly related to Article 1 only. Mr. FORTHOMME (Belgium) referred to the French text of paragraph 3 which, if adapted to the English version, would mean the insertion of the word "the", reading: "The Conference may make recommendations to the Members...". This suggestion was approved by the CHAIRMAN.

Mr. PARANAGUA (Brazil) inquired in what way the Organization could make recommendations to the International Bank for Reconstruction and Development.

The CHAIRMAN replied that he thought the Conference would not interfere with the activities of either the Bank or the Fund on the basis of paragraph 5.

Mr. STINEBOWER (United States of America) thought that the Organization would make only general recommendations based on paragraph 5 which only referred to the general purpose of the Organization. His delegation would support the provision in its present text. The Organization would not make, however, recommendations on specific transactions. In this connection he recalled that in the relationship agreement between the United Nations and the Bank, the United Nations undertook to refrain from making recommendations on specific operations of the Bank.

Mr. KOJEVE (France) suggested the insertion of the word "the" in the text of paragraph 5 so as to read "...to the Members and to the inter-governmental organizations..." to conform with the French text and clarify the English version; the CHAIRMAN approved of this insertion.

Mr. W. KING (China) agreed to the present version of paragraph 5 in the first reading, but reserved his position for the second reading after Committee II would have decided on various Chinese amendments regarding economic development

The CHAIRMAN further explained, in reply to a question of Mr. SPEEKENERINK (Netherlands), that certain powers vested in the Organization could be assigned, in accordance with paragraph 2, to the Executive Board; other powers, however, like those specifically reserved to the Conference itself in paragraph 5, could not be delegated.

Dr. COOMBS (Australia) was apprehensive lest the wording of paragraph 5 prohibit the Organization from making recommendations whenever the Conference was not in session. He suggested that similar authority be given to the Executive Board to prevent urgent matters being held over until the Conference met again. This could be done by using the word "Organization" instead of "Conference".

The CHAIRMAN felt that it would involve too great a change if the word "Conference" at the beginning of paragraph 5 would have to be replaced by the word "Organization". He accepted the Australian suggestion to revert to that matter when the Executive Board was being discussed.

Paragraph 6.

Mr. COUILLARD (Canada), in explaining the reservation his delegation had had inserted as a footnote to the proviso (document E/PC/T/186, page 49), said that if a ceiling was established on one Member's contributions, then the same procedure would have to be accepted for all of them. The scale of contributions should be equitable, imposing no greater per capita contribution on one Member than on others. A lowering of the present United States contribution to the United Nations from 39.89 percent to 33.33 per cent would obviously have the effect of increasing other Member's contributions, and would raise the Canadian per capita contribution well above that of the United States. If the proviso was allowed to stand, it would prevent such amicable agreements as had been entered into by the United States in the General Assembly when it accepted 40 percent as the upper limit of its contribution.

Mr. AMADOR (Mexico) agreed with the Canadian objections to the proviso and, in support of his delegation's amendment (Annotated Draft Agenda, page 8), added that the proposed sliding scale would prevent unequal obligations to be imposed on countries with a low per capita income. Such countries would otherwise have to bear a disproportionate share of the burden.

Dr. COOMBS (Australia) sympathized with the views expressed by the Canadian and Mexican representatives and recalled his delegation's opposition

/to the proviso

to the proviso at Geneva. Assessment of Member's shares in the budget should conform to a generally valid principle without specific limit. The principle of assessment in the United Nations took into account the income per capita, he thought, and should be applied here too. He missed that reference to per capita income, however, in the wording of the Mexican amendment.

Mr. McCARTHY (Ireland) was of the opinion that in addition to a country's per capita income, consideration should also be given to the availability of foreign exchange and the war damage. He also suggested that a standard method of computing per capita national income should be adopted by the countries issuing such data while warning that many other countries were not publishing such figures which would make the general application of that method very difficult. In any event, he reserved his position if a weighted vote were adopted.

Mr. STINEBOWER (United States of America) clarified his country's position to the proviso as having nothing to do with its willingness to pay. It was entirely a matter of principle which concerned the Organization's welfare alone, inasmuch as it was not wise for any one Member to pay more than one-third of the expenses of an organization comprising a larger number of sovereign nations. It was only its disproportionately large share in the organizational expenses to which the United States objected, since it might be felt that it would thereby be gaining undue influence over the Organization.

The Canadian apprehensions were unfounded as the proviso prohibited larger contributions by a Member only "without its consent" and would not prevent the United States from consenting to pay more in an emergency.

If the Irish proposal were adopted, his country's contributions would be raised even higher. Budgetary assessments were difficult in any case, and the more automatic they were, the better; but in any event no one country should be put into the position of having to defray more than one-third of the expenses of an organization with 50 or 60 members.

Mr. HAKIM (Lebanon) agreed with the United States representative but felt it would be better to omit the proviso from the Charter altogether. He foresaw the possibility that in the beginning of the Organization's existence only a small number of countries might join up (in accordance with Article 98) the United States being one of them, and that the Conference or the Organization should be allowed to decide the issue.

Mr. COUILLARD (Canada) and Mr. GAZDAR (Pakistan) while agreeing with the declared principles of the United States representative, still felt that the proviso should be deleted, and Mr. KOJEVE (France), suggested that

/a clause

a clause be inserted in this paragraph directing the Organization to avoid markedly disproportionate assessments between Members.

The CHAIRMAN suspended the Meeting until Monday, 15 December 1947,
10.30 a.m.

The meeting rose at 1.00 p.m.
