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SECOND SESSION OF THE PREPARATORY COMMITTEE OF THE  
UNITED NATIONS CONFERENCE ON TRADE AND EMPLOYMENT

SUMMARY RECORD

Fifth Meeting in Executive Session held on  
Tuesday, 20 May 1947 at 3.00 p.m. at the  
Palais des Nations, Geneva

Chairman: M. Max Suetens (Belgium)

The CHAIRMAN opened the meeting and invited Mr. NASH (New Zealand) to speak. Mr. NASH emphasized that if the objectives of the Charter were to be achieved it would have to be adapted to meet the needs not only of free enterprise economies on the one hand or state enterprise economies on the other but also of government regulated economies which combine opportunities for free enterprise with government regulation where necessary. He stressed the obligations of all countries to assist in securing a distribution of the world's resources through international trade which would contribute to the achievement of the general objectives contained in Chapter III. To give effect to these views Mr. NASH proposed an amended version of Article 33 relating to the expansion of trade by states completely monopolizing or controlling their foreign trade.

The CHAIRMAN expressed the appreciation of the Committee for Mr. NASH's remarks and proposed that, while it would not be possible to discuss the amendment of Article 33 at this stage, individual Delegations having views on the proposal might wish to discuss them with Mr. NASH before his departure.

ARTICLE 3, PARAGRAPH 2

The CHAIRMAN then called for continuation of the discussion on Article 3, paragraph 2. There was some discussion on the amendments proposed in the first four lines, including particularly the necessity or desirability of making a reference to "production". In addition, several Delegations expressed the view that the amendments proposed relating to "international action" might be regarded as limiting the authority or responsibility of the Economic and Social Council and that, in particular, the amendment in this respect proposed by the Netherlands Delegation by appearing to confine action to countries "substantially interested" might limit international action unduly. Mr. WILCOX (United States) expressed the view that the amendment proposed by the United States Delegation on this point did not curtail the authority of the Economic and Social Council but merely attempted to avoid the appearance of attributing to that Council any authority not already possessed under the United Nations Charter. Dr. LOKANATHAN (India) doubted that the expression "as stipulated in the Charter" in the amendment proposed by the Cuban Delegation could be regarded as adequate in view of the fact that, during the First Session, there had been a general recognition that many forms of international action not specifically covered by the Charter were expected. After this discussion the amendments on this Article were referred to the Sub-committee, with the exception of the Cuban amendment concerning inter-change of information, which was adopted.

ARTICLE 4

Discussion then proceeded on the various amendments proposed to Article 4. There was some discussion concerning the inclusion of "production" and "demand" in the title of the article (and the addition of the word "production" in the first line of the

amendment proposed by the United States Delegation to paragraph 2), with some Delegations expressing the view that these additional words might weaken the significance of this article in relation to Employment. Mr. NASH (New Zealand) doubted that the words "high and stable levels" could be regarded as adequate since they were intended to refer to progress and not to a stationary condition. He thought that the expression "large and growing" might also be open to misinterpretation. He expressed his preference for the term "high and steadily rising levels". The various proposals were referred, after some discussion, to the Sub-Committee. The proposal of the United States Delegation that "members shall seek to avoid measures which would have the effect of . . ." was approved after Mr. FRESQUET (Cuba) indicated that the Cuban Delegation withdrew its proposal to have the words "seek to" deleted. There was no dissent from the suggestion of the representative of BRAZIL that, as in the case of Article 3, the words "goods and services" might be added after "demand" in this Article.

#### ARTICLE 5

The amendment proposed by the Delegation of CUBA to insert the words "achievement and" before "maintenance" in Article 5 was accepted. The various versions of an amendment to this Article to cover relations with appropriate inter-governmental organizations were discussed and the representative of the ILO made a statement to the Committee concerning the functions and authority of that Organization. Mention was made by the representatives of the United States and United Kingdom of the desirability of providing for the case of a country which might be a member of the ITO but not a member of the ILO. These amendments were referred to the sub-committee. Mr. NASH (New Zealand) suggested that the words "for export and generally"

should be deleted. After some discussion it appeared that the present language would be satisfactory and Mr. NASH withdrew his amendment.

The CHAIRMAN proposed that the discussion of the important amendments proposed in Articles 6 and 7 should be deferred until the next meeting. He proposed that, for the further consideration of amendments which had been discussed in the Committee but on which agreement had not been reached, the Sub-Committee should consist of representatives of the Delegations of Australia, Belgium, Cuba, India and the United States, and that this Sub-Committee should meet on Wednesday afternoon, 21 May.

The meeting rose at 6.10 p.m.