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

VERBATIM REPORT

TWENTY-FIFTH MEETING OF COMMISSION "B" HELD
ON THURSDAY, 17TH JULY 1947, AT 2.50 P.M. IN THE
PALAIS DES NATIONS, GENEVA.

The Hon. L.D. WILGRESS (Chairman) (Canada)

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CHAIRMAN: The meeting is called to order.

It is necessary for us to adjourn today at five o'clock because a Heads of Delegations Meeting has been called at five o'clock and one or two members of the Commission, in addition to the Chairman, will have to be present at the Heads of Delegations Meeting. We will be meeting tomorrow so that, if the discussion is not concluded today, we will continue with it tomorrow.

Today we will have a general discussion on the subject of the composition of the Executive Board. In this connection, the Members of the Commission should take account not only of the proposal of the United Kingdom Delegation, given on pages 14 and 15 of document W/210. Revision 1, but also the proposals set forth in the Report of the Drafting Committee, which are given on pages 59, 60, 61 and 62 of the Report of the Drafting Committee. In this Report there are observations by the Czechoslovak Delegate on voting at the Conference and seats on the Executive Board, the suggestion of the Delegate of Canada regarding Executive Board Membership, the suggestion of the Brazilian Delegate referring to the Executive Board, Formula for Membership proposed by the Brazilian Delegate, Suggestion of the Belgian Delegate, and the Suggestion of the Delegate for France; so that in making their statements in connection with the general debate on this subject, Members of the Commission may feel free to refer to any of these proposals in order that they may endeavour to reach some indication as to which of the various proposals is likely to prove most acceptable to the Members of the Preparatory Committee.

The Delegate for Norway.

H. E. E. COLBAN (Norway): Mr. Chairman, in order to arrive at some satisfactory result concerning the composition of the Executive Board, I think we should first and foremost make up our

minds with regard to the number of Members of the Organization that could be given a seat on the Executive Board.

There are a number of proposals - the original American proposal said fifteen Members, but in view of the desire of the different Delegations to give room for all kinds of particular interests (I do not say national interests, but particular, legitimate interests) the suggestion has been made to increase the number to eighteen, to seventeen, to twenty.

I would like to say, speaking for my Delegation, that we very strongly hold that the Membership should not be more than fifteen. As I said, that is the original American proposal and I think it is very well founded, because if you have a larger body it will not really be an Executive Board, it will be a debating Society and it will, of necessity, have to separate from its own body a sub-committee to do the Executive work. As we heard during the discussion on voting how important a number of delegates found it to preserve equality - not only theoretical legal equality, but also practical equality - of the Member States, I venture to say that if the Executive Board were to comprise more than fifteen Members, it would be unavoidable to have sub-committees, and the real power would be in the hands of some very few, who would possibly direct the whole of the Executive work.

I have very little to add. My idea was only to suggest that the Chairman rule that we should look into the question of the number of Members of the Executive Board before we try to establish any definite scheme.

CHAIRMAN: It has been my intention first of all to have a general debate on the various proposals which have been submitted regarding the composition of the Executive Board, and then to turn to an effort to arrive at a decision with regard to particular points.

One of the proposals which have been submitted has been an amendment of the New Zealand Delegation, that the Executive Board shall consist of not more than fifteen Members of the Organization elected by the Conference, so that this is one of the proposals before us.

It would seem to me as Chairman that if we had endeavoured to settle this particular point in advance of a general discussion, it might have prejudiced the position of those who wish to argue in favour of any particular proposal which involves perhaps more than fifteen Members. Therefore, if the Commission is agreeable, I think it would be preferable to have a general discussion first, in which the Members could feel free to discuss the question of the number of Members of the Executive Board, but that we should endeavour to allow Members as much latitude as possible in discussing the various proposals.

Would that procedure be agreeable to the Norwegian Delegation and to Members of the Commission?

Mr. Erik COLBAN (Norway): Certainly, Mr. Chairman. I just wanted to emphasize the importance of the matter.

CHAIRMAN: The first speaker on my list is the Delegate of Australia.

Dr. H.C. COOMBS (Australia): Mr. Chairman, there are three phases of this problem to which I would like to refer.

The first is that upon which the Delegate of Norway has already touched - the number. He has suggested that there would be disadvantages in a Board larger than the original number proposed of fifteen. We consider, as I believe he does, that the size of the Board is a technical problem which ought to be settled on substantially technical grounds.

Obviously, the first requirement is that the Board should be large enough to be representative of the varied types of economy of the Members of the Organization, but that it should be small enough to be manageable - manageable from the point of view of the conduct of its work. The total number of Members of the Organization apparently would be somewhere between sixty and seventy if everything goes well, and that is a fairly substantial membership to represent in an Executive Board, unless the Board itself is fairly large in number. We have some doubts as to whether fifteen is adequate. We would not want to put that very strongly; but we do feel there ought to be some examination of this question in a rather practical sort of way, to see whether a sufficiently representative Board could be compiled with a number as small as fifteen.

I do not feel quite the same concern as the Delegate for Norway about the possibility of the board operating, at least partly, through Sub-committees. As a matter of fact, it seems to me not unlikely that, provided the Sub-committees are not permanent standing committees which carry out the functions of the board, and that they are in fact Sub-committees whose work is directed by the board as a whole, it may be a form of administration that the board will find useful. The members of the board, I believe, will be more than mere representatives of Governments; they will presumably, ordinarily, be people with a good deal of experience in the field of activity of the Organisation and it does seem to me that we should be able to have some degree of international specialisation, perhaps within our board, by which the members of the board with particular capacities can be used on types of work where their experience lies without regarding them all the time exclusively as representatives of Governments or of particular countries. It does not seem to me, therefore, that there is any fundamental difficulty in providing against the danger which the Norwegian Delegate has outlined of real authority getting into the hands of a comparatively small number of the board. We have the feeling, on the whole, that fifteen is perhaps a rather small number for a really representative board in view of the quite varied types of economy which you are going to have and the problems which will be encountered. While we do not wish to be dogmatic, we have suggested eighteen, not in any firm sense, but as something which the

Sub-committee might have a look at. That is really all we would like to propose - that a Sub-committee should consider this point from the angle of the representativeness of the Board and the work to be done by a Board of eighteen and whether the danger of Sub-committee work (which I agree would almost certainly develop with a Board as large as that, although I believe it would probably develop also with fifteen) has to be guarded against.

The second point to which I want to refer, Mr. Chairman, is the proposal that the Executive Board might have a number of permanent members. Our ideas on this follow from our ideas on the question of voting. Just as we do not think it necessary, in order to give weight to the views of major powers, to give them extra voting capacity, neither do we think it necessary to give them guaranteed seats on the Executive Board in order to ensure that they are on it. As a matter of practice, as I pointed out when we discussed the question of voting here, we have practically no Sub-committees which have not contained two or three major people and I think that it is almost impossible to conceive of an Executive Board which would not include certain powers who, quite clearly, are economically of the most importance. It becomes more doubtful, of course, whether those who immediately follow them in any assessment of economic importance by some sort of statistical measurement would always be elected if there were no permanent seats, but I suggest that it is just that uncertainty that is perhaps a good reason for non-permanency.

One important point that seems to me to weigh very heavily against permanent seats is the fact that the main purpose of the board is to represent the variety of economies which are Members of the Organisation. I think it is perfectly clear that if you/
have

permanent seats for all the major powers, then it is going to be difficult for your board to be representative of the Members which make up the Organisation. If you have a board elected by votes this question of representativeness - and I do not mean that purely in a geographical sense or in the sense of countries being underdeveloped, or fully developed, industrially or agriculturally, for there are a great many ways in which economies differ - would be taken into account by the countries when deciding for whom they would cast their votes. In seeking to have established an Executive Board which was balanced from various points of view they would take these things into account. Now it is not possible to take these conditions into account in the assessment of a formula based upon economic importance.

Another thing which it seems to me will become important - and I very much hope that it will - is that ^{when} the Organisation has been going on for some time and as the persons who are going to be associated with its work from the various countries become known, then the person who is likely to represent a country may well prove to be an important factor in deciding the countries to be elected to the board. That, it seems to me, is a good thing. It is important that the people on the board should be people whom other countries respect and trust and if there are people whom they respect and trust to a particular degree, that should influence the decision as to how the board is to be constituted. We would place very great importance, therefore, on the necessity for enabling the great variety of considerations which must enter into the establishment of a satisfactory board to be taken into account in the determination of its constitution. The only way in which that can be done is by allowing the people who

choose the board to choose them at the time when the board is going to operate, with the fullest knowledge of the countries who are Members and the persons who are likely to constitute the board itself.

Another factor, Mr. Chairman, is the one to which I referred in connection with voting. That is, the very great difficulty of determining a formula which is applicable in these cases. I believe, in connection with the membership of the board even more than with voting, that the procedure by which people would reach a decision in this matter would be to speculate as to whom they thought ought to be permanent members and then to work out a formula which would make those people members. That, as I said before, is not a satisfactory approach. I think the work that has already gone into this has shown that there are a number of formulae advanced and I believe most people will look, not at the logic of the formulae, but at the countries which this or that formula will put on, and I do not think that that is a satisfactory way to approach the question. It seems to us, Mr. Chairman, that we are likely to get the best board if people can give due weight in their voting to all the considerations, economic importance, representativeness, geographical distribution, personal qualities of the people likely to be on the board, and so on; and there is only one way in which we can do that and that is by permitting them to vote when they have taken all these things into account.

The third point, Mr. Chairman, to which we wish to refer is to raise the question, for the consideration of the Committee, as to whether any provisions should be made for requiring a specific majority for election to the board. There are, in some other international organisations, provisions which require a two-thirds majority before a country is elected to a governing body

of this sort and while we do not wish to be dogmatic about it, we think that that provision has advantages. When election can be achieved by a simple majority it does facilitate a sort of exchange of vote by previous arrangement, which can frequently tend to give the governing body an unbalanced character. While we do not want to exaggerate that, we do think it is worth the Committee's while to look at the possibility of requiring a two-thirds, or some other specified majority for election to the board. But, that, like the suggestion with regard to the number on the Board, we regard merely as a working suggestion to which we would not adhere rigidly if the Committee or any of its Sub-committees suggest that the decision should be otherwise.

CHAIRMAN: The Delegate of Brazil.

Mr. PARANAGUA (Brazil): Mr. Chairman, I wanted consideration to be given to the Executive Board, because I belong to an International Executive Board, where we try to think internationally on every question. We try to forget what nationality we have.

My first remark would be about the number of Directors on the Executive Board. We of the Monetary Fund are twelve Directors, plus twelve alternates, which makes twenty-four. This number, which seemed to be a large one, never prevented us from discussing and reaching decisions; and my experience is that the number is not sufficient. We have just had an election for a thirteenth Director, and the Board of Governors is empowered by the Articles of Agreement to increase the number of Directors by a vote of four-fifths, and the reason why the number of Directors is insufficient is because of the number of Sub-Committees we have - Sub-Committees of Interpretation, or Monetary Reserves - all kinds, about six or seven Committees - and also because, very often, we are obliged to send a Director to a country when there is a question that we cannot clear without a personal contact with the Government of the country concerned.

For this reason - that very often we do not have a Director in the place - we like to have more Directors. Therefore, I think we must all be very careful not to fix a small number of Directors, and not to have a rigid formula preventing the increasing of the number of Directors.

The second point is the question of permanent seats. I would not call them permanent seats, because the idea of permanent seats involves something like a natural right to a certain place, a certain hierarchy. I would prefer to call them posts because of their position in world economy, according to their relative importance.

On this question I disagree with the Australian Delegate. I think the most important economic Powers are entitled to have a seat of a permanent character. It is like the satisfaction we have to give to the measure of economic policy. The difficulty is to find a formula for choosing these economic Powers, but this formula is not impossible.

I should like to quote again the Articles of Agreement of the Monetary Fund. We had a formula supplied by the American Government. This formula is not a secret today and I think I can disclose it. It was based on the external trade, international trade, on national income, and on monetary reserves. That is not the case with us. It is not a rigid formula; there are some imponderables which we have to take into consideration for the fixing of the quotas and the voting power. I can also disclose the case of Australia, who has just joined the Fund.

In applying the formula we would reach a figure, say, 140 or 150 million dollars, but, by virtue of such imponderables we reached the figure of 200 million. We took into consideration certain facts and we increased the figure.

The formula naturally ought to take into consideration the different areas of the world, the different types of economy, certain potentialities. The question of their

relation to one another, for example, is very important. If you take the case of India, for instance, just one yard of cloth per head used by an enormous population has an enormous effect on world trade. It is something which deserves consideration.

With regard to the kind of majority for the election of an Executive Board, I agree that the majority would not be a simple one. At least the first poll must be a majority of two-thirds, or any other kind of majority - not a simple majority.

I think, Mr. Chairman, on the question of finding a compromise between the extreme proposals, it would be easier to find in a sub-committee a formula which everybody could agree to - everybody giving something and taking something in this formula.

Mr. S.L. HOIMES (United Kingdom): Mr. Chairman, it may be appropriate for me to say a few words, though I think that what I am going to speak about will/call for more than a few words because, while we have a proposal in front of the Commission for the revision of the present text of Article 63, that proposal can, I think, be allowed for the most part, to speak for itself. Once more, I think, I may claim for the United Kingdom Delegation at least, a certain consistency, the proposal being in line with what we have suggested before on a previous occasion. I do not know, therefore, whether there is any detail which I can usefully add, and I am not anxious at all to keep the Commission here longer than it is necessary, especially as there is another meeting in prospect this afternoon.

On the question of the number of seats - the number of Members of the Executive Board - that is a matter which is of some importance, but on which we would not wish to claim that we have any very decided views. We have an open mind, but I feel with the previous speaker ^{that} there will be a great many Members of the Organization we hope, and that a fairly large Board is therefore justifiable.

As regards the formula which is reproduced in paragraph 2 of our suggested text of this article, that is a formula with which the Commission will now be familiar. Once more, however, we have an open mind on the details of the formula and, as we have provided in the paragraph, we have the idea that the application of the formula should be reviewed periodically and, no doubt, the formula itself could and would be varied at some later stage in the Organization's history if it were found, for some reason, to be unsatisfactory. I will not, therefore, follow the Brazilian Delegate into his five million imponderable dollars, but I would like to say that I fully agree with him that, if everyone uses the same amount of material, then there will be more used in a large population. ^{of Mr. Paranagua,} The remarks/ based on his experience with the International Monetary Fund, are of

great interest and I was very glad to have the benefit of his experience on that point.

Now, once more, Dr. Coombs, speaking for Australia, has unfortunately had to leave, and I have been looking at his remarks of two days ago. I hope they may apply to him today. He then said that he was afraid that, in expressing his views, he might have sounded rather more certain and definite than he was in fact. In other words, he had an open mind. But unfortunately he has taken his open mind away with his person. I have attempted on that previous occasion, to reply, in his absence, to one or two of the remarks he had made. I will not do so again at length, except to make these points.

Once more, perhaps, I did not make myself sufficiently clear. We do feel that there is a very marked difference between the sort of work that we do here and the way in which we do it and the work which will fall to the Organization and its more important bodies when the Organization comes into existence. That, of course, is specially true in view of the very many difficult questions with which the Organization will be called upon to deal.

Here, it is true that the larger trading countries have, in most cases, been represented on our sub-committees, but that has to be qualified. In the first place, it has always been open to delegations which are not represented on a sub-committee to attend the sub-committee's meetings and to make their views known. In fact, in a note by the Charter Steering Committee, which is to be considered later this afternoon, there is the rather plaintive remark that the work of some sub-committees has been slowed down by the extensive participation of delegations not appointed to the sub-committees, and of course, when it comes to the consideration of the sub-committee's Report by a Commission, it has always been open to those not represented on the sub-committee to consider themselves quite free to review the sub-committee's work.

That is, however, a different type of work from the work which the Organization, when it is set up, will have to do. It will have to take a number of decisions on very important points within the terms of reference represented by the Charter.

Then we are told, as I think we have been told before, that it does not really matter very much whether there is some system of permanent seats - for want of a better name - or not, because the important trading countries will inevitably be represented on the Board. Well, we are therefore asked: "Why bother about a provision for permanent seats?" - to which I can only answer with another question: "Why, then object?". One cannot, I think

ride both horses at the same time. If that is what is likely, and what is thought desirable, then let us provide for it.

We are also told - and I would agree with this - that a good deal will depend on personalities. The importance of the Organization is certainly such that, if it is to succeed, it must have the right representatives of the Member countries, but is that not rather an argument for a degree of permanance and continuity, rather than for a degree of change?.

So, Mr. Chairman, I hope that the Commission will be prepared very seriously to consider the proposal we have made, or at least, the principle of the proposal that we have made, without perhaps going, at this stage, into the details of the proposal, which I would suggest might be left for a more appropriate body to consider.

CHAIRMAN: The Delegate of Cuba.

Dr. Gustavo GUTIERREZ (Cuba): The Cuban Delegation, Mr. Chairman, does not see with sympathy any formula for the election of the Members of the Executive Committee on the basis of qualifications other than geographical considerations and the free will of the nations who are Members of the Organization, yet we think it proper to make an exception.

This exception relates to the practical convenience of giving permanent seats to the most important nations of the economic world.

We think that we should try to find out a simple formula, running away from the practice of establishing an artificial method of qualification, which is usually conceived by thinking first of the nations which it is desired to elect, and afterwards finding out the special qualifications required.

For that reason, we dare to suggest instructing the ad hoc sub-committee to work out a formula based on these principles: First, the Executive Committee should be composed of a number of Members not less than fifteen nor larger than eighteen. Second, the seats in the Executive Committee should be distributed in order that all the economic regions of the world would be represented. Third, a number of seats, not less than a third of the total number, nor larger than half this number, shall be permanent and will correspond to the nations of higher value of foreign trade. All others to be freely elected by the Conference.

If the Committee wishes to establish certain qualification to be elected, I am afraid we are inclined to accept only the requirement of a certain minimum amount of foreign trade value to be elected a member of the Executive Committee.

MR. STANISLAV MINOVSKY (Czechoslovakia): (Interpretation).

We explained yesterday the reasons why our Delegation was in favour of the system of weighted voting. On the other hand, we considered, as being both reasonable and useful, that in the case of the Executive Committee a special position should be reserved for the large powers, a position in conformity with their importance in world economy and also in conformity with their importance for us as regards the activities and the very existence of the Trade Organisation. Now there remains to determine the number of permanent seats in the Executive Committee. In our note we suggested the number of fifteen or eighteen members for the Executive Board, but we take it that five permanent seats will be reserved for the five permanent Members of the Security Council. In other words, one-third of the seats would be reserved for the greater powers. Now if it is considered preferable to have six seats reserved, we would recommend that the Executive Board should consist of eighteen members.

Finally, as regards the question of majority, we are in agreement with the United Kingdom note, given on page 63 of the Report of the New York Drafting Committee.

CHAIRMAN: The Delegate of Belgium.

BARON PIERRE DE GAIFFIER (Belgium): (Interpretation)

With your permission, Mr. Chairman, I am not going to be dogmatic, but I am going to be even somewhat brutal. It seems to me that the time for definitions or formulae has passed and we should be ready now to designate countries which will sit on the Executive Board. It seems to me that at the end of our second session we should have gathered enough experience and have

done sufficient preparatory work to be able now to be precise in our decisions. The question of the number of Members of the Executive Board, and of the permanent seats, have been touched upon by previous speakers. I should like to recall that the Report of the Drafting Committee has very complete material on these questions.

The Report states what has been done in that respect at the previous Sessions, and we can see from it that the work has been considerably advanced, and we should not go back now to the initial stages.

The Delegate of Brazil, in fact, in his remarks concerning the question of the permanent Members of the Executive Board, based himself on certain considerations included in the Report when he said that the permanent seats should be attributed to the most important countries economically. This is actually the test laid down in the Report - the greater economic importance. The Delegate of Australia said that it was important for us to define how we are going to pursue this programme. I quite agree with him, this is important, but experience shows how difficult it is for the Delegates to consider these questions from a purely abstract point of view. Each of them is, of course, inclined to consider these questions in connection with the interests and eventual ^{re}presentation of his own country; so whichever system we choose for considering, difficulties are unavoidable. It would be a better method if we could agree to proceed to the drawing up of the composition of the Executive Board.

In this respect the Report contains two alternative proposals - one the Canadian proposal, which clearly shows the complete possibilities included in it, and the Committee's proposal which, in my opinion, is too abstract. We are in favour of an intermediate solution.

We think that the Organisation will be worth what its Members will be worth, and as the United States Delegate said yesterday, any decision on the voting system before we know exactly what the provisions of the Charter are, would be to sign a blank cheque.

In the same way, I might say that if we decide on a system for the establishment of the Executive Board without knowing who will be represented on this Board, it would also be similar to signing a blank cheque.

We consider that the alternative "B" included in the Annexe to the Report might be considered as a useful base for the work of whatever Sub-Committee will be concerned with this question; but in connection with alternative "B" certain questions remain to be clarified; and in the first place what must be understood is, what is meant by "Members of the first category"? It seems to us that if only the economic importance as shown by the Tables is taken into account, this may lead to some disadvantages, and if it were possible for us to proceed simply by designating the names of the countries, that would be a speedier procedure. And the last point I wish to make is that the Sub-Committee which shall be instructed to study this matter should have well-defined and rigid terms of reference, so that we should not be obliged to do again the work which has already been previously done.

CHAIRMAN: The Delegate of China.

H.E. Mr. FUNG KING (China): In this matter of the composition and election of the Board, the Chinese Delegation may be less open-minded than they are in connection with the general principle of the voting system, because in this particular question we think we have somehow or other made up our mind as to what system or method we consider to be best for the purpose of the composition and election of the Board.

I have listened to the remarks and statements made by the various speakers, and I feel very much interested in all these

remarks.

I would like, first of all, to give an assurance to those of my colleagues who have, as I understand, advocated the system of "one Member one vote" in the matter of the general principle of the voting system; and if the Chinese Delegation should say they would prefer the weighted voting system in regard to this particular matter of the composition and election of the Board, I would give the assurance that those colleagues of mine who have strongly advocated against the weighted voting system in regard to the general principle of voting need not feel that this might create a dangerous or bad precedent for them, when we come back to the general question of the voting system.

Now, I would like to come to the question of the number of seats - first things first. As to that question, the determination of this question would, in our mind, have to depend upon the size or the total number of Members of the ITO. Now it looks not unlikely that the total number of Members of the future ITO may run to sixty or even more, including the Members of the United Nations and some non-Members, and perhaps some associate Members - I do not know; but it seems to me it would be illogical that the ultimate determination of this question should have to depend upon that fact.

Roughly speaking, it might be useful or desirable to put the number of seats of the Executive Board at one-third of the total number. Therefore, if the total number of the future ITO is, say, sixty, then we might have to have twenty Members of the Executive Board. Therefore, tentatively speaking at least, we are in favour of the number of eighteen. Of course, I am quite impressed by the argument that this Board should be limited in number of Members in order to be manageable for the conduct of the business of the ITO; but on the other hand, it should also be sufficient.

Therefore we should try to work out a formula on this particular question whereby we can reconcile these two factors, that is to say, limited in number and yet representative of all the Members, and for the time being I could not think of any formula better than the number of 18. Of this number of 18, I would say that either eight or nine Members should be - I hate the word permanent, but I use it for lack of another word - permanent. (A loud clap of thunder followed). Well, the word "permanent" is not a very happy one, you see! (Laughter).

Again I would like to give another assurance, that the word permanent in this connection seems to have a special meaning; that is to say, those Members which can permanently hold their position in the world economy, a position of permanent world importance, are to be permanent Members. Of course, I have no particular fondness for the honourable title of permanent Members being conferred on these Members. We might just as well say that these Members are perhaps re-appointed upon the first determination and upon each succeeding determination, which amounts to the same thing.

As to the method of election, I would say very frankly and honestly that the Chinese Delegation, as I have perhaps already pointed out, is in favour of the United Kingdom formula as set out on Pages 54 and 56 of the New York Report, and again set out on Page 2 of Document E/PC/T/W/202.

We accept this proposal, not only because of the United Kingdom formula, as was rightly pointed out by my colleague for Canada the other day when he said - may I quote his words - "Population - the purely democratic factor - is recognized and given direct weight as one of the factors in the proposed system of weighted voting" - not only because of that, but also because this formula, it seems to me, has many virtues. It is

a modest one, as was rightly pointed out by our colleague for Norway, because it represents a serious and honest attempt to equalize as far as possible the various weights and factors.

It has another virtue, too: that is to say, a fairly adequate representation of countries of all economic structures and of countries at the various stages of economic and industrial development, and again it is also based - if I understand it correctly - on the basis of the principle of an adequate geographical distribution of seats.

In making these remarks, I do hope that the United Kingdom Delegate may not feel upset if he finds that the Chinese Delegate seems to see in his own proposal more virtues than he himself sees, but, as I have repeatedly pointed out, my mind is more or less open on certain of the technical details, such as the base year or base years for the determination of the criteria. Whether, as the Delegate for the United Kingdom very modestly points out, the basic vote is motiveless or not, in this connection I think he is a little too modest. I think there is a good motive in having this basic vote of 100 votes.

On these small points, I beg to disagree with him. Still, I am open-minded in another sense, too; that is to say, we have also examined some other formulae which have been suggested by various other Delegations, not excluding the Brazilian Delegation.

After a very careful examination of the United Kingdom formula in conjunction with the Brazilian formula, I am very happy to say that we seem to find that this Brazilian proposal also possesses the same virtues as I have outlined in regard to the United Kingdom formula, with a very remarkable emphasis on the great virtue of adequate representation on a geographical basis.

Therefore I would add that the Chinese Delegation, as well as many other Delegations, would feel extremely happy if we could work out a formula on the basis of the United Kingdom proposal in conjunction with the great idea of geographical distribution, as has been explained and expounded by the Brazilian formula, as well as by the Cuban Delegate and the Australian Delegate, too.

Now, I understand that this question might also be submitted to a Sub-Committee for further consideration, and for the purpose of formulating the formula to be referred back to the Commission. Well, I am wondering whether, in view of the relatively simple and easy nature of this question, it would be necessary to create a Sub-Committee for that purpose - but certainly not because the Sub-Committee which might be set up might have the vice to which our Delegate for Norway has referred.

CHAIRMAN: The Delegate of France.

M. KOJEVE (France) (Interpretation): I have followed with the greatest attention the statement made by Dr. Colban, and I agree when he says that the question of the number of seats in the Executive Board is of paramount importance. I also agree that, from the technical point of view and from the point of view of the effectiveness of the work to be done, fifteen members, as suggested by the United States Delegation, is a maximum. I think it would be very difficult to carry out a really technical work in a large body.

On the other hand, I have been impressed by what Dr. Coombs said when he pointed out that all the major types of economic structure should be represented in the Executive Board.

I do not agree with Mr. Colban when he suggests that it would be necessary, first of all, to determine the number of seats, because I think that the number will depend on the method that will be adopted to appoint the Members of the Executive Board. One can, for instance, conceive of system excluding certain types of economic structure, for example, the type of under-developed countries or backward countries, while another system could be adopted including all possible types, but in this case it would be necessary to have a rather high number of Members for the Executive Board. However, I think that it is also possible to conceive of system in which both types could be reconciled, that is to say, all types could be represented while still maintaining the number of Members at fifteen, or perhaps even less. At any rate, it is impossible to discuss one question without discussing the other.

Another very important question is that of those Members which have been described as "permanent" in the absense of a more suitable term. I agree that this is not particularly felicitous,

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but at any rate it means - well, it means what it means. Permanent seats have some advantage, in my opinion, insofar as they ensure stability and continuity in the work of the Executive Board. There remains the rather difficult question of drawing up a list of permanent seats.

In this matter I have an open mind, and my Delegation is prepared to examine every proposal. I have no objection of principle to the proposal made by my Czechoslovak colleague; but here again I think it would perhaps be a good thing if the various types of economic structure, insofar as these types are permanent, were permanently represented on the Executive Board.

It would be necessary to avoid, in any case, the creation in the Executive Board of a bloc of Powers or what was described yesterday by Mr. Gutierrez as a "pre-fabricated majority"; but we should not, on the other hand, go to the other extreme, and should avoid having no majority whatever for important questions, because in that case it would be impossible for the Executive Board to come to any solution.

We have had an example of this in a similar Committee at this Conference, and it was impossible to solve any question. Therefore, it is necessary to find some compromise, and insofar as any proposal that is made will meet these two requirements we are prepared to accept it.

Finally, I should like to point out, Mr. Chairman, that we made a proposal in New York, but it was only submitted informally. We do not withdraw our proposal, but, on the other hand, we do not insist upon it. We have only made this proposal as a possible basis for a compromise. With your permission, Mr. Chairman, I shall ask that it may not be discussed right at the beginning; but perhaps it will be possible to find some other proposal that will prove more satisfactory.

CHAIRMAN: The Delegate of Canada.

Mr. L.E. COUILLARD (Canada): Mr. Chairman, our time is running out. It may be that Heads of Delegations would wish a

break in between their meetings, and I am not particularly anxious to speak to the accompaniment of thunder and lightning. I do not think I deserve that, so I am quite willing to put off my remarks until tomorrow, if it is agreeable.

CHAIRMAN: In view of the atmospheric conditions, perhaps it would be better if we adjourn now in order that there shall be plenty of time for those Heads of Delegations who have to attend a meeting of the Heads of Delegations Committee to be there on time.

The next meeting of the Commission will take place tomorrow at 2.30 p.m., at which we will resume the debate on which we are now engaged.

The meeting is adjourned.

(The meeting rose at 4.55 p.m.)