

# UNITED NATIONS

## ECONOMIC AND SOCIAL COUNCIL

### OFFICIAL RECORDS



THIRTEENTH SESSION, 481st  
(Opening) MEETING

MONDAY, 30 JULY 1951, at 11 a.m.

PALAIS DES NATIONS, GENEVA

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*President:* Mr. Hernán SANTA CRUZ (Chile).

*Present:* Representatives of the following countries:

Belgium, Canada, Chile, China, Czechoslovakia, France, India, Iran, Mexico, Pakistan, Peru, Philippines, Poland, Sweden, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay.

Representatives of the following specialized agencies:

International Labour Organisation, Food and Agriculture Organization of the United Nations, International Bank for Reconstruction and Development, International Monetary Fund, Interim Commission of the International Trade Organization, International Civil Aviation Organization, International Telecommunication Union, World Meteorological Organization, United Nations Educational, Scientific and Cultural Organization, World Health Organization, International Refugee Organization.

#### Opening of the Session

1. The PRESIDENT declared open the thirteenth session of the Economic and Social Council and invited the Director of the European Office of the United Nations to make a statement.

#### Statement by the Director of the European Office of the United Nations

2. Mr. MODEROW (Director of the European Office of the United Nations) thanked the President of the Council for having given him the opportunity of welcoming the members of the Economic and Social Council on the occasion of the first session it had held in the re-equipped Council Room, the most beautiful of all the conference rooms at the Palais des Nations, and the most worthy to be the seat of the discussions of the principal organs of the United Nations.

3. He wished, on behalf of the administration, to discharge a debt of gratitude to the President, for it had been as a result of the latter's initiative, insistence and energy that the General Assembly, at its fifth session, had voted the special credits necessary to adapt the room to the existing needs of United Nations bodies. The

room had been originally designed as the seat of the Council of the League of Nations, which had had fourteen members, and had had no facilities for simultaneous interpretation; as a consequence, it had remained unused since the transfer of the Palais des Nations to the United Nations. He hoped that in its new form it would prove fully satisfactory to the Council and its President.

4. He then recalled the origin of the room, of which the artistic *décor* was unique in the Palais. When the Palais had been under construction, the Member States of the League of Nations had each contributed to the beauty of the building. Some had sent marble, panelling, furniture, paintings; others had each undertaken the decoration of a room. Spain had offered to decorate the Council Room, and the Spanish Government had asked that it do honour to the great personality of Fra Francisco de Vitoria, the true founder of international law, who, from his professorial chair at Salamanca in the 16th century, had maintained, in the face of the might of absolute monarchs, the fundamental principles of a world wide international law inspired by the noble concepts of justice and peace. That great personality, who had thus given his name to the room in which the Council was now sitting, had been the first to give expression to the conception of the *orbis* of mankind—namely, that the whole world was a political unity empowered to enact laws applicable to all. By proclaiming the extension of international law to non-Christian peoples, he had shown himself to be one of the most outstanding predecessors of the United Nations in the field of human rights.

5. In undertaking to decorate the Council Room, Spain had assumed a considerable responsibility; but in José Maria Sert it had found a painter unafraid of general effects on a gigantic scale. A native of Barcelona, José Maria Sert had been a mural painter of worldwide renown. His best-known works were found in the Sert Room at the Waldorf-Astoria, in the RCA building of the Rockefeller Centre at New York and in the present room, in which he had integrated his work both on the spiritual and the material plane.

6. The frescoes had been executed on cloth in Sert's studios in Paris, and then been transported to Geneva and

re-mounted on the spot. The decoration was treated in a kind of double monochrome, which, with its greys, giving the illusion of life, and its golds painted over with dark brown, had a very sumptuous effect. The design and setting were informed with the dramatic energy which had characterized all the works of the celebrated Spanish painter. Two main themes were interwoven in the composition, and the variations upon those themes were themselves in two different keys, of which one was linked with the architecture and was executed in grey in the form of imitation bas-reliefs in the marble tone used for the wainscoting of the room. Those composite figures, executed on a cyclopean scale, represented symbolic subjects: Justice (the winnower separating the wheat from the tares); Strength (five men lifting a weight which would crush any one of them); The Death of Victory upon a cannon; Peace (the five races of the world seizing and controlling a single weapon); the Rebirth of True Victory, beginning by breaking a weapon; Law (the genius of humanity summarizing in a single volume all the codes of the world); and, lastly, Intelligence (man wresting the thunderbolt from an eagle).

7. Upon those greys, the artist had here and there thrown sumptuous draperies of gold, which rose to the ceiling or hung to the ground, came together or fell apart in a kind of frenzy. Upon the folds of those draperies, against a background of fantastic architecture, astonishing seething masses of humanity and a confused medley of human figures were depicted in constant movement full of pathetic endeavour. Opposite the Council table, two gold curtains painted in dark colours were drawn slightly apart. The decorations represented: on the left Death; the victors, received by women in mourning, carried an immense coffin of crushing weight through a triumphal arch in ruins; on the right Vengeance: the vanquished, standing among their massacred brothers, cried forth their lust for vengeance. But man should continue to hope, since he had been able to free mankind from the most arduous toil by the efforts of beasts of burden; then, through his technical skill (decoration on the right towards the window), to abolish slavery by the breaking of chains, thus symbolizing the great victory of mankind over itself (large panel on the right); and to overcome plague and other epidemics (large panel on the left). Why, then, asked Sert, should mankind not conquer war by destroying weapons of war (decoration on the left towards the window). He could attain that end by taking inspiration from "The Lesson of Salamanca", the subject of the fresco on the ceiling of the Council Room. Five colossal figures, representing the five parts of the World, joined hands in space. At their feet, the wise men of Salamanca were to be seen in discussion, surrounded by their pupils, recalling thereby the famous university where the first ideas of international law had been taught in the 16th century.

8. In conclusion, he (Mr. Moderow) added that the administration had had the good fortune to obtain the co-operation of the eminent architect Mr. Jacques Carlu, winner of the grand-prix of Rome. The work had been completed in accordance with the latter's plans, the aim having been to change nothing in the room unless absolutely necessary for technical reasons and, as regards

the colour scheme, to apply strictly the ideas of Sert. As formerly, the room had nearly 500 seats, which were at present equipped with headphones. The installation of booths for simultaneous interpretation had been a happy solution both technically and aesthetically.

9. The work, although taking into account both present requirements and limited resources, had fully respected the harmony and beauty of the Council Room, to which the Secretariat was happy to welcome the Economic and Social Council.

### Statement by the President of the Council

10. The PRESIDENT thanked the Director of the European Office of the United Nations for his interesting and erudite description of the Council chamber. Thanks to the changes and improvements made, the Economic and Social Council would be able to work in better conditions and in more dignified surroundings.

11. Turning to the work in hand, he recalled that, when the eleventh session of the Council had opened in Geneva a year previously, hostilities had just begun in Korea and, for the first time in history, the United Nations had embarked upon military action to repel aggression in support of the principles of collective security.

12. It had been a time of the utmost anxiety and events in Korea had cast a dark shadow over the Council's discussions and had influenced its decisions.

13. At the twelfth session, held in Santiago, the Council had been mainly concerned with study of the effects of world rearmament on the economy of nations and the endeavour to find some sort of palliative for the serious consequences of that rearmament.

14. At the present time, the situations and problems facing the world were still extremely serious and, indeed, in the past few months other problems had arisen to give still further cause for anxiety. Real peace was still too far off for the future to be faced with even a modicum of confidence. But, despite everything, it was impossible to refrain from a feeling of optimism at the fact that in Korea a most significant step had been taken towards the peaceful solution of a conflict which had cost so many human lives, had caused so much material damage and had threatened to become the starting-point of another world war. The fact that the destruction of lives and property was about to be brought to an end was in itself a resounding victory for peace.

15. Furthermore, the action taken by the United Nations in Korea to repel armed aggression had enormously strengthened the Organization and had added to its prestige as the sheet-anchor of world peace and security.

16. Nor could it be denied that the efforts made to limit hostilities to the Korean peninsula indicated that there was a definite desire among those on whom the responsibility for universal peace mainly rested to avoid plunging the world into the horrors of a world war. That factor too strengthened the sense of optimism.

17. And yet, whereas recent political events had brought a ray of light to the sullen and threatening

horizon, the outlook in the economic and social sphere remained utterly depressing.

18. During the eighteen months of his term of office as President of the Council and the Council's servant, he had felt it to be his duty to acquaint himself at first-hand with the problems facing the various nations and to try to gain a general picture. He had visited practically every country in Western Europe and Latin America as well as one of the countries of Eastern Europe. In almost every country he had found serious social unrest, provoked mainly by inflation and a shortage or total lack of essential goods, especially foodstuffs, the situation being aggravated by the growing and unconscious desire of the working-masses substantially to improve their standard of living.

19. He was convinced that the principal features of the economic and social crisis could be reduced to ten main factors. First, the national income of the industrial countries still continued to increase at a far higher rate than that of the under-developed countries. Thus the inequality between the two increased and constituted a growing factor in international disorder. At the last session of the Council, he had had occasion to quote relevant and telling figures which were corroborated in certain recent studies made by the Secretary-General which would serve as a basis for the Council's discussions at the present session. The second factor was the alarming shortage of food; during the past few months, parts of Asia, and even parts of Europe, had known famine in the true sense of the word. The third factor was the growing shortage of housing, aggravated by the considerable increase in population the world over. Fourthly, inflation continued, bringing in its train a rise in the price of essential goods, particularly in food and clothing. Fifthly, there was a serious shortage of raw materials and a great many consumer-goods industries were in a state of positive chaos because they were unable to obtain essential raw materials. In the sixth place, international distribution of essential goods was in a critical condition owing to lack of means of transport and the steep rise in freight and insurance rates. In the seventh place, there was a shortage of machinery and equipment, which was bound to hold up the economic development programmes. The eighth factor was the shortage of paper—a vital requirement in the spreading of news and the education of public opinion throughout the world. The ninth was the coal shortage, inevitably accompanied by a power shortage. The tenth and last factor was the lack of chemical products, which had led to a shortage of medical supplies.

20. Those factors, which he had mentioned by way of example and not in any sense as an exhaustive list, affected every country and every region and were not confined to the countries whose statistical data had been used as a basis for his statements. But it must be admitted that it was the inhabitants of the under-developed countries who suffered most because of those various factors. The view that the under-developed countries thrived in times of international tension was entirely disproved by the Secretary-General's reports, which showed that the rise in prices for manufactured goods and foodstuffs (imported where they were not produced)

and in transport and insurance charges was even greater than the rise in the price of raw materials.

21. In mentioning those points, he did not wish to gloss over the fact that their fundamental cause and origin—namely, the change-over from peaceful endeavour to a vast war effort—had been forced on a large part of the world by the hard facts of aggression and the necessity for self-defence against that aggression. At the same time, peoples whose economy was unstable, who were anxious and determined not to die of hunger but to live a decent life (such as had existed for the past century in industrialized countries), and who lived in a state of continuous crisis, were unable to accept such a state of affairs with equanimity.

22. Many of those peoples, moreover, lived in countries where the population was increasing at a faster rate than the capacity to import essential goods; such a situation inevitably led to a general fall in the standard of living. Many of them, too, had incomplete control over their own natural resources. Indeed, taking the under-developed countries as a whole, it would be found that, generally speaking, they received less for their products than the foreign investors who exploited those natural resources. That point was brought out in the Secretary-General's report on the volume and distribution of national income in under-developed countries (E/2041). Some of the figures there given were simply astounding; he had not, however, felt that it would be appropriate to quote them lest they might be interpreted as intended to stress individual cases referring to particular countries.

23. The dissatisfaction of the countries to which he had referred could not but be increased by the fact that, while the world was spending over 100,000 million dollars a year on armaments, it had not been possible to raise more than 200 million dollars for economic development programmes, although experts had been almost unanimous in estimating that more than 2,000 million dollars were needed.

24. Nor could it but be increased by the fact that the co-ordination achieved in rearmament plans to combat aggression had by no means been forthcoming to the same extent in respect of resources or operations on the economic plane. Obvious examples existed of chaos in production and distribution, of lack of joint action, of international failure to bear in mind the social factors underlying economic progress, which in turn determined social development.

25. That combination of shortage and crisis on the one hand, and neglect, inaction or lack of vision and understanding on the other, prevailed at a time when more than ever before the ordinary man was profoundly conscious of his rights and possibilities as well as of his responsibility towards national and international communities. He did not know of a single country where the masses could at the present time be accused of lack of will to work and to move forward. Indeed, he was convinced that, if the Council could carry out a survey among the 800 million souls who formed the working population of the world—men, women and, he regretted to say, frequently children as well—for the purpose of

ascertaining whether they were prepared to make even greater sacrifices, to work longer hours or to improve the quality of their work in the hope of achieving a more peaceful and prosperous world in the future, all would respond willingly. But, besides that effort which was demanded of the people and which they were willing to make, statesmen and leaders throughout the world had the duty of ensuring that the sacrifices were fairly shared, both on the national and international plane, and that in no circumstances should the masses be compelled to live in conditions unworthy of human beings. Indeed, only by so doing would it be possible to mobilize the world, both materially and spiritually, in support of the principles of the United Nations Charter.

26. After five years' experience—five years of tentative probing, studies and efforts, as well as modest achievement—the Council had reached a crucial stage. Should it restrict its ambitions and become an academic body of secondary importance in international life, trailing in the rear or hovering on the edge of the major developments and international collaboration in the economic and social sphere, and doing no more than sponsor more or less routine or small-scale developments? Or should it, instead, fulfil the function envisaged for it in the Charter as leader and initiator of major international efforts to achieve the aims specified?

27. The future of the United Nations—in other words, the future of peace—depended not only on effective action in the security sphere, but also on the Economic and Social Council's adopting the second of those courses.

28. He had for some time, by analysing all the attendant factors, tried to discover what, apart from political difficulties, had been the chief obstacle to more decisive action and to more practical results.

29. It seemed to him that the great inspiration that was needed, the opportunity of playing a leading role that the Council had confidently been offered, had been forgotten in the search for unanimity and the adoption of resolutions designed either to satisfy the majority or to satisfy those countries which bore the major responsibility for the execution of the Council's recommendations.

30. Thus the Economic and Social Council of the United Nations had forfeited its leading role in the solution of the great and worldwide problems. It had been seen at every step how those solutions derived from the separate decisions of a few countries—on the fringe of the United Nations—simply because most of the members of the Council had lacked the courage to speak clearly. If the Council—that was to say the majority of its members—truly desired to conform to the spirit of the Charter, if it wished to preserve its good name in world opinion or to influence the destinies of mankind, it must clearly and boldly take a stand on vital economic and social matters and fearlessly make its recommendations, even when the latter did not suit the temporary interests of Member States, however powerful they might be.

31. Anxiety to achieve general agreement (which he as President had always wished should prevail at the Coun-

cil's meetings) and even anxiety to compromise (which was often desirable and always to be respected) could not be carried to lengths where it involved the sacrifice of the fundamental duties imposed upon the Council by the Charter and by the gravity of the international situation. The Council's proper aim must be to make its power for good—even when purely moral—felt in all countries and among all groups with economic and social responsibilities, even in the humblest homes. Far more important was it for the world and its future, far more important than, for example, any inevitably limited programme of technical or social assistance, that the principal United Nations organ with jurisdiction in such matters should raise, with all its moral force and authority, a proud standard in leading the way in the fight for final and radical solutions of the world's economic and social problems.

32. He would be failing in his responsibility as President of the Council—and for two years the Council had been placing its confidence in his sense of responsibility, imbued with a spirit of international unity—if he omitted to say that, while the Council's work had been useful and praiseworthy, and altogether indispensable in the field of study and investigation, it had been inadequate when considered in relation to the whole body of problems. And it would certainly be deplorable if, now that the factors underlying the crisis had been disclosed and their possible remedies examined, the Council's efforts continued at the same leisurely rhythm. Even if the nations had carried out all the Council's past recommendations, the anticipated results could not have been achieved, even partially, because recent international events, beyond the control of weak nations and outside their responsibility, would have prevented it.

33. The agenda of the present session of the Council contained several questions which might be considered to be of fundamental importance. They could be dealt with by either of the alternative methods he had just mentioned: either by means of a routine discussion and the adoption of facile compromise solutions with minor consequences, having no repercussions on the economic life of the world and finding no response in public opinion; or else by means of a radical change of attitude. Those problems could then be tackled boldly and with imagination, solutions being found which most of the countries of the world earnestly desired, even though it might be thought impossible to carry them out at the moment. The Council could not wait for all the world's rulers to regain that vision of the magnitude of the problems which they appeared to have lost; nor could it wait until they convinced themselves that peace—the true peaceful co-existence of nations—could not be attained by the aid of modest formulas which always lagged behind events. The Council was the body that had been called upon to stimulate the process of convincing the world.

34. There was, for example, the problem of the economic development of under-developed countries, which had been under discussion in the Council for three years. The representatives of the under-developed countries—that was to say, the majority of the countries of the world—had been urging the Council, either on its own

initiative or through the General Assembly, to take radical action, and not to offer them good advice or palliatives. The answer they had been given was that certain preliminary studies were required to serve as a basis for a sound policy. For more than two years, those studies had been accumulated and the truth of the matter was that each of them did no more than demonstrate how acute the problems were; the conclusions were all practically identical. They could be summed up as follows: (a) that the economic development of under-developed countries was fundamental to the economic and social stability of the world, fundamental to prevent millions of people from dying of hunger and to enable them to live with dignity, and fundamental for the preservation of peace itself; (b) that, in addition to certain internal measures which were actually of secondary importance, such development could not become a reality without an influx of international capital of approximately 2,000 million dollars per annum; (c) that private capital had taken, and was still taking, no interest in financing such economic development, especially the basic non-productive projects; and (d) that the flow of public capital had so far been completely inadequate, and the international bodies created for the purpose had by no means fulfilled the aims and objects envisaged at the time they had been established.

35. What answer would the Council at present give to that urgent appeal of the peoples of the world? Would it be fresh advice to the effect that countries should put their internal finances in order and encourage saving and the influx of private investments from abroad, or that the International Bank for Reconstruction and Development should grant loans more readily; loans which in the field of economic development had not exceeded 800 million dollars over five years? It might be that some would consider that a suitable reply and feel that they would gain a triumph if they secured the adoption of such a resolution. But, if so, he could assure the Council that its renown as a worthy, hard-working and distinguished body would be rapidly converted into the notoriety of one that was useless and good for nothing.

36. On the other hand, the Council would proceed to give a lead to the world if it were capable of stating frankly that if, while the world combined its resources, co-ordinated its efforts and imposed equitable sacrifices on all countries with a view to fighting aggression, its economic problems could not be solved unless it did as much to combat hunger and poverty.

37. He believed that the survival of the Council as a body of world importance and influence depended upon its attitude towards the financing of economic development or towards the terrible and universal problem of hunger. It should not be forgotten that the failure of the United Nations in the economic and social fields would shake its entire structure in the field of political security.

38. During the current session, the Council would be reviewing its organization and operation and the organization and operation of its subsidiary bodies, taking as a basis the recommendations of the *Ad Hoc* Committee.

on the Organization and Operation of the Council and its Commissions. He believed that a definite step forward would be taken which would enable the work of the Council to proceed in a more orderly and efficient manner. But all that would be completely useless if the Council did not at the same time adopt a different attitude towards its task and duties.

39. Exactly two months earlier, in an address he had delivered at the opening meeting<sup>1</sup> of the sixth session of the Economic Commission for Europe, he had taken the opportunity of referring to the executive aspects of the economic and social work of the United Nations. On that occasion, he had recognized the efficiency and usefulness of the specialized agencies in general, but had also stated that their work was split up and lacked the necessary co-ordination. The Council had, of course, some responsibility for that, since it had to be admitted that, whether through lack of time or for other reasons, it had not given the attention it should have done to the work of co-ordination entrusted to it by the Charter. It also had to be recognized that, in many of the specialized agencies, a dangerous and increasing tendency was apparent towards independence with regard to the United Nations, a tendency that went beyond the limits of a justifiable desire for autonomy and was more like complete separatism than anything else. That had never been the spirit of the Charter, and still less could it be the desire of the vast majority of the countries which made up all those agencies and the United Nations. There was a risk that the various countries, witnessing such disconnected work and certain inexplicable conflicts, might withdraw from some of those organizations first their active co-operation and then their very membership. On that same occasion, he had also pointed out that there was a large field of potential activities not covered by any specialized agency. That untouched field and the scattered nature and lack of co-ordination of the various activities had led him to consider the possibility of uniting some of the activities of the specialized agencies under a central executive body. By giving to such a body other functions not covered by the existing international machinery, the far-reaching problem of world production and consumption would be dealt with as a whole. He had said that that body, which might be called, for example, "United Nations Authority for Production and Plenty", would be called upon to guide, encourage and help Member States, both technically and financially, in the task of increasing agricultural, mining and industrial production, while keeping in view the satisfaction of the vital needs of the world's entire population. Its principal mission would be to increase consuming power and to facilitate the interchange of products and commodities, an interchange which was—at the time he was speaking—impeded by an infinite number of obstacles and other circumstances. If the Council considered that idea worthy of examination, it should decide, when dealing with problems of co-ordination, how co-operation with the specialized agencies, and the preliminary studies as to the desirability or otherwise of pursuing it further could be undertaken. It seemed to him unnecessary to stress

<sup>1</sup> See document ECE/SR.6/1.

the profound psychological effect that would be produced on public opinion if it were to realize that, through the Council, the United Nations had decided to concern itself effectively and permanently with the solution of that great problem of world production and consumption and the creation of conditions of plenty and prosperity.

40. He had spoken bluntly and frankly, perhaps with a frankness unusual in presidents of United Nations bodies, who were supposed not to take sides either with a group or express themselves in favour of any of the proposals discussed. The Council was well aware that, in speaking in that way, he did not seek to serve the interests of any group, still less the interests of the country he represented. Instead, he had, as formerly, worked for the general interest, the defence of which the Council had implicitly entrusted to him when it had made him its President. He had felt it his duty to take the opportunity of giving voice to thoughts and feelings

which many members of the Council had expressed publicly and privately during that lengthy and for him most pleasant intellectual communion that he had had with the Council.

41. That frankness had been dictated also by the gravity of world problems, and by the fact that, for the first time since the world had split into two opposing groups, the horizon, which had been growing more and more gloomy, had shown a faint glimmer of hope, with the armistice which was being discussed in Korea. He appealed to the Council to take advantage of the spirit behind that pacific endeavour in order to work in unison at the great task of raising the dignity of mankind, for, if it did not do so, it would have failed to live up to what might prove to be a historic moment.

The meeting rose at 12 noon.