SECOND COMMITTEE: ECONOMIC DEVELOPMENT

DRAFT CHARTER

EL SALVADOR: PROPOSED AMENDMENT

Article 15

The delegation of El Salvador considers that the serious limitation imposed on national sovereignty is not only unnecessary to attain the specific purpose of Article 15 of the Charter and the general objectives of economic development but that the establishment of a time-wasting procedure prior to the adoption of measures for promoting economic development is prejudicial to the achievement of such purposes. The delegation of El Salvador believes that the procedure should be reversed so that the Organization intervenes only "a posteriori", that is, after the measures in question have been adopted by a Member, the procedure being put into effect upon the request of any Member which believes itself to be affected. In this way a greater safeguard would be afforded to the traditional principle of national sovereignty and governmental action would be allowed the greater flexibility necessary and essential to secure adaptation to changing national requirements and opportunities for investment. It should be pointed out that although industrial development requires the contribution of foreign capital this does not exclude the possibility of using national capital; in the underdeveloped countries national capital is distinguished by its excessive fear of taking risks, which means that any time-wasting provisions may seriously affect a Government's schemes. For the above-mentioned reasons the delegation of El Salvador proposes an alteration of substance in the principles on which Chapter III is based, the work of redrafting being left to the appropriate Sub-Committee.