The Sub-Committee considered paragraph 2 of the United States draft. Mr. GAZDER (Pakistan) thought that alternative sub-paragraph (b) was to be preferred to alternative sub-paragraphs (b) and (c).

Mr. MONDELL (Italy) said that in sub-paragraph (a) he would prefer "Members of chief economic importance" to "Members of chief importance in international trade". He also preferred alternative sub-paragraph (b) and suggested that the word "desirability" should be retained instead of changing it to "necessity" as had been proposed.

Mr. KORBVE (France) said that if the proposal of the delegation of France were accepted, he would suggest that the paragraph regarding criteria should read "....shall include Members of chief importance in international trade representative of (a) the diverse types of economy existing within the membership of the Organization, and (b) the major geographic areas of the world".

Mr. KARMAKR (India) stressed the desirability of ensuring that the criteria contained in sub-paragraphs (b) and (c) should be given a definite degree of representation. He therefore suggested that paragraph 5 might be amended to contain a reference to the allocation of seats on the Board.

Mr. WUM-KE (China) suggested that paragraph 2 might read as follows:

"2. In selecting the members of the Executive Board the Conference shall have regard to the necessity and desirability of ensuring that the Board is composed of Members of chief economic importance and of countries of smaller economic importance representative of (a) the diverse types of economy existing within the Organization and the countries of varying stages of development, and (b) the major..."
(b) the major geographic areas of the world.

In determining the degree of economic importance account shall be taken of the factors of population, external trade and national income."

Mr. MACHADO (Cuba) said that he would accept sub-paragraph (a) but was firmly of the opinion that this criterion must be confined to extent of international trade alone. He favoured the alternative sub-paragraph (b). He did not think a definite number of states should be specified to satisfy the criteria contained in sub-paragraphs (b) and (c).

Mr. TANGE (Australia) pointed out that his delegation did not oppose the establishment of criteria provided that means could be found to ensure that each criterion was given due representation and a solution was found for the problem of marginal cases. He preferred alternative sub-paragraphs (b) and (c). It would be most difficult on the basis of statistics to specify the eight Members of chief importance in international trade. He thought that the list of such Members should be confined to the states whose international trade clearly exceeded that of other states. That was the essence of the Australian draft which he had just circulated and which avoided specifying a number of countries of chief importance in international trade. There would be no necessity then to solve the problem of marginal cases. Paragraph 3 of the Australian draft visualized machinery of the type of a Nominations Committee.

Mr. STINNEDOWER (United States) said that the factors of population and national income were of minor importance as regards the Organization. The criterion of major importance was that of degree of international trade. However, the criterion must be administered flexibly so that, for example, account could be taken of the peculiar position of China. His delegation would be in favour of arbitrarily giving China a seat upon the Board for the first few years. A system for constituting the Board such as that set out in the United States draft had worked effectively in the case of the International Labour Organization and the Food and Agriculture Organization. Not to mention the number of states of chief importance in international trade, as had been suggested by the delegate of Australia, would lead to confusion. The figure of eight was not arbitrary but represented approximately one-half of the Board.

Mr. TANGE (Australia), replying to the delegate of the United States, said that his delegation had previously objected to the establishment of criteria because it had not been proposed to establish any machinery which would enable
would enable such criteria to influence the elections to the Board. The Australian draft aimed at creating such machinery.

Mr. DAO (China) thanked the delegate of the United States for his understanding of the special position of China. He pointed out that the Charter dealt with subjects reaching far beyond international trade and therefore his delegation preferred the criterion of "chief economic importance".

Mr. MONDELO (Italy) agreed with the delegate of China and suggested that sub-paragraph (a) should read "Members of chief economic importance having particular regard to international trade".

Mr. ALAYZA (Peru) reminded delegates of the principle he had mentioned at a previous meeting, namely, that states of chief economic importance should be given seats upon the Board if they satisfied the two primary criteria of representation of diverse types of economy and representation of major geographic areas.

Mr. MACHADO (Cuba), replying to the delegate of China, said that although the Charter dealt with subjects reaching beyond international trade, it only dealt with such subjects insofar as they related to international trade. Countries which failed to be elected under sub-paragraph (a) could always be elected under sub-paragraphs (b) and (c).

Mr. KARMARKAR (India) thought that factors other than extent of international trade should be considered. Population must be taken into account for countries with large populations such as India had great potential development and power of consumption.