PREPARATORY COMMITTEE OF THE INTERNATIONAL CONFERENCE
ON TRADE AND EMPLOYMENT

INTERNATIONAL EMPLOYMENT POLICY

MEMORANDUM

BY THE

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1. The maintenance of full employment is a vital element in the policy of His Majesty’s Government in the United Kingdom. The objective of maintaining full employment in any one country may well be frustrated unless all other major industrial and trading nations are likewise maintaining full employment. His Majesty’s Government therefore fully support the proposition that this subject is one on which international action is necessary.

2. It is, moreover, the view of His Majesty’s Government that unless adequate steps are taken to this end, the results hoped for from the reduction of trade barriers will not be fulfilled; equally they hold that without the reduction of trade barriers, full employment will not make its maximum contribution to raising standards of living.

3. The United Kingdom Delegation wish therefore to suggest that international action to promote full employment and the measures to be taken if some countries are unable to maintain full employment cover a range of subjects far more comprehensive than that contemplated for the I.T.O.

4. Accordingly we propose that there should be a Convention covering International Employment Policy, which might either take the form of a separate convention (signed at the same time and by the same countries as the articles of the Trade Organisation) or form part of a general convention which would also establish the International Trade Organisation and contain the specific articles of agreement of that Organisation.

5. We submit at Annex A draft passages on employment for inclusion in such a Convention. The principal undertakings suggested may be summarised as follows:—

(i) to take action designed to achieve and maintain full employment within each country;
(ii) not to maintain employment by means which are inconsistent with other international obligations;
(iii) to correct a fundamental disequilibrium in the balance of payments, which, by creating balance of payments difficulties for other countries, prejudices them in the maintenance of full employment; and
(iv) to participate in appropriate international action of a positive character to promote full employment.

6. These draft passages also include an invitation to the Economic and Social Council and the various specialised agencies to consider what positive contributions they can make to the maintenance of full employment internationally.

7. In the hope that it may assist the members of the Preparatory Committee, we submit at Annex B our analysis of the problem, in an attempt to explain in detail the considerations which have guided us in formulating these draft passages for inclusion in a Convention covering Employment Policy.

NOTE.—A final clause in square brackets has been included in Annex A. It contemplates special provision for the release of a country from certain of its obligations under I.T.O if its own full employment policy is confronted with serious difficulties as a result of other countries’ inability to maintain their purchasing power. Whether such a clause is necessary or desirable will depend upon the I.T.O. provisions as they are ultimately agreed. At this stage all we have in mind is to reserve the point whether such a clause will be required or not.
ANNEX A.

DRAFT PASSAGES ON EMPLOYMENT FOR INCLUSION IN A CONVENTION ON INTERNATIONAL EMPLOYMENT AND TRADE POLICY.

Whereas:

(a) The members of the United Nations have pledged, in the Charter of the United Nations, to take joint and separate action, in co-operation with that Organisation, to achieve the economic and social purposes of the United Nations, including higher standards of living, full employment, and conditions of economic and social progress and development;

(b) Full employment is the main condition for the maintenance of satisfactory levels of living and in particular the attainment of full employment by the major industrial and trading nations, and its maintenance on a reasonably assured basis are essential:

(i) to the expansion of international trade on which the full prosperity of these and other nations depend;

(ii) to the full realisation of the economic and social objectives of the United Nations and of the specialised agencies concerned with commerce, commodities, restrictive practices, finance, investment and labour;

and therefore:

(iii) to the preservation of world peace and security;

(c) International action to promote full employment cannot be the responsibility of any one specialised agency but will call for close co-operation and concerted action, under the general co-ordination of the United Nations, of the specialised agencies concerned with commerce, commodities, restrictive practices, finance, investment and labour, as defined in their basic instruments and as recognised in their agreements with the United Nations;

(d) Domestic programmes to expand employment should be consistent with the realisation of the purposes of the United Nations and of the specialised agencies concerned with commerce, commodities, restrictive practices, finance, investment and labour and with the economic well-being of other nations;

(e) International arrangements should be such as to enable countries to correct maladjustments in their balance of payments by measures compatible with the maintenance of domestic employment; and

(f) A fundamental disequilibrium in a country’s balance of payments may create balance of payments difficulties for other countries and so prejudice them in the maintenance of full employment.

Each of the Governments on whose behalf this Agreement is signed:

(1) Undertakes to take action designed to achieve and maintain full employment within its own jurisdiction through measures appropriate to its political and economic institutions;

(2) Agrees not to seek to maintain employment through measures which are incompatible with its international undertakings or with the purposes of the International Trade Organisation;

(3) Agrees to take action through measures appropriate to its political and economic institutions to correct a fundamental disequilibrium in its balance of payments which persistently creates balance of payments difficulties for other countries and so prejudices them in the maintenance of full employment;

(4) Undertakes to participate in arrangements, under the sponsorship of the United Nations:

(i) for the collection, analysis and exchange of information on domestic employment problems, trends and policies, including information on national income and the level of demand;
(ii) for the co-ordination of the action of the various international specialised agencies in the field of employment policy; and

(iii) for consultations on employment problems, including where necessary the holding of special conferences; and

(5) Invites the Economic and Social Council and the specialised agencies concerned with commerce, commodities, restrictive practices, finance, investment and labour to make, within their respective spheres and consistently with their other responsibilities, what contribution they can to the attainment of these aims by means such as—

(i) the promotion, in suitable cases, of national or international arrangements to promote due stability in the incomes of the producers of primary products, having regard equally to the interests of consuming and producing countries;

(ii) the timing, to the extent which may be appropriate and practicable in the interests of employment policy, of capital expenditure on projects which are either of an international character or are internationally financed;

(iii) the promotion, under appropriate safeguards, of an international flow of capital in periods of world depression to those countries whose balance of payments needs temporary support in order to enable them to maintain domestic policies for full employment; and

(iv) the exercise of the powers granted to them under their basic instruments to assist countries to safeguard their domestic policies for full employment which might otherwise be endangered by balance of payments difficulties.

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[The Governments on whose behalf this agreement is signed request the United Nations, acting through the machinery of the Economic and Social Council, to accept the obligation of giving an opinion, if the International Trade Organisation so requests, and after consultation with the other specialised agencies concerned, (a) whether inability of a country or group of countries to carry out the policies contemplated in this Agreement is making it difficult for another country or group of countries to maintain a high level of employment, and (b) if so, whether the terms of the international agreements to which the country or countries so affected are parties, provide adequate opportunity for remedial action without a temporary release from obligations under the International Trade Organisation.]
ANNEX B.

EXPLANATORY NOTE.

I.—The Responsibilities of National Governments.

1. It is now generally agreed that the essential feature of a successful policy for full employment is the adoption of effective measures to maintain the general level of demand for goods and services at a high and stable level. Much thought has been given in recent years to the sort of measures which might be taken by national governments to maintain the general level of demand within their own territories. Such measures fall in the main into the following three categories:—

(a) The planning and timing of the demand for goods and services by public authorities. In particular, in this connection, attention has been given to the control of public investment, that is to say, of expenditure by public authorities on all forms of capital development.

(b) The use of taxes and subsidies in such a way as to vary the total purchasing power at the disposal of the individual members of the community, or to vary the financial incentive to spend money on goods and services of all kinds.

(c) The control of credit through monetary policy, devised to make supplies of money more plentiful and the terms of borrowing easier during those periods when it is desired to stimulate expenditure.

2. The success or failure of a particular national government (and in particular the government of a rich and highly developed country whose demand for goods and services exercises a large influence in world markets) in maintaining its domestic demand at a high and stable level, is a matter of keen interest to the other nations of the world. If a domestic slump in demand of any magnitude develops in such a country, its demand for imports will fall off. Moreover, the decline in its money prices and costs which will probably accompany such a slump will cause its exports to compete on cheaper terms with the goods of other countries. Other countries will thus find that the demand for their exports declines and that, in the absence of special measures, their domestic industries have to face increased competition from cheaper imports. To some extent, these adverse effects may be offset by the advantage which the outside world will reap in having to pay less for its imports from the country which is the focus of depression. Nevertheless, on balance, depression and unemployment in one country tends to give rise to depression and unemployment in other countries. Unemployment which is "imported" in this way, i.e., which originates in a decline of demand abroad, is often particularly difficult to offset by domestic measures, partly because it is difficult to predict and forestall, and partly because it may affect in the first instance export industries for which it is not easy to arrange an adequate alternative outlet on the home market. Much will depend on the character of the particular industries affected, but in general it may be said that while it may be possible to prevent the depression from spreading from the export industries to the industries which cater for the home market, it will seldom be possible entirely to prevent the emergence of unemployment in the export trades themselves.

3. It follows from this that to undertake measures for the maintenance of the general level of domestic demand for goods and services is a duty which each government owes not merely to its own nationals, but to the world as a whole. Accordingly, it must be a basic element in any international employment policy to secure from governments—particularly the governments of the main trading nations—an unambiguous recognition of their international responsibility in this regard.

4. A country which does not maintain employment domestically is likely to exert a deflationary pressure on other countries through the abnormally favourable balance of payments which develops as a result of a decline in its demand for imports relatively to its exports. Such a deflationary pressure may, however, also be caused by a country which is not actually experiencing serious unemployment. For example, a country may be persistently buying from abroad or investing abroad appreciably less than it is selling abroad. Indeed, the excess of its sales of exports in other markets may be the means whereby it is maintaining its own
employment. This is, however, likely to exercise a deflationary pressure on other countries and to intensify their problem of maintaining their own employment. For this reason it is suggested that countries should undertake an obligation to take measures to correct any persistent fundamental disequilibrium in their balance of payments, where an abnormally favourable balance is exercising a deflationary pressure on other countries. What particular measures should be adopted (e.g., the stimulation of imports or the removal of special encouragement to exports an appreciation of the country's exchange rate, an upward revision of its internal price and cost structure, an increase in foreign investment, &c.) should, of course, be left to the country concerned to determine.

5. In addition, something can be done to promote effective domestic measures for full employment by an organised interchange of information about the nature, scale and timing of those measures. The Economic and Social Council of the United Nations, together with its Economic and Employment Commission and the Employment Sub-Commission of that Commission, in consultation with the specialised agencies concerned, will provide a suitable organisation (in the terms of the United States "Proposals for Consideration by an International Conference on Trade and Employment") "for the collection, analysis and exchange of information on employment problems, trends and policies" and for enabling nations to consult regularly on employment problems.


6. The adoption of effective domestic measures for the maintenance of full employment is the essential basis. If all important countries adopted effective policies of this kind, no international depression need ever develop. Everything should, therefore, be done by international pledge and by international consultation to promote the adoption of effective domestic action. But it would be foolish to plan ahead on the assumption that such action will be a hundred per cent. effective. In so far as it fails, the countries which do adopt effective domestic measures for the maintenance of their internal demand are likely to be faced with balance of payments difficulties, since the demand for their exports will fall while their demand for imports will be maintained.

7. The Articles of the International Monetary Fund and the principles upon which the proposals for an International Trade Organisation are based leave open a number of ways in which a country whose balance of payments was thus adversely affected might meet the situation:—

(1) It may, so far as its domestic level of employment is concerned, offset the adverse movement in its balance of trade by some domestic expansion (for example, of home investment programmes) and meet the adverse balance of payments either by lending less abroad than previously, or by borrowing more. The proposed international arrangements do nothing to discourage such action, which would make a definite contribution to the problem of world depression, since the country in question would be maintaining its own demand for other countries' goods in spite of the decline in the other countries' demand for its goods. A country may, however, not be in a financial position to adopt this solution, or may not be prepared to adopt it, since it might intensify its own domestic problems of maintaining employment. For such countries alternative solutions are open.

(2) The adverse movement in its balance of payments may put it in a "fundamental disequilibrium." In this case it may depreciate its currency in order to maintain stability in its domestic prices and incomes in spite of the fluctuation in external prices and incomes: and—what is of equal importance—this depreciation could not be offset by those members of the International Monetary Fund whose balance of payments had become more favourable.

(3) Since it would be in balance of payments difficulties it would be free to impose non-discriminatory restrictions on its imports from all sources, and—what is of equal importance—the other members of the International Trade Organisation whose balances of payments had become more favourable would not enjoy this freedom.

(4) If the pressure from the countries where a depression has developed is so strong as to cause the currencies of those countries to become scarce, it may restrict imports from those countries without restricting its imports from other "full employment" countries.
8. A country which needs to protect its balance of payments will have an unfettered right to undertake certain of these actions. For example, it will be able, without question, to cease lending abroad if it were already doing so, to depreciate its currency by 10 per cent., and to make certain use of its borrowing powers with the International Monetary Fund. It will also have a right in such circumstances to impose non-discriminatory restrictions on its imports, although the exact form of the ‘criteria and requirements in the light of which balance of payments restrictions might be imposed’ remain to be determined. In other cases its right to take action will be contingent upon the nature of the pressure on the balance of payments as determined by certain objective criteria or by the judgment of an international body (for example, the imposition of discriminatory import restrictions will depend upon whether the Fund has run out of its supplies of a particular currency, while the right to depreciate the currency beyond a certain point will depend upon agreement with the International Monetary Fund that the country in question is in a ‘fundamental disequilibrium’); or upon persuading an international body to take some action which is entirely at the discretion of that body (for example, increased borrowing through the medium of the International Bank for Reconstruction and Development, or the International Monetary Fund, will depend upon the decision of these organisations respectively).

9. The choice between the various alternative methods enumerated in paragraph 7 above, must depend largely upon the particular circumstances of each case. Moreover, there is no reason to believe that in each particular case absolute reliance must be placed upon one single method. It may well be that a combination of methods would and should be used. For example, it might be appropriate that a particular country which is maintaining a domestic full employment policy and in consequence is threatened with balance of payments difficulties should protect its external position partly by lending less abroad or by borrowing rather more from abroad than normally, partly by a moderate depreciation of its currency (particularly, if such a depreciation is judged to be necessary for its long-term equilibrium) and partly by some restriction of imports.

10. The above paragraphs should make it clear that under the Articles of the International Monetary Fund and of the proposed International Trade Organisation there will already be powerful safeguards for the protection of countries’ domestic employment policies in times of world depression. It has been suggested that, in addition to the safeguards enumerated above, there should be some special arrangement whereby a country might be released from some of its commercial obligations under the International Trade Organisation if serious strain was being imposed on its economy by reason of a failure on the part of another country or group of countries to maintain their purchasing power. It is, however, difficult to pass a final judgment on this issue until the probable scope and form of the commercial obligations under the proposed International Trade Organisation are more clearly seen.

11. The United Kingdom delegation would accordingly propose that a decision on this particular issue should be postponed until progress has been made with the examination of the commercial obligations of the proposed International Trade Organisation and those special exemptions and relaxations (such as the use of import restrictions by countries in balance of payments difficulties) which are likely in any case to be included. Some reference is, however, made below (see paragraph 31) to the way in which a special ‘escape clause’ from some of the commercial obligations on ‘employment policy’ grounds might be operated, if such a clause were ultimately judged to be necessary.

III.—Direct Action by International Organisations.

12. In the present stage of international economic organisation, the direct action necessary to maintain the total world demand for goods and services at a high and stable level must, in the main, be the sum of individual national efforts. Nevertheless, it would be a mistake to assume that even in present conditions the direct action which can be taken to influence total world demand by existing or proposed international organisations need be negligible. In the present infancy of these institutions it would probably be unwise to overload them with specific duties which in any case will remain irrelevant during the present period of shortages. But in an examination of the possibility of the action which they might take with their present powers when the time comes suggests that their direct contribution might be really appreciable.
13. In recent years considerable attention has been paid to measures designed to stabilise the incomes of the producers of primary products. Such measures have a direct relevance to the problem of full employment. The incomes of primary producers represent a large proportion of the total world purchasing power and the stabilisation of these incomes would accordingly make an appreciable contribution to the problem of maintaining a high and stable level of demand for goods and services in general. A major cause of slumps in the markets for primary products is the reduced level of demand for raw materials and food-stuffs which results from a depression in the highly industrialised countries of the world and it is probably true that the problem of stabilising the markets for primary products cannot be fully solved in the absence of effective policies for full employment in such countries. Nevertheless, it is equally true that direct action taken for the stabilisation of the incomes of primary producers would itself make an appreciable contribution towards the problem of stabilising the demand for manufactured products.

14. A method which is particularly relevant from this point of view is that of Buffer Stocks. In those cases in which on grounds of finance, administration, storage, &c., a Buffer Stocks arrangement is considered practicable, their stabilising effect from the point of view of general employment policy constitutes a powerful additional argument for their institution. They stabilise producers' incomes without restrictionism. They take surplus supplies off the market and maintain producers' incomes when demand is deficient, and they increase supplies and prevent excessive price increases when demand threatens otherwise to be excessive.

15. It is appropriate, therefore, that in considering the problems of commodity policy, to which a special chapter of the United States "Proposals for Consideration by an International Conference on Trade and Employment" is devoted, due weight should be given to the advantages, from the point of view of Employment Policy, of such measures for the stabilisation of the markets for primary products.

(ii) International Public Works.

16. There is one form of capital expenditure which can only be organised on an international basis, namely works, the benefit of which will accrue to a number of different States, or which require for their execution combined action by a number of States, and which, for one or other of these reasons, no single State has an adequate incentive, or adequate power, to carry through. Such projects are to be found primarily in the sphere of international communications—roads, railways, canals, and river valley development.

17. Much capital development may also require international finance; and it is, therefore, a matter for consideration whether in any arrangements made for the international finance of capital development due regard should not be paid consistently with the other relevant considerations, to the timing of such projects from the point of view of the international employment situation.

18. There are already some international agencies which are concerned with these matters, such as the Development Sub-Commission of the Economic and Social Council and the International Bank for Reconstruction and Development. The Food and Agricultural Organisation is interested in agricultural development in certain areas, and it has also been proposed that the International Trade Organisation should take a special interest in the industrial development of less developed countries. The international agencies concerned might accordingly be invited to study this problem.

(iv) Synchronisation of National Credit Policies.

19. Credit policy seeks to influence the level of investment expenditure, economic activity and employment by causing variations in the supply of money and in the terms of borrowing. Since the supply of money is in each country under the control of national monetary authorities, international action to bring about credit expansion or contraction is bound to be more or less indirect. It may, however, be possible to do something to synchronise national credit policies.

20. Less emphasis is laid nowadays upon this as an element in international employment policy than was formerly the case. Possibly this is because the control of international capital movements is now regarded as being a more
effective means of attaining the main objective of the synchronisation policy (i.e., to prevent countries from being deterred from taking early action to expand credit and reduce interest rates during a world slump by the fear that an export of capital to other countries where similar action had not as yet been taken would endanger their reserves).

21. It is possible, however, that the importance of the co-ordination of credit policies is currently somewhat under-estimated. Complete control of capital movements is difficult even in the countries with the most effective administrative machines; in other countries it may be impossible to operate a really effective capital control; and such control is in any case powerless to prevent a cessation of the inflow of capital in the case of countries which are normally capital importers.

22. There is at present no formal international arrangement for harmonising the interest rate policy of different countries. The circumstances which determine what is, at any time, the appropriate policy to pursue with respect to credit control and interest rates are so complex that action cannot be reduced to rule or written into an international agreement. Progress in this sphere will therefore be best achieved by consultation between monetary authorities. For this the International Monetary Fund might offer a suitable meeting ground.

23. In addition to this, the Fund should be consulted as to other ways in which, when the time comes, it could influence the general terms of credit.

(v) Control over International Capital Movements.

24. As was argued in paragraph 2 above, any general depression starting in one country or group of countries is likely to lead to a reduction in the exports and an increase in the imports of other countries. This, in itself, as was pointed out, will tend to give rise to unemployment in the countries adversely affected. But in addition to this, the adverse trade balance would tend to deplete these countries' monetary reserves and, if these are inadequate to stand the strain, they would be under pressure to pursue a deflationary policy which, at the cost of accentuating depression and unemployment at home, would help to restore exports and reduce imports and rectify the balance of trade. If, on the other hand, as would, of course, be desirable, they were to pursue the opposite policy of expanding expenditure at home to mitigate the employment resulting from the depression abroad, this action would accentuate their balance of payments difficulties. One way of meeting these difficulties would be to finance the trade deficits of the "full employment" countries by increasing the export of capital from the countries in which the depression was developing, while diminishing any export of capital from—or increasing any import of capital to—the other countries.

25. As is explained in the preceding Section, there are alternative ways of meeting these balance of payments difficulties. Nevertheless, if in times of depression any country is prepared to maintain its own domestic demand and to allow its demand for imports temporarily to exceed its exports, it should be given all reasonable encouragement to do so, since it will be making a positive contribution to the world problem of maintaining the demand for goods and services. The International Monetary Fund and the International Bank for Reconstruction and Development should be asked to consider to what extent and in what way, consistently with their other responsibilities, they can make a contribution in this regard.

26. It is not, of course, suggested that the International Bank or the International Fund should promote the international flow of capital as a permanent means of meeting the balance of payments difficulties of countries which are in a more or less chronic position of "fundamental disequilibrium." In such cases long-term equilibrium can be restored only by an adjustment of exchange rates or of similar underlying factors.

IV.—The International Agencies.

27. The above paragraphs lead to the conclusion that responsibility for the successful prosecution of an international policy for full employment cannot be allocated to any one specialised agency alone. It is important that this responsibility should not be allocated to the proposed International Trade Organisation. It would be economically unsound to suggest that the reduction
of trade barriers will of itself guarantee high levels of employment. It is true, of course, that the expanded market for its exports which a country may hope to enjoy through the reduction of trade barriers in other markets will lead to an expansion of employment in its export industries. But if this country has at the same time to reduce its own barriers against imports, increased imports will flow into its territory; and these increased imports are just as likely to raise unemployment in its industries which compete with imports as the increased exports are to reduce unemployment in its export industries. The fundamental advantage of more liberal international trading conditions is not so much that it will give a greater volume of employment all round, but that it will raise output per head all round by allowing each country to concentrate more on the production of those goods and services which it is relatively most fitted to produce. The fundamental feature of an international employment policy must be to superimpose upon a more liberal international trading policy (which is required for these different reasons) a general nexus of national and international policies specifically designed to increase and maintain the total demand for goods and services in periods when widespread economic depression threatens. We must not get into the position in which it is assumed that, if trading conditions can be liberalised, employment will thereby automatically be maintained. The maintenance of employment, on which all our hopes for a permanent liberalisation of trading conditions must ultimately rest, requires separate and positive action.

28. What is required (in addition to a recognition by national Governments of their international duty to adopt domestic policies for the maintenance of full employment) is: first, action of many different kinds by a number of different international specialised agencies on the lines summarised above; and, secondly, some international co-ordinating body which can provide a centre both for the exchange of information about domestic problems and policies for full employment and also for the co-ordination of the activities in this field of the various international specialised agencies.

29. The functions assigned to the Economic and Social Council of the United Nations clearly indicate it as the appropriate body to perform this second function. Working through its Economic and Employment Commission and the Sub-Committees of that Commission in collaboration with the specialised agencies concerned, the Economic and Social Council should perform the following functions:

(i) The organised collection, analysis and exchange of economic information relevant for the study of the trends of employment throughout the world;
(ii) The organised interchange between national Governments of information about domestic employment problems and policies;
(iii) The co-ordination of the work of the international specialised agencies in this field; and
(iv) The summoning where it deems desirable of special international conferences.

30. If this argument is correct, there is much to be said for the view that there should be a comprehensive Convention covering International Employment Policy. Such a Convention might either take the form of a separate Convention (signed at the same time and by the same countries as the articles of the Trade Organisation) or form part of a general Convention which would also establish the International Trade Organisation and contain the specific articles of agreement of that Organisation. Draft passages on Employment for inclusion in such a Convention are contained in Annex A.

31. There remains the organisational problem of the application of any special "escape clause" from certain of the commercial obligations of the proposed International Trade Organisation, in the case of a country whose employment policies were being seriously endangered because another country or group of countries did not maintain their external purchasing power. As has been stated in paragraph 11 above, the necessity for such an escape clause cannot be decided now. But if it were required, it is suggested that it might be treated in the following way. A member of the International Trade Organisation which considered that its domestic policies for full employment were being prejudiced in this way could apply to the International Trade Organisation to be released from certain of its commercial obligations. There would have to be a special
clause in the Articles of the International Trade Organisation enabling that Organisation to grant such a release, limited in scope or in duration in any way which the Organisation considered appropriate. The International Trade Organisation would be obliged in this event first to seek the opinion of the United Nations, through the machinery of the Economic and Social Council and after consultation with the specialised agencies concerned, whether the domestic employment policies of the complaining country were, in fact, being prejudiced because the country or group of countries concerned were not maintaining their external purchasing power, and whether the other safeguards open to the complaining country did not already give it adequate and appropriate protection.

32. If this type of escape clause were considered necessary, the Convention covering International Employment Policy would have to contain a clause requesting the United Nations to undertake this duty. Such a clause is included at the end of Annex A. Since, however, the question whether such a clause is necessary cannot be decided now, it has been printed in square brackets for illustrative purposes only.