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

VERBATIM REPORT

SIXTH MEETING OF COMMISSION A, HELD ON
MONDAY, 2 JUNE, 1947 at 2.30 P.M. IN THE
PALAIS DES NATIONS, GENEVA.

M. MAX SUETENS (Chairman) (Belgium)

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CHAIRMAN (Interpretation): The meeting is called to order. We shall pursue the discussion of a nature which will be recognized as reviewing the International Trade Organization. We have had, the other day, Mr. Holloway on one side and Mr. Coombs on the other. I believe that Mr. Wilcox wishes to make a statement. He has the floor.

Mr. CLAIR WILCOX (United States): The delegate for the Union of South Africa has done me the honour of quoting from an address which I delivered in New York City in March of this year. In that address I said: "The ITO is not a supra-national government. It has no powers, legislative, executive or judicial, that would impinge upon the sovereignty of the member states". The delegate for South Africa says that this statement represents the view of his delegation as to what the ITO should be. And here, I am happy to say, we are in complete agreement.

But the delegate for South Africa goes on to argue, on the basis of the present provisions of Article 35, that the character of the Organization established by the Charter would be precisely the opposite of what I have said that it would be. In his opinion, Article 35 would make of the ITO a supra-national authority with supra-national powers. If I believed that there were the slightest justification for this interpretation of the Article, I should immediately move that it be stricken from the text. I do not believe that such an interpretation is justified.

The delegate for South Africa has given us what he calls a clear test by which we can determine whether powers are being surrendered or simply being entrusted to a subordinate agency. If powers are transferred to an authority which is outside of the contracting parties and which can force them to accept its decisions, then, he says, there has been a surrender of sovereignty. But if, on the other hand, the powers entrusted to an international organization becomes a subordinate agency and not a sovereign body.

I am not sure that the test proposed by the Delegate is an adequate one. But let us apply it, in any case, to the provisions of Article 35. Does this Article empower the ITO to require or compel any Member to take any action whatsoever? Does it empower the ITO itself to invoke any sanction of any sort or to require or compel any Member to invoke any sanction whatsoever? I respectfully submit that it does not.

The first words of Paragraph 2 of Article 35 are these: "If any Members should consider. . .". Everything else in the paragraph depends upon these words. Complete initiative is left with Members. If no Member raises a question, none of the other provisions of the paragraph comes into play. The Organization itself is given no initiative in the matter, none whatsoever.

And if a Member, upon his own initiative, should raise a question, what can the Organization do? It can investigate. It can consult with the Economic and Social Council. It can consult with appropriate inter-governmental organizations. It can make recommendations to Members. And if a Member desires to suspend the application to another Member of specified obligations or concessions, the Organization may authorize him to do so. I would have you note that the word that is used in describing this function of the Organization is not "require" or "compel"; it is "authorize". In their choice of this word, the framers of the paragraph have made it abundantly clear that all power in the matter remains with the Member concerned, that no power whatsoever is conferred upon the Organization itself.

Neither in Article 35 nor in any of its other Articles does the Charter authorize the ITO to coerce its Members. Its powers, throughout the document, are exactly circumscribed. I submit, Mr. Chairman, that when the test proposed by the Delegate of South Africa is applied to the provisions of the Charter, and particularly to the provisions of Article 35, it is possible to come to only one conclusion. The ITO, under these provisions, will be, not a sovereign body, but a subordinate agency.

It is important that we should understand the meaning of Article 35, for that Article sets forth a principle which is fundamental to the whole structure that we are seeking to create. There are many commitments in the Charter, some of them general, some of them specific. But if any of these commitments are violated, there is only one sanction that can be applied. And that, in its crudest terms, is retaliation by another State. Now this sanction was not invented by the framers of the Charter. It has existed from time immemorial. It exists today. It will exist tomorrow, even though the Organization that we have conceived is never brought to life.

What, then, have we done in Article 35? We have introduced a new principle into international economic relations. We have asked the nations of the world to confer upon an international organization the right to limit their power to retaliate. We have sought to tame retaliation, to discipline it, to keep it within bounds. By subjecting it to the restraints of international control, we have endeavoured to check its spread and growth, to convert it from a weapon of economic warfare into an instrument of international order.

If it is objected that voluntary acceptance of a limitation on the power of retaliation is itself a derogation of sovereignty, I would point to the fact that Article 35 gives any Member against whom retaliatory action is directed the right to give notice within sixty days of his intention to withdraw from the Organization within another sixty days. Surely, when rights are so readily regained, it cannot be argued that sovereignty is seriously impaired.

In speaking, as I have, of sanctions and retaliation, I have deliberately put this matter in as unfavourable a light as I can. Actually, I am sure that the framers of Article 35 were not thinking in these terms. If we are to speak with accuracy, the meaning of the Article comes down to this:

We shall achieve, under the Charter, if our negotiations are successful, a careful balance of the interests of the contracting States. This balance rests upon certain assumptions as to the character of the underlying situation in the years to come. And it involves a mutuality of obligations and benefits. If, with the passage of time, the underlying situation should change or the benefits accorded any Member should be impaired, the balance would be destroyed. It is the purpose of Article 35 to restore this balance by providing for a compensatory adjustment in the obligations which the Member has assumed. This adjustment will not be made unless the Member has asked that it be made. And it is then the function of the Organization to insure that compensatory action will not be carried to such a level that the balance would be tipped the other way. What we have really provided, in the last analysis, is not that retaliation shall be invited or sanctions invoked, but that a balance of interests, once established, shall be maintained.

The principle that underlies this Article is right. It is sound. It is essential to the integrity of the Charter as a whole. I believe that it must be preserved.

Dr . GUSTAVO GUTIERREZ (Cuba): Mr. Chairman, the distinguished delegate of South Africa has put before the Commission a very important question. He considers that the action established in Article 35 of the Draft Charter and mentioned in some other parts of the Charter may constitute the organization of a supra-national power, and that as such it touches or harms the national sovereignty of the nation Members. After what has been said by the distinguished delegate of Australia the last day we met and today by the distinguished delegate of the United States, little has to be said to argue or counter-argue the statement. The Cuban delegation is sure that after our distinguished colleague considers the arguments involved in the issue he would fall in line with those who think that without Article 35 or some sort of procedure like that the ideal would really mean practically nothing. It has been said, and very properly, on analysing the economic aspect of the matter, that Chapters III, IV, VI and VII are the counterpart of Chapter 5. No one single nation of those who have not completed their economic development would be in a position to accept this Charter if the principles involved in Chapters III, IV, VI and VII are not properly set up and implemented.

The implication as to the real function of this procedure of complaint has also been examined. The Cuban delegation only wants to add a very few arguments quite briefly at this time, so as not to repeat other arguments, from the juridical and political point of view. We consider that there is not delegation of power at all and that there is not a problem involving the national sovereignty of a nation. When the United Nations Charter was signed and ratified by all the nations that are here represented it established in Article 55 that, with a view to the creation of conditions of stability and wellbeing which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, the United Nations shall promote higher standards of living, full employment and conditions of economic and social progress and development, and in Article 56 it was established that all members pledge themselves to take joint and separate action in cooperation with the Organization for the achievement of the purposes set forth in Article 55.

DR. G. GUTIERREZ (Cuba) (Contd.): This Charter of the ITO in its first chapter is a continuance of the principles involved in Article 55 and 56 of the Charter of the United Nations, and when it established this procedure it was only following the lines already established in the main Charter of the United Nations. It is nothing new, but besides that it does not, in our opinion, establish any sanction, if we take that word in its real juridical meaning, because if we come to the analysis of Article 35, this Article only obliges that "each Member shall accord sympathetic consideration to, and shall afford adequate opportunity for consultation regarding, such representations as may be made by any other Member". That is not new, that is done every day with our treaties between all the civilised nations of the world.

Secondly, this time through the action of the Organization, it only established "that if any situation exists, which has the effect of nullifying or impairing any object of this Charter, the Member or Members concerned shall give sympathetic consideration to such written representations or proposals as may be made with a view to effecting a satisfactory adjustment of the matter". If not, the only thing the Organization can do is first, an investigation; second, consultation; third, recommendation; and fourth, instead of sanction, "the Organization, if it considers the case serious enough to justify such action, may authorise a Member or Members to suspend the application to any other Member or members of such specified obligations or concessions under this Chapter". We do not really see there the elements of international action.

Besides that, and this is the main part in our argument against the thesis that has been presented by the distinguished delegate of South Africa, the real organic and functional part

of the Charter, Chapter VIII, establishes very clearly in Article 61 which are the functions of the Organization, and what are the obligations that the Members have to fulfil, and it has taken into consideration the possibilities of misinterpretations and disputes, and it has established a very clear procedure in Article 86 under the title of "Interpretation and settlement of disputes"; it has taken into consideration the possibilities of differences of opinion between the Members as to the application of the Charter, and it even, as is natural that should be done, opens the door to the submission to the International Court of Justice in the proper cases; so we only have here the application of the general organization that has been established after the war to the ITO.

Nevertheless, I must admit that the Cuban delegation is fairly in accord with the delegate of South Africa on one point. This is, that the text of Article 37 should not be mentioned from time to time in different parts of the Charter, but that, on the contrary any mention to that Article should be deleted. Also, the text of Article 45 should be placed in its correct position in the Charter which, in the opinion of the Cuban delegation is not in Chapter V.

It is also important, in our opinion, that Article 35 should be put in the organic and function part of the Charter, that is to say, Chapter VIII. It should be inserted before Article 86 so as to show that there is a way of clearing all the differences of opinion that might be raised between Members, and then have Article 86 for the disposal of matters involving a juridical character.

In that form, the text of Article 35 will be a text that must cover all the situations in the Charter when there is a breach of the Charter, or when a Member has not fulfilled its

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obligation under the Charter. So, considering that the text does not create any supernatural power, that there is no delegation of power, that there is no problem of national sovereignty involved, we are quite in accord with the distinguished delegates that have expressed their opinions against this idea, and we move that the text of Article 35 be placed in a proper and correct position in the Charter.

CHAIRMAN: (Interpretation): The Delegate of France.

Mr. BARADUC (France) (Interpretation): I simply had a word to add.

I fully agree with what the Delegate of Cuba has just said, and in view of his proposal concerning the place of Article 35 in particular, I think that many of our present difficulties can be solved.

Now to say a word about this Article. We do not think the whole of it should be necessarily moved, paragraph 1 of Article 35 seems to be in its right place where it is; but paragraph 2 should form a new Article which could be included in Chapter VII.

Mr. HELMORE (United Kingdom): Mr. Chairman, I just want to say very shortly that the United Kingdom, on the principle raised by Dr. Holloway, agrees with the view expressed by Australia, the United States and other Delegations.

On the actual Amendment proposed by Dr. Holloway, I hope it won't surprise him too much if I say I agree entirely on what the words he wants deleted should be, because if we say in Article 12, paragraph 3, which is what we are discussing, "without prejudice to the application of Article 35", then we shall have to look through the whole of the Charter and write those words in, wherever there is a discretionary or consultative function given to the Organisation. It seems to me that Article 35 applies just simply, without our having to say so, here, and we do not want to have to say so in other places.

On the point raised by the Delegate of Cuba and supported by the Delegate of France, as to the proper place of Article 35, we agree that paragraph 2, not the whole of Article 35, but paragraph 2, does belong with Article 86, which deals with interpretation

and settlement of disputes; and indeed it is said in the comments to the New York Committee's Report - I read some of the words here: "In this Delegate's view" (that was the United Kingdom Delegate speaking) "the subjects of nullification, impairment, interpretation and settlement of disputes belong together". For this reason he suggested that the provisions of paragraph 2, Article 35, and Article 86 should be combined, and we shall in due course be making proposals to that effect.

CHAIRMAN: The Delegate of France.

M. BARADUC (France (Interpretation): I wish to repeat that I fully agree with the suggestion made by the Delegate of Cuba and supported by the Delegate of the United Kingdom--that is, the deletion in Article 12 of any mention of Article 35, and that the new Article 86, amalgamated with the second paragraph of Article 35, shall refer to the whole Charter.

(CHAIRMAN: Mr. Wyndham White has just told me that (Interpretation) so long as the Chairman does not remove his coat, none of the Delegates will dare to do so! I will ask the Commission's permission not to remove my coat, but I would beg the Delegates who wish to do so in this tropical heat, to do so without waiting for me.

The Delegate of Brazil.

M. L.D. MARTINS (Brazil) (Interpretation): As regards the French proposal, we think that the deletion of any mention of Article 35 in paragraph 3 of Article 12 could take place only if paragraph 2 of Article 35 is amalgamated with Article 86, because if paragraph 2 of Article 35 remained where it is now in Chapter V, it would be necessary to make a special mention of Article 35 in paragraph 3 of Article 12, as the proposals of paragraph 2 of Article 35 referring to Chapter V should necessarily be also specially mentioned in Chapter IV. If, however, paragraph 2 of Article 35 is removed, as regards the power of the International Trade Organisation, it would be easy to conclude that the provision also applied to Chapter IV.

CHAIRMAN: The Delegate of the United Kingdom.

Mr. J.R.C. HELMORE (United Kingdom): If I might just make a very brief comment on the remarks made by the Delegate of Brazil, I am very grateful for his support in pointing out how necessary it is to move paragraph 2, Article 35, to Chapter VIII; but I venture to suggest to him that even if it were not moved, it would still apply to the provisions of Chapter IV, since Article 35, paragraph 2 reads: "...whether or not it conflicts with the terms of this Charter", and not, as we had it before we amended it at the London Meeting, "the terms of this Chapter".

CHAIRMAN (Interpretation): I think that we can consider this debate closed, unless, of course, any other Delegate wishes to speak--closed, I mean, as far as Article 12 is concerned. The proposal made by Dr. Holloway was that the words "without prejudice to the application of Article 35" should be deleted in paragraph 3. The Delegates of the United Kingdom and France and other Delegates have supported this proposal, and this is the only thing we can deal with today. As for the question of substance, we will have ample opportunity to discuss it when we deal with Article 35 and Article 86. I therefore ask the Commission whether it is in agreement with the proposal made by Dr. Holloway.

Dr. HOLLOWAY (South Africa): With your permission, Mr. Chairman, I would like to reply to the debate and I think the best way is to start with the points made by Mr. Wilcox, who took the main line of my argument and debated on the version of that. I think Mr. Wilcox has, perhaps, unwittingly carried the discussion off on to not exactly the line that I indicated by the nuance of difference that he has given in interpreting the way in which I indicated that the difference should be made between devolution and sovereignty.

Mr. Wilcox - and I have his text before me - said, among other things, that I said: "If powers are transferred to an authority which is outside of the contracting parties and which can force them to accept its decisions, then there has been a surrender of sovereignty. But if, on the other hand, the powers entrusted to an international organization are exactly circumscribed, then that organization becomes a subordinate agency and not a sovereign body." I do not think that I intended to put the thing as if it were as simple as all that, and while the exposé may have lain with me, I want to point out that the matter to me is not as simple as all that.

The operations are going to be a great deal more insidious than have been indicated in the words that I have quoted from Mr. Wilcox. In dealing with that paragraph, Mr. Wilcox said that this power of retaliation has existed from time immemorial. But the climate of international economic relations which will have been created by the International Trade Organization will be an entirely new climate, and will put every one of the States to whom what I have called sanctions (I will come back to that word) have been applied in an entirely different position from anything that has ever been applied before.

Mr. Wilcox then dealt with - at great length - the point that the Organization has - if I may construe his words - no police force and no power of forcing people to do things. But what will happen in practice? To start with, a member will complain and then a large amount of routine work will have to be gone through as prescribed by the Charter, and the situation may then arise at a certain stage that, on account of one of these vague obligations mentioned particularly in Chapters III and IV to which I have devoted particular attention, on account of the interpretation of one of these vague obligations, your Organization authorises members to withdraw certain concessions that they have already given. Now, action starts on that. Action starts on a matter in which an international organization has expressed its view as to the way in which a national organization has carried out its own policy.

That question of national policy which has always been assumed, will be a question for the national government to implement. We have now brought a new factor into that. You cannot describe this so exactly that you can cover the cases for agreement by the national authority. It is necessarily vague. The international authority has now expressed its views that the policy which Ruritania or any other State follows, does not conform with one or other of these vague undertakings in Chapters III and IV. Now that may happen to any one of you. When that happens, and when the concessions have been withdrawn, you are no longer in the position in which these States were before. You have created an Organization, and you have thrown one member out of that Organization. There is nothing in this Charter to say what will happen after that.

There is only something to say what will not happen. That State may not be able to get its goods into the complaining State to start with, on the rates of duty which have been agreed on. The complaining State has not complained just for the pleasure of complaining. It wants to take action. Therefore, it is going to put the goods of that State on to some higher rate. The Charter, though, does not say what rate. Secondly, discrimination may be practised. Thirdly, quantitative restriction may be applied against that Member. There is no limitation. You are just sent to Coventry. That is the position which any State may be in as a result of the judgment of an international body about the way in which that State has carried out its domestic policy.

Now, there I maintain very definitely that there is an international authority: passing judgment on the way in which any individual state has carried out its national policy, is carrying out a sovereign power, and that decision is immediately followed by what I described as sanctions. Mr. Wilcox and Dr. Coombs more particularly, have said those are not sanctions. They only describe those as not sanctions because they give a very limited meaning to sanctions. They give a meaning to sanctions as something which is carried out by an international body. But it is still the sanction - it is still something which puts one country outside the new international grouping that has been formed, and can put the trade of that country into an exceedingly impossible situation. Remember please, that may happen to any one of you with regard to the international policy that you are following; with regard to employment, conditions of labour, with regard to the effect that any of your actions may have on the trade of another country.

Now, specifically you may find that even though making use of the powers that are given you in the Charter to protect your own industries, the trade of other particular countries is materially influenced by the policy which you are called upon to follow.

Then that country can go outside your sovereignty, its own sovereignty, to another body, to start a chain of consequences for your own economy over which you have no control, no control whatever. You are not given that control.

Let us assume the case for that is perfectly good. Dr. Coombs, on Friday, did not make very much point about this being sovereignty or not sovereignty. Certainly, in his opinion, it is a matter of degree whether it is applied to the way in which you act on Chapter V or on Chapters III and IV, but he said we must have this. What are you getting? On the one side you have got the power that you may start this chain of consequences of a new series of economic disturbances by applying these measures against a Member.

I suggest to you, Gentlemen, that you are getting nowhere. Once things have gone to such a stage that you do that, you have really thrown up the sponge. I suggest that in dealing with this matter, which, like all international matters, has got to be handled with great subtlety and understanding, you will get very much further by providing, in respect of Chapters III and IV - and possibly also some matters in Chapters VI and VII; they are just as important - for consultation and consultation only. If the Member States come together and face the facts - as I said last week, meet like gentlemen round a table and try and find a cure - you might get somewhere, but once this Organization - which was started to create economic peace - goes over to an act of economic war, over a vague and general matter on which it is very difficult indeed to decide who is right, then you are undoing a large amount of the work that we are trying to build up here.

Remember, please, that when the complaining Member gets a verdict against any other Member - let us say, against the United States of America, on the manner in which it has carried out its domestic policy - accuses the United States of America and gets a verdict against the United States of America of not buying enough in the world - then it is not only the complaining Member who can withhold concessions to the United States of America, because, after all, if it applies to one Member it must apply to a large number of other Members and your first act of war is not localized; it immediately becomes generalized. We know that in actual warfare it is almost impossible to localize a war today, and in economic war you will have the same thing: you will not be able to localize it; it will be generalized very quickly.

The Delegate of Cuba has said that there still is an International Court of Justice to which Members can go. Nobody knows better than the representative of Cuba that the International Court of Justice can deal only with judicial issues, not with political issues. It is a political decision about a policy that the Government of Cuba, the Government of the United States of America, the Government of the Union of South Africa, may wish to obtain. Those are political matters and, when you get to political matters between States, I suggest to you that your proper method is consultation. Your proper method is not a threat of international punishment.

We are all in agreement that all countries should do whatever they can to carry out those Articles which the representative of Cuba has read from the Charter of the United

Nations, which we are transposing, in a little more elaborate form, into this Charter. But nobody is able, in this Charter, to spell out what your obligations are in these matters. These are going to be matters of international dispute. By vesting the power to settle these matters of international dispute in an international trade organization, you are not getting an outside body which pronounces on specific issues that have been addressed to it: you are just getting another body to get into the confusion of international misunderstandings. You are not taking the long view. You have got to take a very much subtler line to take the long view. You have got to keep your objective in mind, to keep people together. Here you are not trying to get the best you can, but you are assuming failure and making provision for failure.

I suggest, therefore, that the right way of dealing with the substance of Article 35 - I am not concerned with where it stands at the moment - is to make these provisions, with regard to what I^{would/}call sanctions, applicable only to those specific undertakings in Chapter V; and, with regard to the general undertakings which involve decisions of a political character, to provide for consultation, and only consultation.

Thank you, Mr. Chairman.

H.E. Dr. ZDENEK AUGENTHALER (Czechoslovakia): (Interpretation):

I do not wish to prolong this debate but I wish to preserve the later right to present my comments when we discuss Article 35. As for the present, I only wish to mention that the Czechoslovakian delegation has proposed an amendment to paragraph 3 of Article 12 with the object of deleting the words "any affected business entity or person within that Member's jurisdiction." In other words, we do not want a Member to be arraigned to the Organization by any private organization or firm. I would like the drafting committee to take into account the remarks made during the discussions of Commission B. on this point.

CHAIRMAN: (Interpretation): Does anyone else wish to speak?

CHAIRMAN (Interpretation): I will formulate again the proposal I made a few minutes ago stating that today we are only, and can only, deal with the South African amendment on Article 12 to delete the words in paragraph 3 "without prejudice to the application of Article 35". When we discuss Article 35, we shall discuss the new amendment presented by Dr. Holloway during his last speech, that is to say, to establish an advisory consultative procedure of consultation as regards the infringement of Chapters III and IV. We shall be able at that time to discuss the matter as quickly as possible.

Then, we shall discuss the question raised by the delegates of the United Kingdom and France to know whether it is necessary to amalgamate paragraph 2 of Article 35 with Article 86.

DR. G. GUTIERREZ (Cuba): Mr. Chairman, I do not quite understand what is the position now. Do we assume that we are going to take a decision only in relation to the amendment presented by the delegate of South Africa in the sense of deleting reference to Article 35? If it is that, our delegation will vote Yes, but if it is intended to substitute that by the possibility of consultative procedure, we would be against it. Therefore, I want to be very clear about that.

CHAIRMAN (Interpretation): We are only dealing with the amendment presented by South Africa, that is to say, the deletion in Article 12, paragraph 3, of a mention of Article 35 - nothing else.

DR. H.C. COOMBS (Australia): I would like just to have a short word on that, Mr. Chairman. It seems to me that your suggestion offers definite advantages. I think we all agree that

these particular words should be deleted. That will leave us, until we come to Article 35, with some time to think over this question, particularly as, as Dr. Holloway formulated his point in his latter statement, I must confess to some concern at his mis-understanding of our point of view.

We would like to emphasise that our attitude in this question throughout has never been based upon a desire to impose sanctions or punishment upon anybody who fails, through no lack of goodwill but through circumstances, perhaps, beyond their capacity, to fulfil to the letter the undertakings embodied in the Charter.

It is fundamental, it seems to us, that with a group of inter-related obligations, such failures do alter the circumstances in which the other obligations were undertaken, and our point has been, throughout the discussions in London and here, that the essential purpose of Article 35 is not to impose punishment but to allow a review of obligations, and we would like time in which we can discuss this matter privately and think it over in order to make that point a little clearer in the wording of the Article, and to seek any other changes which can make it even clearer, so I suggest, Mr. Chairman, that there are considerable advantages in the procedure which you have suggested.

CHAIRMAN (Interpretation): The delegate of China.

CHAIRMAN: (Interpretation): The Delegate of China.

Mr. CHEN (China): The Chinese Delegation also wishes to associate itself with the Delegation of South Africa concerning the expression that is in paragraph 3 of Article 12, the phrase "without prejudice to the application of Article 35". We are in favour of omitting that clause, in the interest of world economic peace; and in Article 33, personally we think it may be desirable also to delete the last two sentences of paragraph 2, because the condition for withdrawal from this Organisation has already been provided in Article 89; and the Chinese Delegation is of the opinion that that ought to be sufficient. That is, by omitting the last two sentences of paragraph 2 we may make this Organisation more stable; so we wish to have these also omitted.

CHAIRMAN (Interpretation): I assume that the Committee is unanimous in accepting the South African Amendment?

The Delegate of Brazil.

Mr. MARTIUS (Brazil): (Interpretation): I agree to deletion of mention of Article 35, paragraph 3 of Article 12, subject, as previously stated, to our maintaining that the second part of Article 35 be transferred as proposed by the United Kingdom Delegate to Article 86. The Delegate of the United Kingdom has mentioned there is only a difference of a letter between the word "Charter" and "Chapter", but it is a printing mistake and printing mistakes are always possible.

CHAIRMAN (Interpretation): I would point out for the benefit of the Brazilian Delegate that if there is a difference of one letter in the English text, the difference is much more marked in the French text.

Mr. MARTIUS (Brazil) (Interpretation): I prefer the French text.

CHAIRMAN (Interpretation): In view of what the Delegate for Brazil has said, as we cannot discuss Article 35 to-day we might always change our decision when Article 35 is under discussion.

The Amendment is adopted.

We shall adjourn this meeting, and to-morrow at 2.30 p.m. we shall undertake discussion of Chapter V.

The Meeting is adjourned.

The Meeting rose at 4.30 p.m.