

U.N. Charter of Economic Rights and Duties of States

The third and fourth sessions of the UNCTAD Working Group which is charged with drafting this Charter took place in February (in Geneva) and in June (in Mexico City). While it was at an earlier stage envisaged that the Charter might take the form of a treaty, binding upon States which accepted it, there now seems to be consensus, at least among the 40 States members of the Working Group and the several additional States which took part in the Group's work as observers, that the Charter take the form of a Declaration adopted by Resolution of the General Assembly. The intention is that it would take its place alongside other similar documents, such as the Friendly Relations Declaration and the Human Rights Charter, as a document establishing norms for the evolution of international law. The Mexico City session, which lasted three weeks, was the last authorized by the General Assembly and the report of the fourth session is to be submitted through the UNCTAD Trade and Development Board (TDB) to the U.N. General Assembly for consideration this fall and presumably for adoption of the text of a Charter by General Assembly resolution.

There is uncertainty, however, about the fate of the Charter in the forthcoming session of the General Assembly because the last session of the Working Group, despite intensive efforts spearheaded by the Canadian Delegation, was unable to reach agreement on the texts of the most important provisions of the Charter, in particular those dealing with foreign investment and related issues, with trade preferences and MFN and with producers' cartels and security of supply of raw materials. Of these unresolved issues, perhaps the most controversial and difficult is that related to foreign investment, including the control of foreign-based multinational corporations and permanent sovereignty over natural resources. This complex of issues is probably at the same time of particular interest to Canadians, because of its subject matter, and to international lawyers, because of the nature of the controversy to which it has given rise.