

SUMMARY RECORD OF THE NINETEENTH MEETING OF
THE UNITED NATIONS PALESTINE COMMISSIONLake Success, New York,
Friday, 23 January 1948, at 4.15 p.m.

Present:

Chairman:	Mr. LISICKY	(Czechoslovakia)
Members:	Mr. Medina	(Bolivia)
	Mr. Federspiel	(Denmark)
	Mr. Morgan	(Panama)
	Mr. Francisco	(Philippines)
Secretariat:	Mr. Bunche	Secretary
	Mr. Reedman	(Senior Economic Adviser)

CONSIDERATION OF WORKING PAPERS ON "PRECEDENTS CONCERNING THE CREATION OF AN INTERNATIONAL FORCE" ([A/AC.21/W.18](#)) AND "ALLOCATION AND LIQUIDATION OF ASSETS" ([A/AC.21/W.19](#))

The SECRETARY read document [A/AC.21/W.18](#), "Precedents concerning the Creation of an International Force"

With reference to Section II, the CHAIRMAN observed that paragraphs 10 and 11 called attention to important points. Paragraph 12 would have to be considered when the creation of an international force was discussed. Presumably a committee of experts representing all the eleven Members would be set up by the Security Council.

In reply to a question, the CHAIRMAN stated that the creation of an international force not specifically as regards Palestine but as envisaged in the Charter was at present being considered by the Military Staff Committee, which had not yet been able to reach agreement.

Mr. REEDMAN (Senior Economic Adviser) read document [A/AC.21/W.19](#), "Considerations Affecting certain of the Provisions of the General Assembly Resolution on the 'Future Government of Palestine': Allocation and Liquidation of Assets".

The CHAIRMAN stated that a number of questions would have to be put to the Mandatory Power which would require the preparation of a detailed inventory.

A short discussion took place, during which two views were expressed, viz. that assets should be valued on the basis of replacement value or that the basis should be the original price minus depreciation. It was decided to revert to the question later.

With reference to the division of aggregate values, Mr. REEDMAN (Senior Economic Adviser) observed that the principle to be followed should be that adopted in the [plan of partition](#) for the distribution of surplus revenues of the Economic Union, namely not less than five per cent and not more than ten per cent to the City of Jerusalem and to divide the remainder equally between the two parties.

The CHAIRMAN stated that the matter of liquid assets could be settled by the Joint Economic Board in accordance with principles laid down by the Commission.

Mr. REEDMAN (Senior Economic Adviser) submitted document [A/AC.21/W.20](#), "Liquid Assets and Liabilities of the Government of Palestine".

At the request of the Chairman, Mr. REEDMAN (Senior Economic Adviser) explained that liquid assets were of two kinds: those against which specific liabilities existed (for example, the Moslem University Fund) and Treasury surplus invested in various ways. The Commission's only responsibility would be to see that those assets were properly allotted.

The Palestine Government would charge against the Treasury surplus the cost of transporting internees to Cyprus and maintaining them there. Those costs had increased during the last few months owing to the increased number of illegal immigrants. He was informed that the amount for the budgetary period ending March 1947, would be between LP 4 millions and LP 6 millions; and there would be a further amount for the budgetary year ending March 1948. There was no provision in the ordinary annual budget for such expenditure. There had been a cumulative Treasury surplus in each year which would have gone to increase the amount of the General Revenue Balance, but that would be dissipated.

The CHAIRMAN asked the Secretariat to prepare a Working Paper on the question whether the Palestine Government was legally entitled to charge the cost of deporting illegal immigrants against Treasury surplus.

It was remarked that it might be useful if the Joint Economic Board were to hold certain assets.

The CHAIRMAN raised the question whether the Commission could deviate from the General Assembly's commendation that all immovable assets should become the property of the respective States.

Mr. REEDMAN (Senior Economic Adviser) said that that might be done by agreements between the parties.

With reference to the last Sentence of document [A/AC.21/W.19](#), the CHAIRMAN observed that the United Kingdom Government was not legally bound to furnish information on its assets in Palestine.

The Commission should negotiate with the United Kingdom Government for the transfer of the radio transmitting station to the international authority, against compensation.

The SECRETARY distributed a "Memorandum on the Establishment of Armed Militia for the Jewish State" which had just been received from the Jewish Agency for Palestine.

He informed the Commission that he had been in touch with the United Kingdom delegation, which had as yet received no replies from London to any of the Commission's questions.

The Commission decided to discuss the Jewish Agency's memorandum after considering the draft of its [first regular report](#) to the Security Council.

The meeting rose at 5.30 p.m.

[Document in PDF format](#)