

The second paragraph of the Article stresses that while it is primarily the responsibility of individual nations through internal measures to avoid unemployment or underemployment there should be concerted action in that direction. It is suggested that any such concerted action should be under the sponsorship of the Economic and Social Council in collaboration with appropriate intergovernmental organizations. Attention is also called to the desirability for regular exchange of information and views among members in order to ensure the fullest co-operation.

*Article 3 (Maintenance of Domestic Employment)* and succeeding articles in Chapter II oblige Members to take action which will give practical effect to the recognition of the principles in Article 2; action "designed to achieve and maintain full and productive employment and large and steadily growing demand within its own territory through measures appropriate to its political, economic, and social institutions."

Members must conform with the provisions of the Charter in carrying out their full employment policies. For instance, a member may not apply measures to assist or protect an industry which would be in conflict with obligations under the Charter.

*Article 4 (Removal of Maladjustments within the Balance of Payments)* considers the situation in which a Member's favourable or adverse balance of payments may be a major factor in involving other Members in trade difficulties which, unless trade restrictions were resorted to, would handicap their full-employment programmes. For example, measures to counteract a persistent adverse balance of payments in one country may result in a fall in exports to that country from another. Again, if a country has a persistently favourable balance of payments others may eventually have difficulty in importing from it. In each case countries might be obliged to resort to trade restrictions to safeguard their balances of payments.

To remedy such a situation, Article 4 provides that the Member whose maladjustment is embarrassing other Members shall make its full contribution towards a solution of the difficulty. Other Members concerned shall also take appropriate action. Any measures taken should, however, be directed towards the expansion rather than contraction of world trade.

*Article 5 (Exchange of Information and Consultation)* makes specific provision for the regular collection and interchange of information on employment problems, trends and policies, and related topics; and for consultation with a view to concerted action—Members and the Organization are required to participate in arrangements made or sponsored by the Economic and Social Council in that connection.

When the Organization considers conditions of employment, production, or demand warrant consultation among Members it shall initiate discussions with a view to their taking appropriate rectifying measures.