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 MEETING**

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Chairman: Mr. Janez STANOVNIK (Yugoslavia).

AGENDA ITEMS 12, 29 AND 74

- Report of the Economic and Social Council (chapters II (sections I, II and III A, except paragraphs 189-198), III, IV and VII (section I and paragraph 645)) (A/4415) (continued)**
- Economic development of under-developed countries (continued):**
- (a) **International flow of private capital: report of the Secretary-General and recommendations thereon by the Economic and Social Council (A/4487, E/3325 and Corr.1-3);**
 - (b) **Question of the establishment of a United Nations capital development fund: report of the Secretary-General (A/4488, E/3393, E/3393/Add.1-4);**
 - (c) **Methods and techniques for carrying out a study of world economic development: report of the Secretary-General and comments thereon by the Economic and Social Council (A/4489 and Add.1, E/3379, E/3379/Add.1-7);**
 - (d) **Promotion of wider trade co-operation among States: report of the Secretary-General (A/4490, E/3389)**

Land reform (A/4439) (continued)

CONSIDERATION OF DRAFT RESOLUTIONS (A/C.2/L.469) (continued)

1. Mr. ROA KOURI (Cuba) said that disarmament was one of the central problems of the age. If nations were to survive, they had to coexist. His delegation therefore welcomed the initiative taken by the Pakistan delegation and felt that the committee proposed in its draft resolution (A/C.2/L.469) would be able to do useful work if it had the support of countries playing a leading part in the armaments race. He supported the Polish amendment (A/C.2/L.510) and agreed with the United Arab Republic representative that the Secretariat should prepare a preliminary study to serve as a working paper for the experts. Provided that the great Powers were prepared to co-operate in implementing the proposals it contained, his delegation was prepared to support the Pakistan draft resolution.

2. Mr. AMADOR (Mexico) said that he also supported the Pakistan draft resolution. He would stress, however, that the work of the expert committee should be co-ordinated with that of the political organs concerned with disarmament, to ensure that duplication was avoided and contact with reality maintained. The studies undertaken should seek to assess the nature and state of the changes in the industrial countries which would result from disarmament so that the under-developed countries would be able to make the necessary economic and social adjustments.

3. Mr. HAKIM (Lebanon) fully supported the Pakistan draft resolution and felt that the studies proposed would be extremely useful, since they would enable countries to take into account the major changes which would ensue if disarmament were achieved. The studies, which might take several years, should be tackled by experts who could produce a specialized and scientific report. Many countries feared that disarmament might trigger off an economic depression. Those fears had to be faced and should be taken into account by the experts. In addition to studying the problem of replacing military expenditures with alternative private and public civil expenditures, the expert committee should examine the possible development of structural imbalances in national economies as a result of the cessation of capital investment in armaments industries and the possible corrective effect of expanded capital assistance to the under-developed countries on such imbalances. His delegation had submitted an amendment (A/C.2/L.511) providing for study of that topic. It would be a powerful argument in favour of capital assistance to the under-developed countries if it could be shown that such aid prevented recessions in the industrial countries. The additional topic to be studied would cover the long-term disequilibrium which might result from disarmament and not merely the short-term problems of reconversion from a war to a peace economy.

4. Mr. SAMSURI (Albania) was glad to support the Pakistan draft resolution. The problem of disarmament was vital to all peoples who wanted only to live in peace. The achievement of general and complete disarmament would solve many economic problems and would have far-reaching effects on economic progress, particularly in the under-developed countries. Immense resources would be released for the good of all mankind. At the moment the heavy burden of armaments, besides creating political tensions, represented a serious impediment to economic growth. Study of the economic consequences of disarmament was of first-rate importance and the support which the Pakistan draft resolution had commanded showed how right the Soviet Union had been to introduce its proposal on the economic and social aspects of disarmament at the twenty-ninth session of the Economic and Social Council (E/L.861).

5. Mr. ENCINAS (Peru) expressed general agreement with the spirit of the Pakistan draft resolution but emphasized that the proposed studies would be extremely complex and would have to be very carefully planned. For example, in undertaking the study of the national economic and social consequences of disarmament called for in paragraph 1 (a), it would have to be considered what countries were involved. A few great Powers accounted for about 90 per cent of the world's military expenditures and consequently the study would be concerned mainly with those countries. Another problem was the availability of data. The Organization of American States had set up a committee on the question of disarmament and its work should not be duplicated by the proposed expert body.

6. Mr. EL-MUTWALLI (Iraq) said that he was glad to support the Pakistan draft resolution. The importance of the proposed studies needed no emphasis, for it was clearly desirable that the economic and social consequences of disarmament should be considered well in advance, to avoid difficulties if disarmament were in fact achieved. Although the prospects of disarmament had been somewhat dimmed by the failure of the Summit Conference in May 1960, it was significant that all delegations during the current session of the Assembly had advocated disarmament and had differed only in regard to the methods of achieving it. While it was primarily for the First Committee to work towards a satisfactory solution of the problem the Second Committee should not wait before making its own contribution. He supported the Polish and the Lebanese amendments and hoped that no further amendments would be submitted, so that the Committee could concentrate on the questions of the composition of the proposed committee and the time needed for the studies. His delegation would vote in favour of the draft resolution.

7. Mr. DUDLEY (United Kingdom) said that his delegation's views on the urgency of the need for disarmament were well known. During the current session of the General Assembly his delegation had specifically renewed its endorsement of General Assembly resolution 724 (VIII), in which Member States had declared their readiness to devote a portion of the savings achieved through disarmament to an international fund to assist development in under-developed countries. His delegation had also supported Economic and Social Council resolution 483 (XVI), under which Member States had been requested to give their views on the measures which might be taken to prevent adverse effects on their economies arising from reductions in

defence expenditures, and his Government's very full reply (E/2564) to that request had included the statement that it foresaw no serious difficulty in the transition to a lower level of defence expenditure. In referring to the proposal before the Committee, the leader of the Pakistan delegation had made clear that he desired an objective and, if possible, scientifically accurate study, free from emotional or political overtones. The United Kingdom delegation agreed that such a sober and serious study was required but had some doubts as to whether the draft resolution as now worded was best calculated to achieve that result. If the study contemplated was specifically entrusted to national experts it might prove difficult to keep it free of the expression of propagandistic views and political or emotional overtones. It might therefore be more desirable to entrust the task to the Secretariat of the United Nations and those specialized agencies, like the ILO, whose work had some connexion with the subject. In order to avoid any possible embarrassment, the Secretary-General might wish to employ experts of his own choosing, who would not be subject to the usual pressures of national representation. Such a procedure would help to avoid any injection of political or emotional elements into the study. His delegation also felt that the second part of paragraph 1 (a) and paragraph 1 (c) contained assumptions regarding the findings of the proposed study and would make it difficult for those carrying out the study to reach objective and scientific conclusions.

8. Mr. DE SEYNES (Under-Secretary for Economic and Social Affairs), replying to the questions addressed to the Secretariat, said that in approaching a still relatively unexplored subject such as the economic and social consequences of disarmament it seemed important to avoid becoming bogged down in preliminary questions of methodology. Because of the unexplored nature of the field, it was difficult at present to say what data were available or what data would be required for such a study; those questions might best be answered as a part of the study itself. However, any study which confined itself to methodology without at least giving attention to the order of magnitude of the problem would, in his view, be condemned to sterility. In the countries with parliamentary systems, studies and statistics prepared for parliamentary consideration, as well as parliamentary statements on the subject, were available. Further material would probably be required but need not be gathered immediately; however, since he understood from the statement made by the draft resolution's sponsor, that the proposed study was not intended as definitive, but as the first in a series, the study would remain exploratory and it could include the preparation of a specific questionnaire on the basis of which Governments could be asked to furnish other data not yet publicly available. The exercise would of course be futile unless the Governments concerned co-operated, but the very act of voting for the draft resolution would imply a commitment by Governments to extend the co-operation essential to the successful completion of the study.

9. In his view, the very nature of the subject to be studied demanded that the possibility of a plurality of opinions should be left open; in view of its speculative nature, it was normal that the question should be approached from different points of view by people from different social and economic systems. It was not apparently intended that the group to be established

should come to agreement on a set of recommendations; he did not think, therefore, that any attempt should be made to abridge the process of reaching a consensus by endeavouring to force premature agreement. In his view the approach taken in the draft resolution was the correct one; it seemed entirely appropriate, having regard to the nature of the subject, that the report itself should be in the nature of a symposium, rather than of a monolithic report.

10. The role of the Secretariat in such a study might be to furnish the study group, which could be appointed by Governments in consultation with the Secretary-General or by the Secretary-General in consultation with Governments, with the technical services and materials it needed. As he understood it, it was the sponsor's intention that the group should be made up of persons familiar with economic problems who would at the same time have access to the necessary information from their Governments. After the appointment of such a group, in the manner to be decided by the Committee, it might hold a two- or three-week session to decide on its methods of work. The members of the group might then pursue their work independently and meet again six or seven months later, for a session of several weeks, in order to prepare their report, which need not necessarily be a unified one.

11. Mr. HASSAN (Sudan) thanked Mr. de Seynes for his objective and comprehensive statement. All small countries regarded disarmament as the most pressing and serious of the world's problems and believed that it should be tackled from the social and economic, as well as the political, standpoints. The success of the kind of study proposed in the draft resolution would depend on the availability of accurate information about military expenditures and on the co-operation of Governments, especially those with costly defence programmes. He agreed that the study should be conducted in stages and that the first stage should be in the form of a symposium, which would be able to draw on extensive information either already available in the United Nations, or to be obtained by the Secretariat. He also agreed with the suggestion that the experts should be chosen from countries with different attitudes and approaches to the problem. He hoped that the Polish amendment would be adopted and effectively implemented, and would support the draft resolution.

12. Mr. MARAMIS (Indonesia) welcomed the draft resolution, which dealt with a complex subject needing cautious and thorough examination. Careful preparation would be required at the national and international levels to ensure that substantial reductions in military expenditure did not cause a decline in economic activity that would adversely affect the economies of the under-developed countries. The resources released by such reductions should enable the advanced countries to intensify scientific and technical research, improve the living conditions of the less prosperous sections of their populations and render substantial assistance to under-developed countries. He did not consider the proposed study to be premature, since it was intended merely as a preliminary measure and would not commit States to any specific course of action. It might also have a favourable effect on progress with the disarmament problem itself. He would support the draft resolution and also the amendments submitted by Poland and Lebanon.

13. Mr. PAYNE (United States of America) said that his delegation fully appreciated the importance of the

subject and assured the Committee that the United States was determined to explore every possibility of reaching an equitable and workable agreement. He nevertheless agreed with the view expressed by the Uruguayan and Venezuelan representatives that it was premature and unrealistic to embark on such a study, which, to be of real value, must be thorough and free from political controversy. He agreed with the United Arab Republic representative that the initial stage should be entrusted to the Secretary-General. If the draft resolution had the general support of the Committee, his delegation would vote in favour of it.

The meeting was adjourned at 4.55 p.m. and resumed at 5.30 p.m.

14. Mr. ALI (Pakistan) believed that the views expressed in the Committee had justified his delegation's faith in the draft resolution; all delegations clearly agreed on the need for such an exploratory study, although for different reasons. The small number of suggested changes in the method of approach indicated that it was basically sound and acceptable. He welcomed the Polish amendment and would incorporate it in the text. He thought, however, that it was premature to attempt a more specific definition of the economic consequences of disarmament as proposed in the Lebanese amendment and preferred to refer to the scope of the study in broad terms. The amendment did not, however, detract from the purpose of the resolution and he would accept it, if that was the general wish of the Committee.

15. His delegation believed that the proposed committee should consist of experts of international standing with an intimate knowledge of conditions in different parts of the world and of the various economic and social systems. Only then would the study be given the serious consideration it merited. Such an authoritative study would act as a psychological stimulus to greater efforts in the disarmament field and reinforce public faith in the idea of disarmament. He would therefore have preferred the original formulation of his proposal, but he understood that the delegations of some of the major Powers were in favour of a study conducted by the Secretary-General, in consultation with experts of international standing and with the requisite knowledge. Although the quality of such a study would in no way be inferior to the one he had envisaged, it would not have the world-wide authority of one conducted by experts drawn from different geographical regions and economic and social systems. He would, however, accept that change in procedure and would amend the draft resolution accordingly.

16. The discussion had shown that the proposed study was not likely to be completed as a single operation, but would consist of a series of successive stages, beginning with the definition of problems and the formulation of questionnaires and followed up by substantive studies which, to be of maximum practical value, would have to be co-ordinated with progress in the disarmament field. Paragraph 2 would therefore be amended to provide for the submission of a preliminary report, to be followed by others, and for the early notification of the General Assembly and the Second Committee of the substance of the reports.

17. He would submit a revised draft of the resolution, incorporating the changes he had indicated.

The meeting rose at 6 p.m.