

**CONFERENCE OF THE EIGHTEEN-NATION COMMITTEE
ON DISARMAMENT**

ENDC/PV.193
25 June 1964
ENGLISH

FINAL VERBATIM RECORD OF THE ONE HUNDRED AND NINETY-THIRD MEETING

Held at the Palais des Nations, Geneva,
on Thursday, 25 June 1964, at 10.30 a.m.

Chairman:

Lij Mikael IMRU

(Ethiopia)

PRESENT AT THE TABLE

Brazil: Mr. A. CORREA de LAGO
Miss L. de VINCENZI
Mr. E. HOSANNAH

Bulgaria: Mr. C. LUKANOV
Mr. G. GHELEV
Mr. G. YANKOV
Mr. I. BOEV

Burma: U SAIN BWA
U HTOON SHEIN

Canada: Mr. E.L.M. BURNS
Mr. J.F.M. BELL
Mr. R.M. TAIT
Mr. C.J. MARSHALL

Czechoslovakia: Mr. K. KURKA
Mr. V. PECHOTA
Mr. V. VAJNAR
Mr. A. MIKULIN

Ethiopia: Lij Mikael IMRU
Ato S. TEFERRA

India: Mr. R.K. NEHRU
Mr. K.P. LUKOSE
Mr. K. NARENDRANATH

Italy: Mr. F. CAVALLETTI
Mr. E. GUIDOTTI
Mr. S. AVETTA
Mr. G.P. TOZZOLI

PRESENT AT THE TABLE (Cont'd)

<u>Mexico:</u>	Mr. A. GOMEZ ROBLEDO
<u>Nigeria:</u>	Mr. L.C.N. OBI
<u>Poland:</u>	Mr. M. LACHS Mr. E. STANIEWSKI Mr. A. SKOWRONSKI
<u>Romania:</u>	Mr. V. DUMITRESCU Mr. E. GLASER Mr. V. CONSTANTINESCU Mr. I. IACOB
<u>Sweden:</u>	Mr. P. LIND Mr. P. HAMMARSKJOLD Mr. B. VEGESACK
<u>Union of Soviet Socialist Republics:</u>	Mr. V.A. ZORIN Mr. L.I. MENDELYEVICH Mr. V.M. BASKAKOV Mr. I.M. PALENYKH
<u>United Arab Republic:</u>	Mr. A.F. HASSAN Mr. M. SAFWAT Mr. M. KASSEM
<u>United Kingdom:</u>	Mr. Peter THOMAS Sir Paul MASON Mr. J.G. TAHOURDIN Miss E.J.M. RICHARDSON

PRESENT AT THE TABLE (Cont'd)

United States of America:

Mr. W.C. FOSTER

Mr. C.H. TIMBERLAKE

Mr. D.S. MACDONALD

Mr. R.A. MARTIN

Special Representative of the
Secretary-General:

Mr. D. PROTITCH

Deputy Special Representative
of the Secretary-General:

Mr. W. EPSTEIN

The CHAIRMAN (Ethiopia): I declare open the one hundred and ninety-third meeting of the Conference of the Eighteen-Nation Committee on Disarmament.

Mr. LUKANOV (Bulgaria) (translation from Russian): If we bear in mind the results of the discussions in the Committee during the period from January to April 1964, we have every reason to devote particular attention to the Soviet Government's proposal for the reduction of military budgets of States by 10 to 15 per cent (ENDC/123). We all remember that at the last session, despite the absence of an agreed agenda, a number of the Committee's meetings on collateral measures were devoted almost exclusively to the reduction of military budgets. This was done for the simple reason that the majority of delegations were interested in this measure and regarded it as extremely important, as a measure the implementation of which would contribute in an effective way to the cessation of the arms race.

What are the considerations which have convinced us that the Committee should give priority to this question? What gives us reason to believe that this is one of the most promising questions from the point of view of the possibility of its being solved in the near future?

First, an agreement on a substantial reduction of military budgets would have a most favourable impact on the whole international situation. It would provide reliable evidence that the States concerned, and in the first place the great Powers, really have a serious intention to take the path of disarmament. This, incidentally, is admitted by all. As the representative of Burma rightly pointed out on 20 February:

"As long as they [the Powers] continue to maintain their military expenditures at anywhere near their present levels, the world will understandably find it difficult to accept their statements at face value". (ENDC/PV.168, p.7)

Secondly, as many delegations have pointed out, the proposal for a substantial reduction of military budgets is a realistic and bold approach to the solution of the problem of reducing the arms race. The growth of the military budgets of States to sizes unheard of in the past was the most characteristic symptom of the development and deterioration of international relations during the period of the "cold war"

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It was the most disquieting symptom of the preparations for a "hot war" carried out by the governments of certain Powers which based their foreign policy on the ominous formula of "brinkmanship". Now that, as a result of the agreements reached last year, there has been some improvement in the international situation, it would be perfectly logical that the first step taken by States should be towards a substantial reduction of the funds appropriated for military purposes.

In this respect, at the beginning of 1964 the Soviet Union and the United States took, within the scope of the policy of "mutual example", a step which was highly appreciated by the peoples of all countries. It is obvious that this step - a unilateral undertaking to reduce the military budgets of the two great Powers - would have an even more favourable impact on the international situation if it were accompanied by other, more substantial, reductions in the military budgets of States and, in the first place, of those States which appropriate large sums for military purposes. The reaching of agreement on further and more substantial reductions in the military budgets of a larger number of States would be not only an indication of good intentions but also an effective brake for stopping a further arms race.

In our Committee we often hear talk about the need to strengthen confidence between States. Confidence is considered to be an important element for the success of the negotiations on disarmament. But is there any better means for restoring and strengthening confidence than an agreement by which the States possessing the most powerful armed forces and armaments would undertake to reduce considerably their military expenditures for military purposes? No preparation and plans for war are made, nor are they possible, without increasing military budgets. Hence an agreement among States to reduce the source of the increase and improvement of armaments would undoubtedly be the surest indication of what is prevailing in the foreign policy of States: the tendency to put an end to the arms race or, on the contrary, the tendency to intensify it.

Thirdly, a more substantial reduction of military budgets on the basis of an international agreement would unquestionably have a considerable impact on all types of armaments and the armed forces of States. But at the same time the implementation of such a measure would not affect the security interests of any Power or group of

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Powers, since the countries concerned would themselves determine the limitations of their military potentials as a result of the reduction of military budgets. Consequently the question of the "balance" of forces could not in this case give rise to any difficulties. The representative of Nigeria aptly pointed this out at our meeting of 19 March when he stated:

"Thus, while a global reduction in military expenditures would be effected, a State could retain the type of armament 'mix' it considers desirable; and the balance of power...need not be disturbed". (ENDC/PV.176, p.19)

Fourthly, the reduction of the military budgets of States is a measure which is easily implemented. If States are guided by the desire to create an effective obstacle to the arms race - that is, "to reverse the tendency" -, they can do so without fearing any "difficulties" in regard to control. There is no doubt that difficulties can be overcome if all the countries concerned make it their aim to overcome them, and not to exaggerate them artificially. The reaching of agreement on a substantial reduction of the military budgets of States would immediately open the way to businesslike and successful negotiations on the practical implementation of such an agreement.

I venture to remind you of what the representative of Burma said on 26 March:

"We have listened with the greatest attention to the objections raised by our Western colleagues with regard to this matter, but I regret to say that we have not been convinced by those arguments. When the amounts proposed for reduction are so great, it seems to us almost defeatist to suggest that ways and means cannot be devised to ensure that the reductions proposed are actually being effected by the participants to an agreement ...

"... Given good will it should not, we believe, be too difficult, certainly not beyond human ingenuity, to devise verification machinery which would give reasonable assurance that the agreement to reduce budgets by such substantial percentages was actually being faithfully implemented". (ENDC/PV.178, p.34)

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We fully share that opinion, and we think that it completely invalidates the arguments of some of our colleagues to the effect that the military budget of the Soviet Union, as reflected in a few words in the general budget of that country, is more secret than the military budgets of Western countries which are set forth at great length and cover many pages. If necessary, we shall come back to that invalid argument. But, for the time being, we shall merely say that the military budget of any State, if reduced by 10 or 15 per cent, is necessarily less than a 100 per cent military budget, whether it takes up a single line or many pages of the country's general budget.

During the discussions at the last session, the delegations of the Western countries did not show as much interest in the problem of reducing the military budgets of States as was shown by the delegations of the socialist and the non-aligned countries. It can be said that their objections to giving paramount importance to this question were more or less formal. In substance these were limited to objections and fears relating to questions of control, which obviously cannot be an obstacle to the achievement of an agreement.

The reasons which have prevented the Committee from making progress on the question of reducing military budgets must be sought for elsewhere. It is well known that certain States parties to the North Atlantic Treaty deemed it necessary to increase considerably their military budgets, and precisely at the beginning of 1964. The increase of military budgets is a reliable indication of the direction of the policy of a State and of an intensification of the arms race. This is shown very clearly if we trace back, for example, the growth of the military budget of Western Germany. Thus in 1955 the Federal Republic of Germany appropriated 6,200 million marks for military purposes. The military expenditures of the Federal Republic of Germany in 1964 already exceed 20,000 million marks and amount to more than 34 per cent of the entire budget of the West German State.

It is quite natural that such a turn of events causes anxiety among all those who are interested in the maintenance of peace; and we cannot agree that to point out certain facts which no one denies or can refute is a sort of "accusation" or "insult" in respect of this or that government. We cannot encourage the inflation of military budgets, nor can we keep silence about the existence of such a policy, particularly when we are dealing with disarmament and measures aimed at halting the arms race.

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In the interest of our work we cannot be indifferent to the fact that a State situated in the heart of Europe -- and, moreover, the only State, as has already been stressed, which is openly making territorial claims on its neighbours -- demands "equality in armaments" while at the same time rejecting all proposals to give an undertaking in any form to renounce the production and stationing of nuclear weapons or the acquisition of control over them.

Another matter of importance is whether we are going to take a positive attitude towards constructive peaceful proposals such as the proposal of the German Democratic Republic contained in the letter of the Deputy Minister of Foreign Affairs of the German Democratic Republic, Mr. Otto Winzer, dated 12 June 1964 (ENDC/133), or whether our attitude will encourage the policy of those circles in Bonn whose efforts for many years now have been aimed at creating obstacles to every step in the field of disarmament, to every tendency to improve the international atmosphere and particularly to normalize the situation in Central Europe.

I have pointed out the reasons why we consider the question of reducing the military budgets of States to be one of the questions that are most ripe and at the same time nearest to solution among those that have been submitted in the Eighteen-Nation Committee. After the additional explanations given by the delegation of the Soviet Union on 18 June (ENDC/PV.191, pp.12, 17, 19, 20), it has become evident that the possibilities for a businesslike discussion of the proposal to reduce military budgets and for concrete, positive results in this regard have been increased. The Soviet Government has taken into account the views expressed during the discussion of this question by a number of delegations from the non-aligned countries.

However desirable it may be that the greatest possible number of States should set about reducing their military budgets from the very beginning of the implementation of this measure, in order to facilitate and speed the achievement of an agreement it would be right and expedient to begin with a reduction of the military budgets of the States possessing the largest armed forces and the most improved armaments. From the point of view of the main objective -- putting an end to the arms race -- it is beyond all question that a reduction of the military budgets of the militarily strongest States

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would be the most effective. At the same time, if the size of the reduction is considerable, and if it is carried out first of all in respect of those States which spend the largest sums for military purposes, the problem of extending the force of this agreement to other States as well would be made considerably easier. All this opens up new possibilities for arriving at effective and positive results in connexion with the proposal for the reduction of military budgets.

Towards the end of the previous session several delegations pointed out yet another possibility: that while the question of a substantial reduction of military budgets was still being discussed and before the possibility emerged of coming to terms on a formal agreement in this regard, the Committee could address an appeal to all States to reduce their military budgets, and also recommend to those States which had already carried out reductions to set about further reductions in the spirit of the policy of mutual example. The wishes expressed by many delegations in this regard were very aptly stated by the representative of the United Arab Republic, Mr. Hassan. Here is what he said on 9 April:

"... my delegation feels that our Committee could make a useful contribution to our work if it were to appeal to all the major Powers, whether represented in our Committee or not, and not merely to the United States and the Soviet Union, unilaterally to reduce or to continue to reduce their military budgets in the future on the basis of mutual example. We feel certain that such an appeal will not go unheeded." (ENDC/PV.182, p.15)

The Bulgarian delegation fully agrees with that proposal. We see nothing to prevent the Committee from drafting and addressing such an appeal in the near future to all States, especially as not a single delegation, it appears, has said anything against such a measure.

Mr. FOSTER (United States of America): Last week I described our proposal for a cut-off in the production of fissionable material for weapon purposes and its potential effect on nuclear stockpiles (ENDC/PV.191, pp.7 et seq.). Today I should like to discuss the verification provisions which we would propose for nuclear Powers under a separate cut-off agreement. The appropriate verification procedures for non-nuclear Powers need further study, and therefore I will not touch on them today.

(Mr. Easton, United States)

On 9 June I set forth our general philosophy in regard to verification (ENDC/PV.188, pp.12 et seq.). I mentioned the extensive research in this area undertaken by the Arms Control and Disarmament Agency. That research seeks to devise systems which reconcile the need for adequate verification with the desire to protect the sensitive facilities of inspected parties. The inspection system we have designed for a cut-off agreement recognizes that certain sensitive facilities may be involved. It represents a concrete expression of our philosophy.

To establish the scope of the inspection system, we started with its purpose. That purpose is to provide a high degree of assurance that no significant increase in existing stockpiles of materials for weapon use could result under the agreement. We are not asking for inspection for its own sake or in order to spot minor inaccuracies. Our inspection requirements have been guided by our security needs. As I pointed out on 18 June, under a complete cut-off as a separate measure, small diversions of fissionable materials by nuclear Powers would be less significant than under general disarmament (ENDC/PV.191, p.9). The inspection system we propose is designed with all these thoughts in mind. It seeks only that amount of inspection necessary to guard against diversions by parties which should be significant at the present time.

The system which we propose would subject three types of facilities to inspection: U-235 separation plants, which produce enriched uranium; nuclear reactors, which also produce fissionable material; and chemical-separation plants, which isolate the products of reactor operations. There would be no need to inspect mines or refineries. Nor would there be any requirement to inspect nuclear stockpiles.

The system would operate in the following manner. First, each nuclear Power would declare all U-235 separation plants, chemical-separation plants and reactors. Under the cut-off agreement a nuclear State would probably close many fissionable-material plants rather than maintain them in partial operation. The declarations would therefore specify, by individual identification and location, plants to be shut down and plants to continue allowed production. Such declarations would not reveal information concerning the storage or deployment of nuclear weapons. Nor would there be a statement of the amount of fissionable material presently available to each party for use in weapons. The declarations would include the amount of fissionable materials

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required for allowed purposes and the production schedules for each facility which would remain in operation. Production requirements would be stated according to categories of allowed purposes. These would include research, power and propulsion reactors, explosions for peaceful purposes, and transfers to other States or to international organizations for allowed purposes. Each nuclear Power could question the accuracy of another's declaration. If a satisfactory explanation were not received, the questioning Power would have the right to withdraw from the agreement.

The next step after the submission of declarations would be the inspections themselves. These would be of three kinds:

First, to check that shut-down plants did not resume operation;

Second, to guard against over-fulfilment or diversion of production at the declared operating plants; and

Third, to ensure that no undeclared plants were engaged, contrary to the agreement, in clandestine production of fissionable material for use in weapons.

I should now like to sketch briefly for the Committee how each kind of inspection might be implemented. Let us begin with the simplest: this is the observation of a facility which has been shut down completely. This would require an initial inspection to identify the plant and to ensure cessation of production. Thereafter only occasional inspections would suffice to confirm the shut-down status. The procedure can be simple, because reopening any significant part of a shut-down production complex is a very difficult and time-consuming process. Irregular inspections, undertaken without too much advance notice, would inhibit resumption of operation.

Procedures for monitoring allowed production at declared facilities are also relatively simple and less intrusive than might at first be expected.

First, to see that U-235 separation plants produced U-235 only in declared amounts, inspectors would require ground access to the perimeter of the process buildings. They would measure the electrical input to the plant. They would check the perimeter uranium input, declared product output, and uranium tails for uranium and U-235 content. They would not enter the actual separation plant. By such a

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perimeter examination, the inspectors could gauge the amount of fissionable material available for allowed uses. By these procedures they would also be able to estimate the production potential accurately enough to guard against diversion of significant quantities. Of course, if the U-235 product were stored for future peaceful use, the U-235 input and output at the storage sites would have to be recorded and the sites monitored.

Second, to inspect nuclear reactors maintained in operation, International Atomic Energy Agency procedures could be used. Under a cut-off agreement, nuclear Powers could agree to accept IAEA or similar inspection on a phased basis starting with reactors of 100 or more thermal megawatts. Since the fissionable product of the reactors would be processed in declared chemical-separation plants, there would be added assurance against its diversion to prohibited uses.

Third, to monitor chemical-separation plants, the inspectors would require complete access to the facility at all times. This is because the plutonium, the U-233 and the enriched uranium fuel -- all possible products of chemical separation -- are all also potentially useful in weapons.

Inspectors of a chemical-separation plant would maintain a system of records, check reports on materials and use of the facility, and ensure that all material was accounted for. Plutonium, U-233 and enriched uranium would be monitored in storage or used under safeguards consistent with those I have been describing. But a nuclear Power could choose a substitute for this particular inspection procedure. It could place under international safeguards an equal amount of the same type of fissionable material as that to be processed in the chemical-separation plant. Of course, the substituted material could not previously have been under international safeguards. By making an independent measurement of the feed to the plant -- that is, of all the material to be processed in the plant -- the inspectors could determine the quantity of fissionable material to be substituted.

By these three methods it would be possible to verify that fissionable materials were produced at declared facilities according to agreed allowances.

Finally, we would have to ensure that no undeclared facilities were producing fissionable materials. For this purpose, we propose that the parties allow a limited number of inspections of suspected clandestine facilities. Normally such inspection

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would require internal access to the suspected facility. However, if it were considered particularly sensitive, appropriate external inspection might suffice. The guiding principle would be that a nuclear Power could take any reasonable precaution to protect its sensitive facilities as long as the inspectors were satisfied that no prohibited activities were occurring.

The procedures I have described are designed for declared plants, both operating and shut-down. They would also cover undeclared plants. The International Atomic Energy Agency might undertake the inspection of the declared plants. We are prepared to explore that possibility with the Agency. For undeclared plants, we propose adversary inspection: I inspect you, and you inspect me.

These procedures would constitute a reliable verification system for the complete cut-off without involving excessive intrusion. There would be no inspection of mines and refineries, and no inspection of existing nuclear weapon stockpiles. As much as possible, inspection would take place on the periphery of the plants.

We have also proposed a partial cut-off, on a plant-by-plant basis. Verification of such a cut-off would at the outset be even more limited, involving only inspection of shut-down plants.

We have submitted today as a Conference document a paper containing the system I have just outlined, with some additional details.^{1/} We hope it will be studied by this Committee. We recognize that the technical aspects of the proposed verification system are somewhat complex. For this reason we neither expect nor desire immediate reactions. In due course we do hope to hear the considered views of the members of the Committee.

Mr. DUMITRESCU (Romania) (translation from French): Allow me first of all, Mr. Chairman, to associate my delegation with the words of welcome addressed to you upon your return among us.

Today the Committee, in accordance with the procedure of work adopted on the proposal of its co-Chairmen (ENDC/PV.191, pp.5, 6) begins the examination of some of the specific measures before us which are aimed at slowing down the arms race and at lessening international tension. I should like to associate myself with the

^{1/} Circulated as document ENDC/134

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unanimous expressions of satisfaction regarding the atmosphere in which our work has been conducted since the resumption of our negotiations.

Our co-Chairmen have rightly emphasized that our Committee is particularly well placed to prepare and carry out agreements on mutually-acceptable measures aimed at reducing the arms race and promoting a détente in international relations. It goes without saying that the adoption of such measures calls for the active participation of all delegations in an objective examination of the problems at issue and in contributing suggestions, proposals and other initiatives. The fact that we have succeeded in establishing, for the first five weeks, a programme of work for the study of collateral measures by our Committee certainly constitutes an advance, particularly in comparison with the preceding session when, as we know, the negotiations on the order in which collateral problems should be examined did not produce any satisfactory results.

This first agreement, which, it is true, concerns only the method of work, as well as certain suggestions of a similar nature which have been made here and the acceptance of the idea that in certain circumstances the establishment of working groups might be useful, are all characteristic of the atmosphere of this session. Without wishing to exaggerate their importance, I am nevertheless tempted to attribute to them a broader significance. In the Romanian delegation's opinion these factors reflect the desire -- which I hope is general -- to create, by a more systematic organization of our work, conditions which will enable us to deal with all the problems confronting us with the necessary effectiveness. That is why we consider that such proposals, insofar as they contribute to making our negotiations more fruitful, are worthy of the closest study.

Before turning to one of the problems appearing on to-day's agenda, may I be allowed to make a few brief general observations about collateral measures?

As has already been said here, every such measure should be judged by the yardstick of its utility in promoting the cause of general and complete disarmament. Our Committee certainly has before it numerous proposals which meet this criterion.

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Even a cursory analysis of these proposals lead to the conclusion that, as a whole, they include elements which to an appreciable extent fit in with the first stage of the process of general and complete disarmament. The implementation of these measures would therefore directly create the necessary conditions for going on to the application of the plan for general and complete disarmament.

In our opinion, that is the sense in which we must understand paragraph 8 of the Joint Statement of Agreed Principles for Disarmament Negotiations of 20 September 1961, signed by the Soviet Union and the United States. Paragraph 8 reads as follows:

"States participating in the negotiations should seek to achieve and implement the widest possible agreement at the earliest possible date. Efforts should continue without interruption until agreement upon the total programme has been achieved, and efforts to ensure early agreement on an implementation of measures of disarmament should be undertaken without prejudicing progress on agreement on the total programme and in such a way that these measures would facilitate and form part of that programme." (ENDC/5, p.3)

As we know, there are also other collateral measures which, while not strictly speaking disarmament measures, are aimed at bringing about a steady improvement in international relations, at strengthening confidence between States, and at thus paving the way for disarmament. This category of measures, on which we shall have to negotiate, also includes the question of concluding a non-aggression pact between the States parties to the Warsaw Treaty and the States members of NATO, and the problem of establishing denuclearized zones in various parts of the world.

As I have already had occasion to state, the Romanian delegation attaches particular importance to these problems. The conclusion of a non-aggression pact between the NATO and Warsaw Treaty groups, as a transitional measure towards the elimination of all military blocs, is of great importance because of the very favourable effect it would have on international problems as a whole. The impact of

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the non-aggression pact would not be confined to the geographical region to which it applied; its effects would be felt throughout the world. Particularly favourable conditions would thus be created for dealing successfully with other major problems which still cast a shadow over relations between States.

I should now like to deal with one of the two points which appear on to-day's agenda: the proposal for the reduction of military budgets (ENDC/123). In regard to the other question, the Romanian delegation has listened with the greatest attention to the statement made by the United States representative, Mr. Foster, and propose to study it thoroughly.

The importance which the Romanian delegation attaches to the question of reducing military budgets is well known. At the last session we had occasion, on 20 February (ENDC/PV.168), 12 March (ENDC/PV.174) and 2 April (ENDC/PV.180), to explain our position at length. It can be affirmed that the beneficial effects which the adoption of such a measure would have on the establishment and strengthening of confidence among States and among peoples are recognized by almost every member of our Committee. In our opinion, the new element which has arisen namely, the Soviet delegation's suggestion, made by Mr. Zorin, Deputy Minister of Foreign Affairs, at the meeting on 18 June, that this measure might be adopted in the first instance by the great Powers, (ENDC/PV.191 p.17) is of a nature to facilitate still further the adoption of appropriate measures.

It goes without saying that each State would be free to choose the areas in which it would carry out reductions.

If such a measure is to have the desired effectiveness and significance, it must not in any circumstances exclude expenditures on nuclear arms, because of the particularly high, and constantly increasing, percentage of armaments expenditure devoted to the nuclear arms race.

It is particularly important, now that the requisite conditions seem to exist, that part of the funds released through the reduction of military expenditures should be appropriated for assistance to developing countries. That is a problem which concerns the entire world community. It would be difficult to cite any recent international conference at which the problem of reducing military budgets and

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using the funds thus made available for assistance to developing countries has not been raised in one form or another. Who should take action in this direction if not our Committee?

In stating once again our support for the adoption of this measure, we are not unmindful of the objections raised by the Western delegations, who say they would find it difficult to accept, at the present juncture, an express agreement on reduction of military budgets. Those objections are well known and are open to criticism. In our opinion they cannot in any case be invoked against the proposal that our Committee should appeal to governments to reduce their military budgets. Among these objections are those of some of my colleagues regarding the lack of details about the structure of the military expenditures of some States and the contents of certain chapters of their budgets. Equally unfounded, in our view, are the doubts expressed by some delegations as to our Committee's competence to address such an appeal to States or to ask the United Nations General Assembly to do so.

Our Committee's competence resides in the fact that it is the only international body to which the United Nations General Assembly has entrusted the task of preparing the treaty on general and complete disarmament. If it is competent to do that, it is competent to do something less, and therefore to negotiate and adopt collateral measures such as, for example, the reduction of military budgets and, a fortiori, an appeal to reduce those budgets.

The Romanian delegation considers that this problem has been amply debated in our Committee. It seems to us desirable that we should now proceed to a specific measure. On this basis, and since there does not seem to be any real obstacle or any substantial difference of opinion on the point, we wonder if it would not be possible to agree upon the formulation of the appeal to governments to reduce their military expenditures. We should also examine and decide upon the form and procedure for launching the appeal. In our view, that would constitute a general consensus of opinion which would make it easier in the future to reach an agreement on the reduction of military budgets.

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We believe that the prestige of this Committee is such that the appeal to reduce military expenditures will not go unheeded by the States concerned. In turn, the success of this appeal would have beneficial repercussions on our Committee's prestige, and consequently on its capacity to act in the interests of peace and disarmament.

Mr. BURNS (Canada): First, I should like to join other delegations in welcoming you back, Mr. Chairman, to our Committee.

The Canadian delegation is very happy that the co-Chairmen have been able to recommend to the Conference a procedure which introduces order into our discussion of collateral measures (ENDC/PV.191, pp.5, 6). This is an encouraging step forward, and we hope that, as a result, the Conference will be able to make progress on one or more of the measures which have been agreed for discussion. I believe that all of us have a responsibility to make the most of these improved procedural arrangements. I also believe that, at the end of the period which these arrangements cover, the Conference should be in a good position to decide which collateral measures it wishes to concentrate on during the remainder of the present session.

This morning I intend to speak for the most part about stopping the production of fissionable materials for weapon purposes. As regards the other measure which is under discussion today, the reduction of military budgets, my delegation has for the time being nothing substantive to add to the statements of the Canadian position which I made at our 172nd and 184th meetings. We shall, of course, study with care the views that have been expressed on this matter today by the representatives of Bulgaria and Romania. As we understood the simultaneous interpretation of his remarks, the representative of Bulgaria implied that, if agreement were reached on the reduction of military budgets, the military budget of the Soviet Union might be set forth in the same amount of detail as appears at present in the military budget, for instance, of the United States. If that is a correct understanding of the Bulgarian representative's remarks, and if that is indeed the position, it is the view of the Canadian delegation that this would greatly improve the prospects for agreement on reductions of military budgets.

I should now like to turn to the other subject on today's agenda.

(Mr. Burns, Canada)

The Canadian delegation welcomes the further development by the United States delegation of its proposal for a cut-off in the production of weapon-grade fissionable material and the related proposal for transfers of agreed quantities of such material to peaceful uses (ENDC/PV.191, pp. 7 et. seq.). These seem to us to be steps which deserve the close attention of the Conference in considering what action we could most appropriately take in the field of collateral measures at the present time. It has been pointed out several times that the groundwork for an agreement to halt the further accumulation of stockpiles of materials for the manufacture of nuclear weapons was laid last April, when the three nuclear Powers represented here decided to take unilateral steps to slow down their respective production of these materials (ENDC/131, 132). It seems to my delegation logical, therefore, for us to take full advantage now of this favourable development and to seek both to accelerate and to formalize by international agreement a process which has already begun in a modest way on the basis of unilateral decision. The announcements by the three nuclear Powers two months ago showed a common desire to take steps to check the arms race in this area.

We are aware that statements have been made by Soviet Union spokesmen to the effect that the Soviet Union is not prepared to extend the moves declared last April towards the reduction and elimination of the production of fissile material for weapon purposes. Nevertheless we hope that the Soviet Union will find it possible to reconsider its position on hearing the precise proposals which have been put forward. Since the nuclear Powers appear to recognize that nothing is to be gained from continuing to build up the vast quantities of fissile material they already possess, my delegation hopes that further negotiations will permit an agreement to be reached which will give us a firm basis for a tangible advance towards nuclear disarmament.

At our 191st meeting, a week ago, the representative of the United States reminded the Conference of the principal advantages which the implementation of a cut-off would have. He emphasized in particular the limitation in the quantity of fissionable material available for use in nuclear weapons, and the inhibiting effect a cut-off would have on the further spread of nuclear weapons. There is a third, more general, advantage which I should like to mention. It is generally agreed that the most important and, at the same time, the most difficult problems

(Mr. Burns, Canada)

which our negotiations must solve concern nuclear weapons and their means of delivery. Although we recognize that there is a vital connexion between nuclear and conventional disarmament, the key to progress in this Committee does seem to lie in coming to grips with the threat which modern nuclear armaments pose to the security of nations. The limited agreements which have been reached to date have all, in one way or another, sought to deal with that threat. Since it is from fissionable materials that nuclear weapons are made, an agreement to put a stop to the further increase in stockpiles of those materials would undoubtedly be very significant. It would also provide valuable experience in the application of verification procedures which would be relevant when we come to develop appropriate techniques for the actual reduction of nuclear weapons themselves.

Surely the time has come when nations should agree on steps which will change nuclear power from a curse which threatens mankind's very existence into a servant working for the well-being of all people. Yesterday I noticed a press report announcing that the United States and the Soviet Union will explore together the possibilities of de-salting sea water by various methods, including the use of nuclear energy. This is just one example of the tremendous possibilities for co-operation in the use of nuclear energy for peaceful purposes, co-operation which would undoubtedly increase in extent and significance once there was agreement to stop the production of fissile material for weapon purposes. It is in this light that the Canadian delegation approaches the proposals for the cut-off and transfer which are before this Committee.

There are two aspects of these proposals as they have been presented thus far by the United States delegation which my delegation thinks deserve special attention. The first is the degree of flexibility which the West adopts as regards the scope which action in this field could take. As the representative of the United States made clear on 18 June, the Western proposals encompass a range of possibilities from, at one end of the scale, verified plant-by-plant shutdowns to, at the other end, a complete and verified cut-off (ENDC/PV.191, p.7). In the past, apprehension has been expressed that the West was seeking to impose an unacceptable degree of control over the atomic industry of States in advance of general and complete disarmament. The flexible terms of reference which have now been proposed for the negotiation of this measure should allay any misgivings on this score.

(Mr. Burns, Canada)

What seems to us of paramount importance is that a determined effort should be made to start the process of ensuring that production of fissile material is only for peaceful purposes. If the further intensive discussion of this measure which we hope will take place between the co-Chairmen and in the Conference should reveal obstacles to an early agreement which might accomplish the cut-off in a single step, the way is open for more limited action which could be taken immediately and which would keep potential difficulties to a minimum. An approach of this sort would reach the final goal of a complete cut-off by stages and start with the verified shut-down of agreed facilities on a plant-by-plant basis.

In the opinion of my delegation, any agreement in this field, however modest initially, would yield great dividends. We are confident that, following action by the nuclear Powers towards a verified cut-off, non-nuclear Powers will wish to associate themselves with the agreement in such a way as to reinforce the fundamental objective of limiting the production of fissionable materials the world over to peaceful purposes alone. I have emphasized the flexibility inherent in the proposals before the Committee with respect to the method of implementing the cut-off. The same flexibility is apparent in the United States proposals for subsequent transfers by the nuclear Powers of quantities of fissionable materials from past production to peaceful purposes.

My second point concerns verification. This morning the representative of the United States has given the Conference a preliminary but quite detailed picture of the verification provisions which the United States proposes should accompany this measure. We shall, of course, study his statement with interest, as well as any documents on this subject which may be circulated. This provides us with ample material for concrete negotiations. The verification measures which have been set out are evidently the result of intensive study.

My preliminary comments on these provisions are as follows. In general they do not appear to involve the acceptance by States of unduly burdensome procedures, particularly when we consider the great importance of the cut-off as a first step towards nuclear disarmament. They take fully into account the legitimate concern of States to protect sensitive defence installations in the interest of their national security. We note in particular that the manufacture, storing and deployment of nuclear weapons are explicitly excluded from the ambit of inspection. Once again, it

(Mr. Burns, Canada)

seems to my delegation that considerable flexibility is maintained with respect to the extent of the inspection which would be required under the agreement. The scope of verification would depend on whether the initial agreement involved a complete or a partial cut-off. In the latter case verification would be applied only to ensure compliance with an agreement to shut down certain specified facilities, and would involve only an inspection to identify the plants in question to make sure that their production had ceased; thereafter occasional inspections would be necessary to confirm that these plants remained inoperative.

The Canadian delegation looks forward with great interest to the considered comments of the Soviet Union on these proposals. It would be a major achievement indeed if the Eighteen-Nation Disarmament Committee could report to the coming General Assembly that during this session we had made real progress towards stopping for ever the production of fissile material for use in nuclear weapons.

Mr. CAVALLETTI (Italy) (translation from French): I should first of all like to associate myself with the statements made this morning by Mr. Dumitrescu, the Romanian representative, and Mr. Burns, the Canadian representative, on the value and significance of the agreement which we have reached on our agenda. Like them, I wish to stress the positive and encouraging nature of this procedural agreement, the significance of which perhaps transcends the plane of procedure. At the previous session my delegation repeatedly stressed the need for adopting a working plan in order to impart a more orderly character to our discussions and to enable our Committee to concentrate on those measures which offer the most promising prospects. My delegation therefore has special reasons for welcoming the procedural agreement which our Committee has reached and is now about to put into force.

However, before touching on the main purpose of my speech, I should like to make another comment on the agenda. The agreed work plan for the coming weeks includes the examination of certain measures proposed by the United States and Soviet delegations. But it is clear -- and that is the point I should like to stress -- that the discussions could and should include all proposals submitted by other delegations on the same measures. In other words, I am sure that the agenda provides ample scope for all delegations to collaborate freely and fully in a search for the most suitable compromise solutions for the problems before us.

(Mr. Cavalletti, Italy)

The question of the cut-off is specifically on the agenda for today's meeting, but this is certainly not the first time that it has been examined by our Conference. For a long time the Western delegations have been stressing the desirability of halting the production of fissionable materials for military purposes as a first step in the process of nuclear disarmament.

However, in my opinion, this cut-off proposal now presents itself in a new light, with greater prospects of leading to an agreement, and that for several reasons. In the first place, the proposal has recently been elaborated by the United States delegation in a more complete and detailed fashion. In its speeches of 18 June (ENDC/PV.191, pp.7 et seq.) and today, the United States delegation gave us additional explanations of very great value. Today it has presented to the Conference a working paper (ENDC/134) which will certainly be studied with the greatest interest by all delegations. Secondly, an agreement on a cut-off would seem to follow quite naturally from the recently-achieved cut-back. The recent decisions to that effect by the United States (ENDC/132), United Kingdom and Soviet (ENDC/131) Governments appear to indicate the path we must follow. The obstacles to an agreement on a cut-off thus seem to be diminishing.

We have been told in the past that a halt, or even a curtailment, in the production of fissionable materials for military purposes is of no importance, and would be pointless in view of the quantity of materials already available. Now, the well-known decision recently taken by the Soviet Union, and the manner in which the latter announced it, show that the Soviet Government's attitude is no longer so negative. The favourable repercussions which the Soviet gesture, and the similar but further reaching decision of the United States Government, have had on the international atmosphere are proof of the psychological value of these steps.

We can be sure that decisions of wider scope, which would entail greater commitments for the parties, such as a decision on a general cut-off, would have a much greater and more beneficial effect on the international atmosphere, and rightly so, because the arms race would, as a result of such a cut-off, be for the first time completely halted in a fundamental sector of the nuclear field; the atomic menace would thus be blocked and could no longer be increased.

(Mr. Cavalletti, Italy)

An agreement on a cut-off would, moreover, be of particular significance with regard to third Powers. We have always felt that disarmament should not merely be an end in itself, but also bring economic and social advantages to all countries, and generally improve the material situation of the world. An agreement on a cut-off would permit a first practical application of that principle on a basis of peaceful international collaboration. If nuclear production for military purposes were halted, a large-scale development of production of fissionable materials for peaceful uses could be expected, thus permitting economic expansion to the advantage of those countries which have lagged behind in the use of nuclear energy.

Last but not least, an agreement on a cut-off would have the advantage of entailing relatively simple control measures. The United States delegation has set forth in its working paper the broad outlines of such control. That is, of course, a matter for negotiation, and we can here and now assure the Soviet delegation that, in this as in other similar cases, the West will not ask anything which is not strictly essential to security. We are aware of the Soviet delegation's reservations regarding the very idea or concept of control, and particularly concerning collateral measures. The Soviet delegation has often insisted that there can be no control without previous material destruction of armaments. We, too, believe that, in the case of general and complete disarmament, control should be in strict proportion to the extent of disarmament; but the question assumes a different aspect in the case of collateral measures, and I do not believe that the problem has yet been studied in sufficient depth.

Certain collateral measures entail a halt in the arms race without destruction of armaments; the cut-off is one example. That is quite natural in view of the special nature of collateral measures. Since they are to open the way to general and complete disarmament, since they constitute the first steps in that direction, it necessarily follows that some of these measures should, first and foremost, bear on a halt in the arms race in certain sectors. But it cannot be denied that such a halt in the arms race is useful, indeed necessary, and that, in preventing an otherwise inevitable increase in armaments, it represents in fact a genuine disarmament measure.

(Mr. Cavalletti, Italy)

It blocks the virtually certain production of more armaments. At the same time, a halt in the arms race in any sector cannot be conceived without appropriate control. No country would undertake to halt its military production without solid guarantees that other countries would do the same. If it neglected to ask for guarantees, it would be exposed to grave danger. The other side could clandestinely increase its armaments. The development of military effort would thus be one-sided, completely upsetting the previous military balance. It would therefore not be out of place to link a proposal for halting the arms race in any one sector, such as the cut-off proposal, with appropriate control measures in the same sector.

However, in the case of the production of fissionable materials, it would be easy to limit inspections strictly to that sector alone, excluding all other forms of inspection in the military sector, which is a sensitive one from the point of view of a country's defence and security. Moreover, an objective and impartial international body already exists to carry out such control, as soon as agreement has been reached, and even before the creation of the international disarmament organization. This should clearly facilitate and speed up an agreement, and enable it to be implemented at once.

I should like to conclude by observing that the practical application of control measures in respect of a halt in the production of fissionable materials for military purposes would provide valuable concrete experience which would help us in the subsequent adoption of more comprehensive control systems, such as would be needed to make further progress towards disarmament. Control, it must be admitted, is not pleasant for any country. No country is enthusiastic about the prospect of opening up its frontiers, its industries and its armaments to international inspectors. If we really want to make progress in the field of disarmament, we must gradually accustom ourselves to that necessity. We shall have to realize by degrees that the inspectors are not intruders, spies or enemies, but useful and necessary

collaborators in the process of accomplishing disarmament, and that they are working for peace. Control of the cut-off, owing to its limited and circumscribed character, offers us a first opportunity to become accustomed to that idea without too much pain or sacrifice.

The Bulgarian and Romanian delegations spoke again today about reductions in military budgets, which is also on our agenda. My delegation has already explained its views on that subject during the last session of this Conference. The considerations put forward today by the Bulgarian and Romanian delegations in support of the thesis of the Eastern delegations do not at first sight give us reason to modify our attitude. However, we shall study those considerations carefully and revert to the subject if we detect in the Eastern delegations' position a degree of flexibility on what, in our view, is an essential prerequisite: mutual knowledge and comprehension of military budgets.

Mr. ZORIN (Union of Soviet Socialist Republics) (translation from Russian):

Since, in accordance with the procedure we have adopted, the Soviet delegation is submitting today some detailed observations on one of the collateral measures - reduction of military budgets - I do not intend to touch upon any other questions, in particular the questions which have been dealt with today in the statements made by other representatives. We can, of course, revert to those questions at a later date, after we have made a careful study of all that has been said today by various delegations, especially by the delegation of the United States.

The Soviet delegation believes that, when considering measures aimed at lessening international tension and at reducing the arms race, it would be desirable to give priority consideration in the Committee to the question of reducing military budgets because it is a very important question and fully ripe for solution.

(Mr. Zorin, USSR)

You know that the Soviet Government proposes that agreement be reached on a reduction of military budgets by 10 to 15 per cent. The relevant proposal is given an important place in the memorandum of the Government of the Soviet Union of 28 January 1964 on measures aimed at lessening international tension and at reducing the arms race (ENDC/123). But we put the reduction of military budgets among the priority questions not only because it is included in that memorandum, in which mention is made of eight other measures the implementation of which would help towards improving the international situation and restricting the arms race. Our view regarding the desirability of singling out the reduction of military budgets as a question to be given priority is based on the facts of life as it is and on an analysis of the documents relating to previous discussions, and of the statements and proposals made by the representatives of various States members of the Eighteen-Nation Committee.

First of all, it must be said that in the sphere of the reduction of military budgets a certain positive experience has already been acquired. In 1964 such a reduction has been carried out on the basis of mutual example by the Soviet Union and the United States of America and subsequently by a number of other States, including Bulgaria, Czechoslovakia and Romania. Consequently a start has been made; there is something from which one can go further.

A number of facts give us reason to believe that many States, including the militarily most powerful States, are inclined in varying degree to go further along this path. Where the Soviet Union is concerned, our Government has on more than one occasion expressed the desire to go forward, on an agreed basis, along the path of a systematic reduction of military expenditures. We confirm this today by proposing that we reach, first of all, an agreement in this regard. As can be seen from the statements made by prominent government officials and political leaders in the United States, it is being increasingly recognized in that country that the policy of an unbridled arms race and a rapid growth in

(Mr. Zorin, USSR)

military expenditure is likely to involve even such an economically-developed country as the United States in serious difficulties in solving important problems of its internal life.

More and more frequently in the United States one hears statements to the effect, not only that a further increase in the military budget would be pointless, but also that it would be possible to carry out a considerable reduction of military expenditure in the next few years. Such an authoritative figure as the former Deputy Secretary of Defense of the United States, Mr. Gilpatric, recently expressed the opinion that the United States military budget could be reduced by 25 per cent in the next few years without any detriment to the national security of the country. It goes without saying that we welcome such sensible statements.

Recently reports have been published that several other NATO countries, in particular, Canada and the Netherlands, are studying the question of reducing the military expenditures of those countries. Similar problems are also being studied, so we understand, by socialist countries parties to the Warsaw Treaty.

In other words, to some extent there is beginning to crystallize on both sides a common way of thinking directed towards a further reduction of military budgets. If that is so, the consideration of this question in the Eighteen-Nation Committee should accelerate the crystallization of this common way of thinking and lead to the conclusion of an international agreement on the reduction of military budgets.

There are other considerations on account of which we believe it desirable to examine and try to solve the problem of reducing military budgets as a matter of priority, and we expect positive results from that examination. It must be pointed out, for instance, that the implementation of such a measure as the reduction of military budgets is the least complicated in comparison with other measures for reducing the arms race.

(Mr. Zorin, USSR)

The reduction of military budgets by 10 to 15 per cent, as proposed by the Soviet Union, could substantially restrict the arms race and reduce the rate of accumulation of lethal weapons. At the same time the reaching of agreement on this question would not necessitate any difficult and lengthy work to settle numerous military and technical problems, nor would it require States to reveal to one another the structure of their defence systems, which would be fraught with difficulties at a time when there is still no agreement on disarmament. Nothing of the kind would be required.

If States agreed to reduce their military budgets by 10 to 15 per cent, each of them would be quite free to determine, in carrying out this agreement, which components of its military machine would be affected and to what extent it would develop them at a reduced rate. Thus each would be, as the saying goes, master in his own house, and an agreement to reduce military budgets would in no way restrict a country's freedom in determining the methods of ensuring its national security. When, for instance, after the Soviet Union set the example the United States and a number of other countries unilaterally reduced their military expenditures, they themselves decided which items in their military budgets this reduction would apply to, in order not to harm their national security interests.

Furthermore, I should like to stress the indisputable fact that if States roughly equal from the military point of view were to agree to an equal percentage reduction of their military expenditures, this would in no way upset the existing balance of forces between them. In this respect there would be strict compliance with the principle of equality of security, any deviation from which would always be resented with particular sensitivity by any State.

We are in favour of discussing and solving the problem of reducing military budgets on a priority basis also because the solution of this problem gives promise of very considerable and quickly perceptible benefits which would be gained by every State through the switching of at least a part of its military expenditures to peaceful development. One can say that the requirements for the economic development of the present-day world are themselves knocking at the doors of our Committee, reminding us of the need to solve with all speed the problem of reducing military budgets.

The total military expenditures of all countries in the world in the last few years amount, as has been calculated by economists, to roughly \$120 milliard a year. That is a truly astronomical figure. Let us imagine for a minute the benefits from the standpoint of economic development that could be obtained if the Soviet Government's proposal were carried out and if, as a result, States which agreed to at least a 10 per cent reduction of their military budgets could transfer the sum of \$12 milliard in savings to peaceful development. Our experts have calculated that this sum would be sufficient to eliminate within twenty years hunger, disease and illiteracy in the poorer parts of the world. These resources would be sufficient to build forty-eight giant metallurgical works such as the Bhilai plant in India, or eight giant constructions such as the Assouan dam in the United Arab Republic. That sum would be sufficient to construct fifteen to twenty industrial power centres of world-wide importance -- for instance, large industrial complexes in the basins of African rivers such as the Niger, the Congo and the Zambesi, in the basins of the great rivers of Asia such as the Indus, the Ganges, the Mekong, or in the foothills of the Andes and on the great rivers of South America.

(Mr. Zorin, USSR)

All States would gain from the reduction of military budgets, because they would be able by this means to devote additional sums to the needs of their development, to raising the standard of living of their peoples, to the building of schools, hospitals, dwellings and roads. The only people to lose would be those who get profits out of the manufacture of death-dealing armaments. Their loss would be a most convincing victory of the forces of peace.

Finally, we also bear in mind that even at the previous session of the Committee it appeared that, out of all the measures for reducing the arms race put forward by various countries for consideration, it was the proposal for the reduction of military budgets that aroused the greatest interest in the Committee. At that time also the representatives of the socialist and non-aligned States expressed themselves in favour of settling this question as quickly as possible. In this connexion, permit me to remind you of something else that was said by the representative of Nigeria, Mr. Obi, in his statement at the meeting of the Committee held on 24 January, and which was mentioned this morning by Mr. Lukanov:

"We believe the time is now opportune for a formal agreement on the 'freezing' and reduction of military budgets." (ENDC/PV.159, p.15).

We also recall with satisfaction the words of the representative of Burma, Mr. Barrington, who said quite frankly in his statement on 20 February:

"... we see no reason why the budgets of the main armed Powers should not be reduced by 10 to 15 per cent as proposed by the Soviet Union ... Apart from the salutary effect on the general armaments picture, such an agreement ... would serve as an example and an earnest to the world that the Powers concerned really meant business with regard to disarmament." (ENDC/PV.168, p.7).

Similar views were expressed at that time by the representatives of several other countries.

Thus everything goes to show that there are sufficient grounds here in the Committee for getting down in all earnest to considering and solving the problem of reducing military budgets. We think that agreement on this matter can be reached at the present session of the Committee.

(Mr. Zorin, USSR)

Being anxious to facilitate to the utmost creation of the preconditions for a general agreement of the members of the Committee on the question of reducing military budgets, and thus enable the Committee to move on from the general debate on this subject to the concrete elaboration of an appropriate agreement, the Soviet Government, as we have already announced at a previous meeting of the Committee (ENDC/PV.191, p.17), has endeavoured to take into account in its proposal a number of wishes and ideas expressed by the participants in the negotiations during the general debate on the reduction of military budgets.

Thus the Soviet Government has taken into consideration the fact that for countries possessing a small military potential it would be difficult at the present time to set about a considerable reduction of their military budgets. It is for this reason that in our proposal for the reduction of military budgets by 10 - 15 per cent it is now assumed that the amounts of the reductions need not necessarily be the same for both the large and the small States. When we come to a practical solution of this problem it will be possible to take into account also the peculiarities of the position of any particular State.

At sessions of the General Assembly of the United Nations, at the United Nations Conference on Trade and Development, and at meetings of the Eighteen-Nation Committee on Disarmament, the representatives of a number of developing countries have repeatedly expressed the desire that part of the resources released as a result of a reduction of military budgets should be used for rendering assistance to developing countries. As you know, the Soviet Government has also taken in consideration this argument of the non-aligned delegations, and has expressed its readiness to agree that, upon the achievement of an agreement to reduce military budgets by 10 - 15 per cent, a certain portion of the resources thus released should be devoted to rendering assistance to developing countries.

Today the Soviet delegation would like to inform the Committee that in settling the question of reducing military budgets we are also prepared to take into account certain peculiarities of the position in which some of the Western Powers find themselves at present and which make it difficult for them to carry out in the coming months the necessary legislative procedures for the ratification of a formal agreement on a reduction of military expenditure by 10 to 15 per cent. If it is really difficult for them to sign such a formal agreement at the present session of the Committee, it would be possible to accept as a first step a more limited reduction.

(Mr. Zorin, USSR)

Accordingly we suggest that the Committee express, in one form or another, the intention of the participants in the disarmament negotiations to take the path of reducing their military budgets, and that it appeal to other States to follow that example. This could be a declaration by the States members of Committee, an appeal by them to the other States of the world, or even simply a statement of intention. The main thing is not the form of the appropriate document, but the contents; it should not be difficult to reach agreement on the form. In this connexion we recall the statement which was made by the representative of the United Arab Republic, Mr. Hassan, at the meeting of the Committee on 9 April (ENDC/PV.182, p.15), and which has already been quoted today by the representative of Bulgaria, Mr. Lukanov.

What, then, should be included in a document of the Eighteen-Nation Committee containing such a statement of intention and an appeal to other States to reduce their military budgets? When we thought over this question, the idea occurred to us that much that is useful in this regard can be drawn from the working paper (ENDC/126) submitted by the delegation of Brazil on 13 February (ENDC/PV.166, pp. 9 et seq.).

We think that in its statement or declaration the Committee could first of all point out that the question of reducing the military budgets of States has now become very urgent and that a positive solution of that question would contribute substantially to reducing the arms race and further improving the international atmosphere. Furthermore, it would perhaps be advisable to express in the Committee's statement approval of the reduction of military budgets already undertaken unilaterally by a number of States within the scope of a policy of example. Then the statement could express the intention of the States members of the Eighteen-Nation Committee firmly to carry out the policy of reducing their military budgets. After that it would perhaps be appropriate to have a paragraph containing an appeal to all States, and in the first place to the major Powers, to follow the same line and likewise to reduce their military budgets. The Committee's statement could also include a proposition regarding the possibility of devoting in the future a portion of the resources released as a result of the reduction of military budgets to rendering increased economic assistance to developing countries.

So we have at least that minimum. Let us reach agreement on it! It would not require any direct commitment regarding the size of the reductions, or any legislative

(Mr. Zorin, USSR)

formalization of the agreement achieved. At the same time an agreed statement by the Eighteen-Nation Committee on the reduction of military budgets would be a convincing expression of the will and determination of our Governments to make headway in reducing the arms race and in lessening international tension.

If, as we hope, it should become the general opinion in the Committee that it is desirable and possible to prepare a statement or declaration on the reduction of military budgets, we think that the practical preparation of such a document could be undertaken by the co-Chairmen, to whom should be added, in order to assist them, several members of the Committee, including representatives of the non-aligned countries. The draft statement could then be considered by the Committee.

The Soviet delegation proposes that, without losing time, we set to work and prepare such a draft statement or declaration by the Eighteen-Nation Committee on the reduction of military budgets. There can be no doubt that the agreed drafting of such a document would be warmly welcomed by all peoples, and would strengthen still further their confidence in the usefulness and hopeful prospects of the disarmament negotiations.

Mr. THOMAS (United Kingdom): First, I should like to join other representatives here in welcoming you, Mr. Chairman, on your return to this Committee. I know we all feel that we shall greatly benefit from your participation in our work.

Today, for the first time this year, as has been said, our discussion on collateral measures is directed towards a fixed agenda. I should like to take this opportunity of supporting what was said by the representatives of Romania, Canada and Italy in welcoming this ordering of our work. I would also say how much we agree with their remarks about the value and importance of our work on collateral measures. In the past we have frequently said that if we examined in greater depth some of the proposals before the Committee we should be able to find which among them was most likely to yield agreement. I am sure that the adoption of an agenda will help us to that end.

The Committee has before it today two items for discussion. I would first refer briefly to the United States proposal for verification of a cut-off prior to stage I of general and complete disarmament. My delegation has followed with considerable

(Mr. Thomas, United Kingdom)

interest the statements made on this subject by the United States representative, Mr. Foster, on 18 June (ENDC/PV.191, p.9) and, in particular, today. The paper which he has just submitted (ENDC/134) seems to me to be a most important and useful contribution to our work. It represents the kind of technical study in the field of disarmament and collateral measures which we think should engage the Committee's attention. We are sure that detailed consideration and discussion of concrete proposals of this kind can appreciably advance our progress.

The Committee will remember that in 1962 my delegation submitted a paper (ENDC/60) on the verification of a cut-off in the context of general and complete disarmament. I think that the paper submitted today is to some extent the complement of that earlier paper. Both, I think, give us useful material. The present paper appears to me to be of particular value because of the effort that has clearly gone into reducing to a minimum the intrusiveness of the verification which it proposes. This has been possible, no doubt, in part because the paper is concerned with a pre-stage-I measure, but it shows, I think, a genuine effort to meet the difficulties which have been found over the question of verification.

Therefore I would commend it to my Soviet colleague and hope that he will give it his very close consideration -- which indeed he said he would. It may well be that we have here a real possibility for agreement. As Mr. Foster pointed out, this is, of course, a highly complicated and technical subject. I am sure that all my colleagues will want to study Mr. Foster's speech and his paper today most carefully. Therefore I shall reserve any further comment that I may have until a later occasion.

The other subject before us is the Soviet proposal for a reduction of 10 to 15 per cent in military budgets. This is not, of course, a new proposal. As has been said during the course of our discussion today, at the last session it received a great deal of attention during our general debates. I listened with great interest today to the speeches of the representatives of Bulgaria and Romania and the last very powerful speech by the representative of the Soviet Union -- and I listened with care because I wondered whether anything new would emerge --; but I am bound to say that I do not think we have advanced very far today in our consideration of this question.

As long ago as 30 January of this year I said:

"... we shall have to know, a great deal better than we do now, what announced cuts in military expenditure imply and how they can be verified." (ENDC/PV.161, p.18)

(Mr. Thomas, United Kingdom)

I also suggested that the problem was undoubtedly a technical one which seemed a particularly apt one for examination in an expert working group. That is still my view; and it is, I believe, shared by several of the representatives round this table. The subject, as we see it, is much more complicated than its supporters seem prepared to admit; and I was interested to hear the Soviet representative suggest today that it was not in fact a complicated matter but one which could be dealt with quite easily.

On the Western side we have tried several times to indicate what some of the complexities are and to put questions to the Soviet delegation in the hope of further clarification. The representative of Canada, Mr. Burns, referred to his speech at the 172nd meeting, and I also recall my Foreign Secretary's speech at the 169th meeting and Mr. Fisher's speech at the 182nd meeting. I was rather tempted to say that we have put forward our case on the complexities of this problem and to say no more; but I hope the Committee will forgive me if I attempt to set out once more the nature of some of these difficulties, for, as I see it, that is the purpose of this type of discussion on an agreed agenda: that we may try to find out exactly what different countries' points of view are.

In the first place, there is the question of comparability. The structure of national budgets differs greatly from country to country, and in particular there are major differences between countries with a free economy and those with a centralized, State-controlled economy. Many items which in my own country would be considered military in nature may well, in our view, be treated as civil items in the Soviet budget, and possibly in other nations' budgets also. For example, research, which has become of ever-increasing importance, may well not figure under the military section in the budgets of some States, including that of the Soviet Union; and yet it is clearly of the highest military significance.

Mr. Fisher has pointed out -- and it was referred to today by the representative of Bulgaria -- that the Soviet military budget consists of "sixteen words and one sum". (ENDC/PV.182, p.28) Therefore it is difficult for us to know what is covered in that section of the Soviet budget and what is given, for instance, under the headings of "National economy" or "Other expenditures".

As Mr. Khrushchev has said: "It is a well-known fact that the Soviet Government never hesitates to spend money for the development of science". (Pravda, 16 December 1958, No. 350 (14744), p.7).

(Mr. Thomas, United Kingdom)

In juxtaposition to that statement, I should like to recall something that an early Defence Commissar of the Soviet Union, Mr. Frunze, wrote:

"In any new undertaking -- economic, cultural or other -- one must always ask the question: what relation does this undertaking have to the task of protecting the nation?"

"Is there any possibility of letting it serve specific military purposes also without impairing peaceful goals?"

That dictum is often quoted by writers on military subjects in speaking of the interdependence of strategy and economics. We must therefore, in considering this question, assume that a great part of the Soviet Government's expenditure on science is either directly or indirectly relevant to the Soviet Union's military power. If, therefore, we were to accept the proposal that military budgets be reduced by 10 per cent or 15 per cent, might we not find that we were thereby constrained to curtail our research work while the Soviet Union was able to continue its own virtually unimpeded?

Nor is this simply a matter of research costs. There are other items of expenditure, such as those on industry devoted to military ends, where it is similarly unclear whether their costs figure in the Soviet military budget or under other headings of the Soviet budget. The heading under which different countries place their expenditure on pensions for service personnel and their dependants is yet another relevant factor. It is not difficult to think of further examples. The fact is that, to make meaningful comparisons, one needs a great deal more than "sixteen words and one sum".

There are also other technical difficulties which, we consider, call for further study and further information. Foremost among these is the effect of different prices in different countries for weapons which are militarily comparable. Again, owing to the different structure of the East European countries, it is difficult to make true comparisons between the prices which they have fixed and those which obtain in our own free market. If, for example, the price of a tank has been fixed at a price which would be artificially low by world standards, that clearly has a direct relationship to the amount set down in the military budget. There is also the question of pay increases, which may affect some countries more than others. There is the possibility of currency changes, such as inflation or deflation, which may alter the picture considerably in one particular country.

(Mr. Thomas, United Kingdom)

All these matters are clearly questions which cannot usefully be debated further in our present forum but which are relevant to the central problem. They are clearly eminently suitable for discussion by experts.

These considerations apart, there is another obscurity which complicates balanced reductions of military expenditure. The Soviet Union is in the fortunate position of having a surplus of revenue over expenditure -- and I must say that many countries in the West would be very jealous of this. Apart from the first three years of the war, the Soviet State budget has been without a deficit since the late twenties. But as a rule these surpluses are not carried over into the following year's budget. The question is: what happens to them? May not some of these surpluses be diverted, without acknowledgement, for military purposes? And if we were to agree on the Soviet proposal for a cut in military budgets, what safeguards could we have that those budget surpluses were not being used to make up the difference?

Perhaps I should pause here to emphasize that I am not making allegations or assertions that the Soviet Union or any country would seek to evade its undertakings under an agreed cut in military expenditure. I am only trying to explain why the organization of such a balanced cut would involve many complications which have to be faced. We should have to know how a balanced reduction could be made; and then we should have to have some assurance that the cut was being made in a balanced way.

This leads me to my second point of difficulty, which I suggest will require detailed study: that of verification. As I have tried to point out, many of the bases for comparison are very obscure at present and could be clarified only by additional information. In most cases the budgets produced by Western countries are so detailed as to provide much of the necessary information already. Owing to the differences in their economic and political structures, the same detailed information is not available so far as other countries, and particularly the East European countries, are concerned. Furthermore, any objective study must recognize that it is at least theoretically easier in a State-controlled economy for a government to manipulate any arrangements than it would be in a free economy.

We must therefore ask that the Soviet Union and the other countries of Eastern Europe should be prepared to give us sufficient information so that we can not only satisfy ourselves of the answers to the questions which I have indicated, but also be assured that both sides are in fact carrying out any undertaking on which it may be possible to agree.

(Mr. Thomas, United Kingdom)

At the last session Mr. Tsarapkin argued that Western requests for more information about the structure of the Soviet budget arose from a desire to seek military intelligence; but this is not the case. It is once again, as it so often is in the course of our discussions here, a question of confidence. Confidence can only be built up over the years and as we make greater progress towards disarmament. It is too much to expect that we can behave now as if that confidence already existed. If we all agree on a certain measure, we must be able to verify that both sides are carrying it out, and to do this the essential information must be readily available. Only thus shall we be able to foster greater confidence which will allow us to take yet further measures towards our goal.

We must, after all, be sternly practical when we consider measures which involve a real influence on the existing security arrangements of States. One has to think of what would happen if something went wrong. For instance, in this connexion, I hope I shall not be thought ungracious if I draw attention to the fact that, should States for any reason have to raise their military expenditures once more, the Soviet Union would be able to do so with great speed and with greater ease than would many other countries.

At the 1960 session of the Supreme Soviet, Mr. Khrushchev said that if necessary, the Soviet Union could raise its military budget by tens of billions of roubles.^{1/} Indeed, in the following year, in a speech addressed to graduates of the military academies, Mr. Khrushchev did in fact announce that the current year's defence budget would be increased by one-third. Again, in 1962 the Soviet Finance Minister informed the Supreme Soviet that the defence expenditure had risen by about 44 per cent over the 1961 figure. In 1963 it rose again by half a billion roubles. On none of those occasions, apparently, was there any debate or question concerning those increases.

Anyone who has followed discussions on financial matters in my country will know that a simple announcement of that kind would just not be possible for us. Therefore we provide in our budget for a properly-balanced force which will allow us to meet all our commitments. This is not an estimate which can or should be changed easily or hastily.

In this connexion I should like to recall to the Committee's attention the fact that we in the United Kingdom for our part have undertaken, and must be able to undertake in the future, peace-keeping operations of a very extensive kind. That is

^{1/} See Pravda, 15 January 1960, p. 4

(Mr. Thomas, United Kingdom)

because of our world-wide responsibilities, both as a Member of the United Nations and as a member of the Commonwealth. Peace-keeping operations are by their very nature unpredictable. We must therefore keep sufficient flexibility in our military budget to deal with them as they arise. As Mr. Butler said when he addressed the Committee on 25 February:

"The rate of our defence expenditure is one of the reasons why we have been pressing for balanced disarmament by all nations and for the establishment of international peace-keeping forces, which would progressively relieve the United Kingdom of this heavy burden."

(ENDC/PV.169, p.14)

I should like to stress that this burden is not one we would shoulder if there were not proven need for it. But so long as other countries pursue policies which make such military commitments necessary, so long must we maintain adequate military resources to meet those commitments. If we did not do so, we should not be able to give help where this is sought by our friends, whom we cannot, with honour, abandon. Fulfilling commitments of this kind can be a heavy burden, as I have said, and we should be only too glad to hand over these tasks to an efficient international peace-keeping force just as soon as we are able to do so. Unfortunately, we have not reached that stage yet.

I certainly do not wish to give the impression that the United Kingdom despairs of the possibility of reducing the present astronomical rates of military expenditure, or that we should be anything but glad if such reductions can be made without injury to the security of any State, great or small. If today I have set out at some length the pitfalls which beset the path to this goal, it has been only to support our belief that to get there will require more than single declarations or broad generalizations or appeals to governments. As we have said on many occasions, it will involve detailed study and very careful consideration of all the many factors involved. We, for our part, are very ready to take part in such a study. We believe that it would not waste time; it would save time.

Mr. KURKA (Czechoslovakia) (translation from Russian): Mr. Chairman, I am very grateful to you for calling on me at this late hour. I had intended today to explain at some length the position of my delegation on the questions under discussion.

(Mr. Kurka, Czechoslovakia)

But I realize that all members are looking at the clock, and therefore I should like to limit myself today to just a few preliminary comments. Of course, I reserve the right to revert at subsequent meetings to a more detailed examination of the questions on our agenda.

The first part of my comments concerns the important problem of reducing the military budgets of States. As has already been pointed out, this is a measure which is directly aimed at reducing the arms race and at bringing about a more favourable climate in international relations. No less important is the second aspect of this question, namely that the adoption of such a measure would be a logical manifestation of the good will of individual governments and of their determination to support the process of reducing international tension.

It has already been stated today that the inflation of military budgets is directly linked with tendencies towards an intensification of the arms race and the over-arming of States. It can hardly be overlooked that, as a rule, a particularly sharp increase in military budgets is accompanied by plans to use force or the threat of force in international relations. Conversely, a tendency towards reducing military budgets is an indication of a coming period of peaceful relations between States. In our opinion, it is at the present time a perfectly natural demand that the risk involved in expansion of the military machine of States should be reduced by means of an agreed limitation of military budgets.

I should also like to refer to the economic aspect of the measure under consideration. Today Mr. Zorin has drawn our attention to the fact that the enormous expenditures on armaments, which at the present time amount throughout the world to roughly \$120 milliard a year, are from the economic standpoint absolutely unproductive. Every day of the arms race is a day of immense losses and lost opportunities for the peaceful development of productive forces at a time when there are not enough resources for the economic, social and cultural development of a great number of countries. The reduction of military budgets would undoubtedly raise the curtain behind which are concealed the possibilities of solving the urgent economic problems of the present-day world.

Although this measure is not a universal remedy, it would be of some importance in regard to solving the extremely difficult problems with which the developing countries are faced in the economic and social fields. It is therefore not without

(Mr. Kurka, Czechoslovakia)

reason that these countries take considerable interest in effective enterprising proposals in this field and are in favour of their implementation. As the previous phase of our negotiations has shown, the majority of members of the Committee see in the implementation of the Soviet proposal for the reduction of military budgets (ENDC/123) a step of great political and economic significance.

We do not intend today to repeat and enlarge on all the aspects of this proposal by the Soviet Union, since the statement made this morning by the leader of the Soviet delegation, Mr. Zorin, is a model of clearness in giving a concrete explanation of the aims of this useful measure. But I am bound to say that I could not help feeling somewhat disappointed when I observed in the statements of the representatives of the Western Powers what appeared to me to be an unwillingness to accept this proposal. We heard words of scepticism, mistrust or doubt.

It seems to us that the discussion which has taken place so far on these questions can only confirm us in the opinion that there should not be any serious obstacles or difficulties to prevent the achievement of perceptible progress in regard to reducing military budgets, provided, of course, that both sides show the necessary readiness to seek for ways of reaching agreement. I will say quite frankly that it is precisely this prerequisite that seems to us to be lacking for one reason or another in the approach of our Western colleagues.

As far as Czechoslovakia is concerned, we are in favour of the speediest possible implementation of the proposal of the Government of the Soviet Union. And although we would prefer, of course, the question of reducing military budgets to be settled by way of an agreement, we are prepared to support as a first step in this direction an agreement to adopt a declaration or an appeal to States to start carrying out this important measure on the basis of a policy of mutual example -- I am referring to the proposal made by Mr. Zorin at our meeting today.

Now I wish to express a few ideas in connexion with the second question on the agenda of today's meeting of the Committee, namely the United States proposal for a controlled cut-off or cut-back of the production of fissionable materials for military purposes (ENDC/120; PV.191, pp. 7 et seq.).

In his first statement after the resumption of the work of our Committee, the United States representative, Mr. Foster, quoted the words of President Johnson to the effect that 1964 was a year in which the United States would work "to reach agreement

(Mr. Kurka, Czechoslovakia)

on measures to reduce armaments and lessen the chance of war" (ENDC/PV.188, p.11). We welcome these words and have no desire to question their sincerity. Nevertheless, we make no secret of our opinion that the proposals so far put forward by the United States delegation, including the proposal for a controlled cut-off or cut-back of the production of fissionable materials for military purposes, does not open up an effective way to the attainment of that objective. As you know, the proposal is not a new one. It was discussed last year. At that time also we explained our point of view on this proposal and showed that its implementation was unlikely to help towards eliminating or reducing the danger of nuclear war or putting an end to further arming. In fact, this proposal does not provide for the implementation of any disarmament measure; it would not lead to the destruction of a single nuclear bomb, but, on the contrary, it would allow these destructive weapons to be further stockpiled.

At the present time an enormous quantity of fissionable materials has been accumulated, whether transformed into atomic weapons or in the form of stockpiles which have so far not been used for the production of weapons. Numerous data in this regard have been furnished in the past, and therefore I do not think it necessary to revert to them. If one remembers these facts, one really cannot help wondering what would be the significance, from the viewpoint of reducing the danger of an outbreak of nuclear war, of a cut-back or cut-off of the production of fissionable materials or the transfer of part of their stockpiles to peaceful uses. What would be the actual effect of this from the standpoint of reducing the arms race?

In his statement this morning the representative of Canada, Mr. Burns, attempted to prove, though with certain reservations, that a cut-off of production of fissionable materials would have the direct effect of reducing the nuclear armaments of States. But what grounds are there for such an assertion? It is obvious that at the present time there are already more than sufficient quantities of these materials. Lastly, it is no secret that for many years the United States has been faced with the problem of whether it is worth while carrying on the production of these materials, since from the military point of view this may have only a limited importance and, on the other hand, necessitates considerable financial expenditure and creates additional technical problems. It seems to us that that is the main reason why the United States Government wishes to cut down the further production of fissionable materials.

(Mr. Kurka, Czechoslovakia)

I should like to make one more comment concerning a particular aspect of this problem. In explaining the United States proposal on 18 June, Mr. Foster said that the cut-off of the production of fissionable materials would help to inhibit the further spread of nuclear weapons. (ENDC/PV.191, p. 8). For our part, we consider such an evaluation of this proposal to be exaggerated. We should like first of all to point out that if the delegations of the United States and of other NATO countries are really interested in preventing the dissemination of nuclear weapons, there is a direct and more practicable way to achieve that aim. It would suffice to take effective and reliable measures against the dissemination of nuclear weapons, measures that would suitably bar any access, direct or indirect, to nuclear weapons on the part of States which do not now possess them. That is precisely what is proposed by the Soviet Union and the other socialist countries.

Moreover, the present situation shows that the danger of a further spread of nuclear weapons is not only connected with the production of fissionable materials. It is obvious that some States can gain access to nuclear weapons by other means and not only by making them from their own fissionable materials. This is very clearly proved by the plans for the creation of a NATO multilateral nuclear force. This danger has been clearly pointed out several times by the Czechoslovak delegation and by the delegations of other socialist countries. It seems to me that it would be very wrong if the well-founded warnings of the socialist countries about the danger involved in the plans for a multilateral nuclear force were not taken seriously enough or were regarded as a propaganda campaign. This is certainly not propaganda. The movement is a very dangerous one.

It would also be wrong to pass over in silence the important documents which, at the regional level, pursue the same aims as the parallel measures which are being discussed by us. I refer to the latest proposal -- it has been mentioned here today -- addressed by the Government of the German Democratic Republic to the West German Government concerning the renunciation of nuclear weapons by the two German States. Our Committee has acquainted itself with this proposal in document ENDC/133. For our part, we appreciate the positive contribution of the Government of the German Democratic Republic to our negotiations, and not without reason we regard its proposal as one of the possible keys to overcoming the stagnation in the negotiations on the non-dissemination of nuclear weapons. It would be very desirable and in accordance

(Mr. Kurka, Czechoslovakia)

with the interests of international peace and security, if the other German State -- the Federal Republic of Germany -- were to abandon its obstinate position of opposing any measures aimed at improving the international climate and give a positive reply to the initiative of the German Democratic Republic. That would be a step in the right direction.

We believe that from the point of view of preventing a further spread of nuclear weapons it is impossible to consider a controlled cut-back of the production of fissionable materials -- as proposed by the United States -- to be a really reliable and effective way. It is to be hoped that the United States delegation will submit to our Committee, as the delegation of the Soviet Union has done, such proposals as would make it possible for all of us to reach agreement on measures aimed at reducing armaments and lessening the possibilities of war.

Mr. ZORIN (Union of Soviet Socialist Republics)(translation from Russian): Since Mr. Thomas, who has today made a rather lengthy statement criticizing our proposal and is apparently soon going to leave us to return to London, I should not like my comments on his statement to be made in his absence. Therefore I would ask you to give me an opportunity to say a few words in connexion with his statement. If there is no objection, I shall avail myself of this right.

Today Mr. Thomas set forth in considerable detail the views of the United Kingdom delegation on the question of budgets. I do not intend, of course, to analyse his statement in detail at present. I think that the Soviet delegation will have an opportunity to do so later on. For the time being, however, I should like to deal with some of his remarks concerning the way in which we have stated the question of budgets.

First of all, as regards the incomparability of budgets. Mr. Thomas devoted a good deal of attention to that subject. He put forward a whole number of arguments and pointed out, in particular, the danger that military material and military equipment might be produced in civil undertakings. In doing so, he even referred to our National Defence Commissar, Mr. M.V. Frunze. He said that it was unclear how appropriations under the heading of science were distributed, and that they might have military aspects. He spoke about differences in the prices of tanks, about pay and so on. Then he pointed out that in the Soviet Union there was a surplus of revenue over expenditure and that this too, in his opinion, prevented the adoption of a decision on the reduction of military budgets.

(Mr. Zorin, USSR)

Without going into all those aspects, I merely wish to point out that if the Western representatives have any doubts, for instance, in regard to the possibility of civil undertakings being used for military purposes or about the economic basis of the military structure, then why do they think that they alone have these doubts? After all, this argument literally applies to all countries. Everyone realizes perfectly well that industry, including so-called civil industry, certainly constitutes an enormous economic basis for all military measures as well. That is why people always speak of the military and economic potential of any particular country.

Therefore, in order to make the assertion that every undertaking in the Soviet Union can be used for defence purposes there is no need at all to refer to Mr. Frunze. For this purpose it suffices to take a look at any undertaking, any branch of industry that exists in all capitalist countries, including the United States, the United Kingdom and so on. The economic potential is always of enormous military significance in all countries of the world. Consequently this is not a sort of peculiarity of the Soviet Union. It applies to the whole economic potential of any country.

I have given this example merely in order to show that here the economic potential of the Soviet Union and the undertakings of the Soviet Union are for some reason or other singled out rather artificially, whereas the argument applies to literally all undertakings and to all branches of industry of all countries, including capitalist countries. So it is no argument against our proposal.

If it is difficult to verify the economic potential in the Soviet Union, it is also difficult to verify the economic potential in the United States, the United Kingdom, Italy, Canada and in other places from the point of view of its work for defence purposes. Therefore this is no argument at all from the point of view of our solving the problem of reducing military budgets. This is a general question. One of the sides may have doubts and so may the other.

Let us take science, for instance. Is everything that science does in your countries for military ends reflected in your military budgets? In my opinion, everyone realizes that a whole number of branches of science which are engaged in solving scientific problems can be used both for military and for peaceful purposes. What I have said applies also to an abstract science such as mathematics. In our country mathematics is now playing a colossal role both in the economic development

(Mr. Zorin, USSR)

of the country and in the development of its defence. But does this mean that if a sum is allocated to one of our mathematical institutes, there is bound to be a suspicion that that is "where the dog was buried" and that nothing but military science is being pursued in that institute? But the same argument can be applied to any mathematical institute in the United Kingdom and the United States.

Mr. Thomas is wrong in thinking that all of us, so to speak, are convinced that all military appropriations, to which the big tone of your budget refers, are reflected in it. I very much doubt it, and I think that I am not the only one to do so. But the point is not that there are doubts. Each of the sides may have doubts.

But what is the question now before us? What line are we to take: that of reducing budgets or that of increasing them? That is the crux of the question. No matter how you interpret every item of a budget, no matter how you examine every separate branch of science and industry, both you and we realize perfectly well that the main thing is whether we take the line of further increasing military budgets and expenditures or reducing them. This will be reflected in the budgets to this or that extent. That is why we now wish to reach agreement that we take the line of reducing military budgets. Let us take this line. Do you agree to do so or not? That is the question that needs to be answered. All the details of this matter should, of course, be discussed and, perhaps, more thoroughly examined.

This applies also to the question of control over budgets. We do not refuse to discuss control questions, but tell us first of all whether or not you agree to reduce your budgets. That is the crux of the matter. I understand, of course, the difficult situation of Mr. Thomas, because the budget of the United Kingdom is not being reduced but increased, and this year it has increased by 9 per cent, so I gather. Naturally, at a time when the Government of the United Kingdom is taking the line of increasing its military budget, any amount of arguments can be found in order to say that it would be difficult to take a decision to reduce the budget. Of course, a good many arguments could be scraped up, but I do not think that is the point. If the Government of the United Kingdom is in favour of a reduction of its military budget in the first place, it cannot object to our working on measures that would lead to a reduction of military budgets.

(Mr. Zorin, USSR)

Secondly, absolutely all the arguments which Mr. Thomas put forward today are wide of the mark where our second, minimum proposal is concerned, because when we say "Let us issue an appeal for the reduction of budgets", absolutely all the arguments put forward by Mr. Thomas regarding difficulties in the calculation of budgets and so on, are of no importance whatsoever for this matter, for the decision concerned. Indeed, in order to issue an appeal is it necessary to make calculations straight away, to know what are the items of the budget of a country, where and how they appear? That is absolutely unnecessary. In the appeal we do not propose to compare the budgets of all countries or to lay down in our appeal by how much per cent each country is to reduce its budget, or budget items. We do not want that.

We propose a simple matter: to issue an appeal in the name of the Committee to all countries in the first place to the great Powers, the Soviet Union, the United States, the United Kingdom, France and other countries - that they take the line of further reducing their budgets. For this purpose there is no need of any calculations, any complicated manipulations or, so to speak, any complicated examination of this question in a working group. For this purpose a political decision is needed, the political opinion of governments as to whether they are for or against the reduction of budgets. That is the point. If you are in favour of reducing budgets, you cannot have any objections to such an appeal, because it would not involve any formalities or any legislative measures.

Therefore the arguments put forward by Mr. Thomas, while they can still be discussed to some extent when a more specific proposal for the reduction of budgets by 10 to 15 per cent is examined, are completely unfounded where a general appeal is concerned. It was no coincidence that, in regard to a general appeal as such, Mr. Thomas did not put forward any arguments against it, because there are no such arguments. He did not advance a single argument against this proposal and confined himself to a sort of general phrase to the effect that appeals would be of little help at the present time. Frankly speaking, he put forward general considerations without any concrete arguments.

Therefore, I think that there are no substantive objections to our second minimum proposal as an initial measure. I do not find that any objections have been made on the substance of this proposal, and all the preceding objections of Mr. Thomas, as I have just tried to show, are not so greatly important as Mr. Thomas made them out to be. In any case, they apply equally to both sides. If we are prepared to take a certain risk, then why do we not do so? That is the question. Of course, both sides may have doubts. It is largely a question of confidence, and there you are right.

(Mr. Zorin, USSR)

But here is a question. The United States and the Soviet Union decided to reduce their military budgets without any reciprocal verification. Why? Because it was a political decision: both countries, both Governments, deemed it possible and politically expedient to take measures for the reduction of their military budgets, even though they were unable to carry out reciprocal verification, and they announced their decisions publicly. If this can be done once, why cannot it be done a second time? There are no arguments against this. It is regrettable that the Government of the United Kingdom did not join the Soviet Union and the United States in taking this step. I have the impression that that is the real reason why Mr. Thomas attacked our proposal so violently.

So I do not find any sufficiently serious arguments against our first proposal and even less against our second, minimum proposal, because you have not put forward any arguments at all against the minimum proposal, since there obviously are not any.

The CHAIRMAN (Ethiopia): Speaking as representative of Ethiopia, I should like to take this opportunity to thank all the representatives who have expressed sympathy for Ambassador Agede and who have addressed kind words of welcome to me.

I should also like to commend our co-Chairmen for their efforts to facilitate our work by presenting us with an agreed agenda for our meetings for the next several weeks, an agenda that has been acceptable to the Committee as a whole. This will considerably help us in our work and in concentrating our discussions.

Speaking as Chairman, I call on the representative of the United Kingdom in exercise of the right of reply.

Mr. THOMAS (United Kingdom): I do not wish to continue this debate today, but I should like to make two brief remarks.

First, I should like to congratulate Mr. Zorin on his debating skill. It is quite clear from what he said that the subject is extremely complicated and merits close and detailed study by experts. That is what I have suggested.

Secondly, it is true that I am going back to London tomorrow, but I am happy to say that I shall be back here for the next meeting.

The Conference decided to issue the following communiqué:

"The Conference of the Eighteen-Nation Committee on Disarmament today held its 193rd plenary meeting in the Palais des Nations, Geneva, under the Chairmanship of H.E. Ambassador Mikael Imru, representative of Ethiopia.

"Statements were made by the representatives of Bulgaria, the United States, Romania, Canada, Italy, the Soviet Union, the United Kingdom, Czechoslovakia and Ethiopia.

"The delegation of the United States of America submitted a working paper on the inspection of a fissionable-material cut-off.^{1/}

"The next meeting of the Conference will be held on Tuesday, 30 June 1964, at 10.30 a.m."

The meeting rose at 1.30 p.m.

^{1/} Circulated as document ENDC/134.