



CONTENTS

| | <i>Page</i> |
|--|-------------|
| Address by Mr. Carlos Castillo Armas, President of the Republic of Guatemala | 271 |
| Agenda item 36: | |
| Financial reports and accounts, and reports of the Board of Auditors: | |
| (a) United Nations, for the financial year ended 31 December 1954; | 273 |
| (b) United Nations Children's Fund, for the financial year ended 31 December 1954; | |
| (c) United Nations Refugee Emergency Fund, for the financial year ended 31 December 1954 | |
| Reports of the Fifth Committee | |
| Agenda item 44: | |
| United Nations Joint Staff Pension Fund: | |
| (a) Annual report of the United Nations Joint Staff Pension Board; | 274 |
| (b) Report of the United Nations Joint Staff Pension Board on the third actuarial valuation of the United Nations Joint Staff Pension Fund as of 30 September 1954; | |
| (c) Amendments to the regulations of the United Nations Joint Staff Pension Fund; | |
| (d) Acceptance by the specialized agencies of the jurisdiction of the United Nations Administrative Tribunal in matters involving applications alleging non-observance of the regulations of the United Nations Joint Staff Pension Fund | |
| Report of the Fifth Committee | |
| Agenda item 24: | |
| Economic development of under-developed countries: | |
| (b) Question of the establishment of an International Finance Corporation | 274 |
| Report of the Second Committee | |

President : Mr. José MAZA (Chile).

Address by Mr. Carlos Castillo Armas, President of the Republic of Guatemala

1. The PRESIDENT (*translated from Spanish*): It is a great honour for me to welcome, on behalf of the General Assembly, His Excellency Mr. Carlos Castillo Armas, President of the Republic of Guatemala, on the occasion of his visit to United Nations Headquarters.
2. Guatemala, a Central American Republic, which owes its clearly defined personality to the vigorous cultural trends, both indigenous and European, that it has successfully assimilated in the course of its history, is one of the founder Members of the United Nations, and has shared in the work of the Organization since the San Francisco Conference.
3. I am sure that I interpret the feelings of this General Assembly when I say that we await with interest the words of the Head of State of the Republic of Guatemala. I invite His Excellency, Mr. Carlos Castillo Armas, to take his place on the rostrum.
4. Mr. Carlos CASTILLO ARMAS (President of the Republic of Guatemala) (*translated from Spanish*):

Mr. President, representatives, it is a privilege for me to visit the Headquarters of the United Nations and to reaffirm before the General Assembly, on this tenth anniversary year of its foundation, our attachment to the principles of the Charter, our faith in what the United Nations is doing to safeguard international peace and security, and our gratitude for the efforts it is making to satisfy the aspirations of the peoples for freedom, justice and well-being. This message of confidence and admiration is the greeting the people of Guatemala and its Government extend to the United Nations.

5. When Guatemala subscribed to the Charter of the United Nations she only followed the purposes and principles of her own people. Guatemala does not spare and will not spare efforts to fulfil the obligations imposed by the Charter.

6. We believe in the necessity and possibility of strengthening international harmony and co-operation. We believe that no effort should be withheld to maintain and preserve them. But we are also convinced that peace, if its stability is to be ensured, must be just. The preservation of peace requires constant vigilance and a firm resolution to defend it wherever it is threatened.

7. The new signs on the international horizon suggest that neither Governments nor States can remain insensible to the awakening of the democratic conscience of the peoples nor to their ardent desire for peace and international security. Accordingly, the international conduct of States must be readjusted to the pressure of the world's political interests, so as to provide a legal frame for the phenomenon of peaceful co-existence.

8. Co-existence does not, however, mean the renunciation of principles, nor appeasement, nor the acceptance of injustice. It merely means a recognition of the fact that, as Mr. Spaak, the Minister of Foreign Affairs of Belgium, so dramatically expressed it at the San Francisco commemorative meeting, the alternative to co-existence is breach of the peace, armed conflict, world conflagration, and, given the means of destruction which man now has at his disposal, the greatest attack on the very existence of civilization and of mankind of which man has ever been able to conceive.

9. Co-existence is an indispensable preliminary step to international harmony, but this realistic judgement must never be understood as recognition of the perpetuation of injustice or of the subjugation of peoples. It implies, therefore, a renunciation of force and subversion, of war and oppression, but this renunciation must not restrict the peoples' sacred right to freedom and their final remedy of rebellion.

10. Guatemala will therefore support all efforts to achieve a sincere and honest understanding among all States, and particularly among the great Powers, so as to promote a peaceful solution of international differences, excluding resort to violence. Guatemala views with the greatest interest and fully endorses the

efforts of the United Nations to achieve disarmament and the control of nuclear weapons; similarly, it supports the international endeavour to ensure that atomic energy is used for peaceful purposes conducive to the development of all activities designed to promote man's well-being.

11. Fear and mistrust among the nations and their respective governments represent a danger to peace. In view of these considerations, the new international atmosphere imposes certain inescapable obligations on all countries.

12. In the first place, a renewed and continuous effort must be made to demonstrate by deeds our unshakable purpose to live at peace with other nations and to respect the domestic sovereignty of others, renouncing any policy of international subversion. Secondly, no manifestation of a change or improvement of policy or attitude in international affairs must be rejected out of prejudice, nor out of hand without careful study and mature consideration, no matter in what quarter the manifestation occurs. Lastly, the same attitude of constant vigilance must at all times be maintained so that we may be able to display our confidence when the deeds and attitudes of others deserve it.

13. I could not let this opportunity pass without making special reference to colonial problems. These have been a constant concern of my country, and on the initiative of Guatemala, the ninth Inter-American Conference adopted a resolution which aims at completing the framework of American independence. Furthermore, the General Assembly has elected Guatemala to a seat in the Trusteeship Council.

14. We are grateful for, and proud of, the distinction you have conferred upon my country. The anti-colonialist sentiments of my people have inspired the Governments of Guatemala traditionally to uphold the principles and ideals in this matter and to defend them vigorously, although in a spirit of understanding, in the international sphere.

15. In carrying out its task, Guatemala will see to it that it shall not be said of the United Nations that its contribution to the solution of these urgent problems was too little or too late.

16. The United Nations and its Members have also undertaken to strive, both within and outside the Organization, to promote the well-being of mankind. The peoples of the world are entitled to expect that their leaders will spare no effort to remove the obstacles to, and to promote, their economic, social, cultural and political development.

17. It would not be appropriate on this occasion to assess the work of the United Nations during the first ten years of its existence. That task was ably and realistically accomplished by the States which took part in the commemorative session at San Francisco and their findings have strengthened the hopes which mankind has placed in the Organization. It may, however, be appropriate to inform you that Guatemala not only shares the ideals and purposes of the United Nations but is determined to give effect to them at the national level. The integrated development of Guatemala is proceeding in close co-ordination with the efforts of the United Nations and its specialized agencies.

18. In the Declaration of Antigua (Guatemala), signed by the Governments of the Central American States in August 1955, we declare that by democracy our peoples understand not merely a system of government, but

also a type of social organization based on human dignity, the equality of all persons before the law, their right to live, the need to ensure their individual and collective welfare and enjoyment of civil and economic, political and cultural freedom, based also on freedom of conscience, thought and the Press, toleration and understanding, representative government lawfully emanating from the people, the responsibility of those in authority, and all the other principles and rights contained in the American Declaration of the Rights and Duties of Man and the Universal Declaration of Human Rights.

19. The social policy of our Government is based on the Philadelphia Declaration, signed in 1944 by the States members of the International Labour Organisation (ILO). The social legislation and Labour Code in force in Guatemala acknowledge these principles and are faithful to international obligations, in particular the ILO conventions on freedom of association and protection of the right to organize.

20. In agricultural policy, we have also turned our eyes to the United Nations and its reports and technical studies on the question are studied with special care by the Guatemalan Government, which is fully alive to the need for land reform free of all political demagoguery and personal opportunism. The Agrarian Statute, provisionally in force, lays down the principle of social justice in its first fundamental clause which declares:

"Every Guatemalan shall be entitled to fully guaranteed private ownership of the land necessary to ensure the economic subsistence of himself and his family. Property created in virtue of this principle shall be considered as a family estate and shall enjoy every protection and assistance."

21. In addition to our programmes of social development and welfare, there is the problem of the economic development of my country, to which the close co-operation between the United Nations and my Government has given a new meaning. For us, economic advancement consists not merely in material expansion, but in an improvement in the general well-being of the population, as evidenced by a steady increase in real *per capita* income and a concomitant diminution of the present great discrepancies in the distribution of the income of the rural and urban populations, so that the majority of the inhabitants may enjoy the benefits of civilization and culture. Accordingly, our economic policy is based on international or national measures to increase production and consumption, avoid serious economic fluctuations, achieve the economic and social advancement of the under-developed areas, and promote stability of prices and international trade, all with a view to turning productive resources to best account.

22. The technical assistance provided by the United Nations and its specialized agencies to assist the economic development of our countries has found concrete expression in programmes, such as the Central American economic integration programme, which are already well under way. The Economic Commission for Latin America (ECLA) has given us valuable help by studying and carrying out plans for the economic integration of the Central American isthmus. I think there could be no better opportunity than the present to express the appreciation of the people and Government of Guatemala to the United Nations and its specialized agencies for the co-operation they have afforded my country, and especially to the United Nations Children's

Fund (UNICEF), on behalf of the children of Guatemala, for the noble task which it performs.

23. My Government has been at special pains to protect and ensure full, free and unrestricted expression of thought, because it regards this as the symbol and safeguard of all freedoms and the decisive characteristic of true democracy. On its behalf, I wish to take advantage of this auspicious occasion to express my confidence that the United Nations, while giving careful consideration to the covenants on human rights, will see its way to concluding the conventions, on which work has already begun to protect and guarantee freedom of information in all countries. A free world needs free thought. The fundamental rights and freedoms of persons and peoples cannot flourish in an atmosphere of persecution and restriction of thought.

24. It is with deep satisfaction that I inform the Assembly that the Central American Republics, namely Costa Rica, El Salvador, Honduras, Nicaragua and Guatemala, animated by the purposes and principles of the United Nations and of the Organization of American States, have established the Organization of Central American States, with the object of preparing the way for a union of these separated units of the ancient Central American Federation, through brotherly co-operation, economic and cultural integration, the removal of the barriers separating them, the strengthening of the ties between them and the development of the latent aspirations for unification of the peoples of the Central American isthmus.

25. In August of this year, the Ministers of Foreign Affairs of the five Central American States met in the city of Antigua, Guatemala and approved, among other important resolutions, the statute of the Secretariat-General of the Organization of Central American States and the structure of its most important working organs; they also elected its first Secretary-General who assumed his functions on 14 October 1955.

26. The Central American Republics are thus giving a practical example of solidarity and international co-operation, reposing on solid foundations and aimed at concrete objectives. The five Republics embodied their aspirations for unification in the Antigua Declaration, to which I have already referred, which restates their common desire to unite their efforts for their common welfare and the re-creation of the Central American fatherland and enunciates the democratic rules under which the five signatory States shall live together.

27. There is one other aspect of our Organization's work to which I must refer, in order to satisfy an unspoken but fervent wish of my fellow countrymen: the matter of human rights and respect therefor. Guatemala believes that, whatever may be the difference in the ideologies or political systems of government or in economic or social structures, the paramount consideration is respect for the integrity and dignity of the human person. Guatemala also believes that, whatever political and social vicissitudes may befall a Government or nation, the human person is supreme and the respect it deserves should be guaranteed internationally as well as at the national level. In our opinion, the strengthening of democratic institutions is one of the most efficient means of ensuring the fullest respect for human rights. In this struggle, all help is welcome and the United Nations has a great responsibility.

28. Before concluding, may I say that I am happy to have had this opportunity of bringing the message of

the Guatemalan people to the free peoples of the world — a message of peace, cordial friendship and fervent wishes that the United Nations, in which all our fondest hopes are placed, may save mankind from disaster and set its feet on the path of peace and progress.

29. Guatemala's doors will always be open to anyone who wishes to visit it and to see for himself the material and spiritual achievements of a people that is endeavouring to live up to the principles of the United Nations.

30. Inasmuch as my visit happens to coincide with the celebration of the tenth anniversary of the United Nations, I am pleased to attest that the balance of ten years' toil is entirely favourable. The road travelled and the successes achieved augur well for the possibility of overcoming defects and failures in the future. During these ten years we have been able to maintain peace, despite the cold war and the various danger spots. We may rest assured that in the ten years to come peace will be consolidated under the sway of justice, for the welfare of mankind.

The meeting was suspended at 3.40 p.m. and resumed at 3.50 p.m.

AGENDA ITEM 36

Financial reports and accounts, and reports of the Board of Auditors:

- (a) United Nations, for the financial year ended 31 December 1954;
- (b) United Nations Children's Fund, for the financial year ended 31 December 1954;
- (c) United Nations Refugee Emergency Fund, for the financial year ended 31 December 1954

REPORTS OF THE FIFTH COMMITTEE (A/3003, A/3004, A/3007)

Mr. Méndez (Philippines), Rapporteur of the Fifth Committee, presented the reports of that Committee, and then spoke as follows:

31. Mr. MENDEZ (Philippines), Rapporteur of the Fifth Committee: For its consideration of the three financial reports upon agenda items 36 (a), 36 (b) and 36 (c) the Fifth Committee has benefited from the observations and comments of the Advisory Committee on Administrative and Budgetary Questions.

32. During its review of these financial reports, the Fifth Committee also recognized the invaluable help and advice which the General Assembly has received as a result of the audits undertaken on its behalf by the Board of Auditors. Accordingly, the Fifth Committee wishes to place on record its high appreciation of the services rendered to the Organization by the Board of Auditors.

Pursuant to rule 68 of the rules of procedure, it was decided not to discuss the reports of the Fifth Committee.

33. The PRESIDENT (*translated from Spanish*): I now put before the Assembly draft resolutions I and II contained in the report of the Fifth Committee [A/3004] on agenda item 36 (a) "United Nations, for the financial year ended 31 December 1954".

Draft resolutions I and II were adopted unanimously.

34. The PRESIDENT (*translated from Spanish*): I now put before the Assembly the draft resolution

contained in the report of the Fifth Committee [A/3003] on agenda item 36 (b) "United Nations Children's Fund, for the financial year ended 31 December 1954". The Fifth Committee unanimously approved the text of this draft resolution.

The draft resolution was adopted unanimously.

35. The PRESIDENT (*translated from Spanish*): I now put to the vote the draft resolution contained in the Fifth Committee's report [A/3007] on agenda item 36 (e) "United Nations Refugee Emergency Fund, for the financial year ended 31 December 1954".

The draft resolution was adopted by 51 votes to none, with 1 abstention.

AGENDA ITEM 44

United Nations Joint Staff Pension Fund:

- (a) Annual report of the United Nations Joint Staff Pension Board;
- (b) Report of the United Nations Joint Staff Pension Board on the third actuarial valuation of the United Nations Joint Staff Pension Fund as of 30 September 1954;
- (c) Amendments to the regulations of the United Nations Joint Staff Pension Fund;
- (d) Acceptance by the specialized agencies of the jurisdiction of the United Nations Administrative Tribunal in matters involving applications regarding non-observance of the regulations of the United Nations Joint Staff Pension Fund

REPORT OF THE FIFTH COMMITTEE (A/3011)

Mr. Méndez (Philippines), Rapporteur of the Fifth Committee, presented the report of that Committee.

Pursuant to rule 68 of the rules of procedure, it was decided not to discuss the report of the Fifth Committee.

36. The PRESIDENT (*translated from Spanish*): I now put before the Assembly draft resolutions I and II contained in the Fifth Committee's report [A/3011] on agenda items 44 (a) and 44 (b).

Draft resolutions I and II were adopted unanimously.

37. The PRESIDENT (*translated from Spanish*): I now put before the Assembly draft resolution III contained in the Fifth Committee's report [A/3011] on agenda item 44 (c). The amendments recommended by the Fifth Committee to the Statutes of the United Nations Joint Staff Pension Fund are to be found in the annex to the draft resolution. The Netherlands representative has asked for a separate vote on the proposed amendment to article XI.

Revised article XI was adopted by 46 votes to 2, with 4 abstentions.

Draft resolution III as a whole was adopted unanimously.

38. The PRESIDENT (*translated from Spanish*): I shall now ask the Assembly to vote on draft resolution IV contained in the Fifth Committee's report [A/3011] on agenda item 44 (d).

Draft resolution IV was adopted unanimously.

AGENDA ITEM 24

Economic development of under-developed countries:

(b) Question of the establishment of an International Finance Corporation

REPORT OF THE SECOND COMMITTEE (A/3009)

Mr. Stanovnik (Yugoslavia), Rapporteur of the Second Committee, presented his Committee's report, and then spoke as follows:

39. Mr. STANOVNIK (Yugoslavia) Rapporteur of the Second Committee: The draft resolution of the Second Committee concerning the question of the establishment of an International Finance Corporation brings to an end the efforts that this Organization has been exerting in this respect for the last four years. It is known that the idea of establishing the International Finance Corporation as an affiliation of the International Bank was first embodied in the report entitled *Measures for the Economic Development of Under-Developed Countries* [E/1986],¹ after which the Economic and Social Council, by its resolution 368 (XIII), requested the International Bank to work out a detailed plan for this project. The General Assembly has followed the evolution of this project with keen interest during four subsequent years. At the request of the Economic and Social Council and of the General Assembly, the International Bank has been submitting progress reports on this project during all these years. This has finally led to the draft Articles of Agreement which have been accepted by twenty countries so far, while an even greater number of countries has expressed readiness to adhere to the new institution.

40. The Second Committee took note of these developments and held a general debate in which twenty-two representatives participated. The large majority welcomed the setting up of the new institution and stressed particularly that at the present time the corporation should not be viewed as a rigid institution but more as an experimental one which would adapt itself to the circumstances should the need arise. In the course of the debate, certain representatives made observations regarding the Articles of Agreement. They were aware of the fact that the General Assembly was no longer in a position to alter them in any way at the present moment.

41. By a large majority and without a single negative vote the Committee adopted the draft resolution which it now submits to the General Assembly.

Pursuant to rule 68 of the rules of procedure, it was decided not to discuss the report of the Second Committee.

42. The PRESIDENT (*translated from Spanish*): I shall put to the vote the draft resolution contained in the report of the Second Committee [A/3009] on agenda item 24 (b).

The draft resolution was adopted by 52 votes to none, with 5 abstentions.

The meeting rose at 4.25 p.m.

¹ United Nations Publication, Sales No.: 1951.II.B.2.