



Tuesday, 20 March 1951, at 10 a.m.

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**President: Mr. Hernán SANTA CRUZ (Chile).**

**Present:** The representatives of the following countries:

Belgium, Canada, Chile, China, Czechoslovakia, France, India, Iran, Mexico, Pakistan, Peru, Phillipines, Poland, Sweden, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay.

The representatives of the following specialized agencies:

International Labour Organisation, United Nations Educational, Scientific and Cultural Organization, World Health Organization.

**Development of a twenty-year programme for achieving peace through the United Nations (A/1304, E/1881, E/1900, and E/L.168/Rev.1) (*continued*)**

[Agenda item 23]

1. Mr. CHERNYSHEV (Union of Soviet Socialist Republics) recalled that the USSR delegation had already had occasion to explain its attitude towards the Secretary-General's memorandum (A/1304) at the fifth session of the General Assembly.<sup>1</sup>

2. The provisions of the memorandum did not seem to be in accordance with the aims in view, but on the contrary reflected the interests of the ruling circles in the United States. It was therefore necessary that they should be amended so as to bring them into accordance with the principles of the Charter.

3. It was necessary to revise the provisions of the memorandum relating to economic and social matters, and to frustrate any attempt by certain countries, particularly the United States, to use the prestige of the United Nations for projects calculated to further their own economic expansion.

4. He examined the various points in the Secretary-General's memorandum relating to economic and social matters and considered in particular that the document

attached excessive importance to President Truman's support of the Technical Assistance Programme. It seemed indeed as if the Secretary-General wanted to make the United Nations Technical Assistance Programme dependent on the programme of American expansion under "Point Four". He recalled that, as his delegation had often pointed out already, the principal purpose of the United States programme of assistance to the under-developed countries was to keep those countries in a state of close political and economic dependence on the industrial countries, particularly the United States. To prevent exploitation of the United Nations programme of technical assistance for the benefit of the United States, it was indispensable that such assistance should be granted, not mainly, as suggested in the Secretary-General's memorandum, but exclusively, through the organs of the United Nations. Only thus would there be some assurance that the programme would help to strengthen the economic independence of the under-developed countries.

5. The Secretary-General's memorandum made no mention of the discrimination against the USSR in the matter of foreign trade exercised by the United States and other States. Such discrimination was contrary to the Charter and hindered international co-operation. The abolition of such discrimination would be an important factor to improve international economic co-operation and the strengthening of peace and security. The *World Economic Report 1949-50* showed the disastrous effects for Western Europe of the decline in East-West trade, but it did not say that the decline resulted from the policy of discrimination applied by the United States and other countries.

6. The charter of the International Trade Organization adopted at Havana also contained a number of unacceptable articles providing for measures of discrimination in foreign trade, or encouraging the influx of foreign capital and requesting equality of treatment for it. In its present form, the Havana charter was contrary to the vital economic interests of a large number of States, and therefore could not be accepted. He recalled, however, that at the fifth session of the General Assembly, Mr. Vyshinsky, the head of the USSR

<sup>1</sup> See *Official Records of the General Assembly, Fifth Session, Plenary meetings*, 309th meeting.

delegation, had stated that if that charter were to be amended the USSR would be prepared to accept it and to join the International Trade Organization.

7. He referred to the Secretary-General's appeal to the various States Members, and particularly to the USSR, to make a more active contribution to the work of the specialized agencies. The specialized agencies were dominated by the United States and the United Kingdom, and their activities were often contrary to the principles of the Charter. Thus, the agreements between the United Nations, the International Bank for Reconstruction and Development and the International Monetary Fund violated the provisions of Article 58 of the Charter whereby the United Nations was authorized to make recommendations on the work of the specialized agencies. Furthermore, the Bank and the Fund adapted their credit policy to the policy of the United States and were discriminating against the countries of Eastern Europe. They were also intervening in the domestic affairs of the Member States in a manner contrary to the Charter. Lastly, under the influence of the United States, the International Monetary Fund had exerted pressure on the participating States to induce them to devalue their currencies, a step which had consolidated the primacy of the dollar and enabled the United States to obtain strategic raw materials at lower prices. On the other hand, devaluation had aggravated the situation of the workers in the countries that had suffered devaluation.

8. For all those reasons, his Government refused to assist the specialized agencies in pursuing their policy, which was dictated by the United States monopolies, and aimed rather at encouraging war than at strengthening international peace and security.

9. Similar criticisms might be levelled against the International Labour Organisation, which was also dominated by the United States and the United Kingdom, and whose work was in no way in accordance with the interests of the workers. At a time when an armaments race was in progress, a race that had been started by ruling circles in the United States and the United Kingdom and was having a harmful effect on the situation of the workers, the ILO had done nothing to oppose that policy. Nor had it done anything to provide a satisfactory solution for the important problems, such as that of trade union rights, raised by the World Federation of Trade Unions and referred to it by a majority decision of the Economic and Social Council (376th meeting). It was important therefore to bring the work of the specialized agencies into harmony with the Charter.

10. Considering the development of the work of the United Nations to secure universal and effective respect for human rights and fundamental freedoms, he affirmed that both the Universal Declaration of Human Rights and the draft Covenant on Human Rights had serious defects. The Declaration did not mention the measures that should be adopted to guarantee the rights proclaimed, while the draft covenant failed to mention such extremely important rights as the right to education, work and social security. Unless those defects were rectified, neither the Declaration nor the draft

covenant could serve as the basis of a programme for achieving peace through the United Nations.

11. Mr. OVERTON (United Kingdom) supported the observations made by the French representative in presenting the joint French and United Kingdom draft resolution (E/L.168/Rev. 1). He also welcomed with satisfaction the remarks of the representatives of Chile and Peru on the subject of the draft resolution, and expressed gratification that the proposed text seemed to have won the approval of most members of the Council.

12. Mr. KOTSCHNIG (United States of America) said he would like to point out, and correct, a number of contradictions in various statements that had been made. He stressed the point that the Technical Assistance Programme was one of the most constructive undertakings of the United Nations and was a real contribution in the struggle to maintain democracy and peace. He recognized that the United Nations should attempt as far as possible to retain the leading role in executing that programme. The United States had been criticized on the ground that in addition to its substantial contribution to the United Nations Technical Assistance Programme, it was making further funds available for bilateral programmes. He felt sure, that if the United States channelled all its technical assistance contributions through the United Nations, the United States would be accused by the USSR of dominating the programme, since, in that case, 80 to 90 per cent of all the technical assistance funds of the United Nations would be contributed by the United States. It might be added that the USSR and its satellites had confined themselves to barren criticism and had not contributed a cent to the Expanded Programme of Technical Assistance.

13. The USSR representative had said that the Havana charter was harmful to international trade and constituted an instrument of American imperialism. He seemed to forget that the charter was not in force, and that the United States had not ratified it. He was very much interested in Mr. Vyshinsky's statement that the USSR would be prepared to adhere to the charter if it were amended. The record of USSR non-participation in the specialized agencies lent little weight to such a statement.

14. With regard to the Bank he recalled that the statements made by the Director of that specialized agency had clearly shown that it enjoyed a large measure of independence.

15. In brief, the United States was accused of imperialism when it bought the produce of any country or lent it economic assistance, and the same accusation was levelled against it when it did not. Such contradictions showed the weakness of the USSR's position.

16. He still dared to hope that the time might come when the USSR and the so-called People's Democracies would decide to take part in the work of the specialized agencies, for those agencies provided the most effective means of ensuring economic and social progress in the world at large.

17. While not approving of everything in the Secretary-General's memorandum (E/1900), the United

States delegation considered that the document contained some very useful suggestions. He would be happy to vote for the French and United Kingdom joint draft resolution, and hoped that the subsidiary organs of the Council together with the specialized agencies would take appropriate action on the recommendations in the economic and social fields of the Secretary-General for the development of a twenty-year programme for achieving peace, for in that way living conditions throughout the world might be improved.

18. Mr. KUNOSI (Czechoslovakia) said that the draft resolution on the twenty-year programme for achieving peace through the United Nations was the latest of a number of similar resolutions that had been put to the vote at the fifth session of the General Assembly on the initiative of the United States and certain other countries signatories of the North Atlantic Treaty. The Czechoslovak delegation had already shown that those drafts, far from contributing to the effort of maintaining peace, were inspired by the desire of the Anglo-American bloc to transform the United Nations into an instrument of its imperialist policy.

19. Mr. Siroky, the Minister of Foreign Affairs of Czechoslovakia, had said in the General Assembly that such projects served the interests of the United States, were contrary to the interests of the populations of the dependent territories, were calculated to justify the colonial Powers' present policy of intervention in the domestic affairs of other countries, sanctioned war-like policies by omitting to provide effective measures prohibiting the use of atomic weapons, left open the possibility of adopting measures which still further weakened the Security Council's authority and violated the fundamental principles of the Charter.

20. At the fifth session of the General Assembly, the Czechoslovak delegation had supported the USSR's proposals and had proved that they contained the most effective measures for the maintenance of peace. It had insisted particularly on the need for prohibiting atomic weapons and weapons of mass destruction, pointing out that, without proper representation of the People's Republic of China, any discussion of plans for the maintenance of peace would be of no more than theoretical value. The Czechoslovak delegation had shown that the USSR proposals evinced a sincere desire to ensure the maintenance of peace and constituted a solid basis for peaceful relations between the nations.

21. The passages of the Secretary-General's memorandum relating to the social aspects of the programme contained nothing really new which might help to preserve peace. The Czechoslovak delegation had already stated in the Council that technical assistance should serve the true interests of the under-developed countries, avoiding all exploitation. It had also deplored the fact that the specialized agencies were used in the interests of certain imperialist Powers. It had always pressed for a much more specific formulation of human rights.

22. The study of the points in the Secretary-General's memorandum specially brought to the Council's attention showed that the measures provided for were calculated to favour the policy of the United States. At

the fifth session of the Assembly, the Czechoslovak delegation had opposed the Secretary-General's memorandum as a whole, describing the reasons for which it had considered that the adoption of the programme envisaged would have been neither desirable nor useful. The points submitted for the Economic and Social Council's consideration could not be regarded as offering a tangible contribution to the maintenance of international peace and security.

23. Mr. CABADA (Peru) supported the joint draft resolution submitted by France and the United Kingdom (E/L.168/Rev.1) which incorporated the amendment proposed by the delegation of Belgium (476th meeting). He thought, however, that the sponsors of the draft had not referred specifically enough to the part of the programme dealing with the development of the under-developed countries. He therefore proposed that the third paragraph of the preamble should be modified by the insertion of the following phrase after the words "friendly relations between nations"; "thus favouring the maximum development and prosperity of those countries by means of international co-operation for the purpose of maintaining universal peace".

24. Mr. OVERTON (United Kingdom) said he was glad the representative of Peru had stressed the importance of the part played by economic development and social progress in the maintenance of world peace. He entirely agreed with the Peruvian representative, but thought the idea of the proposed amendment was implicit in the draft resolution's original text. He therefore thought the insertion of the Peruvian representative's amendment unnecessary, but considered that it might usefully be mentioned in the summary record.

25. Mr. CABADA (Peru) accepted the United Kingdom representative's suggestion.

26. Mr. CHANG (China) stated that his delegation would vote in favour of the joint draft resolution. He pointed out, however, that the wording of the second operative paragraph should be changed slightly so as to make the meaning clearer.

27. Mr. REYES (Philippines) stated that he would support the joint draft resolution. His delegation had already expressed its agreement with the basic elements comprising the Secretary-General's proposal, even before it had been formally submitted to the General Assembly. The Philippine delegation did not share the fears which had been expressed in regard to the proposed programme and was convinced that that programme was quite in accord with the purposes and principles of the United Nations Charter. It hoped that it would be carried out as rapidly and fully as the Organization's resources permitted.

28. Mr. ARROYO TORRES (Uruguay) wished to state, after some of the remarks which had been made in the Council, that Uruguay, as an under-developed country, willingly accepted the supervision of the Council, though continuing to control its own destiny. Uruguay well knew the meaning of economic imperialism. Considerable foreign capital, especially British, had been invested in Uruguay, but that country's people and government had always remained free and

realized the essential part played by those investments in the development of the Uruguayan economy.

29. In the course of the discussion some speakers had tried to show that the Bank was dominated by the United States and had for the most part served the interests of that country. He thought that the Bank's operations, on the contrary, had proved that it enjoyed wide freedom of action. When the Uruguayan Government had made a request for the services of that organ, its Managing Director had expressly stated that it would be preferable to utilize the resources made available to Uruguay for making purchases in Europe rather than in the United States. That fact proved the inaccuracy of the assertions certain representatives had made. The Uruguayan Government had had frequent occasion to verify the sincerity of the specialized agencies as well as their firm desire to contribute to the improvement of man's estate.

30. Mr. KATZ-SUCHY (Poland) said that, in a world over which the threat of war was hovering, the thought of twenty years of peace aroused hopes of a permanent peace, for during those twenty years countries might learn to co-operate and settle their differences by peaceful means. The success of such a programme, however, was dependent upon the possibility of applying it in practice while protecting the interests of all nations without any discrimination inspired by selfish motives. Such a programme must not be reduced to a simple formula designed to soothe public opinion. The Polish delegation contemplated a twenty-year peace programme with sincerity and goodwill. Nevertheless it was clear that the proposals before the Council contained some defects and were one-sided. The initial error distorted even those parts of the Secretary-General's memorandum that were acceptable. Without any doubt the deterioration of relations among the great Powers, members of the Security Council, constituted a danger to the Organization, which should do all in its power to reduce the causes of conflict. While the forces of aggression were reappearing and while concrete preparations for a new war could be seen, it would not do to speak in vague terms of dangers threatening the peace or to refrain from denouncing the guilty. The Secretary-General's memorandum showed the necessity for initiating negotiations and stressed, quite rightly, that those negotiations could not start until the problem of Chinese representation had been resolved; the memorandum, however, neglected to specify that the problem could be solved only by excluding the representative of the Kuomintang and admitting a representative of the People's Republic of China.

31. Mr. CHANG (China), on a point of order, explained that it was completely false to identify his government with the Kuomintang group. Such an allusion was in contempt of the decision taken by a majority of Council members. He requested that the expression should be deleted from official records each time it appeared; otherwise, he reserved the right to raise a point of order each time the expression was used by a representative.

32. The PRESIDENT replied to the Chinese representative that it was not possible to delete the expression in question from the official records. He could only urge the different delegations to observe a proper respect for each other.

33. In reply to a question by Mr. KOTSCHNIG (United States of America), the PRESIDENT stated that the discussion in the Council should deal only with points 6, 7 and 8 of the Secretary-General's memorandum. However, because of the nature of the question under examination, it was very difficult to speak of one aspect of the question without referring to the whole.

34. Mr. CHERNYSHEV (Union of Soviet Socialist Republics) asked the President to take care that certain persons who represented only themselves did not needlessly interrupt the discussions in the Council, thus delaying its work.

35. Mr. CHANG (China) vigorously protested against the allusion just made by the USSR representative and deeply regretted such a lack of respect for the members of the Council as a whole.

36. Mr. KATZ-SUCHY (Poland) asked the President if he might continue his statement in the hope that he would not be further interrupted by a private individual who represented only himself and who sat in the Council thanks only to United States influence.

37. The PRESIDENT called the Polish representative to order for the terms he had just used and permitted him to continue his statement.

38. Mr. KATZ-SUCHY (Poland) emphasized that the one-sided character of the Secretary-General's memorandum was proved by its proposal that an attempt should be made to achieve agreement among the great Powers on the question of limiting recourse to the unanimity rule in the Security Council. Such a proposal was contrary to one of the basic principles of the Charter. The Organization was based on the premise that the great Powers bore, *de jure* and *de facto*, the chief responsibility for the maintenance of peace and security. The purpose of the unanimity rule was to assure their collaboration and prevent the formation of hostile blocs. It was the obstruction of the United States, and not the unanimity rule, which had prevented the Security Council from carrying out its required task. Efforts to make an instrument of war out of an Organization conceived for peace were the cause of the failure of all the United Nations organs, including the Economic and Social Council. The policy of force, repression, threats and of the war of nerves, which was the United States policy, had prevented the consolidation of peace in the post-war period.

39. The tone of the Secretary-General's memorandum seemed to indicate that the authors of that document were isolated from the great popular movements of the whole world by American propaganda which was endeavouring by terror, intrigue, lies and slanders to destroy the unity achieved by half of humanity, which had expressed itself in the resolutions of the Warsaw Congress, and through the creation of the World Peace Council in support of outlawing war and



prohibiting the use of the atomic bomb. The memorandum neglected to point out the great historic role played by the Soviet Union in the maintenance of peace, both inside and outside of the United Nations. The USSR had called for a reduction of armaments and prohibition of atomic weapons; it had stressed the dangers of a policy of war, had proposed the conclusion of a treaty among the great Powers with a view to strengthening the Organization and it had unceasingly combatted the tendency to transform the latter into an agency of the State Department.

40. A programme designed to ensure peace through United Nations action was doomed to failure if it rested upon a violation of the basic principles of the Charter and of international law. The continual threats of American generals, politicians and statesmen required that any programme of that sort should provide above all for prohibition of the atomic weapon, since to control that weapon without first outlawing it could only serve the interests of those who wanted to acquire a monopoly over it and put the world at their mercy by threatening to make use of it.

41. The Secretary-General's memorandum also mentioned the need for a vast programme of technical assistance. He recalled the interest taken by his delegation in that aspect of the question, as well as the active part it had played, together with the Soviet Union, the other People's Democracies and certain under-developed countries, in establishing the principles which had given a practical value to the Technical Assistance Programme and had prevented its use for purposes of economic expansion. Some countries were still under-developed because other countries placed obstacles in the way of their industry, their economy in general and their culture. Technical assistance must not be a means of economic subjugation. The Secretary-General's memorandum neglected to specify that any programme of assistance should encourage the development of resources, industry and agriculture in the under-developed countries and further their economic and political independence.

42. The Secretary-General's memorandum raised the problem of widening the composition and the role of the specialized agencies, but did not speak of the crisis confronting them. The specialized agencies, which should depend exclusively upon the Organization, were becoming one after another instruments of the United States Government which made use of them for purposes contrary to the United Nations. That situation explained why Poland had had to withdraw from a number of specialized agencies.

43. The memorandum also mentioned the harmful consequences of economic discrimination but did not specify who was responsible for that discrimination. The policy of the United States in that sphere was only one aspect of its efforts to block the development of the People's Democracies which, thanks to the socialist régimes they had adopted and the considerable aid they received from the Soviet Union, had become strong enough to be unaffected by fluctuation of the United States economy and to discrimination measures applied by that country.

44. While it approved the idea of developing international trade, the Polish delegation had emphasized that it should be based on an equality of rights, respect for common interests and the sovereignty of all the States concerned, as well as on recognition of the need for development. Commercial relations should not serve as a pretext for interference on the part of politically and militarily strong countries in the domestic affairs of other countries. International trade established on a healthy basis would help the United Nations to attain those objectives in the economic, social and cultural fields, and would permit populations now bearing the burden of armament to improve their living conditions and the level of their education, thus ensuring a brighter future.

45. With respect to the next point of the memorandum, concerning human rights, he wished to point out that his delegation continued to believe that the duty of the Organization was to see that human rights were not violated in any manner whatever, above all in the capitalist countries and the colonies they administered. The struggle for the respect of those rights had become a concrete reality and should be carried on with the support of the United Nations. The defence of peace and the struggle against warmongers were an integral part of the campaign to protect human rights.

46. The purpose of the United Nations was to guarantee peace to humanity and to create a peaceable environment conducive to economic co-operation, development and stability. Unhappily the danger of war and the increasingly active preparations of the United States for an aggressive war had caused the peoples of the world themselves to assume responsibility for the maintenance of peace. That consciousness had found expression in the great Peace Congress which Poland had been proud and honoured to receive on its soil.

47. The Economic and Social Council could play an important part in the maintenance of peace which appeared, moreover, to be one of its basic duties. Indeed, the maintenance of peace was the primary requisite for the success of the Council's work in the economic and social fields. Peace would create an environment favourable to co-operation among nations, which would help to solve many difficulties and enable countries in need of development to make rapid progress.

48. Mr. OVERTON (United Kingdom) agreed that the English text of paragraph 2 of the operative part of the draft resolution should be made clearer as the Chinese representative had suggested. He proposed the wording "...with a view to their studying it...".

49. Mr. CHANG (China) accepted the proposal of the United Kingdom representative.

50. The PRESIDENT announced that the discussion was closed and put the draft resolution of France and the United Kingdom (E/L.168/Rev. 1), thus amended, to the vote.

*The joint draft resolution was adopted by 15 votes to 3.*

**World economic situation (*continued*): report of the Economic Committee (E/1957, E/L.156, and E/L.171)**

[Agenda item 3]

51. The PRESIDENT invited the Council to examine the report of the Economic Committee on the world economic situation (E/1957). The report contained two draft resolutions—A and B. Draft resolution A contained amendments submitted by the USSR (E/L.171). The Council had also before it a draft resolution submitted by Poland (E/L.156).

52. Sir Ramaswami MUDALIAR (India), speaking as Chairman of the Economic Committee, submitted the report. He explained that the Committee had had before it several draft resolutions which had been merged into a single resolution consisting of two parts: the first contained recommendations arising out of the present world economic situation, while the other dealt with the further consideration of the world economic situation by the Economic and Social Council at its thirteenth session.

53. He wished to point out in connexion with the report of the Economic Committee that the amendments submitted by the USSR delegation were not new. They had been examined by the Committee and rejected.

54. Speaking as representative of India, he wished to explain one or two points in connexion with the remarks he had made about Africa during the general debate on item 3. He had been mistaken in saying that an outstanding Belgian had stated in Boston that cannibalism was still practised in the Belgian Congo. He regretted that misunderstanding and wished to apologize to the Belgian delegation. However, the mistake in no way affected his argument on the subject of the dark continent.

55. Mr. FREI (Chile) said that his delegation had voted in favour of draft resolution A in the Economic Committee and would do so in the Council. That resolution contained the main points which should be borne in mind by both under-developed and industrialized countries. Examination of the various paragraphs of the preamble showed that complete agreement prevailed as to the aims to be achieved and the methods to be used.

56. Paragraph (a) of the preamble set out the permanent objectives of international economic and social co-operation among the United Nations. Paragraph (c) listed the characteristics of the present economic structures of under-developed countries. It was an accurate description of the present economic conditions in Chile and other Latin American countries. Paragraph (d) showed how the adverse factors listed in paragraph (c) were being aggravated by such factors as inflationary pressures, shortages, etc. Paragraph (g) was also important and the Chilean delegation had voted in its favour though it did not approve of the expression "difficulties may arise". The difficulties mentioned were not just possibilities; they were certainties.

57. With regard to the operative part, it was important to bear in mind the statement of the United

States, which had undertaken to co-operate actively in the economic development of under-developed countries. In the light of that statement, the two first recommendations of the operative part assumed special importance.

58. The Spanish translation of the recommendation made in paragraph 4 did not correspond to the English and French texts, which were far more categorical. The Spanish text should be altered accordingly.

59. The Economic Commission for Latin America could render effective assistance in the examination of the problems mentioned, as it had always done so far.

60. The PRESIDENT said that the Spanish text of paragraph 4 of draft resolution A would be revised by the Secretariat and brought into line with the English and French texts.

61. Mr. BORATYNSKI (Poland) submitted his delegation's draft resolution (E/L.156) on one of the aspects of the world economic situation, namely the problem of the lowering of the workers' standard of living as a result of the war economy pursued in capitalist countries. The resolution was based on the proposal submitted by the World Federation of Trade Unions which, at the end of 1950, had drawn the attention of the Economic and Social Council to the question of the workers' standard of living and had submitted a detailed memorandum (E/C.2/281 and E/C.2/281/Add.1). Unfortunately the WFTU's proposal to examine that question as a separate item on the agenda of the twelfth session had not been accepted by the majority, which had considered that the problem of the lowering of the workers' standard of living should be studied together with the world economic situation. In spite of the assurances given, the Council had not examined the effect of a war economy on the living conditions of the masses of the people and had not sought to take measures to check the disastrous effects of the armaments race. The latter had been described as necessary and inevitable. The majority of the Council had adopted the theory of the United States of the inevitability of war preparations. In studying the question certain delegations, in particular that of the United States, had shown the utmost cynicism and seemed to have disregarded the tragic consequences of the present preparations for war.

62. The WFTU should be congratulated for preparing an excellent memorandum which proved incontrovertibly that a war economy and expenditure on armaments entailed a considerable lowering of the workers' standard of living and conflicted with achievement of the purposes enunciated in the United Nations Charter in the economic and social fields. The armaments race led to an increase in taxation, a decline in the production of consumer goods, a rise in prices, and inflation. The workers were the worst sufferers from the rise in prices and the reduction in the budgetary allocations for social welfare, the more so as they were usually accompanied by a wage freeze. He quoted figures from the United Nations *Monthly Bulletin of Statistics* to prove that the standard of living of the workers was rapidly declining. They showed that since June 1950 prices had gone up in thirty-one countries from 7 to 28 per cent. In the case of the United States and the

United Kingdom the increases between June 1950 and January 1951 had been respectively 15 and 17 per cent.

63. Prices had risen in Europe, in particular, and that was thoroughly understandable if account were taken of the fact that States signatories of the North Atlantic Treaty had to finance armaments and war preparations. The increase in prices had been followed by a rise in the cost-of-living indices.

64. The delegations of the USSR and the People's Democracies had drawn the Council's attention to the above-mentioned facts; they had pointed out that the current war preparations not only lowered the already very low standard of living of workers but set up practically insuperable obstacles to the progress of national economies. Consequently, the Polish draft resolution recommended that governments should reduce by 30 to 50 per cent in 1951 and 1952 their budgetary allocations for armaments. The Polish delegation felt that if it was sincerely concerned with economic and social development in the world, the Council ought to recommend to governments to take concrete measures for avoiding the tragic consequences of enormous expenditures on armaments. That recommendation would be in full conformity with the provisions of the Charter and the principle of international co-operation. He called attention particularly to Articles 55 and 56 of the Charter.

65. The Polish delegation wished to point out that the United States and the countries which had adopted the same foreign policy were seeking, on procedural grounds, to avoid discussion of the question which had been raised. It could be stated that there were no procedural obstacles. The budget of a State was one of the most important elements in the national economy; hence, if the Council was to formulate recommendations relative to the national economy, it clearly had the right and even the duty to recommend certain changes in budgetary expenditures. It could not be alleged that the Council's recommendations should not apply to armaments budgets.

66. The Polish draft resolution further recommended that governments make use of the resources so released for the concrete implementation of a plan for full employment with a view to raising the living standard of workers. He enumerated the principal branches of activity which would benefit by credits made available by a reduction of armaments: they formed the subject of operative paragraph 3 of the draft resolution (E/L.156).

67. Adoption of the Polish draft resolution would involve no procedural difficulty; it was conceivable, nevertheless, that some delegations would meet with obstacles arising from the light in which their governments saw the means of overcoming current difficulties. The Polish delegation had already had occasion to speak of the benefits accruing to big business and the monopolies as a result of preparations for war. Accordingly, it proposed that the Secretariat and the competent non-governmental organizations should be requested to submit annual reports to the Economic and Social Council, dealing in particular with the profits accrued

through war economy. His delegation also proposed that studies should be made of the distribution of national income and the development of the standard of living of industrial and agricultural workers; it believed, in fact, that only such studies would make it possible to adopt the necessary measures for ensuring international co-operation in the economic and social fields, provided for in Article 55 of the Charter.

68. In order to ensure implementation of the measures recommended, the Polish draft resolution proposed the setting up of a committee to supervise the allocation of finances obtained through the reduction of war budgets; that committee would proceed on the basis of reports submitted by governments and trade union organizations.

69. His delegation wished to point out that the history of the past months showed that the majority was endeavouring to transform the United Nations into an instrument of war dominated by one of the Member States. That was why the United Nations was going through a serious crisis. The purpose of the Polish draft resolution was to reverse that tendency; it was in accord with the peaceful aspirations of the peoples of the world and with the basic principles of the Charter; hence the Polish delegation had a strong hope that its draft resolution would be adopted by the Council.

70. Mr. LAMA (Peru) stated that his delegation would support draft resolution A submitted by the Economic Committee, since it was in accord with the draft submitted by Chile, Mexico, Peru and Uruguay, according to which the current trend of world economy was calculated to place numerous obstacles in the way of the economic and social development of under-developed countries.

71. The proposal of the four Latin-American delegations had been amalgamated with proposals by industrialized countries, in particular the United States, so that the draft resolution presented to the Council was perfectly balanced, in that it took into account the points of view of countries with different economic structures. In particular, it gave equitable treatment to the prices of both raw materials and of manufactured goods.

72. The Peruvian delegation was convinced that the Council would adopt the two draft resolutions submitted by the Economic Committee and thus contribute to the improvement of the world economic situation.

73. Mr. GARCIA (Philippines) said his delegation would vote in favour of draft resolution A submitted by the Economic Committee and draft resolution B of which the Philippines was one of the sponsors. It would, however, vote against the Polish draft resolution and the USSR amendments to draft resolution A, which had been examined and rejected in the Economic Committee.

74. He then set forth his government's views on the effects of the present world situation on the economic development of the Philippines and on the prospects for world economic progress. The Philippine Government considered that the armaments race had led to new inflationary pressures which threatened both the economic stability of industrial countries and the little that had been achieved by under-developed countries

since the Second World War. As under-developed countries were very susceptible to international trade fluctuations, they were far more easily affected by inflationary pressures than other countries. Inflation might have very serious consequences for the Philippines in view of that country's geographical situation, its relations with the United States, the obligations it had assumed under the Charter and the fact that it imported most of the consumer goods it needed and exported a few special raw materials.

75. The Philippines had not yet completely recovered from the results of the inflation caused by the Japanese occupation and the liberation. With the present world situation, conditions were not improving. The government was very carefully considering the measures it should take to control the pressures caused by the conflict in Korea and the re-armament of the countries which had signed the North Atlantic Treaty.

76. The increase in the prices of raw materials imported by the Philippines meant a higher income for about one-third of the population. The increase in military expenditure and the contributions made to relief and rehabilitation programmes were instrumental in maintaining incomes at a high level. The events in Korea and the reverses suffered by France in Indo-China had given fresh courage to the Philippine rebels. The government had had to take energetic steps to maintain peace and order inside the country. At the same time the rapid growth of the population had raised the need for essential public services and had brought out the importance of the programmes for diversifying domestic production. Another factor which tended to keep revenue at a high level was the rise in private investments in local productive activities.

77. In anticipation of the shortages which might develop as a result of the curtailment of civilian production in the United States and other industrial countries, the Philippine Government had adopted certain measures to reduce imports and exchange controls and to implement a stock-piling programme. Those efforts however, were now meeting with difficulties due to the impossibility of obtaining certain goods abroad and to price increases. Furthermore, foreign trade was handicapped by higher freight rates.

78. The increase in the cost of living and production costs could only lead to a decrease in the production of raw materials, some of which were essential for the defence of democracy. It could also increase the cost of implementing the economic development programme and make it most difficult for the government to maintain peace and order.

79. International action should help to maintain producing countries in a condition in which they could keep their production at a sufficiently high level and obtain the necessary materials and equipment to that end. Those conditions were as indispensable to the society of nations as the industrial countries, and the latter should take into account, in their civilian production, not only the needs of their own population but also of the populations producing raw materials. That was essential if all those struggling for freedom were

to feel that the sacrifices they were making were shared equally by all.

80. Mr. BURINSKY (Union of Soviet Socialist Republics) said that the draft resolution adopted by the Economic Committee seemed inadequate since it did not specify that the deterioration in the economic situation was caused by the armaments race which was holding up the development of under-developed countries. Nor did the draft contain provisions designed to put an end to the capitalist monopolies' control of the markets for the principal raw materials. As his delegation had already pointed out, a committee had been set up in Washington to supervise the production and distribution of raw materials, on which only representatives of capitalist Powers had been invited to sit, contrary to the principles of the Charter. It was to make good those deficiencies that the USSR delegation had submitted the amendments contained in document E/L.171.

81. He was surprised that the representative of the Philippines had considered those amendments unacceptable. They were designed to further the interests of all countries and more particularly of the under-developed countries. The Philippine representative could therefore have accepted them if he had genuinely been interested in the welfare of his people.

82. He said that by accepting those amendments the Council would show that it intended to support peace and economic development. He also approved of draft resolution B which had already been supported by his delegation in the Economic Committee. As for draft resolution A, his delegation had been obliged to abstain from voting on it in the Economic Committee, in view of the rejection of the USSR amendments. He hoped that the Council would reverse that decision of the Economic Committee so that his delegation would be able to vote in favour of draft resolution A.

83. With regard to the draft resolution submitted by the Polish delegation, he noted that it dealt with a question of vital importance and that its provisions, which were designed to defend the interests of millions of workers, were in full accordance with the Charter. The armaments race launched by the ruling circles of the United States and other capitalist countries increased the burden placed upon the workers while the profits made by capitalist monopolies were constantly increasing. The introduction of a war economy and the increases in military expenditure were in flagrant contradiction with the aims of the United Nations, which provided for higher standards of living and economic and social progress. The constructive provisions of the Polish draft resolution were therefore of special importance. The recommendation to reduce armaments costs by from 30 to 50 per cent, in 1951-1952, was a concrete proposal which would promote peace and security and the interests of all peoples of the world.

84. He emphasized that for many years past the USSR delegation had constantly urged the need for a reduction in armaments. As early as 1946, for example, during the second part of the first session of the General Assembly the Soviet Union had proposed a general



reduction of armaments. The Anglo-American majority in the Security Council had rejected the proposal introduced by the USSR on 21 May 1947 for a concrete working plan for the Commission for Conventional Armaments, thereby showing that it did not intend to implement General Assembly resolution 41 (I) of 14 December 1946 on the general regulation and reduction of armaments.

85. During the third session of the General Assembly, in 1948, the USSR delegation had submitted a proposal for the reduction by one-third of the armaments and armed forces of the permanent members of the Security Council.<sup>2</sup> That proposal had been rejected by the Anglo-American majority. At the Assembly's fourth session, in 1949, the USSR had proposed<sup>3</sup> the conclusion of a peace pact between the permanent members of the Security Council. That proposal had met with the same fate.

86. The proposals made by the USSR in the Atomic Energy Commission on 19 June 1946<sup>4</sup> and 11 June 1947<sup>5</sup> on the conclusion of a convention for the prohibition of the production and utilization of the atomic weapon and the institution of a strict system of control over atomic energy had also been rejected by the Anglo-American bloc. That majority had likewise rejected at the second part of the first session of the General Assembly,<sup>6</sup> on 26 November 1946, a proposal by the USSR calling on all Members of the United Nations to furnish information to the Security Council on their armed forces and armaments. Lastly, the proposal made by the USSR in the Security Council on 1 October 1949<sup>7</sup> on the communication by Members of the United Nations of information on their armed forces, conventional armaments and atomic weapons had also been rejected.

87. He drew attention to the vital importance of the declaration on the removal of the threat of a new war and the strengthening of peace and security among the nations; it contained two specific proposals to halt the armaments race and establish international security. That declaration submitted by the Soviet Union at the fifth session of the General Assembly<sup>8</sup> recommended that the great Powers should reduce their armed forces by one-third during the year 1950-1951, the question of a further reduction being left to one of the subsequent sessions for consideration. That proposal had met with the same fate as its predecessors.

88. He considered that that recapitulation demonstrated the inaccuracy of the statements made in the Economic Committee by the United States and United Kingdom representatives when the draft resolution was being discussed. Those representatives had asserted

that the Soviet Union possessed the strongest army in the world, and did not wish to agree to a reduction of armaments. Those statements were nothing but slander. 89. Whenever the representatives of those Powers had no arguments of substance to bring against proposals designed to promote peace, they resorted to slander of the USSR in order to justify the armaments race.

90. The Anglo-American majority in the Economic Committee had not spoken on the substance of the question and had alleged that discussion of such provisions lay outside the competence of the Economic and Social Council. That attitude towards the recommendations contained in the Polish draft resolution was inadmissible for the recommendations were quite within the Council's competence. In conclusion, he hoped that the Council would accept that draft resolution, which the USSR delegation would support.

91. Mr. BORIS (France) stated that he did not intend to make a propaganda speech like the one just heard. He wished simply to explain his reasons for voting against the Polish draft resolution and the USSR amendments. An explanation was all the more necessary because, at first sight, the provisions of those drafts were attractive. However, they assumed that the problem of security was solved. If it were, then of course expenditures for armaments could and indeed should be reduced and expenditures of an economic and social character increased. Unhappily, the problem of security was far from being solved.

92. Furthermore, by accepting those proposals the Economic and Social Council would be adopting a decision contrary to the Security Council and General Assembly decisions just cited by the USSR representative. It was obviously not for the Economic and Social Council to intervene in that field.

93. Fundamentally there was no disagreement on the matter. Everyone acknowledged that it was desirable, in principle, to reduce military expenditures. He asked the sponsors of the proposals in question to do what was needful in other United Nations organs to reassure the peoples of the world as to their intentions. The entire Council would then be able to accept their proposals.

94. The PRESIDENT recalled that the proposals submitted by the Polish and USSR representatives had already been studied, and rejected, by the Economic Committee.

95. Mr. BURINSKY (Union of Soviet Socialist Republics) protested against the apparent desire of the French representative to prevent the sponsors of the draft resolution from defending them before the Council, by asserting that he had made a propaganda speech. It was by accepting the Polish draft resolution that the French representative could contribute most effectively to the establishment of international security.

96. Mr. BORIS (France) explained that he had never wished to prevent the authors of the draft resolutions from defending them. He had simply stated that, in his view, the speech preceding his own had been made for propaganda purposes.

The meeting rose at 1.15 p.m.

<sup>2</sup> See *Official Records of the General Assembly, Third Session, Plenary meetings*, 161st meeting.

<sup>3</sup> *Ibid*, *Fourth Session, Plenary meetings*, 257th meeting.

<sup>4</sup> See *Official Records of the Atomic Energy Commission, First Year*, 2nd meeting.

<sup>5</sup> *Ibid*, *Second Year*, 12th meeting.

<sup>6</sup> See *Official Records of the second part of the first session of the General Assembly, Plenary meetings*, 28th meeting.

<sup>7</sup> See *Official Records of the Security Council, Fourth Year*, 450th meeting.

<sup>8</sup> See *Official Records of the General Assembly, Fifth Session, Plenary meetings*, 309th meeting.