

INTERNATIONAL ORGANIZATIONS DIVISION

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The International Week

As the General Assembly hastened toward adjournment, its Special Political Committee authorized a new \$54,900,000 relief and works program for Palestinian refugees (48-0), and commended the Hague settlement of the Indonesian case (43-5). Meanwhile the GA Plenary (1) Rejected the Soviet "peace" resolution and adopted the Anglo-American substitute aimed at the USSR (2) Created a High Commissioner for refugees and displaced persons after termination of the IRO and (3) Approved the Franco-Norwegian proposal for a census of conventional arms. In another blow at the colonial powers it prolonged for three years the life of the Special Committee for Information concerning colonies and affirmed the GA's authority to determine which territories are non-self-governing. At London the critical issue whether to admit Europe's Catholic trade unions to the Free Labor International was partially resolved.

Western labor unity in balance as Catholic trade unions weigh course. The success of western labor's efforts to build a unified non-Communist world labor movement at London was tied precariously last week to an AFL-CIO bid to the European Catholic unions to quit the Catholic Trade Union International within the next two years and enter the new Labor International. This bid, accepted by the London Trade Union Conference over some Socialist opposition, poses a difficult choice for the leadership of the two and one half to three million workers in the Catholic unions: whether to join the new international on US assurances that it will not be Socialist-dominated or to cling to the half-century old Catholic International. Despite the two-year period of grace allowed them, the Catholic Union leaders may be reluctant to accept, since their loyalty to their own international is deep-rooted while the unity of US labor in matters of foreign policy is still new. Soviet awareness of the critical choice confronting the Catholic unions was reflected in a resolution adopted at the recent Cominform meeting calling for "special attention.... to the masses of Catholic workers....and their organizations" and emphasizing that "religious convictions are not an obstacle to working class unity."

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Collective versus national considerations in the recognition of the Peking Government. The existence of the UN and its numerous subsidiary international organizations tends to emphasize the collective considerations involved in the recognition of Communist China by any single state. Apparently the British, while desiring to accord prompt recognition to the Peking government, are somewhat concerned with the broader implications of this step. The UK is reportedly embarrassed over the prospect of its own recognition being followed by perhaps eighteen other nations, which might well prompt the USSR to demand that the UN seat the Peking government notwithstanding the absence of US or French recognition. Such a development would align the UK with the USSR, a position which the British do not relish.

To avoid this predicament, the UK has considered suggesting that the UN follow a unified policy with respect to seating new governments. The British have been weighing the idea that Syg Lie might canvass the UN membership and that an understanding might be reached that until a majority or perhaps 30 members favored seating the Peking government, the Nationalist delegation would continue to sit. Going somewhat further, a Uruguayan delegate favors a theory of collective action in matters of recognition and believes that it would be appropriate for an agency of the collective international society to pronounce on such questions. He may possibly raise the problem in plenary. Professor Jessup in his book A Modern Law of Nations has suggested the desirability of having the UN work out a standard procedure for recognizing new states. Recognition of new governments, however, presents a separate problem, involving different legal and political considerations. While the prospect of collective UN recognition is at present remote, developments in the Chinese case may herald a new and important role for the UN in dealing with these problems.

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Disappointing progress toward Continental Economic Bloc. The recent French proposals for a Fritalux trade liberalization bloc and Dutch counterproposals for a broader group including Western Germany and Scandinavia appear to be hesitant, inadequate steps toward the ECA goal of a tight continental economic grouping with genuine central economic institutions. While the French plan calls for substantial elimination of financial obstacles to currency transferability it is cautious and protectionist in its limited freeing of quantitative restrictions (QR's) on trade. The Netherlands favors: (1) the abolition of all QR's between members by July 1951 with at least 75% freed before January of that year; (2) currency transferability on current transactions; and (3) coordination of production, especially of investment in

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basic industries through private industrial agreements under government control. The French and Dutch envisage creating a central reserve fund, at least partly from ECA aid, to cover special risks.

Both plans appear inadequate in scope and slow in their time schedule. While both recognize the need of coordinating national economic policies to remove payments imbalances and thus make possible real reduction of QR's, they make no adequate provision for such coordination. Moreover, the continental countries seem to feel that the way to coordinate production is to revive in modified form, cartel arrangements. In sum the present French and Dutch proposals go little if at all farther than the measures ECA hopes to see established on an OEEC-wide basis soon. They offer little hope of concrete accomplishments that will survive the ERP period, when US shoring-up may cease, and it is clear that substantially more far-reaching measures will be essential if a continental economic grouping is to provide any lasting contribution to the recovery of Western Europe.

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