

INTERNATIONAL ORGANIZATIONS DIVISION

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Volume III

The International Week

West Germany joined the Council of Europe with the Bundestag's approval (220-152). The UN Trusteeship Council voted 9-1 to return the problem of internationalizing Jerusalem to the General Assembly pointing out its inability to implement the statute. In Geneva the Economic Commission for Europe wound up its 5th session with agreement on a plan of work. On the international labor front, the Free Trade Union Confederation will shortly send a delegation to Southeast Asia to plan action to strengthen ICFTU and check the spread of Communist influence in that area.

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Palestine impasse continues. Both Egypt's sudden recall of its representative to the UN Palestine Conciliation Commission and the Trusteeship Council's decision to return the statute for internationalizing Jerusalem to the General Assembly accompanied by its non possumus, pointedly underline the failure of the UN to achieve any progress toward a Palestine settlement.

It had already been apparent last spring when the PCC launched its "new approach" that the UN's conciliation endeavors had bogged down. Arab rejection of the proposed new conciliation procedures extinguished whatever small hope remained of the PCC's being able to bring the adverse parties together. Egypt's decision to pull out its special representative to the PCC amounts merely to a recognition of the futility of the commission's task which in large measure is attributable to virtual Arab determination not to negotiate. The only presently foreseeable role still open to the PCC is to provide machinery for the formal conclusion of any future Israeli-Jordan understanding which may conceivably be reached.

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In the case of the Jerusalem statute, the TC only recognized the self evident impracticability of implementing the GA's resolution. Meanwhile the UN Mixed Armistice Commission is performing a good job in the field, smoothing over frontier incidents. In this work it is aided by the underlying factor that none of the states in the area have any wish to resume hostilities for the present.

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The fifth ECE session. On its purely functional side, the Economic Commission for Europe acquitted itself well at Geneva by authorizing continuation of useful technical and research work. It directed committees engaged in constructive activity to carry on while it was generally agreed that committees like those on trade and agriculture which had been hamstrung by Soviet obstructionism and propaganda would not be reconvened until chances for accomplishing something practical improved.

On the political side, the session presented an interesting and now almost unique example of a UN organ where both Western and Soviet blocs still participated. The USSR showed no deviation from its accustomed behaviour pattern and concentrated on propaganda. While generally pulling every familiar stop on the propaganda organ, it particularly exploited the secretariat proposal to expand East-West grain trade to charge the US with the design of dumping agricultural surpluses and exerting pressure on Western Europe to prevent East-West trade. The most effective retorts to Soviet propaganda came from Vilfan of Yugoslavia who excoriated Moscow's economic squeeze on Belgrade and from Andre Philip of France who refuted the notion that the Soviet Union was free from unemployment. However most West European delegations were vocally ineffective while the Scandinavians were generally wobbly. While the Westerners displayed somewhat greater solidarity than before, there still remains much room for improvement in political coordination and tactics as evidenced by the lack of support for Vilfan.

Finally all participants including the Soviet bloc appeared interested in keeping ECE alive.

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The European Payments Union. The Organization for European Economic Cooperation (OEEC) is now engaged in the highly technical and difficult task of fixing initial creditor and debtor positions of the various member countries which must be completed before EPU can be activated. These positions will depend on whether

- 2 -

the respective participating countries are found to be persistent debtors or creditors within the European payments system. In effect, before countries can safely enter into a payments union with multilateral convertibility, appropriate "handicaps" taking the form of EPU credits must be set in an endeavor to equalize starting conditions as far as possible between strong and weak. Obviously this operation is full of thorns. Hardly had progress been achieved on an agreement according some special treatment to the UK and sterling balances, when Belgium demanded \$110,000,000 direct aid as a condition of joining EPU. Although a persistent intra-European creditor, Belgium, at the same time a dollar debtor, felt that after taking into consideration its domestic investment program, it was being asked to extend excessive credits in EPU which would threaten it with inflation. Another difficult issue is the treatment of the German adverse trade balance with EPU countries, particularly the UK, resulting from Germany's trade liberalization in the fall of 1949.

Despite these problems, general confidence prevails that the necessary mutual accommodations will be made so that by next month a payments union of some sort will be a reality. While it will fall short of the blueprint originally sketched out by ECA, it will nevertheless represent a substantial improvement over today's Intra-European Payments Agreement and will get away from much of the stultifying bilateral trade pattern which has retarded Europe's economic progress.

UNESCO will concentrate on peace. Although the general conference of the UN Educational, Scientific and Cultural Organization failed to call for any meeting to discuss further action toward peace, the dramatic resignation (subsequently withdrawn by unanimous request) of its able Director General, Torres-Bodet gives assurance of more concrete future action on that subject. After three specific "peace proposals" failed even to reach the conference floor, UNESCO finally authorized its Executive Board to draft a peace program for the 1952 conference and meanwhile to study special peace projects to be financed outside the regular budget. Since the effectiveness of these rather nebulous decisions will depend entirely upon how they are implemented, UNESCO's unanimous vote of confidence in its Director General may yet lead to a worthwhile program. At the same time, the conference took a number of steps in line with the US conception of UNESCO's role. The budget was increased \$200,000 beyond the \$8 million originally favored by most countries; biennial rather than annual conferences were authorized for the future; and special programs are to be initiated in Japan and Germany (not now UNESCO members) to promote respect for human rights and to inculcate an international outlook.

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ICFTU seeks to strengthen non-Communist labor in Southeast Asia. A special delegation of the Free Trade Union Confederation (ICFTU) will leave Brussels shortly on a two months tour of Southeast Asia designed to prepare the ICFTU to take a stronger initiative in this area and help combat the mounting Communist drive for domination of the Southeast Asian countries. The ICFTU delegation (consisting of trade union representatives of the US, UK, Belgium and one Asian nation) will seek a first hand view of trade union organizations and of the economic status of labor in Pakistan, India, Burma, Thailand, Indochina, Malaya, Hong Kong, Japan, Korea, the Philippines, Indonesia and Ceylon. Simultaneously, it will assess the means for developing ICFTU activity in these countries and for assisting non-Communist labor movements.

To carry out this assignment effectively, the ICFTU delegation will have to surmount two major problems which have recently plagued Western labor efforts in Southeast Asia. It will first have to overcome the belief of some Asian nations, particularly India, that the British and US labor leaders are competing for influence in this area and that the British Trades Union Congress (TUC) does not wish to encourage any regional labor organization which might work too closely with the US (such as the Calcutta-based Asian Labor Federation). This belief has gained acceptance largely as the result of recent statements in India by the TUC President deprecating the US and of a similar campaign against US influence by the British Workers Delegate at the January ILO Asian Conference in Mysore.

The ICFTU representatives will also have to deal with the problem created by the ICFTU refusal to admit the Thai Labor Union to membership until changes are made reducing or eliminating government direction of its organization and outlook. Although the Thai Union will receive the ICFTU visitors cordially, it is reported to be hostile to any such changes and actually less interested in international associations than in domestic considerations.

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