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INFORMATION POLICY WORKING GROUP

Note by the Secretary

There is circulated herewith a report, prepared by the Working Group set up by the Brussels Treaty Permanent Commission, on the Moscow Economic Conference, April 1952.

2. Attention is drawn particularly to paragraph 24 of the Report which contains certain suggestions with regard to the attitude which Western countries might adopt in order to neutralise the propaganda effect of the Conference.

3. The Report will be tabled at the next meeting of the Working Group. It is suggested that the Group may wish to discuss:-

- (a) what recommendations, if any, should be made to the Council on the lines of the suggestions contained in the Report, especially in paragraph 24; and
- (b) what the Information Service could most usefully do to help in the execution of the recommendations made in (a).

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BRUSSELS TREATY ORGANISATION

MOSCOW ECONOMIC CONFERENCE

History

The Moscow Economic Conference was first proposed in a resolution of the World Peace Council at Berlin in February 1951, as one of several specialised conferences intended to "contribute to a broader development of the Peace Movement". The World Peace Council set up the preparatory organisation for the Conference in July, 1951, but since then the Conference has denied all connection with the Peace Movement and has claimed to be an independent, self-contained enterprise.

2. The Brussels Treaty Powers, regarding the Conference as an instrument of Soviet propoganda, advised their nationals against attending, but did not actually prevent them. The N.A.T.O. Powers adopted the same policy.

Proceedings and Results.

3. The Conference took place at Moscow from the 3rd to the 12th April, 1952. There were 471 delegates, from 49 countries; the most notable absentee was Yugoslavia. Communist and some Asiatic delegations included officials. Western delegations were mostly small businessmen and trade-unionists, with an active core of Communist sympathisers and a sprinkling of economists, idealists, and persons present out of curiosity. As a result of Government policy, there were very few influential Western figures or important business-men.

4. The Soviet Government refused visas to non-Communist press correspondents.

5. A summary of the proceedings is attached at Annex A. They fell into two parts:-

(a) Set speeches and reports in plenary and committee sessions, of which the main themes were: international trade must be freed from "artificial obstructions"; East-West trade could thereby be vastly increased and give employment to millions more people; the resources absorbed by rearmament should be turned to peaceful purposes and to the economic development of backward countries; by these means present economic difficulties could be overcome, and a fall of political tension would follow; the Soviet bloc is able and anxious to promote world trade and assist backward countries.

(b) Negotiation of "trading agreements" between individual firms and countries through the Contacts Bureau set up during the Conference.

6. The organisers imposed a ban on political discussion, and it was largely observed. The conduct of proceedings was impartial. The Soviet authorities took lavish measures to impress the delegates favourably and allowed them unusual freedom of movement about Moscow.

7. The Conference ended with:-

- (i) An Appeal to the United Nations deploring "artificial obstructions" to trade and calling on the General Assembly to hold an early conference of governments, business circles, trade unions, and other public organisations, including non-member countries, aimed at "the extension of international trade on a basis of equality, with due consideration for the need to industrialise the under-developed countries."
- (ii) The establishment of a Committee for the Promotion of International Trade, charged with:
 - (a) Forwarding the above Appeal to the General Assembly;
 - (b) Disseminating information about the Conference and exchanging information on import and export requirements with a view to extending international trade; and
 - (c) Fixing a date and place for a second International Economic Conference.

The full texts of these decisions are at Annex B.

The "trading agreements".

8. Until the end of 1951 the organisers were saying that the Conference would not be a trade fair; they then turned it into something very like one. Many of the foreign businessmen attended only in the hope of doing business with the Soviet bloc; most of these came away with the promise of at least a small contract. The leaders of the bigger delegations signed a number of wider provisional "trading agreements" with Soviet bloc countries. Some of these envisaged a substantial turnover of trade: e.g. £10 million each way between the United Kingdom and China, DM250 million each way between Western Germany and the Soviet Union. These "agreements" were much publicised outside the Soviet Union. The feature that caught most attention was the inclusion of consumer goods, notably textiles, in the Soviet import list. Hitherto the Soviet Union had generally refused such goods.

9. Closer inspection, however, has revealed the following points:

- (i) The "agreements" were no more than statements of intention to trade to an agreed sum in a number of named commodities, often very diverse. Quantities, specifications, prices, methods of payment, delivery dates, etc., were all left for later negotiation. The "agreements" were subject to Government licensing on either side.

- (ii) Some of the "agreements" are for exchanges already provided for in existing Governmental Trade Agreements between the countries concerned and thus do not represent new trade. In some cases the Soviet Government appear to have deliberately delayed official trade negotiations in the preceding months in order to reserve their offers for the Conference itself.
- (iii) Inessential consumer goods also figure prominently on the Soviet bloc export lists, including goods which the other party's Government have already refused to import.
- (iv) In some cases the commodities or quantities named take little account of the Western countries' actual import requirements or export availabilities.
- (v) In some cases the Soviet bloc countries ask for strategic or near-strategic goods.

10. None of the bigger agreements seem yet to have reached the stage of hard and fast contracts. It would be unwise to suppose that the Communists will deliberately refuse to fulfil any of their undertakings, but the unrealistic features described above make it unlikely that the "trading agreements" as a whole will lead to any substantial volume of acceptable new trade for the West.

Purposes of the Conference

11. The Conference did not represent a change of heart on the part of the Communist Governments. Their policy and propaganda has otherwise continued as before. Nor was it a sincere attempt to increase East-West trade; the Communist authorities could have done this much more efficiently through existing official channels, and they must be well aware that the "trading agreements" are unrealistic. Moreover, the Soviet Government had consistently failed to reply to proposals for discussion of East-West trade in the Economic Commission for Europe. There is no reason, anyhow, to suppose that the Communist Governments would wish to increase East-West trade enough to give the Western Governments appreciable help in overcoming their economic difficulties whilst still pursuing their policy of collective defence against the Communist threat.

12. It is clear that the Conference was in fact a new, economic development of the Peace Campaign, and that it serves the same ends: to divide the non-Communist Powers, to by-pass the existing organisations, to turn Western peoples against their Governments, to undermine the Western containment policy, and to spread Soviet influence. The connection with the political Peace Campaign was probably concealed because non-Communist opinion had already taken up sides about the latter. The propaganda aim underlying the Conference was to persuade public opinion that the Western Powers are deliberately rejecting an easy way out of the world's economic difficulties. The Conference avoided politics

because it could thus avoid discussing the real reason for the decline of East-West trade, namely the aggressive and exclusive policy of the Soviet bloc. By concentrating upon the economic side, it could make the "artificial obstructions" to trade (i.e. security controls, selective embargo on trade with China, etc.) appear to come from the Western side. By arousing public feeling against these restrictions the Conference aimed in the long run at causing the public to mistrust Western policy as a whole. The "trading agreements" were meant to give substance to this propaganda and attract the practical business man.

13. The Conference may well have been intended to divert trade between Eastern Europe and the outside world from existing channels, e.g. bilateral negotiations between Western and Satellite Governments, and to pass it through the new National and International Committees, dealing wherever possible direct with Western exporting firms; this centralisation will make it easier for the Soviet Government to control and manipulate trade for propaganda or other purposes. The question of China's attitude is more complex. She also wishes to by-pass traditional channels of trade, though mainly in order to eliminate the resident foreign merchants from China. The Chinese Government will therefore no doubt co-operate in using the new machinery, but in doing so they will be concerned to retain independent control of their foreign trade.

14. Another major aim of the Conference was to make the industrially backward countries, particularly in South-East Asia, believe that Western policy is prejudicing their development; and to begin making them look to the Soviet bloc as the champion of their economic interests and an alternative source of capital equipment. The Soviet Union had already begun making similar advances to South-East Asian countries in E.C.A.F.E. and at the New Delhi International Fair, although it has given no practical sign of being able to supply these countries' requirements on any considerable scale. The Soviet bloc has no doubt also hopes of obtaining strategic raw materials from these countries at the same time.

15. There may have been secondary economic motives. Some small increase of consumer imports may be of marginal economic value to the Communist countries to maintain incentives whilst their economies concentrate upon capital and defence production. If the Conference were to prove successful, public pressure in the West to reduce controls on strategic exports would naturally be welcome to the Soviet bloc.

The Effect of the Conference

16. The Conference was well-timed and managed, and it scored an initial propaganda success. For this the "trading agreements", especially the offers to import textiles and other consumer goods, were largely responsible. These offers particularly impressed the countries and the trades that are suffering most from the present partial recession. Business and trade union circles who hope that Soviet bloc contracts may tide them over a period of

crisis are exerting, and will continue to exert, pressure upon Western Governments to respond favourably to the "trading agreements" and to future conferences. Such pressure is to be expected, however, mainly from small businesses and the less informed trade union circles; big business appears to remain generally sceptical. General public interest has largely died down. The future success of the Conference propaganda line will depend in part upon how far the Communist bloc can fulfil or otherwise maintain the expectations aroused by the "trading agreements". Attendance at future conferences will be still more dependent on this factor.

Future Developments

17. The Communist Governments will do their utmost to exploit and develop the new propaganda weapon; they clearly regard this Conference as no more than a beginning.

18. We have little information about such negotiations as may be now in progress to follow up the "trading agreements" and translate them into contracts. The Conference sponsors will certainly attempt to give any contracts the maximum publicity and to throw the blame for failures upon the Western Governments.

The more active delegates to the Conference are now trying to set up National Committees in their respective countries, which will presumably correspond with the International Committee and send representatives to periodic sessions of the latter, which will no doubt also include a Contacts Bureau for discussion of further "trading agreements".

19. We do not know how or when the Appeal to the United Nations will be presented - possibly not until the General Assembly next autumn. The demand for a United Nations conference may well lead to a more open attack upon Western security export controls and rearmament. There would be no economic work for such a conference that could not be done by E.C.E., E.C.A.F.E., etc. Whether a conference is held or not, the idea can only be to pillory Western policy.

20. It is noticeable that the organisation of the Moscow Conference somewhat resembled that of the United Nations Economic and Social Council with its Commissions. It has always seemed likely that, if the Soviet Union were to withdraw from the United Nations, it would declare the World Peace Congress and Council as substitutes for the General Assembly and the Security Council. One object of the Moscow Conference may have been to set up and keep in reserve a similar substitute for the Economic and Social Council. We have, however, no reason to believe that any development on these lines is imminent.

Western Policy

21. For Western Governments to adopt a purely negative attitude towards the Conference and its follow-up would clearly be playing into the hands of Communist propaganda. Our practical interests anyhow demand that we should accept any new trade with

the Soviet bloc, whether resulting from the Conference or not, that offers an acceptable balance of economic advantage and does not infringe security export controls or other essential policies. Within these principles, the final lines of Western policy will depend on the way things develop in practice. The following paragraphs contain some interim conclusions.

22. Economic. The Working Group does not feel competent to discuss the economic implications of the "trading agreements" or the possibility of economic counter-measures. These matters will doubtless be considered by the appropriate Western economic bodies. It would be of advantage if the Western Governments would as far as possible keep each other currently informed about the terms and progress of "trading agreements" affecting them.

23. Political. Western policy towards the International Committee, the Appeal to the United Nations, and any further Conference will have to be decided in the light of later developments. Western Governments will doubtless wish to consult as before about these questions. In the meantime we feel that Governments should, as far as possible, encourage the use of existing channels of trade and existing international organisation and not the Conference machinery.

24. Propaganda. This is the main task for the present, and, unless the "trading agreements" result in an unexpected volume of trade, will probably remain the only one. In order to counter the Communist propaganda line described above, it is important not to let the Soviet bloc take credit for any new trade done or lay the blame on Western Governments if the trade falls short of expectations. The importance of the Conference should not be exaggerated by undue publicity. Counter-publicity will probably need in the first place to be addressed to business and trade union circles. Nevertheless, Western countries should not lose time in combatting the impression made by the Conference. The following seem to be the main requirements:-

- (i) To keep the public aware of the real reason for the decline in East-West trade, i.e. aggressive Soviet policy and the autarkic economic policies of the Soviet bloc; and not to let public opinion divorce economics from politics.
- (ii) To show the public, in particular the peoples of the East European countries, how the Moscow Conference has demonstrated in the most obvious manner that the Government of the U.S.S.R. intends to keep the satellite countries in complete subjection on the economic as well as the political level.
- (iii) To make the public aware of the connection between the Economic Conference and the Peace Movement, their joint aims, and the real propaganda nature of the Conference.

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- (iv) To dispel illusions about the size, significance, and practical value of the "trading agreements". This can only be done on a factual basis; it would be unwise to cast doubts, merely on general or a priori grounds, upon Communist willingness to increase trade. We should seek, as soon as possible, to make known the facts about these "agreements" and any other reliable evidence that Communist protestations at the Conference were insincere. It is important, in particular, to prepare public opinion for any refusal of licences, etc., that may prove necessary.
- (v) To remind the public of the ordinary channels of trade and the amount of trade done through them; and to publicise instances of Communist obstruction to trade through these channels.
- (vi) To publicise the existence and work of present United Nations economic bodies and examples of Communist obstruction in them.
- (vii) To publicise the amount of Western trade with, and economic assistance to, the under-developed countries by comparison with extant and potential Soviet bloc trade.
- (viii) It is desirable that Western Governments should without delay exchange any information they may acquire, in particular on the activities of the national committees. This information would also assist publicity under the above heads.

18th June, 1952.

(ANNEX A)

INTERNATIONAL ECONOMIC CONFERENCE AT MOSCOW - PROCEEDINGS

The Conference opened on the 3rd April. Robert Chambeiron (France), Secretary-General of the International Initiating Committee, welcomed the delegates; he was followed by Yasnov who gave them a double welcome, on behalf of the city and the Moscow Soviet of Working Peoples.

PRESIDING COMMITTEE

During the first plenary session, Iftikhar-ud-Din, (Pakistan) proposed the setting up of an international Praesidium composed of 18 members: José Maria Rovera, Argentine; Josef Dobretsberger, Austria; Amerigo de Oliviera, Brazil; Nan Han Chen, China; Otakar Pohl, Czechoslovakia; Paul Bastid, France; Greta Kuckhoff, East Germany; Lord Boyd Orr, Great Britain; Dr. Matin Daftari, Persia; Sebastiano Franco, Italy; Iftikhar-ud-Din, Pakistan; Oskar Lange, Poland; Oliver Vickery, U.S.A.; Nesterov, USSR; de Vries, Holland. Additional members were drawn from India, Western Germany and the World Federation of Trade Unions. Robert Chambeiron was elected Secretary-General.

PROCEDURE

On the opening day, Oskar Lange, who had taken a leading part in the organisation of the Copenhagen Preparatory Committee, proposed the rules of procedure. Apart from a number of plenary sessions, the work of the Conference was carried out by three working groups:-

- (i) Development of International Trade: Chairman Oskar Lange.
- (ii) International economic co-operation for the solution of social problems; Chairman Lord Boyd Orr.
- (iii) Problems of underdeveloped countries; Chairman Gyan Chand (India).

CONTACTS BUREAU

During the second plenary session on the 4th April, Oskar Lange announced the setting up of a "Contacts Bureau" 'at the suggestion of many of the delegates', to facilitate private and business meetings between delegates. On the 7th April, Lange announced to the Working Group on International Trade that, at the suggestion of Mr. Backman (Britain), six commodity groups were being set up in which buyers and sellers could discuss business; the groups were machinery, chemicals, minerals, foodstuffs, grains and textiles. At the plenary session on the 9th April the Chairman (Mr. Paul Bastid) announced that the Soviet Arrangements Committee had invited A. Zakharov (a Deputy Minister of Foreign Trade) to take part in the work of the Contacts Bureau; that the respective delegations had addressed similar invitations to Lei Jen-min (Deputy Minister of Trade of the Chinese People's Republic) and Mr. Perry (United Kingdom); and that it was desirable that representatives of other countries should be

delegated to the Bureau. At the same session, Lange mentioned the six commodity groups and said that a number of important transactions had already been concluded. It appears that the greater part of the discussions in connection with the various so-called trade agreements said to have been arranged at the Conference took place on the 10th-11th April, while the Conference was in recess pending the final plenary session on the 12th April.

THE SOVIET CONTRIBUTION

The most important speech, which set the tone of the Conference, was made at the second plenary session by Nesterov, leader of the Soviet delegation and President of the U.S.S.R. Chamber of Commerce. After defining the task of the Conference as "to explore the possibility of improving living standards through the peaceful co-operation of different countries and different systems and through the development of economic relations between all countries", he developed the following two themes:

Political - International trade had declined in the last three or four years owing to the erection of artificial and non-economic barriers to trade. Peace industries were being cut and living conditions were falling in those countries which were going over to a war economy. In turn, the under-developed countries were suffering because they could not obtain necessary equipment and were prevented from trading with other countries on a mutually advantageous basis owing to the stringent foreign control that had been 'virtually imposed' on their raw material resources. Discriminatory trade practices had not interfered with Soviet economic progress, but they should be renounced and world commerce promoted through trade agreements. This would improve living standards and 'introduce greater stability in international affairs'.

Economic - To this end the Soviet Union was prepared to increase trade with Western Europe, the Americas, South-East Asia, the Middle East, Africa and Australia to a figure of at least 10,000 - 15,000 million roubles a year to total 30,000 - 40,000 million roubles over the next 2 - 3 years, compared with the maximum post-war volume of approximately 5,000 million roubles in 1948. The Soviet Union's aggregate foreign trade amounted currently to 18,000 million roubles a year. Soviet foreign trade organisations were prepared to conclude barter transactions, receive payment for goods in foreign currencies and spend them in the countries concerned.

In a tour d'horizon Nesterov made the following points:

Soviet Imports

In contradistinction to previous years and if terms and conditions were suitable the Soviet Union could purchase to a considerable value and in increasing volume 'items of general consumption', chiefly from Western European firms. Along with this would go purchases of raw materials, etc., principally in

South-East Asia and the Near and Middle East. Orders for machinery and equipment, merchant ships and fishing vessels to the value of 7,000 - 10,000 million roubles could be placed in the next 2 - 3 years with Britain, Belgium, France, Italy, Western Germany, the United States, etc.

Soviet Exports

'Given normal conditions of commerce' the Soviet Union might increase exports of grain, timber, pulp and paper, ores, fertilisers, coal, oil products, flax, various types of industrial equipment, agricultural machines, means of transport and products of light industry. In particular, machinery and equipment to the value of 3,000 million roubles might be supplied to South-East Asia and the Near and Middle East in the next 2 - 3 years.

Possible Annual Levels of Soviet Trade United Kingdom - 2,500 million roubles: engineering products, raw materials and consumer goods against Soviet cereals, timber, oil products, etc.

France - 'A five or six-fold increase to a figure in excess of the pre-war maximum': electrical power, hoisting and transport equipment, ships, lead, rolled metal, chemicals, essential oils, textiles, rayon yarn, cocoa beans, citrus fruits, spices, cork, etc., against Soviet cereals, timber, manganese and chrome ore, anthracite, coal pitch, asbestos, furs, etc.

Italy - In excess of pre-war level of 540 million roubles: power equipment, cranes, ball bearings, cable, textiles, rayon yarn, essential oils, citrus fruits, almonds, chemicals, ships, etc., against Soviet grain, timber, coal, fuel oil, paraffin, iron and manganese ore, asbestos, etc.

Netherlands - Possibility of considerable expansion: ships, hoisting equipment, radio products, rubber, tin, staple fibre, herrings, etc., against Soviet grain, timber, coal, etc.

Belgium - In excess of maximum pre-war level of 300 million roubles: power, hoisting and other equipment, ships, rolled metal (ferrous and non-ferrous), rayon fibre and mass consumption goods against Soviet timber, wheat, manganese ore, etc.

Sweden, Norway, Denmark, Finland, Switzerland - Possibility of considerable increase.

Western Germany - Soviet orders to the value of 2,000 million roubles for delivery in the next 2 - 3 years: machine tools, electrical, metallurgical, mining, pump and compressor equipment, rolled steel, etc., against Soviet grain, timber, manganese and chrome ore, oil products, etc.

United States - Soviet orders to the value of 4,000 - 5,000 million roubles for delivery in the next 2 - 3 years with corresponding American purchases.

Latin America - 'Considerable margin for more business': sisal, wool, hides, coffee, bananas, pineapples, tanning extracts, non-ferrous metals, etc.; against Soviet manufactured goods, machines (including farming machinery), timber, cement, etc.

Japan - The Soviet Union 'could resume trade ties': silk, textile goods, industrial plant, ships, citrus fruits, against Soviet coal, timber, pulp, asbestos, chemicals, medical supplies, etc.

South-East Asia, the Near and Middle East - Soviet Union 'in a position to develop mutually profitable trade': rubber, non-ferrous metals, jute, cotton, shellac, tea, spices, quinine bark, copra, oil seed, rice, citrus fruits, bananas, tobacco, etc., against Soviet industrial goods and equipment, particularly for the metallurgical, fuel and chemical industries and also for the light and food industries, tractors, farming implements and technical assistance in the design and construction of industrial enterprises, power plants, irrigation systems, etc.

WORKING GROUP SESSIONS

The 5th, 7th and 8th April were devoted to the work of the three working groups.

(i) Development of International Trade:

This group was by far the most important of the three. The agenda was:-

- (a) General questions of international trade and world economic development.
- (b) The technical problem involved in extending international trade through the medium of long-term agreements, multilateral agreements, etc.
- (c) The export and import possibilities of the various countries.

(ii) International Economic Co-operation for the Solution of Social Problems

This group concentrated on such questions as food shortages, unemployment and wages. Kuznetsov, Chairman of the U.S.S.R. Central Council of Trade Unions, spoke mainly of the problems of unemployment and hardship caused in "capitalist" countries by the re-armament programme.

(iii) Problems of Under-developed Countries

The agenda of this group consisted of:-

- (a) The participation of under-developed countries in international trade;
- (b) The provision of aid to such countries;
- (c) The part to be played by such countries in world economic development.

REPORTS OF THE THREE WORKING GROUPS

All three reports reflected themes expounded by Nesterov.

(i) Development of International Trade. The low level of international trade today was largely due to the decline in East-West trade resulting from discriminatory restrictions based on non-economic considerations. These should be abolished and trade increased. The general recommendations were:-

- (a) Removal of all restrictions on foreign trade based on non-economic considerations.
- (b) Promotion of long-term trade agreements, simplification of customs, transit and other formalities.
- (c) Setting up of means to exchange economic information.

The following specific recommendations were addressed to the Conference:-

(a) Submission of the findings and recommendations of the Conference to the General Assembly of the United Nations.

(b) An International Committee should be established to prepare another 'non-governmental International Economic Conference' and 'possibly engage in other activities for the promotion of International Trade'. This 'Committee for the Promotion of International Trade' should also study the findings and recommendations of the Conference, publicise them widely and issue a Bulletin for the exchange of economic information.

(ii) International Economic Co-operation for the Solution of Social Problems. Most of the members of this group were trade unionists. Pierre Lebrun's report centred round the problems of malnutrition and unemployment - both due to the evils of the policy of rearmament. The recommendations were:-

- (a) Business circles should facilitate the exchange of goods.
- (b) Governments should assist in the development of international commerce.
- (c) Governments should take joint action through the specialised agencies of the United Nations with a view to the gradual removal of all obstacles to international trade.
- (d) As a first step, the United Nations General Assembly should be asked to convene soon a conference at which all governments, business and public circles would be represented.

(iii) Problems of Under-developed countries. Gyan Chand's report consisted of an attack on the exploitation of the oppressed masses. He denounced trade practices which undermined the independence of under-developed countries and called for concerted action to help those countries with capital and technical assistance.

CONCLUSION OF THE CONFERENCE AND RESOLUTIONS

The Conference ended on the 12th April, continuing for two days longer than originally planned. It was attended by 471 delegates from 49 countries. The speeches were translated simultaneously into French, English, Russian, Chinese, German and Spanish. Two Resolutions were passed:-

- (i) The first recommended that an appeal should be sent to the United Nations to call a conference of governments to promote international trade at which business interests, Trade Unions and social organisations in all countries should take their place alongside official government delegations. It called upon the General Assembly to convene such a conference at the earliest possible date, drawing attention to the dislocation and curtailment of economic relations between states caused by all sorts of artificial restrictions and obstacles which have increased, particularly in recent years.
- (ii) The second resolution announced a decision to set up a "Committee for the Promotion of International Trade". The Committee was charged with forwarding the Conference appeal to the United Nations General Assembly and with fixing the date and venue of the second International Economic Conference. The aims of the Committee were to "include the dissemination of information on the International Economic Conference and on the extension of international trade". Its expenditure was to be covered by "voluntary contributions from individuals, groups and national committees". Among the persons appointed to the Committee were many members of the Presiding Committee of the Conference.

COMMUNIQUE:

Robert Chambeiron summed up the results of the Conference in a communiqué in which it was claimed that, as a result of a broad and free exchange of opinion, the Conference with one accord had established that the volume of international trade could be considerably increased. The expansion of trade relations between countries would benefit manufacturers, merchants and agriculturists; it would lead to better utilisation of the economic resources of all countries, help to increase employment and improve the living standards of broad sections of the population. After alleging that substantial and concrete opportunities for expanding trade had been established at the Conference, the communiqué concluded by calling on "business-men", scientists, engineers, trade unions and co-operatives in all countries to support steps to develop international trade and remove obstacles to such trade.

SUBSEQUENT DEVELOPMENTS

The Committee for the Promotion of International Trade held its first meeting in Moscow on the 14th April, when a Bureau was constituted and Robert Chambeiron was elected Secretary-General.

At the Conference many delegates advocated the establishing of permanent bodies to deal with the problems which had been discussed by the three working groups; these included the setting up of information bureaux and other means to exchange information relating to import and export problems, the calling of international conferences in all countries and the organisation of international fairs on a regional basis. There is evidence that the "information bureaux", foreshadowed during the debates, are already coming into existence:-

- (i) According to the French Communist paper "Humanité" of the 19th April an "economic conference" was to be held in Paris during the Foire de Paris on the 17th and 18th May. It is possible that this conference arose out of a suggestion by Mr. Bastid, political editor of "Aurorc" and a member of the French delegation to Moscow, that an economic bureau should be formed in Paris for the promotion of trade between France and Eastern Europe.
- (ii) According to the East German News Agency, A.D.N., a press conference was held in Berlin by returning German delegates at which it was announced that a Committee for the promotion of trade was formed and would meet during the Leipzig Fair in September.

(ANNEX B)

Address of the International Economic Conference
to the General Assembly of UN

The International Economic Conference resolves to address the following statement to the General Assembly of the United Nations:

Between April 3rd and April 12th, 1952, an International Economic Conference took place in Moscow, summoned on the initiative of manufacturers, merchants, economists, and trade union and co-operative leaders for the purpose of elucidating "the possibilities for improving people's standard of living by way of peaceful co-operation between different countries and different systems, and the development of economic relations". 471 people, mainly representatives of business circles, took part in the work of the Conference, coming from 49 countries, namely: Australia, Austria, Albania, Argentina, Belgium, Burma, Bulgaria, Brazil, Great Britain, Hungary, Venezuela, Vietnam, the German Democratic Republic, the Netherlands, Greece, Denmark, Egypt, Western Germany, Israel, India, Indonesia, Iran, Iceland, Italy, Canada, the Chinese People's Republic, Cyprus, the Korean People's Democratic Republic, Cuba, Lebanon, Luxembourg, Mexico, the Mongolian People's Republic, Norway, Pakistan, Paraguay, Poland, Rumania, the USA, the USSR, Uruguay, Finland, France, Ceylon, Czechoslovakia, Chile, Switzerland, Sweden and Japan.

The International Economic Conference considers it essential to draw the attention of the General Assembly UN to the disorganisation and curtailment of economic relations amongst states, occasioned by all manner of artificial restrictions and obstacles, that have become particularly intensified during the last few years. As a result of this the national economy of many countries is experiencing serious difficulties, a break-down in the equilibrium of payments balances, a restriction of imports of vitally essential goods, a rise in prices, a delay in industrial development, increase in unemployment, increased shortage of food-stuffs and a deterioration in the standard of living of the population.

Meanwhile it has been established at the Conference that great possibilities exist for increasing international trade and expanding its geographic boundaries. It emerged at the Conference that business circles are displaying great interest in utilising these possibilities for the further expansion of trade amongst countries.

The Conference considers that the United Nations Organisation is called upon to promote "the rise of the standard of living, full employment of the population, and the conditions for economic and social progress and development", under Article 55 of the Charter.

In present circumstances the development of trade amongst countries has particular significance. In this connection the International Economic Conference addresses the following proposal to the General Assembly of UN, namely that a conference of representatives of governments be summoned in the near future, attended also by representatives of business circles, trade unions and other public organisations in all countries, for the purpose of promoting the expansion of international trade on a basis of equality and with due regard to requirements for industrialising the under-developed countries. (Approved by the Plenary Meeting of the International Economic Conference in Moscow on April 12th, 1952).

On the Formation of a Committee to Promote the
Development of International Trade

The International Economic Conference resolves to continue the efforts begun at this Conference to promote the expansion of trade amongst countries on a basis of equality and mutual advantage, in the interests of the economic development of countries and the well-being of their population. For this purpose the International Economic Conference resolves to set up a Committee to promote the development of international trade.

It will be the task of the Committee to promote the dissemination of information about the International Economic Conference and on the expansion of trade amongst countries on a basis of equality, with due regard to the need to industrialise the under-developed countries.

The Conference authorises the Committee to present the address approved by the International Economic Conference on April 12th of this year immediately to the General Assembly of UN.

This Committee is also authorised to fix the date and place for the summoning of a second International Economic Conference.

The expenses of the Committee will be covered by voluntary contributions from individual persons, groups and national committees interested in promoting international trade. The Committee to Promote the Development of International Trade elected by the Conference consists of the following persons:

Antoine Allard, banker (Belgium); Paul Bastia, former Minister of Trade, Member of the French Academy (France); Oliver Vickery, industrialist, president of electrical and chemical import and export company (USA); Victor Manuel Gutierrez, Secretary-General of the United Confederation of Workers of Guatemala (Guatemala); Jozef Dobretsberger, Professor of Economics in the law faculty at the University of Graz (Austria); Imre Degen, Secretary-General of the All-Hungarian Co-operatives' Union (Hungary); Hossein Daryush,

economist and expert in financial administration (Iran); Henri Jourdin, Secretary-General of the International Union of Metallurgical and Engineering Trade Unions (WFTU); Mian M. Iftikhar-ud-Din, Member of Parliament (Pakistan); Greta Kuckhoff, President of the Deutsche Notenbank (German Democratic Republic); Lal Chand Hira Chand, director of Premier Automobiles Ltd., Bombay (India); Oskar Lange, economist, Professor of the Higher School of Planning Statistics (Poland); Pierre Lebrun, Secretary of the CGT of France (France); Liu Ning-i, Vice-Chairman of the WFTU; D.P. Mukerjee, Professor of Economics at Lucknow University (India); Nan Hang-cheng, President of the People's Bank (Chinese People's Republic); H.V. Nesterov, Chairman of the All-Union Chamber of Commerce (USSR); Antonio Pesenti, economist, former Minister of Finance (Italy); Jack Perry, director of the Home Trade and Export outerwear and textiles firm (Britain); Otakar Pohl, Director-General of the Czechoslovak National Bank (Czechoslovakia); Joan Robinson, Fellow and lecturer in economics at Cambridge University (Britain); Otto da Rocha e Silva, industrialist (Brazil); Sergio Steve, Professor of the University of Venice (Italy); Suchjar Tedjasukmana, President of the Indonesian Chamber of Commerce (Indonesia); Felipe Florencio Freyre, engineer and adviser on industrial problems (Argentina); Carl Wilhelm de Vries, Professor of Law at Rotterdam University (Netherlands); I.S. Khokhlov, President of the All-Union Administration "Centrosyuz" (USSR); Edmond Von Hende, President of company for electric welding of metals in Chicago (USA); Chi Chao-ting, economist, Member of the Academy of Sciences, Assistant General Manager of the People's Bank (Chinese People's Republic); Robert Chambeiron, former Deputy in the French National Assembly, Secretary-General of the Initiating Committee for Summoning the International Economic Conference (France).