

GENERAL
ASSEMBLY

TWENTY-NINTH SESSION

2279th
PLENARY MEETINGMonday, 11 November 1974,
at 12 noon

Official Records

NEW YORK

CONTENTS

	Page
Address by Mr. Bruno Kreisky, Federal Chancellor of the Republic of Austria	825

President: Mr. Abdelaziz BOUTEFLIKA
(Algeria).

Address by Mr. Bruno Kreisky, Federal Chancellor of the Republic of Austria

1. The PRESIDENT (*interpretation from French*): On behalf of the General Assembly, it is my honour to welcome to the United Nations His Excellency Mr. Bruno Kreisky, Federal Chancellor of the Republic of Austria. I invite him to address the Assembly.

2. Mr. KREISKY (Federal Chancellor of the Republic of Austria): First and foremost, Mr. President, may I say how pleased I am, after nine years, to have once more the honour to address the General Assembly of the United Nations. I am delighted to have been given this opportunity under the presidency of the Minister for Foreign Affairs of the People's Democratic Republic of Algeria. This reminds me of the times when so much was being done here in the United Nations to help the Algerian people in its struggle for full freedom and independence. People in my country have always followed the aspirations of the Algerian nation with deep sympathy and understanding—an attitude which Austria has more than once demonstrated in the United Nations.

3. I had some doubts as to the propriety of interrupting the important work of the General Assembly, with its very full agenda, by my address. But two considerations prompted me to overcome my reluctance: first, the significance of this unique world institution, which makes it the duty of every head of Government to take time out to present his views here; secondly, the fact that certain questions in which I have been interested for many years are particularly topical at the present time.

4. Over the last year or so, the energy problem has assumed growing importance, and there are unceasing debates over the price of oil. As far as the basic problem is concerned, I should like to state here again what has been my view for years. For a very long time, the terms of trade have been very unfavourable to the oil-producing countries in the Middle East, as indeed to all raw material producers, a fact rightly criticized at the very first United Nations Conference on Trade and Development,¹ which called for "objective, international commodity arrangements" to "secure remunerative, equitable and stable prices for primary

commodities, especially those exported by developing countries", in order to "stimulate a dynamic and steady growth and ensure reasonable predictability in the real export earnings of developing countries".

5. Let me therefore emphasize that the oil-producing countries have a right to charge a reasonable price for their product. This, in fact, applies to all countries that produce raw materials. The real problem is how much the industrialized countries, which are in urgent need of these commodities, can be reasonably expected to pay for them. This raises the next question of what can be regarded as a reasonable profit, followed in turn by another urgent question: Can we really tolerate a situation where goods that are of vital importance both to the producing and to the consuming countries are subject to the whims of speculation?

6. Many useful proposals have been put forward to prevent this, but ultimately it is the United Nations and its specialized bodies that the world looks to for an answer to this problem. The experience of a lifetime has taught me not to harbour illusions. I know that awareness of a problem and the necessity to handle it is in itself no guarantee for successful solution. Nevertheless, I can very well imagine that here, at the United Nations, a set of ideas of such clarity and force might emerge that they would command the moral authority necessary to exert genuine influence throughout the world. After all, many ideas and demands had, initially, no more than moral appeal, such as, for example, the right to better wages, the call for an eight-hour working day, and many others whose attainment has transformed the State into the institution of general welfare it is today.

7. As for the much-debated question of the levels to which prices of raw materials, and more specifically the price of oil, can possibly rise, the answer seems to be quite simple. If an extended economic depression were to afflict the industrialized countries, there would be a sharp decline in the demand for energy caused by a falling-off in the demand for goods. Thus, despite the determination of the oil-producing countries to cut production, the demand for oil would in the end be lower still. It is therefore in the oil-producing countries' own interest to help in finding solutions that would prevent an economic world crisis. There can be no crisis or long-term depression in any part of the world without repercussions on other regions. It seems to be a sound idea for the industrial nations of Western and Central Europe to join with the countries of North America and Japan to work out a common energy policy, on the understanding, however, that this should never result in a strategy devised against the oil-producing countries, but only pave the way for co-operation between these countries and the oil-producing nations.

8. The international energy programme as envisaged within the framework of the Organization for Economic Co-operation and Development [OECD] would, in our opinion, present precisely the kind of organization to promote co-operation among the oil-consuming countries. However, as far as we are concerned, this is only the first step towards a wider co-operation between these countries and the oil producers and, in a third phase, between these two groups of States and the other developing countries. All this should be done, in my opinion, within the next few months—I repeat, within the next few months. Austria will support such efforts after having carefully studied the various questions involved. Our support—and I should like to stress this once more—is based on three prerequisites.

9. First, we have come to the conclusion that these efforts should not in any way constitute an attempt to devise an economic strategy directed against others.

10. Secondly, we must be assured that the agency will lead to an increase in the type of co-operation I have mentioned before.

11. Thirdly, we are only prepared to accept such obligations as are in conformity with the permanent neutrality enshrined in our Constitution.

12. There is another problem in this context that will require attention in the near future. Recently, a process of differentiation between developing countries has appeared, partly due to the movements of raw material prices. The term "fourth world" has been coined. The countries of this "fourth world" find themselves in a state of extreme individual and national poverty, and urgent steps are necessary to help them. I openly admit that neither has my country provided all the assistance we feel morally obliged to render. This failure has been largely due to the rise in our energy bill. According to estimates, we shall have to pay over 8,500 million Austrian schillings more for energy imports in 1974 than we paid in 1973. We should be glad and happy to allocate part of this sum to development assistance, as we have done in previous years. I may recall here the Austrian loans to the World Bank in 1973 and 1974, each one of the order of 500 million Austrian schillings as a beginning.

13. I believe, however, that new perspectives have emerged. Since producers of raw materials seem to be willing to relieve the difficulties of the countries that lack them, the most rational way out of the impasse would be a joint effort by these producer countries and the developed industrial nations. Arrangements could be worked out under which a raw-material-producing country and an industrialized country would jointly finance supplies of the industrial nation's products to a "fourth world" country. Such action would strongly stimulate development in the industrial field. The question is whether arrangements of this kind are feasible on a trilateral basis only: that is to say, a raw-material-producing country and an industrialized country joining together to help a developing country lacking such resources. We believe that multilateral solutions may also be envisaged. The Shah of Iran has recently informed me of his views on the subject, which I feel are highly relevant. He advocates a pooling of the economic resources of the world. Accordingly, nations would be divided into three groups: indus-

trialized and trading countries; raw-material-producing countries that have already achieved good balance-of-payments positions; and the developing countries.

14. In Europe discussions are now in progress on an appropriate date for convening a security conference at the highest level, and the question being asked, quite frankly, is what, if any, substantial significance such a conference could have. Preparations have been going on for months, and the topics that suggest themselves are, on the one hand, the paramount questions of security and, on the other, those relating to intra-European co-operation in trade and industry, transport and environmental protection. It can certainly be said that these are urgent, even vital, questions. But another problem that could be included in the agenda for serious discussion at the highest level is the question of Europe's readiness to undertake commitments to the "fourth world". The conference could thus lay down certain basic principles and adopt recommendations of major significance.

15. Let me turn now to Austria's neutrality. We feel entitled to stress it in any international context not only because the policy we have pursued in the past has brought world-wide recognition of our concept of neutrality but also because the obligations towards the United Nations and its objectives that we have shouldered are of a kind for which Austria as a neutral country considers itself to be particularly qualified. I might mention here that Austrian military personnel are taking part in United Nations peace-keeping operations in Cyprus, in Sinai and on the Golan Heights. In participating in these operations we are fully aware of the consequences which the implementation of these tasks may have: in Cyprus and on the Golan Heights members of the Austrian contingents have lost their lives.

16. Since the Austrian State Treaty was concluded in 1955 and the country's full freedom and sovereignty was re-established, Vienna, the capital of Austria, has frequently been a meeting-place for the Member States of the United Nations.

17. Major international organizations—and these include non-governmental organizations as well—have established their headquarters at Vienna. The Austrian Federal Government and the City of Vienna are undertaking considerable efforts to create optimal organizational and technical conditions for these institutions. A complex of large buildings is at present under construction on the banks of the Danube to serve these organizations. The Austrian Government, the City of Vienna and the Austrian people are thereby making a major financial contribution. This, as happens in democratic countries, occasionally becomes the subject of domestic political debate.

18. The Federal Government deems this project to be of particular importance for many reasons. Not the least of them is the conviction that Austria's neutrality and the efforts referred to above constitute a significant contribution to stability in Central Europe—and this is the subject of our current proposal in one of the Main Committees of this Assembly.

19. May I ask you to see these questions not only from a purely technical point of view but also in this essential perspective: that United Nations activities are carried out in a part of Europe that was, during

the first decades of this century, a focus of very heavy European conflicts and world-wide wars. This, without any exaggeration, would be definitely precluded by the strengthening of United Nations institutions in the heart of Europe. An international climate of understanding and our own efforts have enabled us to create a State characterized by internal political and economic stability, prosperity and social peace.

20. These efforts could be recognized through a decision of this Organization. I think I need not emphasize that for our part we would interpret such a decision as yet another act of recognition of our permanent neutrality.

21. Another dimension of Austria's neutrality, related to the country's geographical location, is the fulfilment of a humanitarian task of a special nature. Hundreds of thousands of people from all parts of the world have found asylum in Austria or have moved through Austria to other countries.

22. Austria remains committed to this humanitarian role. In continuing to perform this task we should welcome other States adopting a similar approach.

23. After surveying the foregoing questions, in all of which Austria is particularly interested, let me say a few words about another issue on which you will have to spend a great deal of time and effort in the next few days.

24. I am not in a position to offer any ready-made solution of the Middle East problem. But, whatever may be discussed here in this coming debate, the most important goal must be to achieve a military standstill in a region with which Europe has had close ties for many centuries. I am sure the debate here in the United Nations will provide strong support to all those who are working for a policy whose first aim is to defuse the military confrontation. It is not only a matter of preventing a local military conflict—although that is important enough in itself—but also one of doing our utmost to avoid such conflicts developing into confrontations involving other continents. The President of the United States and Secretary-General Brezhnev of the Communist Party of the Soviet Union are trying to bring about world-wide *détente*, but the measure of *détente* at present achieved in Europe would be lost if the policy of military standstill in the Middle East were to fail.

25. I come now to Austria's attitude to the Middle East conflict. When the Prime Minister of the Syrian Arab Republic, Mr. Al Ayoubi, visited Vienna, I said in an after-dinner speech:

"Much as we desire good relations, I cannot let this occasion pass without emphasizing explicitly that we can envisage such relations only if they are not to be maintained at the expense of our good relations with other countries. Let me make this clear. Austria has the same good relations with the countries of the Arab world as it has with Israel. This is so for many reasons—considerations of principle as well as specific motives. Thousands of people born in Austria have found a new home there; hundreds of thousands had no choice but to go there in order to escape persecution. And, lastly, a modern community has grown up there. Not to acknowledge this would be contrary to our idea of civilization."

26. As regards the question of the Palestine Liberation Organization, Austria decided to vote in favour of the relevant resolution because, as the Austrian representative stated, Austria takes the view that the intricate problem of bringing peace to the Middle East cannot be solved without taking account of the legitimate aspirations of the Palestinian people. This is why the Austrian Government regards a debate on the Palestine question as useful. The coming debate might mark a turning-point leading to the adoption of peaceful means rather than violence to solve the serious problems confronting us.

27. To be sure, the fact that a movement employs terrorist methods seriously detracts from its credibility and ethical motivations. To many of us these methods are profoundly repulsive; many would not consider them justified in any circumstances. We therefore find it difficult to separate a movement's aims from the means it uses to pursue them. And yet the history of the last 50 years has shown that there are movements that resort to harsh and brutal methods in their struggle to assert themselves and yet whose leaders subsequently, after an acceptable compromise has been achieved, acquire considerable moral stature. We should therefore not pass judgement on a movement before it has had a chance to prove its moral and political responsibility. So I wish to appeal to all participants in the coming debate never to forget in the acrimony of their controversies that what is at stake on both sides is the fate of human beings whose real wish is to live in peace. I urge this upon all parties concerned.

28. My words may be in vain, yet I press this call as one of a generation that has lived through many catastrophes and witnessed immense human suffering in the last 50 years. I make this appeal to the Assembly as a person deeply committed to a political philosophy that advocates social justice within each nation and peace among all nations. And I address these words to you as a citizen of a country in the centre of Europe whose people have lived through the horror of two world wars and, over the last decades, have learned to appreciate the blessings and advantages of peace and prosperity. We know from our own experience what war destroys and peace makes flourish. As we realize this, we also recognize that the historic region of the Middle East, which is both part and birth-place of great cultures and civilizations, has the potential of becoming a zone of peace marked by a social order which will contribute greatly to the well-being of its many people in the coming decades. Given the frankness of our discussions, let me ask you once again to consider these questions as intimately linked with the over-all world-wide process of *détente*.

29. I would not wish to conclude without reiterating how strongly Austria feels committed to the principles of the United Nations. We know that the United Nations, despite much criticism, serves the peace of the world not least by providing a forum for political confrontation. Many problems that appeared intractable when first brought before the United Nations have found a peaceful solution. Even when such a solution was arrived at outside the United Nations, nobody can say for sure how much the debates and

related diplomatic efforts in this forum have contributed thereto.

30. Let me therefore conclude by expressing again how greatly I am honoured by the privilege of addressing the General Assembly.

31. The PRESIDENT (*interpretation from French*): On behalf of the General Assembly, I should like to

thank the Federal Chancellor of Austria, His Excellency Mr. Bruno Kreisky, for his important address.

The meeting rose at 12.45 p.m.

NOTE

¹ See *Proceedings of the United Nations Conference on Trade and Development*, vol. I, *Final Act and Report* (United Nations publication, Sales No. 64.II.B.11), Final Act, third part, annex A.II.1.