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The ruble lever: Soviet development knowledge and the political economy of the UN

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Abstract

From the early 1950s, the USSR was the second largest contributor to the UN. Following UN rules, it gave much of its contribution in rubles, an infamously unconvertible currency that generally limited Soviet actions overseas. In the hands of UN officials, however, these ‘weak’ rubles became a powerful lever that made UN development projects more Soviet. Seeking to extract value from the ruble, officials increased the amount of UN development training held in the USSR, prioritized the purchase of Soviet equipment, and incentivized agencies to distribute Soviet manuals. Exploring the ruble lever contributes to our knowledge of the Soviet presence at the UN while foregrounding political economy as a key mechanism shaping UN practices more widely. Following the money in forms other than the dollar can reveal how economies of power at the UN intersect with global economic history, as well as the conceptual and contemporary challenges of international cooperation among wildly unequal economies.

Keywords: Soviet Union; United Nations; development; political economy; rubles; FAO

In July 1964, a group of around fifty planners and government officials from across the developing world gathered at the House of Friendship in Moscow for a two-week seminar to study planning methods. Soviet experts presented papers, and the participants engaged in lively discussion with each other and their Soviet interlocutors and shared experiences among themselves. In between sessions, they enjoyed a classic Soviet tourist program, with visits to the circus and the ballet, as well as a boat cruise along the Volga.¹ This tour can be seen as part of the Soviet state’s growing outreach to the global South in the post-Stalin decades, as an expression of shared ambitions for anti-colonial development and the promotion of socialist economic models beyond its borders.² But this tour, so incredibly Soviet, organized in part by the State Committee for Foreign Economic Relations (GKES), was initiated and funded by the Research and Planning Division at the UN Regional Economic Commission for Europe (UN ECE).

I note that following current usage and transliteration conventions, I use the spelling ‘ruble’ while preserving the alternative spelling ‘rouble’ in quotes and names of documents. Similarly, I have used ‘unconvertible’ in the text with an occasional ‘non-convertible’ in quotations. I employ the current local names for places mentioned in the body text even when the documents refer to Soviet-era Russian names.

¹Description compiled from various documents in GX 18-8-1-98, UN Geneva Archive (hereafter, UNOG).

²David Engerman, *The Price of Aid: The Economic Cold War in India* (Cambridge, MA: Harvard University Press, 2018); Abigail Judge Kret, “‘We Unite with Knowledge’: The People’s Friendship University and Soviet Education for the Third World”, *Comparative Studies of South Asia, Africa and the Middle East* 33, no. 2 (2013): 239–56; Elizabeth Banks, Robyn d’Avignon, and Asif Siddiqi, ‘Introduction: The African-Soviet Modern’, *Comparative Studies of South Asia, Africa and the Middle East* 41, no. 1 (2021): 2–10; Alessandro Iandolo, *Arrested Development: The Soviet Union in Ghana, Guinea, and Mali, 1955–1968* (Ithaca, NY: Cornell University Press, 2022); Natalia Telepneva, *Cold War Liberation: The Soviet Union and the Collapse of the Portuguese Empire in Africa, 1961-1975* (Chapel Hill: UNC Press, 2022).

This tour was just one of hundreds of similar UN seminars held in the USSR throughout the 1960s, 1970s and 1980s. Funded by the UN, these events were hosted by multiple UN institutions including the Regional Commission for Africa (UN ECA), the Regional Commission for Asia and the Far East (UN ECAFE), the Conference on Trade and Development (UNCTAD), the Development Program (UNDP), the Industrial Development Office (UNIDO) and the Food and Agriculture Organization (FAO). These Soviet-UN seminars events provided training in practical and theoretical aspects of economic development, such as construction, mining, the organization of various industrial plants, animal husbandry, cotton production, food processing, fishing techniques, airport management, metalworking, statistics, and accounting, to tens of thousands of experts from the developing world. Participation by UN experts or external consultants was low or non-existent; technical officers from the UN and the developing world alike were keen to learn from Soviet methods, while Soviet officials in charge of the schedule prioritized Soviet input. As Soviet experts prepared papers, gave almost all the lectures, led discussions, served as tour directors, and guided the participants through an active program of on-site visits, this UN development program gained a distinctly Soviet character.

These seminars and associated activities were paid for in rubles taken from the UN budget. Since the early 1950s, the USSR had been the second largest contributor to the UN budget and, in line with UN rules that allowed countries to pay in their own currencies, a significant percentage of this contribution was paid in rubles. But, unfortunately for the UN, the Soviet currency, like many other socialist currencies, was unconvertible. In fact, there were two rubles – the cash ruble used as currency by citizens inside the USSR and the accounting ruble that was used to track the movement of goods and value, both at home and internationally, including at the UN.³ Neither could be exchanged for other currencies, and they could not be used in foreign transactions of any kind. As the USSR paid its share to the UN, the unconvertible accounting ruble began to accumulate in the organization's accounts. At the UNDP alone, this surplus reached a value of \$21 million by 1978 and rose to \$26 million by 1989.⁴

Ruble accumulation was a problem for UN officials who faced institutional pressure to use all their funds efficiently, including the value of funds effectively trapped in unconvertible currencies like the ruble. In the early 1960s, American research teams were already designing projects to investigate the 'alarming deficits' and 'specter of bankruptcy [that] now hovers over the United Nations.'⁵ As the decades went by and the budget swelled, member states' expectations for effective use of resources only grew, while internal discussions of the same flared up periodically, in concert with moments of particular budgetary stress. UN officials also faced pressure from their Soviet interlocutors, who in the early 1960s refused to fund or participate in new programs unless the existing ruble surplus was used up. The Soviet Union seemed permanent, and neither side could imagine an end to the economic division of the world. These pressures, from within and without, created both the ruble problem that the UN officials sought to solve and, ultimately, the ruble lever.

For Soviet officials, ruble accumulation was less a problem than an opportunity. Inside the USSR, ruble accounting ran parallel to hard currency budgeting, which concerned high-level exports, imports, and certain spheres of international life. The separation of these two budgets had caused problems for Soviet officials and leaders since soon after the revolution; they quickly found that unconvertibility all but ruined their possibilities overseas, and so they began warping policies to spend rubles instead of dollars, to protect their sparse supply of hard currency, or even to earn it

³The cash ruble is the ruble at the centre of Kristy Ironside, *A Full-Value Ruble: The Promise of Prosperity in the Postwar Soviet Union* (Cambridge, MA: Harvard University Press, 2021).

⁴Report of the inter-agency meeting with USSR authorities on Rouble Utilization, Geneva, 19th-22nd March 1978', 8-ODG-347 (USSR), UN Food and Agriculture Archive (hereafter, FAO); 'UNDP Annual Review of the Financial Situation, 9th May 1991', Annex 1, DP/1991/47, United Nations Digital Archive (hereafter UNDA).

⁵Inis L. Claude, 'The Political Framework of the United Nations' Financial Problems', *International Organization* 17, no. 4 (1963): 835; John George Stoessinger, *Financing the United Nations System* (Washington, DC: Brookings Institution, 1964).

through ever more elaborate schemes.⁶ Accepting the UN offer to pay some of their contributions in rubles was part of this lively tradition for Soviet bureaucrats. When their UN counterparts came face to face with a rapidly growing glut of near-unusable rubles, they, too, began concocting creative solutions that mirrored these behaviours and ultimately benefitted the Soviet side. The currency's weakness, which usually limited Soviet international reach, became a source of strength when placed in someone else's hands. Instead, rubles became a lever that increased the number of Soviet study tours, prioritized the purchase of Soviet equipment to use in development projects around the world, and incentivized agencies to translate and distribute Soviet training manuals through UN networks. As UN officials – rather than Soviet – attempted to extract any possible value from a currency that was almost worthless internationally, the unconvertibility of the ruble increased the presence of Soviet sites, ideas, and material forms within UN development work around the world.

The similarity of goals, modernist ideals, and aesthetics in development work across the Cold War divide has been well established, even as some scholars stress socialist efforts as a real alternative to capitalist models.⁷ These commonalities were further shared with the UN, a future-focused organization that stressed modernity, internationalism and technical expertise in ways that were valued in the post-Stalin USSR.⁸ But while Soviet development aid tended to operate along bilateral axes, the ruble lever extended Soviet overseas aid to multilateral spaces. This financial dynamic further enmeshed UN and Soviet development practices to institutionalize an expanded geography of affinity that superseded the imagined-apparent Cold War binary; UN officials brought Soviet materials and ideas into UN projects, and developing world experts learned Soviet methods under the UN banner.⁹

This finding contributes to recent challenges to the assumption that the UN remained a straightforwardly liberal and western institution. Scholars such as Christy Thornton, Alanna O'Malley and Vineet Thakur have pointed out the diverse roots of the UN's animating ideals, including in development and economic sovereignty, as well as the ways in which global South actors helped negotiate its practices through the second half of the twentieth century.¹⁰ Much less is known about Soviet actions at the UN, with the recent international turn in Soviet history tending to focus on bilateral relations, including bilateral development relations, rather than the international system, with a few key exceptions.¹¹ The ruble lever uncovers a crucial additional

⁶Anne O'Donnell, *Power and Possession in the Russian Revolution* (Princeton, NJ: Princeton University Press, 2024), ch. 4; Oscar Sanchez-Sibony, *Red Globalization: The Political Economy of the Soviet Cold War from Stalin to Khrushchev* (Cambridge: Cambridge University Press, 2014); Elizabeth Banks, 'Socialist Internationalism Between the Soviet Union and Mozambique, 1962-91' (PhD diss., New York University, 2019), ch. 4.

⁷On commonalities see for example Sara Lorenzini, *Global Development: A Cold War History* (Princeton, NJ: Princeton University Press, 2019); Stephen Macekura and Erez Manela, *The Development Century: A Global History* (Cambridge: Cambridge University Press, 2018). For a dissenting view, see the conclusion of Iandolo, *Arrested Development*.

⁸This overlap in vision is an important theme in Louis H. Porter, *Reds in Blue: UNESCO, World Governance, and the Soviet Internationalist Imagination* (Oxford: Oxford University Press, 2023).

⁹This conceptualization of the wider globality of connections between global East and global South has been introduced and explored by: Banks, d'Avignon, and Siddiqi, 'African-Soviet Modern'; Nana Osei-Opore, 'Ghana and Nkrumah Revisited: Lenin, State Capitalism, and Black Marxist Orbits', *Comparative Studies in Society and History* 65, no. 2 (2023): 399–421.

¹⁰Christy Thornton, *Revolution in Development: Mexico and the Governance of the Global Economy* (Berkeley: University of California Press, 2021); Alanna O'Malley and Vineet Thakur, 'Introduction: Shaping a Global Horizon, New Histories of the Global South and the UN', *Humanity: An International Journal of Human Rights, Humanitarianism, and Development* 13, no. 1 (2022): 55–65. See also the articles in O'Malley's and Thakur's special issue.

¹¹The major exception is UNESCO (Porter, *Reds in Blue*). For examples of international works focused on bilateral connections between socialist Europe and countries in the developing world see note 2 above as well as Elizabeth Banks, 'Sewing Machines for Socialism? Gifts of Development and Disagreement between the Soviet and Mozambican Women's Committees, 1963–87', *Comparative Studies of South Asia, Africa and the Middle East* 41, no. 1 (2021): 27–40; Timothy Nunan, *Humanitarian Invasion: Global Development in Cold War Afghanistan* (Cambridge University Press, 2016). For an example of this literature for socialist Europe more broadly, see Marcia Schenck, *Remembering African Labor Migration to the Second World: Socialist Mobilities between Angola, Mozambique, and East Germany*. (London: Palgrave, 2022).

means by which Soviet ideas and practices came to be incorporated into the UN, and indeed at times effectively promoted by the international body.

The ruble lever foregrounds political economy as a key mechanism shaping UN policies. As historians have turned towards greater investigation of the UN and other international institutions in recent years, their writing tends to focus on policies, the practices and lived experience of international workers, and the movement of ideas and ideals.¹² So far, less attention has been given to the economic infrastructure that underpinned the international organization system, and how these financial realities shaped and limited their work. Moreover, we are conditioned to think of the dollar and US financial power as the most – or even only – important dynamic in the Cold War era global economy. At the UN, it is true that the US dominance of the budget has disrupted the organization; one key flashpoint came in 1984 when the Reagan administration withdrew the US from UNESCO in a dispute over politics and finances, employing the claim that while the US paid 25% of the UN's budget, its agencies should not display 'hostility' towards American ideals.¹³ Similar logics were rehearsed again more recently when the Trump administration underpaid UNESCO to the tune of \$619 million and cut US funding for the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) in half, citing an anti-Israeli bias in both cases.¹⁴ Similarly, scholars working on charitable foundations have critiqued the ways in which preferences of US funders have affected development priorities worldwide.¹⁵ Yet, following the ruble instead of the dollar reveals that the apparatus of UN contributions created additional vectors of money and power that ran through the organization. My focus on the ruble exposes these dynamics vis-à-vis the second superpower, while further research can expect to highlight these mechanisms elsewhere.

At the widest scale, the fraught dynamics of the ruble lever point to wider problem of international cooperation among wildly unequal economies. The Soviet superpower and the socialist bloc sat outside the dominant financial system, as did various less developed countries with poor access to hard currency and/or unconvertible currencies. Yet the logic of the UN required their participation. The UN institutions, especially including the UNDP, sought to overcome international inequality by promoting development, but as it did so, its projects came up against the hard edges of the global economy, including the default of hard currency. Exploring

¹²For an introductory overview see Sunil Amrith and Glenda Sluga, 'New Histories of the United Nations', *Journal of World History* 19, no. 3 (2008): 251–74; Madeline Herren, ed., *Networking the International System: Global Histories of International Organizations* (Springer International, 2014); Simon Jackson and Alanna O'Malley, eds., *The Institution of International Order, From the League of Nations to the United Nations* (London: Routledge, 2018). More recently see O'Malley and Thakur, 'Introduction: Shaping a Global Horizon'; Emma Kluge, 'A New Agenda for the Global South: West Papua, the United Nations, and the Politics of Decolonization', *Humanity* 13, no. 1 (2022): 66–85; Margot Tudor, *Blue Helmet Bureaucrats: United Nations Peacekeeping and the Reinvention of Colonialism, 1945–1971* (Cambridge University Press, 2023); Eva-Maria Muschik, *Building States: The United Nations, Development, and Decolonization, 1945–1965* (New York: Columbia University Press, 2022). A vibrant body of literature explores the ILO along similar themes, see Eileen Boris, Dorothea Hoehtker, and Susan Zimmerman, eds., *Women's ILO: Transnational Networks, Global Labour Standards, and Gender Equity, 1919 to Present* (Leiden: Brill, 2018). Louis Porter focuses on day-to-day experiences of mid-level officials in his account of UNESCO (Porter, *Reds in Blue*).

¹³Quotes from Gregory Newell, Assistant Secretary for International Organization Affairs. See Susan Tift, 'Waving Goodbye to UNESCO', *Time*, 9 January 1984, <https://content.time.com/time/subscriber/article/0,33009,952288-1,00.html>, last accessed 27 May 2024.

¹⁴Joe Biden promised to repay these arrears, which began accumulating under Barack Obama, as a condition for re-joining UNESCO in 2023. Edward Helmore, 'US set to rejoin Unesco after leaving during Trump presidency', *The Guardian* 1 July, 2023, <https://www.theguardian.com/world/2023/jul/01/us-set-to-rejoin-unesco-after-leaving-during-trump-presidency>, last accessed 27 May 2024. On UNRWA, see Anne Irfan, 'Trump cuts aid to Palestinian refugees—and throws their future into doubt', *The Conversation*, 23 January 2018, <https://theconversation.com/trump-cuts-aid-to-palestinian-refugees-and-throws-their-future-into-doubt-90282>, last accessed 27 May 2024.

¹⁵Inderjeet Parmar, *Foundations of the American Century: The Ford, Carnegie, and Rockefeller Foundations in the Rise of American Power* (New York: Columbia University Press, 2012); Linsey McGoey, *No Such Thing as a Free Gift: The Gates Foundation and the Price of Philanthropy* (London: Verso, 2015).

the struggles around the ruble invites us to reflect on a greater conceptual problem at the core of the project of international organization: how could – how can – the UN fulfil its vision of being an inclusive global community when its own political economy relies on the post-war dollar system which, in practice and by design, excluded much of the world?

The article centres on efforts to spend rubles at the FAO and the UNDP, with additional evidence from UNECE, UNECA, UNCTAD, and the Environmental Program (UNEP). I open with an explanation of the UN budgetary system that set up the ruble accumulation that drives the rest of the narrative. This section is contextualized with a general discussion of Soviet actions and ideals at the UN. Following this, I centre on the emergence of Soviet study tours at the FAO as a response to active demands for Soviet technical knowledge from developing world governments, showing at the same time how using UN rubles became a unique foundational condition for such tours. The organizational details of several tours in the early 1960s further reveal a Soviet takeover of the intellectual content of these seminars, as well as the growing budgetary burden. As the decade went on, these tours emerged as a crucial method of employing the ever-growing ruble glut, and yet the problem remained. The next section focuses on Andre de Vajda, an official at the FAO and then the UNDP, whose efforts to increase ruble use in the 1960s and 1970s, through buying Soviet equipment, reveal dynamics that rippled throughout the organization. His actions certainly eased the situation, but, as the end of the article shows, ruble accumulation remained a chronic problem right through to 1991, when the Soviet Union disintegrated and the Cuban peso took over as the primary currency of concern.

Budgeting for the world

Funding the UN has been complicated from its foundation. The main operation budget – excluding peace-keeping and voluntary funds – is financed through fixed compulsory contributions from member states. These contributions, which are meant to reflect the relative sizes of national economies and ability to pay, are calculated using complex formulae developed by the Committee on Contributions, a body established at the very first meeting of the General Assembly in 1946. Their calculations attempt to consider lower per-capita incomes as well as the sheer size of the national economy, all while bridging radically different traditions of economic accounting across geography and political systems. Their formulae allow contribution figures to be adjusted as member states' economic circumstances change and as new states join the organization.¹⁶ These contributions are so important that, in theory, a member state that neglects to pay can be denied the right to vote at the General Assembly.¹⁷ Voluntary contributions to peace-keeping and special funds supplement these core contributions.

The US has always paid the largest share, but from 1953 the Soviet economy had grown enough to claim second place in the table of contributions. The Soviet share fluctuated between 10.5% and 15% from 1953 through the 1980s, against a US percentage that fell from 39% in 1946 to 35% in 1953 and then 25% in 1975. The Ukrainian and Belarussian republics had their own representation at the UN and thus a small independent budget contribution in addition to the main USSR share. From the 1950s, the UK, France, and the Federal Republic of Germany contributed around 5-7% each. China, which until 1971 was represented by Taiwan, also gave around 5% until its share dropped in the 1980s; given recent growth it is now in the top three contributors. Japan's share grew rapidly through the 1960s and 1970s, placing them just behind

¹⁶Jeffrey Laurenti, 'Financing', in *The Oxford Handbook on The United Nations*, ed. Thomas G. Weiss and Sam Daws (Oxford, New York: Oxford University Press, 2018), 253–5; A. Glenn Mower, 'The Budgetary Process of the United Nations', *Social Science* 39, no. 4 (1964): 220–3.

¹⁷But in practice, since member states lose their right to vote if total arrears meet or exceed the amount due over the previous two years, states have tended to pay a small contribution that is just large enough to bring them under the threshold. (Laurenti, 'Financing', 252).

the USSR in third place during the second half of the 1980s.¹⁸ The second superpower would maintain its status as second largest contributor until its collapse in 1991.

Importantly, UN budgetary rules allow countries lacking in hard currency to petition the secretary general for permission to pay a portion of their contributions in local currency. During the 1960s, just over a dozen countries took advantage of this process; the USSR did so most of all.¹⁹ As the second largest contributor from the 1950s to the 1980s, the Soviet government flooded the UN accounts with rubles that began to accumulate as officials struggled to spend them. These rubles, some from the compulsory contribution and some given voluntarily, were divided between UN programs. In 1967 and 1968 the UNDP had an allocation of around \$570,000 in rubles per year.²⁰ By the 1980s this figure had risen to around \$3 million per year.²¹

To be sure, rubles were not the only problem currency. The UNDP tracked seven officially designated ‘accumulating non-convertible currencies’ in their financial reporting from the 1960s, all from the socialist world. Cuban pesos, GDR marks, Bulgarian levs, Czechoslovak korunas, Romanian leus, Albanian leks and Polish zlotys all featured on the list, alongside the mighty ruble. But the ruble was the biggest problem of them all. In 1978, the UNDP’s ruble mountain held a value of almost \$21 million.²² Three years later, \$13 million in rubles made up 95% of the UNEP’s unconvertible stockpile, which itself was so large that it represented over half of the total fund balance.²³ As the decade went on, ruble totals remained high despite concerted efforts from UN and Soviet officials to increase ruble use. On the eve of Soviet collapse, rubles made up more than half the total unconvertible accumulation at the UNDP, with a total value of just less than \$26 million.²⁴

The ruble was a weak currency backed by a superpower with a prominent global role. A member of the wartime alliance that founded the United Nations, the USSR occupied a permanent seat in the security council and was a key player on major decisions from the start. Soviet leaders had successfully lobbied for independent representations for Ukraine and Belarus within the institution at large, further increasing the Soviet presence. Some lingering ambivalence towards the organization disappeared almost immediately after Stalin’s death as the new Soviet leaders expanded participation rapidly through the 1950s and 1960s, including through (re-)joining or increasing collaboration with specialized agencies such as UNESCO, FAO, and the International Labour Organization.²⁵ This period also saw greater budgetary contributions and increased attention to placing Soviet staff in UN institutions.²⁶ The growth of Soviet presence at the UN dovetailed with a simultaneous increase in bilateral aid – political, economic, military,

¹⁸Laurenti, ‘Financing’, 255.

¹⁹Mower, ‘The Budgetary Process of the United Nations’, 222.

²⁰Brief for Director-General, UNDP Currency Usage – Russian Roubles (no date, 1968), 8-ODG-453, FA 6/1 USSR August 1968, FAO.

²¹‘UNDP Annual Review of the Financial Situation, 10th April 1981’, DP/547, table 11, Freie Universität library (hereafter, FU); ‘UNDP Annual Review of the Financial Situation, 29th April 1983’, DP/1983/43, table 7, FU. The documents do not make clear if the total amount comes from main budget allocation or voluntary contributions or a combination.

²²Report of the inter-agency meeting with USSR authorities on Rouble Utilization held in Geneva 19-22 March 1978’, 8-ODG-347 (USSR), FAO.

²³UNEP Report of the Executive Director on Non-Convertible Currencies, discussed at the Governing Council Tenth session, Nairobi, 20th May–2nd June 1982’, UNEP/GC. 10/10/Add.1 4 February 1982, 2, UNDA.

²⁴UNDP Annual Review of the Financial Situation, 9th May 1991’, Annex 1, DP/1991/47, UNDA.

²⁵On this rapid post-Stalin acceptance of the UN, see Ilya V. Gaiduk, *Divided Together: The United States and The Soviet Union in the United Nations, 1945–1965* (Stanford University Press, 2012), 207; Porter, *Reds in Blue*, 48–51. The USSR joined UNESCO and re-joined the ILO in 1954. Note that despite extensive negotiations through the period covered by this article, the USSR did not join the FAO.

²⁶Porter describes how Soviet institutions prepared reserve candidates to facilitate a timely response to open positions at UNESCO (Porter, *Reds in Blue*, 95). In the 1970s, the Soviet representatives in New York successfully lobbied for new UN practices that would increase Soviet hires. See for instance ‘Status of Recruitment of Soviet Nationals for geographical posts as of 30 September 1973’, S-0904-0064-0031-00001, UN Archive and Records Management Service (in New York, hereafter UN ARMS).

educational – to socialist and anti-imperial movements and governments around the world.²⁷ Crucially, Soviet officials in the early 1960s already had linked UN and bilateral spending in their minds as different ways of using money to aid their allies while building their image as a benevolent world power.²⁸ The history of UN ruble spending can therefore be read alongside discussions of Soviet bilateral assistance and development aid to give a fuller picture of the superpower's post-war international turn.

Organizing Soviet–UN tours

UN-Soviet study tours emerged in the early 1960s in response to demand for Soviet technical knowledge from the global South and quickly became a key site of the ruble budgetary solution that heightened the crossover between UN and Soviet development ideas. Through these tours, Soviet institutions could position themselves as experts without taking on all the costs, while developing world experts could access Soviet methods under the more neutral UN banner. UN officials could similarly learn from Soviet technical expertise while maximizing their budgets—even if the organization of these tours did not always go so smoothly.

These overlapping priorities can be seen in the progression towards the first FAO training seminar in fishing techniques, which was held in the USSR in 1961. The initiative for such tours came from national fisheries officers from several developing countries who asked FAO staff members in 1956 and 1957 if the organization could arrange training in the USSR so that they could learn cutting-edge Soviet techniques. The Soviet government had recently taken steps to speed up production of new fishing trawlers and was well on the way to becoming an industry leader. Following these requests, members of the FAO fisheries division approached the Soviet Ministry of Fishing to ask about training possibilities. In July 1958, the Soviet Minister of Fisheries Aleksandr Akimovich Ishkov and Dr. G. L. Kostovon from the FAO agreed to a tentative plan for a six-week study tour. The program included research centres and industrial sites in Moscow, Stalingrad, Astrakhan, Baku, Batumi, Murmansk, and Leningrad. Once the Soviet government had given their official assent, FAO officials reached out to governments in Asia, the Middle East, and southern Europe to gauge their interest in such an activity.²⁹

Following some delay, the seminar dates were set for September–October 1961. In May 1961, Colin Beaver, a senior fisheries economist at the FAO, travelled to Moscow ahead of the planned seminar to finalize the necessary arrangements. Beaver spent much of his time in meetings with officials from the two collaborating institutions: the All-Union Scientific-Research Institute of Fishing and Oceanography (VNIRO) and GKES. Beaver noted that even though the seminar was coming up in just four months, 'there was still some doubt as to the subject matter' as well as the industry or research locations that the tour would include. Through his meetings, Beaver came to understand that it would be very difficult to base the seminar in a regional fishing centre, so it was agreed that it would be held in Moscow, with 'appropriate visits' to fishery institutions. M. Y. Karpovsky at GKES drew up a month-long program of lectures and discussions in Moscow, visits to research institutions, fish storage facilities, processing and distribution plants in Moscow, a tour of Caspian fisheries near Astrakhan and Yalta, followed by closing lectures in Moscow.³⁰ The twenty or so participants would be able to sample a range of fish products produced by each of the enterprises they visited.³¹ The experts at VNIRO meanwhile proposed a slate of lectures and

²⁷See footnotes 2 and 15.

²⁸Porter, *Reds in Blue*, 75–78.

²⁹'Letter from B R Sen, Director General of FAO to representatives of various governments, 6 July 1958', 14-FI-137, Fisheries Study Tour in USSR 1958, FAO.

³⁰Report by Beaver of his visit to USSR, 15–25 May 1961, July 1961', 14-FI-137, 1961 USSR General, FAO.

³¹'Letter from Beaver to Gurtovoy at VNIRO, 1 Dec 1961', 14-FI-137, 1961 USSR Correspondence, FAO.

discussion topics to complement the site visits. These would be delivered in Russian with translation into English. Overall, Beaver was impressed with the program offered, but noted with some alarm that 'there would not be much room for more than one FAO instructor apart from myself.'³² Indeed, in a follow-up letter, Beaver went on to note that he made suggestions aimed at ensuring 'more extensive participation in the lecture program on the part of FAO, in conformity with the general outline already supplied to the USSR Government by FAO.'³³ These efforts at intellectual diversification were later broadened even further when Beaver wrote to the Israeli participant of the tour, Moshe Shavit, inviting him to present a paper.³⁴ In the event, Shavit did not present, and the intellectual offerings remained firmly Soviet.

This Soviet takeover of the intellectual content of the tour was a common experience for UN staff. In 1962, Nita Watts, the deputy director of the Research and Planning Division of the UN ECE, began discussing a proposed UN seminar on planning techniques in Novosibirsk with Professor M. I. Bor, the Director of Scientific Institute of Planning and Norms of the USSR National Economic Council. Their first plan was to host a little more than a week of lectures at two Novosibirsk-Akademgorodok institutes that were central to the development of Soviet economics: the Laboratory of Economic and Mathematical Research of the Institute of Economics and the Mathematical-Economic Department of the Institute of Mathematics, at that time headed by A. G. Aganbegian and L. V. Kantorovich respectively.³⁵ By mid-1963, the seminar had been postponed to 1964 and the location shifted to Moscow, even as individuals from the Novosibirsk institutes still were involved. This would have been a loss for Watts and her colleagues at the UN ECE as these Novosibirsk institutes were vibrant academic centres producing innovative economic knowledge about the Soviet Union that would have been valuable to the UN ECE staff, as well as to the seminar participants.³⁶ We tend to think of the intellectual iron curtain as one-directional: cutting off scientists and scholars in the socialist East from information and new methods being developed in the West. But the Cold War information gradient worked both ways. Western scholars and policy makers, as well as staff at UN institutions, needed contact with the East in order to do their work.³⁷ Indeed, by the 1960s, Soviet technical knowledge was highly valued, as was the country's experience of rapid economic growth. At the UN ECE, collaboration with Soviet and other socialist institutions was especially needed as the commission had an explicit mandate to promote East-West cooperation. Ahead of the summer 1964 tour, Jerzy Berent wrote to a colleague working on population affairs in NYC alerting him to the fact that one of the papers submitted ahead of time conveyed a sea change from previous Soviet approaches to population policies, arguing for limiting family size through policies but not Malthusian methods, and also allowing each socialist state to make its own choices.³⁸ This correspondence reveals that UN staff

³²Report by Beaver of his visit to USSR, 15-25 May 1961, July 1961', 14-FI-137, 1961 USSR General, FAO.

³³Letter from Beaver to Popper (Chief of Economics Branch of the Fisheries Division) 29 May 1961', 14-FI-137, 1961 USSR General, FAO.

³⁴Letters from Beaver to Popper, Moscow 7 September 1961, and 15 September 1961'; 'Letter from Beaver to Moshe Shavit, 1 September 1961', 14-FI-137, USSR 1961, FAO.

³⁵Letter from Nita Watts to Professor Bor, 11 December 1962, plus enclosures', GX 18-8-1-98, UNOG.

³⁶On the importance of Novosibirsk in Soviet academic life, see Paul Josephson, *New Atlantis Revisited: Akademgorodok, the Siberian City of Science* (Princeton, NJ: Princeton University Press, 1997). On these mathematical-economic centres see Adam Leeds, 'Dreams in Cybernetic Fugue: Cold War Technoscience, the Intelligentsia, and the Birth of Soviet Mathematical Economics', *Historical Studies in the Natural Sciences* 46, no. 5 (2016): 633-68.

³⁷For an examination of this in the US context, see David Engerman, *Know Your Enemy: The Rise and Fall of America's Soviet Experts* (New York: Oxford University Press, 2011).

³⁸Letter from Jerzy Berent, at ECE Research and Planning Division, to John Durand, Director of the Population Branch of the UN Social Affairs Bureau, 24 June 1964', GX 18/8/1/98, UNOG. The paper in question is by B. T. Uralnis, 'Demographic factors and planning of economic development', and is reprinted in the official seminar report: *Report of the United Nations Seminar on Planning Techniques: Moscow, Union of Soviet Socialist Republics 8-22 July 1964* (New York: United Nations, 1966), 113-23.

were using joint seminars with Soviet institutions as a positive potential source of information from inside the USSR.

Nonetheless, Watts's original plans for the seminar continued to go astray. As in the FAO tour, Soviet intransigence caused significant changes to the content of the program. Watts had originally envisioned that half the time would be devoted to discussing the practical insights of Soviet planning officials and industrial or farm managers, with the rest of the available time led by UN staff who could discuss the comparative application of these techniques in economies of differing types, based on three recent UN reports on planning. But delays in planning and late changes in the program had the effect of making the seminar more Soviet and less multilateral in its intellectual content. In April 1964, just a month ahead of the planned tour, Watts sent a personal and confidential letter to Stasiek Braun that lamented the ways the program 'has by now departed very far from the original proposals we put to the Soviet authorities'. 'Indeed', she continued, the plans now reflect 'virtually a unilateral decision on their part. They have organized things that the only papers presented will come from the Soviet participants and the participation by others will be limited to discussion of the papers presented'. Moreover, she continued, the timetable suggested by the Soviet authorities included too much sightseeing, leaving 'virtually no time' for discussion. 'I find the whole situation rather irritating', she admitted, but remained hopeful that the seminar would prove useful 'despite the extent to which this whole project has gone wrong'.³⁹ And indeed, as the seminar gave Soviet planners the chance to give unilateral presentations of Soviet techniques as a model, the study tours as practice began to fulfil a financial need.

Accounting for Soviet-UN tours

The first budgetary arrangements for these tours were worked out by Colin Beever, who went to Moscow in 1961 to make plans for the upcoming USSR-FAO seminar. He arrived from Rome confident that this seminar would be budgeted in the standard way: through a cost-sharing arrangement between the host country government and the UN institution concerned. This was the usual mechanism for funding FAO training courses held in other places. But when Beever presented a draft agreement to Sergeev at GKES during his May visit, Sergeev began the application of the ruble lever, noting that while UN rubles went unspent, GKES and other Soviet authorities would not entertain the idea of hosting any projects that involved any additional contribution on the part of the USSR. Sergeev effectively issued an ultimatum to Beever, explaining that his government would implement 'only those projects that could be paid for in full from the USSR contribution' to the UN. Beever rightly called this information a 'bombshell' that blew up past expectations of how the September tour would be organized, along with the FAO's own norms for joint projects. Yet, Beever stressed the importance of continuing the project despite the unorthodox arrangements. He wrote to his superiors that time was so short that 'unless we could resolve the question of financial obligations within the next day or so, it would be extremely difficult to implement the project this year.' The tour proceeded as planned a few months later, showing that this new and unusual financial solution was accepted, and the pattern of ruble use through study tours was set for decades to come.⁴⁰

Exploiting UN rubles allowed Soviet organizers to host more international activities without spending hard currency. This was no small benefit, as the costs of Soviet bilateral aid, which had begun barely a decade earlier were already coming under criticism from high-up members of the

³⁹Letter from Nita Watts to Stasiek Braun, 28 April 1964', GX 18-8-1-98, UNOG. Indeed, the official report of seminar later reveals that all the lectures were given by Soviet experts (United Nations, *Report of the United Nations Seminar on Planning Techniques, Moscow, Union of Soviet Socialist Republics 8-22 July 1964* (New York: United Nations, 1966)).

⁴⁰Report by Colin Beever following a fact-finding mission to USSR, May 1961', and 'Letter from Colin Beever to Fred Popper, 29 May 1961', 14-FI-137, USSR 1961, FAO.

Soviet government as an unnecessary and ineffective expense.⁴¹ Moreover, such work was expensive. Each study tour cost something in the order of \$70,000. The budget for Nita Watts' summer 1964 seminar, for instance, included just under \$44,000 for participants' travel (in tourist class, with up to 10kg excess baggage), \$7,000 for staff members travel (including travel to and from Geneva for preparations), per diems of almost \$10,000, \$1,000 of honoraria for two external consultants and the seminar chairman, \$1,500 for the preparation of papers, \$4,000 on translators and equipment, a scarce \$200 for hospitality and \$250 for printing.⁴² The budget description also noted that the Soviet partner organization Tekhnopromeksport would hire necessary interpretation equipment locally, arrange and pay for hotel accommodation at the rate of 3.5 rubles per participant per night, provide each with eight rubles daily allowance, and then claim the total amount from the UN after the conclusion of the seminar. While many of these totals were reckoned in dollars, the reimbursement was made in rubles from the UN ECE's assignment.

The budget for a similar seminar later the same year covered travel for 23 participants and five UN staff members from their home countries in Africa to Moscow, Tashkent, and Erevan, back to Moscow, onwards to Paris, and eventually home again, plus accommodation in these cities and a per diem for a total of 21 days. The per diems alone came to over \$9000, while a conservative estimate for travel costs would suggest a figure of at least \$21,000.⁴³ The draft budget also proposed a \$1000 honorarium for the director of the seminar, in addition to his travel costs, plus a \$250 fee for the preparation for each of ten discussion papers, along with \$200 for '(very modest) hospitality'.⁴⁴ The budget additionally allowed for six translators plus equipment for simultaneous interpretation in Moscow, as well as expenses for two of the six translators to join the seminar in Tashkent and Erevan, where they would provide consecutive interpretation only. Soviet officials made further requests that maximized costs for the UN side, namely that the agency make additional payments to cover the usual salaries of the Soviet tour director as well as the various Soviet citizens assigned to be discussion leaders. By committing their time to the seminar, the logic went, these experts would be unavailable to perform their duties for their usual employers, and so the UN ought to pay for their time.⁴⁵ Making this argument ensured the maximum use of the UN budget to support Soviet work, while effectively transforming Soviet officials into expert consultants for the UN.

The costs of these tours quickly added up. At the FAO, where more complete records are available, total expenditure on Soviet study tours reached the equivalent of almost a million dollars in the five-year period ending in 1965, with more than another half a million budgeted for 1966.⁴⁶ This first million dollars of rubles supported 48 tours, of four to eight weeks each on topics including grain storage, cotton disease prevention, statistical indicators, fishing methods, statistics in livestock management, irrigation, and the mechanization of forestry, for around 600 participants in total. The half a million dollars scheduled for 1966 covered the costs for thirteen different study tours for around 300 participants.⁴⁷ As the number of tours continued to grow, so too did the financial outlay—but only in rubles.

⁴¹Iandolo, *Arrested Development*, 187–202.

⁴²Draft Inter-Regional Seminar on Planning Cost Plan, 14 Nov 1963', GX 18-8-1-98, UNOG.

⁴³The final version of travel budget has not survived. However, an early draft gives provisional figures for the European attendees that range from \$550-750 each. Travel from Africa was likely much more expensive, but a conservative sum of 28 times \$750 comes to \$21,000. The real cost may have been higher. 'Draft Budget for the ECE/ECA Study tour on the Relation of Statistics to Planning, 14 June 1962', GX 2/6/1/112, UNOG.

⁴⁴Budget enclosed with a letter from Davies to Starovsky, undated (Jan 1964)', GX 2/6/1/112, UNOG. See also 'Letter from Barrie Davies to Baghat El-Tawil 4 June 1964', GX 2/6/1/112, UNOG.

⁴⁵Letter from Davies to Daniel, 12 December 1963', GX 2/6/1/112, UNOG.

⁴⁶FAO Group Fellowship Study Tours in USSR 1960-65', 14-FI-55, Office Files of Mr Jackson, Trip to USSR 1966-68, FAO.

⁴⁷Brief for Director General: FAO Group Fellowship Study Tours (Seminars) in the USSR (no date, 1968)', 8-ODG-453, FA 6/1 USSR August 1968, FAO.

FAO records make abundantly clear that the payments for these tours were made from the ruble contribution to the UN, and that these tours were crucial in enabling them to absorb the rubles assigned. A letter setting out the exact logistical conditions of the September 1961 tour for fishing administrators, signed by the FAO's director general Binay Ranjan Sen, made clear that agreed expenses 'will be reimbursed by FAO to the USSR Government from the FAO rouble account.'⁴⁸ In July 1968 Pierre Terver, the Assistant Director General of the Development Department of the FAO wrote to Myer Cohen, the Director of Operations and Programming at the UNDP, with the happy news that FAO had organized nine study tours for 1969, for a total cost of \$347,000. 'I take pleasure,' Terver wrote, 'in forwarding a list [of study tours] to be financed from our allocation in USSR currency.' This list was so important because, as Terver made clear, these activities were the FAO's 'principal programme in USSR currency.' Without such tours, he continued, 'it would not be possible to absorb our compulsory allocation in that currency.'⁴⁹

The same sentiment was echoed across the FAO through the 1960s and 1970s as officials worked to plan tours and use up their rubles. The Fellowships and Training Branch developed a yearly practice – and a specific form – they used to invite each of the FAO divisions to send in proposals for Soviet study tours each May. But while this began as an attempt to ensure that enough tours were held, it very quickly became too effective. This was thanks to a genuine interest on the part of FAO officials in learning from Soviet expertise, that dovetailed with the budgetary incentive to use up rubles. As early as 1968 the method began generating many more proposals than could be realistically organized. The call for 1970, for instance, yielded 36 proposals for tours of a month or more, which would require at least three seminars to be held simultaneously for the entire year.⁵⁰ This was logistically and financially impossible. The Fellowships Office reminded the zealous branch chiefs that given the abundance of interest in Soviet tours, each branch should take care to indicate which of their proposals they would prioritize.⁵¹ At the UNDP, Soviet study tours for developing world experts became so engrained as a practice that accountants carved out a separate ruble account dedicated to paying for these activities. Through the mid-1980s, \$1-2 million in rubles was set aside for this purpose each year, which represents between a third and one half of their total annual ruble assignment.⁵² For UN staff, using rubles became attractive as a way to access what otherwise would have been dead value in their budgets, allowing them to expand their activities and balance their books at the same time. This incentive seems to have been great enough to justify the unusual and Soviet-specific financial arrangements to which Beaver, Terver, Watts, and others were willing to agree.

Andre de Vajda's other efforts

It soon became clear that study tours alone were not able to absorb all the rubles assigned to the FAO and the UNDP, and efforts to find new ways to spend rubles continued in earnest. A key figure in this ongoing struggle was Andre de Vajda, a senior field inspector in the FAO's Development Department with a colourful past. Born in the Hungarian town of Szeged in 1893, de Vajda learned Russian and several other languages as a teenager, served in the First World War, and then trained as an engineer. In 1924, he took a consulting project in Soviet Georgia, where he improved infrastructure for timber extraction and met his wife, Amina. After a few years working on other projects, he was invited to work as the chief hydraulic engineer at Magnitogorsk,

⁴⁸Letter from BR Sen to Sergeev, 12 June 1961', 14-F1-137, USSR Correspondence 1961, FAO.

⁴⁹Letter to Myer Cohen (at UNDP) from Pierre Terver, 30 July 1968', 8-ODG-453, FA 6/1 USSR August 1968, FAO.

⁵⁰Minutes of Meeting to discuss USSR Group Fellowships and Seminars for 1969, 23 January 1969', 17-FO-TR4-11, FAO.

⁵¹Memo on Group Fellowship Study Tours and Training Centres–USSR 1969 and 1970, Forestry Division, 7 May 1968', 17-FO-TR4-11, FAO.

⁵²UNDP Annual Review of the Financial Situation, 4th May 1984', DP/1984/53, 16, FU; 'UNDP Annual Review of the Financial Situation, 29th April 1985', DP/1985/54, 16, FU; 'UNDP Annual Review of the Financial Situation, 21 April 1986', DP/1986/56, 16, FU; 'UNDP Annual Review of the Financial Situation, 22 April 1987', DP/1987/54, 17, FU.

a planned socialist city centred on huge steel works that required hydroelectric power.⁵³ During a heated debate over the dam's design, de Vajda was arrested at a train station while returning from Moscow. He was taken back to Moscow, imprisoned in the infamous Lubyanka prison, and accused of taking part in a plot for Caucasian independence. In May 1932, he was sentenced to five years for counter-revolutionary activity, espionage, and armed revolt, and taken north to work on the White Sea Canal, the first major Soviet construction project that used forced labour and an important propaganda site for the ability of hard labour to reform wayward individuals.⁵⁴ Thanks to his experience and technical expertise, de Vajda effectively became project supervisor. When the canal was finished, his sentence was annulled, he was gifted a silver watch, and he was declared innocent in the eyes of Soviet law. He spent another year or so working on the canal and other projects on the Kola Peninsula while trying to obtain his passport and other travel documents and was finally able to return to Hungary in September 1934.⁵⁵ He took some time off, then worked on projects in Iran, Sudan, and India before joining the FAO in 1951.

In the mid-1950s, when Soviet officials began drawing closer to the FAO and other specialized agencies following Stalin's death, de Vajda's colleagues – who did not know his backstory – saw him as natural intermediary thanks to his language skills. He was nominated to attend meetings in Moscow and, incredibly, he agreed to go. A large part of his reasoning was personal rather than professional. In between meetings with GKES officials and conversations with engineers about irrigation techniques, he visited old acquaintances and re-established contact with family members he had not seen in two decades.⁵⁶ In 1962, de Vajda was appointed as the liaison officer between the FAO and the Soviet technical authorities. In this role, de Vajda visited the USSR at least annually to help ensure Soviet institutional participation in UN technical assistance projects and to negotiate logistical matters, including the all-important ruble spending.

In 1971, encouraging use of the ruble budget became an official part of de Vajda's responsibilities as assistant to the Assistant Director General of the Development Department of the FAO.⁵⁷ His efforts focused on the FAO and the UNDP, which partnered with the FAO and other specialized agencies when running projects linked to their areas of responsibility; but he also advised colleagues in other parts of the UN about how rubles could be used effectively. He officially retired in 1973, but continued consulting on technical matters and ruble use until 1980. De Vajda's archives, held in a discrete collection at the FAO archive, include several folders labelled 'USSR projects and rubles.' Knowing that topics sometimes appear in archives only when understood as a problem, this unique paper trail demonstrates the significance of the ruble question inside UN institutions as much as it evidences the creative ways in which FAO and UNDP staff used up their rubles.

Alongside study tours, purchasing Soviet equipment became another important way the UNDP, the FAO and other agencies spent their rubles. UNDP documents from 1970 include numerous precise suggestions for where Soviet technical hardware could be used. Planned purchases include various vehicles for an animal breeding project in Mongolia, poultry farming equipment for projects in Syria, a Soviet fishing vessel that would extend a research and training program for fishermen and ship's engineers in Peru, as well as various unnamed items of fishing

⁵³Magnitogorsk is the subject of Steven Kotkin, *Magnetic Mountain: Stalinism as Civilization* (Berkeley: University of California Press, 1995). De Vajda is mentioned briefly in note 108 on p. 438.

⁵⁴Dozens of Soviet writers and artists including Maksim Gorkii, Aleksei Tolstoi, and Mikhail Zoshchenko who were taken on organized visits to the canal site later praised it in their creative works. See Cynthia Ruder, *Making History for Stalin: The Story of the Belomor Canal* (Gainesville: University Press of Florida, 1998).

⁵⁵Andrew de Vajda, *Adventure, Achievements, Altruism. Andrew de Vajda: The Story of My Life, 15-7-1893 - 29-10-1981* (Rome: Friends of Andrew de Vajda, 1983), 20–66. Accessed at the David Lubin Memorial Library, FAO.

⁵⁶de Vajda, *Adventure, Achievements, Altruism*, 117–25.

⁵⁷A de Vajda to P Terver, Liaison with the GKES, 11 January 1971', de Vajda collection, USSR projects and rubles, volume two, FAO. See also 'A de Vajda to John Olver, 19 February 1976', de Vajda collection, USSR projects and rubles, volume two, FAO.

equipment for other projects in multiple locations.⁵⁸ Other documentation summarizing Soviet participation in FAO affairs during the 1960s mentions ‘a substantial amount of equipment’ purchased from the USSR for FAO projects, including GAZ 69 trucks, bulldozers, suction dredgers, meteorological instruments, and veterinary equipment.⁵⁹ The FAO continued buying similar Soviet equipment in rubles deep into the 1970s.⁶⁰ In 1970, for instance, a project training young shepherds in Mongolia used Soviet equipment valued at \$260,000.⁶¹ In 1976, de Vajda explained to a colleague struggling to use rubles that he was able to buy \$1 million worth of Soviet equipment for a project in Yugoslavia, and that colleagues in the fishing department were able to purchase \$3 million worth of fishing equipment for two of their projects.⁶² ‘It is obvious,’ he wrote, that in ‘concrete cases’ purchasing equipment can be an effective method to resolve the ruble issue.

As UN development projects purchased Soviet goods, they became recognizably Soviet in their material form. Heavy machinery of this type was a crucial part of Soviet exports in the Cold War era, especially in their trade with developing countries. GKES and the Ministry of Foreign Trade (MVT) arranged sales of trucks, agricultural equipment, fishing vessels and more to governments around the world. During the 1960s, equipment sales to the developing world was often arranged on a barter basis, meaning that governments could trade their raw materials for valuable equipment without having to use their limited hard currency. This was often a very attractive proposition for nascent post-colonial leaders.⁶³ By the 1970s, however, the USSR offered such equipment on a traditional credit basis, with loans numerated in dollars.⁶⁴ In this way, such exports became an important way for GKES and other Soviet institutions to earn hard currency. When selling to the UN, by contrast, payment came from accumulated UN rubles, which was less attractive to the Soviet side. GKES staff tried to change this practice by encouraging UN officials to make their purchases in dollars rather than rubles, explaining that they could offer better prices and shorter delivery dates should they be willing to pay in dollars.⁶⁵ This offer points to the higher value of dollar-earning transactions at currency-strapped Soviet institutions. Indeed, these conditions would certainly have been an improvement for UN agencies, who often had to wait a year or more for vehicles and equipment, without necessarily knowing which items would arrive when.⁶⁶ Yet the UNDP stuck with the ruble conditions, as the value of spending rubles more than compensated for the higher price and the time spent waiting for the equipment to arrive.

The UNDP also made efforts to sub-contract directly with Soviet firms. By 1970, there was one such arrangement with Prommashineksport, which was acting as the sub-contractor of a fisheries project in Somalia.⁶⁷ On a visit to Moscow in that year, de Vajda met with representatives of Tekhnopromeksport, who were already coordinating with UN officials to organize study tours, as well as from Selkhozpromeksport, with the view to arrange new sub-contractual arrangements

⁵⁸FAO Department of Fisheries Summary record of meeting with Valentin Georgievich Niki[fo]rov, GKES, 2 December 1970’, de Vajda collection, USSR projects and rubles, volume one, FAO; ‘Notes on Meeting with Animal Production and Health Division on Russian Participation in the UNDP/FAO Programme’, de Vajda collection, USSR projects and rubles, volume one, FAO.

⁵⁹Untitled, marked “handed over to Mr Terver”, de Vajda collection, USSR projects and rubles, volume two, FAO.

⁶⁰Juan Felipe Yriart to C. Beringer, USSR Mobile Workshops, 16 February 1978’, and ‘M Shumeav (at GKES) to E Saouma (Director General of the FAO), 3 February 1978’, 8-ODG-347, USSR, FAO.

⁶¹A. de Vajda, Report on Duty Trip to Moscow 2-14 July 1970’, de Vajda collection, USSR projects and rubles, volume one, FAO.

⁶²J M Marley from de Vajda, 26 February 1976’, de Vajda collection, USSR projects and rubles, volume two, FAO.

⁶³Oscar Sanchez-Sibony, *Red Globalization*, 149; Iandolo, *Arrested Development*, 181–88.

⁶⁴Banks, ‘Socialist Internationalism Between the Soviet Union and Mozambique’, 216–62.

⁶⁵A. de Vajda, Report on Duty Trip to Moscow, 25 June – 3 July 1967’, de Vajda collection, Moscow recruiting mission, FAO.

⁶⁶A. de Vajda, Report on Duty Trip to Moscow, 25 June – 3 July 1967’, de Vajda collection, Moscow recruiting mission, FAO.

⁶⁷A. de Vajda, Report on Duty Trip to Moscow 2-14 July 1970’, de Vajda collection, USSR projects and rubles, volume one, FAO.

for UNDP projects. One of the projects under most earnest discussion was a UNDP irrigation project based around the Euphrates River in Syria. UN and Soviet officials both placed 'special importance' on this project, and de Vajda advocated that they 'proceed urgently with detailed negotiations' to finalize Soviet sub-contractors that could utilize the ruble surplus.⁶⁸ In the end, these negotiations came to naught, as the Syrian government vetoed the idea, agreeing to a Soviet project manager but not to sub-contractors. During the same visit, de Vajda discussed seventeen other possible sub-contractual agreements, including projects to control rinderpest and locusts in Afghanistan, a sawmill in Sudan, dairy facilities in Syria, and a fishing project in Burma similar to that already in operation in Somalia. Separate discussions in the same year produced an agreement that Soviet sub-contractors be used to complete feasibility study for the construction of a UNDP-financed fishing port near Karachi, Pakistan. This had a projected cost of around \$160,000.⁶⁹ While there is less evidence available regarding the functioning of these activities, the extensive attention given to these arrangements signal its potential value for UN and Soviet institutions alike. The few certain examples of collaboration in this way blur the distinction between UN and Soviet development efforts, as well as the mutually beneficial financial arrangements of project like these.

In certain cases, UN officials' efforts to use rubles effectively extended Soviet bilateral assistance projects. In 1970, the UNDP used \$400,000 worth of rubles to procure several dozen Soviet-made commercial-scale deep freezers and ten refrigerated trucks that were provided to South Yemen as part of a UNDP project designed to support the work of two fishing vessels provided as Soviet bilateral assistance.⁷⁰ Across the Indian Ocean in Mozambique, Soviet fishing vessels struggled to provide fish to Mozambicans as the country lacked sufficient cold storage and transport, causing the newly increased supply of fish to simply rot in warehouses.⁷¹ In South Yemen, by contrast, the UNDP's investment in Soviet freezers resolved this potential problem for free. The following year, Andre de Vajda suggested that the UNDP work with Soviet experts on a project improve dairy farming near the Sudanese town of Babanusa, which since 1968 had been home to a Soviet-built milk processing plant that ran chronically under capacity due to lack of supply in the local area.⁷² In both cases, the UN ruble surplus funded activities that funnelled rubles back to the USSR while directly extending the impact of a Soviet project.

The concern for the ruble glut was so high that all attempts to use rubles were welcome, even if they were small-scale. In 1970 and 1971, several UN staff with various specialties used ruble logic to gain authorization to translate and distribute Soviet technical manuals to interested experts around the world. These translations, which included topics such as fishing methods and rodent control, cost around 13000 rubles per volume. At official exchange rates, this was worth around \$14,500 at the time of the request.⁷³ This sum is obviously much smaller than the amounts used to purchase equipment or organize tours, yet its very smallness highlights the intensity of attention given to the ruble problem. And once again, UN funding prerogatives along with a desire for knowledge, helped promote Soviet technical knowledge internationally. Officials in UN member

⁶⁸A. de Vajda, Report on Duty Trip to Moscow 2-14 July 1970', de Vajda collection, USSR projects and rubles, volume one, FAO.

⁶⁹FAO Department of Fisheries Summary record of meeting with Valentin Georgievich Niki[fo]rov, GKES, 2 December 1970'; 'H. C. Winsor to J. P. Huyser, Memo on Utilization of accumulated Russian Rubles through increased USSR participation in UNDP Projects, 8 September 1970', de Vajda collection, USSR projects and rubles, volume one, FAO.

⁷⁰H. C. Winsor to J. P. Huyser, Utilization of accumulated Russian Roubles through increased USSR participation in UNDP Projects, 8 September 1970', de Vajda collection, USSR projects and rubles, volume one, FAO.

⁷¹Banks, 'Socialist Internationalism Between the Soviet Union and Mozambique', 248.

⁷²P. Terver to M. Cohen, Increased Participation of the USSR in UNDP/FAO Projects, 28 July 1970', de Vajda collection, USSR projects and rubles, volume one, FAO.

⁷³The official rate rose from 0.9 to 0.8 at the end of 1971, so by the time these manuals were produced the cost in dollars may have risen to \$16,250. I am using the historical exchange rate data compiled by the State Bank of Russia, with thanks to Kirsty Ironside for directing me to this source (https://www.cbr.ru/currency_base/OldVal/ accessed 20 July 2023).

states often appreciated these manuals as they made up-to-date Soviet approaches to various developmental problems more accessible. Back in the USSR, these UN translations were seen positively as a way to export Soviet-produced ideas more easily. The UN insignia gave legitimacy, while the UN's greater geographic reach, including to countries without formal relations with the USSR, allowed for a wider distribution.⁷⁴ As FAO staff pointed out, the dissemination of Soviet manuals could have 'a very strong impact on the training of fishermen' – and pest control officers and others – 'all over the world.'⁷⁵

Increasing Soviet personnel was the final way in which de Vajda and his colleagues sought to raise Soviet participation in UN projects. This effort is distinct from those discussed above as it had little to no effect on the ruble budget. International civil servants, including Soviet experts, were typically paid in hard currency. This was a rare chance for Soviet citizens to access convertible currency, one that very few were willing to give up. Soviet experts could elect to be paid in rubles instead, and from at least the mid-seventies, UNIDO systematically asked its Soviet staff if they would prefer this option. Unsurprisingly, very few made this choice.⁷⁶ As of 1983, only 20% of UNDP staff from countries that used one of the problematic unconvertible currencies – including the USSR, but not only – elected to receive part of their salary in their own currency. Moreover, this small group received on average just one fifth of their total compensation in rubles or zloty or lek or so on.⁷⁷ These UN staff, in their personal pay as in their work, understood the value of a currency that could be widely used.⁷⁸

The staffing issue is significant, despite its irrelevance for the ruble budget as it reinforces the fact that economic pressures were not the only catalyst for Soviet participation at the UN. Instead, UN officials like de Vajda sought to increase the numbers of Soviet staff even when doing so did not use up their rubles. Soviet personnel, ideas, equipment, and sites were included in UN development projects because the UN staff and officials from member states valued Soviet development expertise. Equally, Soviet officials seemed to be truly invested in making their collaboration work, not only for the sake of rubles. During an FAO study tour in 1961, Colin Beever found his hosts to be making the best of efforts. 'Everything,' he wrote back to colleagues in Rome, 'is going forward in the most friendly manner imaginable.'⁷⁹ After everyone returned home, Sergeev at GKES wrote to Beever asking for reassurances about the quality of the lectures and organizational aspects of the tour, showing his concern for successful collaboration with the FAO.⁸⁰ Sergeev even sent Director General Addeke Hendrik Boerma a 'handsome' album of photographs from the tour as a sign of his appreciation and, perhaps, a token to ensure future cooperation.⁸¹ Over the next decade, de Vajda likewise reported always being well received in Moscow, perhaps in contrast to the circumstance in which he had left decades prior, noting the a 'genuine desire' on the part of GKES officials to strengthen relations with the FAO and the UNDP,

⁷⁴Porter, *Reds in Blue*, 207–9.

⁷⁵H. C. Winsor to J. P. Huyser, Utilization of Russian Rubles in relation to the preparation of Manuals, 10 September 1970', de Vajda collection, USSR projects and rubles, volume one, FAO; 'H. R. Shuyler to A. de Vajda, 19 January and 10 March 1971', de Vajda collection, USSR projects and rubles, volume two, FAO; 'N. G. Gratz (at WHO) to H. R. Shuyler, 24 February 1971', de Vajda collection, USSR projects and rubles, volume two, FAO.

⁷⁶Report of the inter-agency meeting with USSR authorities on Rouble Utilization held in Geneva 19–22 March 1978', de Vajda collection, USSR projects and rubles, volume one, and 8-ODG-347, USSR, FAO.

⁷⁷UNDP Annual Review of the Financial Situation, 29th April 1983', DP/1983/43, 16, FU.

⁷⁸Indeed, their home governments did too. At UNESCO from 1958, the Soviet state claimed part of the hard currency salaries of Soviet staff in Paris by assigning them Soviet diplomatic rank apparently equivalent to their UN career level, and demanding payment of any salary over and above what they would have received at that rank at the Paris embassy to the embassy bookkeeper. This brought in an income of \$107,000 in 1963. This practiced lasted certainly through the 1960s but when it ended is less clear. See Porter, *Reds in Blue*, 120.

⁷⁹'Letter from Beever to Popper (Chief of Economics Branch of the Fisheries Division) Moscow 7 September 1961', 14-FI-137, USSR 1961 General, FAO.

⁸⁰'Memo from D.B. Finn to A.H. Boerma, 24 October 1961', 14-FI-137, USSR 1961 correspondence, FAO.

⁸¹'Letter from A. H. Boerma to V. Sergeev, 31 Jan 1962', 14-FI-137, USSR 1961 correspondence, FAO.

and to continue working together.⁸² These existing affinities between UN and Soviet experts were strengthened by the imperatives of political economy and budgetary needs that brought them closer together.

Transitioning the ruble question

Even with these varied efforts, the ruble question did not go away. In March 1978, twenty-five staff members from various agencies of the United Nations flew to Geneva to attend four days of meetings with representatives from the USSR. The business of the day was simple: how could the UN, and especially the UNDP spend more rubles in order to resolve 'the now endemic problem of rouble accumulation' at the UN.⁸³ Officials from the FAO, UNCTAD, the UN Children's Fund (UNICEF), the UNDP and others launched into intense discussions with representatives from GKES, and the state airline, Aeroflot. The gathered representatives discussed the types of equipment that GKES could sell to UN agencies and hashed out possible arrangements for sub-contracting UN development projects to Soviet enterprises. They praised the UN-Soviet study tour program for its success in training experts and spending rubles, and they confirmed that such seminars should continue. Officials from different sections of the UN, who perhaps by 1978 should have known better, wondered out loud why more Soviet staff at the UN could not be paid in rubles. They compared their financial agreements with Aeroflot to ensure that their travel arrangements maximized ruble use. Finally, officials from the UNDP pressed the Soviet side for a one-off conversion of this chronic glut, suggesting that having a clear slate would allow the agencies space to take proactive measures to avoid the problem in the future. This hypothetical exchange ignored the economic structures that got them into this position, as well as the needs of the other side. Unsurprisingly, the men from GKES refused. The UN report of this meeting pronounced it a failure 'singularly devoid of results.'⁸⁴

In the years following this meeting, the UNDP's financial situation began to deteriorate. Shortfalls in expected contributions coupled with a strengthened dollar caused the agency to draw on its operational reserves so much as to raise liquidity fears. As of the start of 1983, the agency ran a negative balance of \$5.6m. The agency's capacity for programmatic work was reduced steadily over 1982, 1983 and 1984 in response to these shortfalls. As financial reports repeated the responsibility of staff to find ways to address this 'unfavourable resource situation,' efforts to extract value from the accumulated unconvertible currencies remained ever pressing, and ever creative.⁸⁵

In the year following the meeting, thirty-four port managers from twenty-four African countries arrived in Odesa to attend a new type of UNDP study tour.⁸⁶ After attending lectures and visiting cargo facilities in the city, the group headed down to the port to board the merchant vessel *Kareliia*, which set off on a tour of the Black Sea. The officials to visit the port facilities and cultural attractions of Novorossiysk, Sukhumi, Batumi, Sochi, and Yalta while hearing additional lectures on customs procedures, performance indicators, and organizing cruise facilities from their floating classroom on board the *Kareliia*. This tour was such a success that it was repeated at least

⁸²A. de Vajda, Report on Duty Trip to Moscow 2-14 July 1970', de Vajda collection, USSR projects and rubles, volume one, FAO.

⁸³Report of the inter-agency meeting with USSR authorities on Rouble Utilization, Geneva, 19-22 March 1978', 8-ODG-347, USSR, FAO.

⁸⁴Report of the inter-agency meeting with USSR authorities on Rouble Utilization, Geneva, 19-22 March 1978', 8-ODG-347, USSR, FAO.

⁸⁵'UNDP Annual Review of the Financial Situation, 29 April 1983', 1 (quote), 13, 17, DP/1983/43, FU; 'UNDP Annual Review of the Financial Situation, 4 May 1984', 10-11, DP/1984/53, FU; 'UNDP Annual Review of the Financial Situation, 29 April 1985', 11, DP/1985/54, FU; 'UNDP Annual Review of the Financial Situation, 26 April 1982', 1, 13-14, DP/1982/49, FU.

⁸⁶'Proceedings of the UNCTAD/ECA Seminar on Port Operations, Odessa, USSR, 7-18 August 1978', November 1979, UNCTAD/SHIP/184, UNOG library.

twice before the end of the 1980s.⁸⁷ Dozens of other seminars took place on dry land, thanks to the continued functioning of the UNDP ruble fund for technical training.⁸⁸ The UN-Soviet triangulation of development activities continued expanding, and yet the ruble glut continued to grow.

In the end, only political and economic transition solved the ruble problem. During 1990, as the Baltic republics began voting for independence, the collapsing value of the ruble helped the UNDP holdings fall by more than half from \$26m to just \$10.6m. Another \$5.5 million was saved when East and West Germany reunited and UNDP's GDR marks were converted into (western) Deutschmarks, reducing the total of other non-ruble unconvertible currencies by over a quarter.⁸⁹ During 1991 and 1992, the UNDP began active operations in several eastern European countries that were able to clear many outstanding balances. In October 1991, UNIDO hosted fifteen engineers from the global South in Moscow, in what was presumably one of the very last Soviet-UN study tours, using up some of what was left of the rubles.⁹⁰ By the end of 1992, all the European socialist currencies including the ruble were removed from the official list of accumulating unconvertible currencies, only because they ceased to exist as socialist.⁹¹

For three decades beginning in the early 1960s, the ruble lever had created powerful incentives for UN staff to increase Soviet participation in development projects through training, equipment, and knowledge. Thousands of experts from across the developing world attended Soviet-UN training courses on seemingly every possible topic that presented Soviet knowledge and Soviet practices as an implied international model. Hundreds of Soviet trucks and pieces of agricultural equipment supported FAO and UNDP projects, as thousands more trucks were sold to socialist allies as part of bilateral assistance. Under the UN banner the geography of Soviet international outreach was expanded, as was its power and legitimacy, showing that the history of Soviet relations with the developing world is integral to international history, and neither story can be told without the other. At the same time, the ruble lever and its consequence reveal the multiple ways in which Soviet and socialist knowledge was incorporated into the UN system, further questioning the idea that it remained a liberal, western institution. Further research in GKES archives at a better time will be able to reveal the significance of these events for the Soviet state and its budget.

For the here and now, noting the eventual resolution of the UN's ruble question through geopolitical transition highlights its wider significance for international history. The fraught efforts of de Vayda and his colleagues to spend rubles are the most extreme expressions of a wider problem of international integration among unequal economies. The UN was animated by inclusive ideals, but as an organization working internationally, continued to rely on the post-war dollar system that effectively excluded much of the world. This inequality tends to fuel an assumption that US economic power warrants the majority of our attention, but this same structure, in tandem with UN budgetary rules, produced new areas of restriction and possibility. The negotiations over study tours and Soviet equipment sales discussed here shed light on the contours of these global economic pressures with respect to the second superpower and socialist

⁸⁷UN ECA, 'Port Operations Seminar and Study Tour, Odessa, USSR, 9-23 August 1982, Terminal Report', January 1983, UN ECA digital repository; UN ECA, 'Port Operations Seminar and Study Tour, Odessa, USSR, 3-16 July 1986, Terminal Report', July 1986, E/ECA/TRANS/40, UNOG library.

⁸⁸UN, 'Report of the seminar and study tour for African specialists on mining methods: Krivoy Rog, USSR, 1-12 June 1981', UN ECA digital repository; UN 'Report of the Regional Seminar and Study Tour on Water Resources Development in Arid Zones, Tashkent (USSR), 12 June-3 July 1981', UN ECA digital repository.

⁸⁹UNDP Annual Review of the Financial Situation, 9th May 1991', Annex 1, DP/1991/47, UNDA.

⁹⁰Images of this tour, including one of the group visiting Red Square, can be seen in the Sputnik media bank: <https://sputnikmediabank.com/media/6682098.html?query=UNIDO&selection=media&sort=date&order=asc&context=search>.

⁹¹UNDP Annual Review of the Financial Situation, 7th May 1993', 20 and table 9, DP/1993/44, UNDA. See also 'UNDP Annual Review of the Financial Situation, 27th April 1991', 11, DP/1992/38, UNDA. The Cuban peso remained the only officially designated accumulating unconvertible currency, with a total balance of \$12 million as of 31 December 1992.

bloc, but the ruble lever opens up the question of the internal, practical political economy of the UN system for further research. Scholars of the UN have tended to focus on ideals, the movement of ideas and the experience of working with such institutions. These issues are crucial, and so are the ways the hard edge of economic reality shaped their expression. Following the money in other currencies would shed new light on the potential for action and agency for minor and non-Western actors within the UN system in the past and the present, as well as the limits that money places on their power.

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