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PROVISIONAL VERBATIM RECORD OF THE ONE HUNDRED AND TWENTY-SIXTH MEETING

Held at Headquarters, New York,
on Tuesday, 29 April 1986, at 3 p.m.President: Mr. DE PINIÉS (Spain)

- CURRENT FINANCIAL CRISIS OF THE UNITED NATIONS [150] (continued)
- (a) REPORT OF THE SECRETARY-GENERAL
- (b) REPORT OF THE ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS

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The meeting was called to order at 3.30 p.m.

AGENDA ITEM 150 (continued)

CURRENT FINANCIAL CRISIS OF THE UNITED NATIONS

- (a) REPORT OF THE SECRETARY-GENERAL (A/40/1102 and Corr.1 and 2 and Add.1 and 2)
- (b) REPORT OF THE ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS (A/40/1106)

Mr. DAZA (Chile) (interpretation from Spanish): Before I proceed to the substance of my statement, I should like to express the condolences of my delegation and country on the passing of Mr. Raul Prebisch. Mr. Prebisch's contribution to the cause of understanding among nations, peace and development is well known to all.

A citizen of Argentina, to a certain extent Raul Prebisch belonged to all of Latin America. Few possess, as he did, the qualities of a Latin American citizen. For many years, Mr. Raul Prebisch influenced the thinking of Latin America. His thinking guided the process of integration of our continent.

In Chile, we feel he was one of us. Raul Prebisch lived in our country for many years. Symbolically, he died in my country, where at this time all Chileans are expressing their sorrow at his death and the affection they always felt for him.

Now that Raul Prebisch is no longer in our midst, travelling along the road of peace, we are left with his work and his memory as a most important imperative to follow and as a guide for our countries.

At the outset my delegation wishes to congratulate the Secretary-General on his initiative to convene the resumed fortieth session of the General Assembly to consider the critical financial situation currently besetting the United Nations. We believe that the problem is now so acute that it is no longer possible to continue to sweep it under the rug or to try to overcome it by means of temporary solutions or half-measures. The time has come for the Member States of the United Nations to shoulder their responsibilities and to work in earnest in order to help

(Mr. Daza, Chile)

it find its way towards effective work to achieve the goals established more than 40 years ago.

Our Organization's financial difficulties are rooted in many causes, and therefore the solutions require many different actions and a variety of players. Although we recognize that the financial problems now confronting our Organization are due largely to technical considerations, we think there is a primary and fundamental cause that is clearly of a political nature. Indeed the current economic emergency of the United Nations provides further proof of the acute crisis in multilateralism, which we have seen worsening over the last few years. No longer is there a consensus, as there once was, regarding the importance and effectiveness of the work of international organizations. Nowadays, for a significant group of developed States, international organizations in general, and the United Nations in particular, have ceased to be arenas for effective inter-State co-operation. On the contrary, they perceive the organs of the multilateral system merely as forums for the exchange of views. By denying international agencies the roles for which they were originally created - that is, to act as centres to co-ordinate and channel international co-operation, which is indispensable to the progress and survival of today's world - such States are not only undermining the very existence of those organizations but also hindering the possibilities for development and progress of a large number of countries with limited resources, for which there is no substitute for international co-operation.

The industrialized countries must re-establish the importance of multilateral co-operation and the political will to strengthen multilateralism, to give it greater effectiveness and vigour, so vital to overcoming the paramount cause of this crisis.

This lack of optimism and the loss of faith that has led to a deterioration in multilateral action, and, let us admit, also the criticisms levelled against many

(Mr. Daza, Chile)

of our agencies, must not prompt the industrialized countries to disregard the commitments they have assumed in becoming members of the system.

In that regard, my delegation believes it is not only necessary to obtain the resources so urgently needed by our Organization to overcome these difficult times. Also, in order to put an end to the climate of skepticism and doubt regarding its effectiveness, an end must be put to the practice of a certain number of States of systematically withholding part of their contributions to the regular budget or for specific programmes and projects of the Organization. In doing so, those countries are not only failing to meet their international obligations but also depriving the United Nations of large sums of money it needs in order to function. This is the second element of the crisis and must be resolved by those countries having outstanding obligations.

A third element of this problem is that the main contributor has announced that it will soon significantly reduce its budget contribution unless certain demands of its Congress are met. No State should invoke decisions of its internal legislation in order to evade international obligations that have been freely entered into or to try to change the United Nations Charter unilaterally. Acceptance of such action would constitute an extremely dangerous precedent for the future of the United Nations. Therefore it cannot be accepted.

There is a fourth element to the crisis we are now undergoing. It is the failure of the majority of Member States of the United Nations to pay their contributions. If we review the unpaid balances, we find that in the short-term there is more of a cash-flow crisis than a financial crisis. We therefore believe it is also necessary for all States to contribute effectively now to overcome the crisis by helping the Organization to find the resources it needs, at least in the short-term. What better way to make that contribution than for each State to make immediate payment of its assessment to the regular budget for 1986 and to wipe out all arrears for those years for which payments have not yet been made?

(Mr. Daza, Chile)

My country, which has paid in full its assessment for 1986 and owes nothing whatsoever for previous years, is astonished that only a small group of 25 Member States have similarly complied with their financial obligations towards the Organization and are therefore in the same situation. The shortage of resources experienced at this time by the United Nations is largely due to late or only partial payment of contributions to the regular budget, a practice which if discontinued by those in arrears would effectively help to alleviate the present crisis.

My delegation also supports the austerity measures recently implemented by the Secretary-General with regard to the Organization's personnel, to which most of the budget is allocated. Like the Secretary-General we regret that it has been necessary to go to the extreme of carrying out some of these measures, but we believe that such action is necessary and we trust that in the long run it will redound to the benefit of those who may have been - perhaps temporarily - adversely affected.

Further, my delegation views with interest the recent initiative of the Secretary-General to review some elements in the programme budget for 1986 in order to carry out certain immediate reforms. When he presented his original proposals for the 1986-87 budget, the Secretary-General pointed out that, with the resources available, it would be very difficult to carry out all the programmes adopted by Member States. It is therefore not surprising that the time has come to effect the urgent economies outlined in those proposals. The General Assembly must consider them carefully, weighing, on the one hand, the need to conserve resources over the short term and, on the other, the absolute requirement not to effect changes in the budget that might in future have adverse effects for the effectiveness of the Organization. Similarly, it is appropriate to say that the implementation of these

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reforms should not in any way affect programmes that directly benefit the developing countries. It would be unfair to effect savings at the expense of the well-being and progress of the populations of those countries, which require assistance in order to overcome the acute problems of development they must confront.

We are of the view that a proper implementation of some of these austerity measures, together with the speedy payment by some Member States of the contributions they have withheld, as well as the immediate payment of the arrears for 1986 and prior years by those countries that have not yet done so, would make it possible to overcome the current financial crisis at least in the short term, a goal towards which we must all work at this resumed session.

Consideration of the measures necessary to solve the long-term economic problem so as to provide our Organization with the stable financial base it needs to carry out its functions successfully will require much clearer definitions that will assuredly be more difficult to implement. Indeed, we shall have to redefine exactly how we wish to use our Organization, how we want it to be funded and what we expect of it with regard to its task.

In this connection we believe that there is one area that will require decisive action; it is tied to the effective utilization of the resources of the United Nations. We have all witnessed the holding of pointless meetings, inappropriate programmes, unnecessary travel and widespread inefficiency - problems that must be overcome. What can we say about our Organization's scanty resources, when we squander them by beginning our meetings late, in the Assembly as well as in all the Committees? We shall not dwell on this matter now because we understand that it will be dealt with in the context of the long-term measures.

(Mr. Daza, Chile)

In this connection my delegation looks forward with keen interest to the report that will be submitted by the Group of High-level Intergovernmental Experts to be considered at the next session of the General Assembly. The Group's conclusions and recommendations will provide the basis for the task of redefining by Member States. At this stage we can already say that there is a need for a large measure of political will in order to place our Organization on a sound and stable financial footing; but the imperative need to carry out certain reforms, as well as the obvious benefits to the United Nations of the implementation of such reforms, cannot fail to make us view the outcome of this enterprise with optimism.

Mr. KITTANI (Iraq): It was with a sense of profound shock and deep sorrow that my delegation learned this morning of the death of Mr. Raul Prebisch.

Those of us who knew Mr. Prebisch over the decades and worked closely with him will never forget his unmatched contribution to the cause of multilateral economic relations and the creation of a new world economic order. Above all, we will never forget his tireless struggle on behalf of the developing countries. On behalf of my delegation I should like to extend to the delegation of Argentina and, through it, to the family of Don Raul our sincere condolences.

(Mr. Kittani, Iraq)

In this regard, my mind goes back to early 1964, to the days just before the first session of the United Nations Conference on Trade and Development (UNCTAD-I), and specifically to the report Mr. Prebisch put before the membership of this Organization, clinically identifying the dislocations, injustices and impracticabilities of the existing and inherited world economic system and identifying the exact remedies to create a more equitable and just world economic order. Indeed, if we review the situation after five more UNCTADs and 22 sessions of the General Assembly, we will see that his report still stands out as a challenge, and all our efforts in this area pale in comparison; indeed, especially in the past few years, they present to us a record of frustration and regression.

While talking about UNCTAD-I and Mr. Prebisch, we would like to recall that the Group of 77 owes its very creation to that first UNCTAD session, because that happened to have been the exact number of developing countries that attended UNCTAD-I. And while speaking about the Group of 77, we should never forget what it was established for and what it is supposed to do, because self-criticism must cover all our activities and mechanisms. We do not believe that a matter of an essentially political nature should be dealt with in the Group of 77. The Group of 77 was not created for that purpose; yes, the Group of 77 should discuss the economic aspects and consequences of the crisis before us, but my delegation, for one, would not in any way accept that the Group of 77 is the proper forum for reaching political considerations and agreements. We have other mechanisms. We have the regional groupings, we have the non-aligned countries and we also have our own sovereign will.

I say that because the next thing I am going to say is that I fully accept and agree with the statement made this morning by the Chairman of the Group of 77, especially the first part of his statement, the political part. This is not

(Mr. Kittani, Iraq)

surprising, because Yugoslavia and Iraq very rarely, if ever, disagree on political matters. Nevertheless, and as a matter of principle, we would like to put on record that on essentially political matters we do not think the Group of 77 is the proper forum.

The United Nations is facing a crisis. But the crisis is not really financial; at best, the financial aspect of it is no more than a symptom or, if you prefer another simile, it is like the tip of an iceberg. We can talk only about the tip of the iceberg, but that would be misleading. The very title chosen for this topic is, in our opinion, a misnomer. The title chosen by the Assembly is, "Current Financial Crisis". Which current financial crisis? The "current" financial crisis this morning is totally different from the "current" financial crisis of two days ago. Allow me to cite a small example: yesterday, the representative of Brazil came to this rostrum and informed us that the Government of Brazil had just deposited some \$17 million to the account of the United Nations and eliminated some \$15 million of arrears prior to 31 December 1985. At one stroke, my neighbour and friend the Ambassador of Brazil changed the "current" financial crisis considerably. We heard, though we were not very clear, from the representative of the Soviet Union today about advancing the payments and about eliminating some of the other arrears of the Soviet Union.

The point I am trying to make is that, even if it had stayed constant, the financial aspect of this crisis facing the United Nations is only the symptom that the patient is suffering from. The cause of the disease is much deeper. Here, I agree fully with the representative of Yugoslavia: it is precisely - and I shall not repeat all that he said - because the democratization of international relations in this house, mainly because of the strengthening of the non-aligned countries, has not been to the liking of precisely those countries that for so long played a predominant role in this Organization.

(Mr. Kittani, Iraq)

As the Foreign Ministers of the non-aligned countries said in their statement earlier this month in Delhi, the root cause of the crisis the United Nations is facing is the erosion of the commitment to the purposes and principles of the United Nations. That is the disease. If the patient shows some red spots or has a slight fever, we should not merely give him aspirin.

The cause of this crisis that we have been brought together to consider, the more immediate one, is precisely the illegal and unacceptable actions taken in some capitals, primarily in that of the highest contributor to the Organization's budget. In this statement I do not intend to go into the package presented by the Secretary-General, except to cite examples for what I am going to say on the most important aspect of this crisis. But you and I will certainly remember, Mr. President, back to 25 years ago when, in the Fifth Committee, we were considering a similar crisis brought on by the crisis in the Congo and the non-payment of contributions. It would take me all afternoon and perhaps a good part of the night merely to repeat the bare outlines of the pros and cons of what constitute and what do not constitute the expenses of the Organization under Article 17 of the Charter.

However, that was put to rest. No one has come, nor does anyone dare come, to this rostrum and say that the obligation to pay an assessed share of the regular budget of the United Nations is somehow conditional or optional. We have Legal Counsel; we have Mr. Scott and everyone here. I think that if anything is subject to doubt, this is not. The Charter is clear: the Assembly apportions, and Member States pay. The only other thing, of course, is Article 18, which makes decisions on budgetary questions subject to a two-thirds majority.

This Organization - and this will always bear repetition - is based on the sovereign equality of all its Member States. It is not acceptable for any Member

(Mr. Kittani, Iraq)

State to come and tell us, "I withhold 5 per cent" - 10 per cent, 20 per cent - "of my legal obligation to pay unless there is weighted voting" - unless we abandon the foundation stone of this Organization. This, we will not accept, and the Assembly should reject it. The obligation to pay must be the central part of any resolution adopted on any aspect of the United Nations budget.

(Mr. Kittani, Iraq)

So what happened was that as long as the performance of the General Assembly and the United Nations was acceptable, there was no problem about paying, and paying the full assessment.

Let us take one example which figures in the report of the Secretary-General: the duration of the General Assembly. For almost 40 years the duration of the General Assembly has remained the same. What does that mean? It means that the efficiency of the General Assembly - if one accepts any fair criterion - has multiplied at least three- or four-fold, because with over three times as many Members and an agenda that is at least four or five times as long as previous ones, we have not increased the three-month period of the regular part of the General Assembly.

What has happened is that the product of that efficiency is not to the liking of a Member State, and when a Member State does not like the rules it does not pay. And here we have to be direct and blunt, because we are talking about the future of this Organization. No country represented in this hall had more to do with the establishment and the drafting of the Charter, and, indeed, the Rules of Procedure and the rules and regulations, financial and administrative, than the highest contributor, the United States. Even if it does not like the rules that it played a major part in establishing, it does pride itself on playing by the rules and by the law. If it does not like the rules, there is a procedure and a legal process for changing them. But, again, that has to be done in accordance with the provisions of the Charter, if a State wants to reduce its contribution.

That has been done twice by the United States: It paid 40 per cent at the beginning, then reduced it to some 31 per cent, and then to 25 per cent. But on both occasions it did so properly, legally, and in an acceptable manner: It came to the Fifth Committee. The last time it was none other than the present

(Mr. Kittani, Iraq)

Vice-President of the United States who came as his country's representative and persuaded two-thirds of the Assembly, without difficulty, to reduce the United States assessment below its capacity to pay.

That is what the United States delegation here and the administrative branch of the Government in Washington is obligated to do. They have to go back to Senator Kassebaum and her colleagues and say "Look, just as the Congress of the United States has rules and regulations and the Constitution, so does the United Nations have the Charter, and there is no way that we can get out of our obligations to the United Nations. If we do not like the rules, we must change them, but we have no legal right to do it unilaterally and illegally."

While I am on this subject, the principle of capacity to pay, unlike the principle of the sovereign equality of States, is not in the Charter. This was something that was decided by the Assembly; it can be changed this afternoon by the General Assembly. Capacity to pay was accepted as the major criterion, and in case Members have forgotten, if we apply that yardstick strictly, even today the United States should pay 28 per cent of the budget. So 25 per cent is already a big concession and it has worked for almost 15 years in favour of the United States. But my delegation would be the first to agree to have a full debate now on whether we should continue to have the capacity to pay as the only or main criterion for paying the expenses of this Organization. Perhaps we were wrong. Perhaps other combinations of factors should come into effect. Perhaps, as some of us have been saying for 20 years, it is not healthy for any one country to have such a predominant influence on the budget of the Organization, and perhaps because of what has happened in Paris, and what may very well already have happened here, or may happen, we should think twice about continuing - especially at the upper echelons of the scale of assessments - to insist on the capacity to pay as the

(Mr. Kittani, Iraq)

only, major or predominant criterion for apportioning the expenses in the regular budget.

Olof Palme was very much in mind this morning, when the representative of Sweden stated - and I agree with much of what he said - that he did not believe that the share of the expenses of the United Nations constitutes an unbearable burden on any Member State; he added that Sweden, for one, would be willing to consider making an additional contribution in excess of its capacity to pay.

In other words, here we have a new challenging factor that should perhaps be voluntarily picked up by other affluent societies, namely, the willingness to pay. If a State believes in this Organization and is willing to pay more, so be it. We should not put the cart before the horse. Either we want this Organization - and here I totally reject the myth that has been circulating for years, that the smaller countries need the United Nations and the larger countries do not. That myth has been perpetuated for too long. One need only look at the last 40 years of the United Nations existence to see that the smaller countries have suffered the most flagrant injustices, while on more than one occasion, the United Nations was of great help to the larger countries - to the permanent members of the Security Council, to be precise.

It goes without saying, and I think it stands to logic, that the larger the country, the wider, deeper, more important influence it has in the world, the more it needs the United Nations, not the less. Any other policy is shortsighted and fraught with dangers, some of which we witness every day.

So if we need the Organization, if the Organization needs money, if the chief administrative officer of the Organization has to prepare a report on the expenses of the Organization and put it before the Assembly so that the Assembly can pass it

(Mr. Kittani, Iraq)

by a two-thirds majority, what do we use as a criterion? We have discussed one. Let us discuss other possibilities, but let us not - as we have done indeed - put a gun to the head of the chief administrative officer of the United Nations, hold him hostage to the power of the purse and force him to come up with a package to deal with "the current financial crisis of the Organization". All right; the poor Secretary-General had to do it because there was a gun at his head and he had no choice. But is that the proper way to achieve - commendable perhaps - streamlining, savings, better administration and less waste? My delegation, I think, has proved over the years that we are second to none in welcoming any streamlining of the Secretariat. As is well known, the Secretariat and the operations of the United Nations can stand a lot of streamlining.

(Mr. Kittani, Iraq)

However, that is not the way to do it. We look forward to the studied, considered and long-range proposals that we hope will come out of the Group of 18. After proper discussion and debate, some of the components of that package and many more will, I am certain, be adopted at the next session.

But with regard to the current financial crisis, what is to happen if for each million dollars we are to have a cut here and a cut there? The example I quoted earlier was that of the Brazilian contribution, which came in after the Secretary-General's report was published. What happens? Should the Secretary-General revise his package, reducing it by about \$15 million because Brazil has paid? If by Friday most of the money has come in, are we to say "The crisis is over. We don't need a resolution. We await the Group of 18's proposals"?

What happens as a result of those savings? Are we, in addition to submitting to - I do not like to use harsh words - ultimatums, faits accomplis, to reward the perpetrators of ultimatums and deadlines? What happens as a result of those savings if they do not pay? Are those who do not pay to be rewarded? No. Of course, I know a little about financial regulations: any savings should be distributed. But what does one distribute if one has no surplus and still owes money? What will be the practical result?

I am saying this to state simply that there is no substitute for those who have violated their obligations under the Charter and the rules paying their share of the regular budget, because the bottom line in this case adds up to 100; all the assessments, when one adds up 159 percentages, must come to 100 - not 101, not 99.5, but 100. That means that if someone does not pay, either someone else has to pay or part of a programme properly examined by 159 countries and adopted must be cut arbitrarily.

I was at the opening meeting of the Economic and Social Council this morning. The Council's Secretary said at the beginning of the meeting that he could not

(Mr. Kittani, Iraq)

promise delegations anything for after 6 p.m., because, among other things, overtime had been cut completely from his section. There we see the practical results of some of the things that are happening.

I was a member of the Secretariat for a long time. I think sometimes there is not enough appreciation of the role played by the General Service. I say that because only the General Service receives overtime. Professionals do not. I know that overtime is not being eliminated yet, but what will happen after 6 p.m. and at weekends if it is eliminated? Will all the professionals have to learn how to use word-processors?

The Secretary-General has been put in a very difficult position. He has our sympathy and he certainly will have our support. He has appealed to the Assembly to consider the crisis in depth. In paragraphs 40, 41 and 42 of his report, he has clearly stated that the crisis is political. Even the Advisory Committee on Administrative and Budgetary Questions states clearly in paragraph 2 in its report that the crisis is political. Therefore, whether one calls the crisis "current" or "financial", this session by simply dealing with the Secretary-General's package will not - let us not fool ourselves - have dealt with the root causes of the problem, which has been brought about in the wrong way, in an unlawful, unacceptable way.

Whatever else we do, the Assembly must re-emphasize the obligation of all Member States to pay their assessed contributions to the regular budget without any conditions or any undue delay for political reasons. We can understand very well those arrears that are due mainly to the circumstances of a particular country, the financial difficulties that have prevented it from paying. But that is a far cry from a country's saying "I will not pay unless the United Nations does this, that and the other" and then forces the Secretary-General and the Assembly to agree to,

(Mr. Kittani, Iraq)

if not the total package it is asking for, for political and other reasons, at least to part of it.

We are willing to consider the Secretary-General's proposals. We shall do so with sympathy. They should be scrutinized, and I am sure that we shall reach a consensus. But unless Member States that have brought about the crisis repent and change their policies, the crisis will not go away. It will be only the beginning of the end of fiscal responsibility, which is a prerequisite for a viable and strong United Nations.

Mr. KORHONEN (Finland): My Government shares the Secretary-General's concern about the severity of the United Nations financial crisis, as stated in his report and confirmed by the Advisory Committee.

We are this year facing an estimated cash shortfall of more than 10 per cent in the financing of the regular budget as well as the financial deficit accumulated over the years in the peace-keeping operations. We are in this situation simply because many Member States have failed fully to respect the Charter's principle of collective responsibility in financing the costs of the United Nations activities. This has led to politically motivated selective withholdings of assessed contributions and a lack of discipline in making contributions in full and on time.

The situation has already had a detrimental effect for many years on the very financial foundation of the United Nations, and not least, we regret to say, on one of the politically most efficient activities of the world Organization - the peace-keeping operations. Let me in this connection refer to the statement made earlier this month by the Nordic Foreign Ministers on the financial situation of the Organization:

"Unilateral action by Member States in contravention of the United Nations Charter undermines the authority and work of the United Nations. All Member States must accept their financial responsibility for the United Nations."

(A/40/1107, annex)

(Mr. Korhonen, Finland)

My delegation is in a position to take a positive stand on the savings proposed by the Secretary-General in his report. We have reservations with regard to some of the proposed cuts and programme deferrals, but we do not find it difficult to accept the proposals for savings as a package, as suggested also by the Advisory Committee on Administrative and Budgetary Questions (ACABQ).

Apparently, the financial crisis is not at the moment as acute as is described in the Secretary-General's report. That is due not only to these savings, but also to some payments made by Member States which have had contributions outstanding from previous years. However, we are aware that the financial problems of the Organization have not been solved by these measures. If we are lucky enough, the problems will be postponed for some time, but perhaps only until the autumn of this year or to the beginning of next year. Therefore, we would have preferred the Secretary-General, even at this stage, to have covered a longer period, that is the current year and, preferably, the entire biennium 1987-87. In order to restore the financial viability of the Organization we have to consider remedial measures in both the short and the longer perspectives.

First, the prerequisite for the redressment of the financial situation is that all countries pay their past and current dues in accordance with the Charter, in full and without delay. We note with regret that to date only 25 Member States have fully paid their 1986 and previous assessments.

Secondly, we should address questions relating to the efficiency and effectiveness of the Organization. The aim should be for the administration and management of the United Nations not to give any excuse for criticism of the political objectives of the world Organization.

The Secretary-General seems to deal with these questions in his report mainly by referring to the future outcome of the work of the Group of High-level Intergovernmental Experts. My delegation very much supported the establishment of

(Mr. Korhonen, Finland)

that high-level Group, and is looking forward to its proposals. They, however, are expected to dwell first of all on longer-term remedies. Nevertheless, we feel that questions of efficiency and effectiveness should also be addressed in the shorter run in order to facilitate decision-making on the possible further savings that we may need to make before the end of this year if all Member States do not comply with their financial obligations.

Let me take as one example the question of how General Assembly mandates are implemented. Here, the responsibility lies both with the Member States and with the Secretariat. If Member States want to have an opinion on the efficiency of the Organization they need to have the opportunity regularly to monitor and evaluate the implementation of programmes. In the United Nations context it is necessary in our view to have a second look, for example, at programmes and programme elements that are completed, or that are obsolete, ineffective or of marginal usefulness, to use the terms established in several United Nations resolutions. Pursuing that approach it would be possible also to try in a pragmatic way to outline the priorities of programmes.

A regular evaluation of the performance of the Organization would facilitate the decision-making process and would enhance the needed co-operation between Member States and the Secretary-General. We are convinced that even at the present stage of consideration of the current financial crisis that kind of information would have greatly facilitated our task at this resumed session. We greatly hope that these views will be taken into account when the General Assembly next has to consider how to cope with the financial problems of the United Nations.

We recognize that behind the failure of many Member States to meet their financial obligations under the Charter lie, as the Secretary-General put it in his report, "disagreements with sensitive political dimensions on programmes"

(A/40/1102, para. 40). It may also be true, as the ACABQ has pointed out, that

(Mr. Korhonen, Finland)

until steps are taken to resolve this underlying political difficulty financial crises must be expected to recur time and again. It is, however, our view that only through continued negotiations among Members and through consensus to be achieved by patience will it be possible solutions that could facilitate an understanding of the common political objectives of the Organization.

In this context, I want to recall the considerations and suggestions included in the 10 June 1983 report of the Nordic Governments on the strengthening of the United Nations. After all, the United Nations is based on the principle of majority rule. That fact is directly reflected in the budget. The Charter does not give the minority the right - nor for any reason - to leave their assessed contributions unpaid.

Finally, let me renew Finland's commitment to the obligation emanating from its membership: to bear our part of the expenses of the Organization, as stated in the Charter. We hope that we can all meet our share in a spirit of responsibility and with a sense of proportion, keeping in mind the fact that the actual contributions are, in fiscal terms, relatively small for almost all the Member States. They should also be seen in relation to the value we all attach to this world Organization and to the benefits derived from membership of it.

Mr. KRISHNAN (India): At the outset, Mr. President, let me say how pleased we are to see you again presiding over the Assembly's deliberations. I am sure that with your past experience and your acknowledged skill and impartiality you will be able to guide this resumed session to a fruitful conclusion.

My delegation heard with great sorrow today the news regarding the tragic demise of Mr. Raul Prebisch. Mr. Prebisch was a source of inspiration for all developing countries and was untiring in his efforts to promote multilateral

(Mr. Krishnan, India)

economic co-operation. We shall all deeply miss his presence and guidance.

Personally, I recall the days when I was in Geneva, and my association with that great personality, and I am sure that there are many in this Hall who similarly feel in a very personal manner the loss of this giant of our modern times. May I request the delegation of Argentina to convey our heartfelt condolences to Mr. Prebisch's family and to the Government of Argentina.

The circumstances under which this session of the General Assembly has been resumed are yet another example of the increasing challenges to and erosion of the process of multilateralism. The non-aligned countries have frequently expressed their concern and regret at these trends. At the recently concluded ministerial meeting of the Co-ordinating Bureau of the Non-Aligned Movement, the Ministers expressed deep concern at the increasingly frequent attempts to weaken and curtail the role of the United Nations system and to erode the principles of sovereign equality and democratic functioning on which it was based.

(Mr. Krishnan, India)

The non-aligned countries feel that this situation is part of a concerted attempt, on the one hand, to weaken the role of the United Nations as a forum for deliberation and negotiation of important world issues and, on the other, to seek to impair its effectiveness and smooth functioning.

At New Delhi the Ministers reiterated that

"faith in the United Nations was central to the Movement of Non-Aligned Countries"

and that

"the United Nations was the most appropriate international forum with a central role in the maintenance of international peace and security and peaceful settlement of international disputes and crises; in the achievement of the exercise of the right to self-determination of peoples under colonial domination and in the strengthening of international co-operation in all fields."

The non-aligned countries constitute over two-thirds of the membership of the United Nations, which reflects the close and symbiotic relationship of the Movement with the United Nations. It was the newly emergent States of Asia, Africa and Latin America, which were themselves assisted in their independence through the impetus the United Nations gave to the process of decolonization, that helped transform it into a truly universal body representing the free association of States on the basis of sovereign equality and reflecting the hopes and aspirations of people all over the world. The United Nations as it is constituted today is therefore itself the result of the breaking down of an old and untenable world order and the emergence of a new era in the democratization of international relations.

The Ministerial Meeting at New Delhi has stated that

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"the failure to accept this natural process lies at the heart of the crisis of multilateralism and more specifically the concerted attack from these quarters on the United Nations and its specialized agencies."

More recently this attack has taken the form of the use of financial pressure to impair the functioning of the Organization.

The non-aligned countries were firmly of the view that

"any withholding from assessed contributions to the United Nations represented a deliberate violation of obligations under the Charter, which was a universal treaty freely entered into, and therefore undermined the basis of international order. In particular, the Ministers condemned the withholding of assessed contributions aimed at altering the basic character and purposes of the United Nations.

"The Ministers stressed that the threat or adoption of such unilateral measures had grave implications for the financial stability of the United Nations and its specialized agencies. While recognizing the imperative need for practising maximum economy and the necessity of making improvements in the functioning and effectiveness of the system, they expressed their firm determination to uphold the principles of sovereign equality of States and democracy in international relations which are basic to the functioning of the United Nations system."

In this context we appreciate the efforts of the Secretary-General in bringing the seriousness of the current situation promptly to the attention of Member States and for his efforts in dealing with the cash-flow crisis. We recognize that the report contained in document A/40/1102 and this resumed session itself are meant essentially to deal with the short-term aspects of the problem and that greater efforts will be required in the longer term, inter alia, through the Group of High-level Intergovernmental Experts to review the administrative and financial

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functioning of the United Nations. It is expected that this Group will play an important role in providing useful proposals and suggestions for improving the financial and administrative efficiency of the United Nations. We look forward to these proposals being fully considered at the forty-first session of the General Assembly and appropriate decisions being taken for a durable solution of the longer-term problems. It is all the more regrettable therefore that financial and political pressures are being exerted on the United Nations even as this Group is engaged in its task.

The Secretary-General has rightly stressed that the financial viability of the Organization is endangered, threatening the very existence of the Organization. He has done well to ring the alarm bell in time. From the very beginning, we in India have taken his message with the earnestness it merited. My Government at the highest level assured the Secretary-General of our full solidarity with and continuing support for the Organization. India is not - has never been - in arrears, and it has always fulfilled its financial obligations. I am pleased to be able to say that our contribution for the year 1986 has been paid earlier today.

Since the beginning of the year the Secretary-General has taken a number of economy measures that lie within his competence. We commend him for these steps and would encourage him to persevere in this direction. Perhaps the Secretary-General may wish to consider some additional measures leading to savings in the area of Administration and Management and Conference Services, bearing in mind the benefits being derived from the utilization of modern methods and technologies.

At the same time, the Secretary-General has emphasized time and again that it is the lack of fulfilment of their financial obligations by Member States that is the root of the problem and has appealed for compliance by Member States. We are gratified that, thanks to these timely warnings and appeals by the

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Secretary-General, the response so far has been good and encouraging. From the additional data provided by the Secretariat - I might add in response to our urgings - as contained in addendum 2 of the report, we are pleased to see that the collection of dues has picked up in what would seem a promising manner, and the financial position as of 25 April 1986 does not appear to be as desperate as we had feared it might be.

While the grimness of the crisis seems temporarily alleviated, we must observe that the cash-flow position will continue to remain precarious during the year, since it is very much a function of how collections of the remaining dues will progress in the coming weeks and months. Furthermore, the fact of the withholdings is still confronting us as a harsh reality that cannot be wished away. Consequently, the need for effecting more economies and achieving more savings still remains.

In this context we have studied the proposals that have been submitted for the General Assembly's consideration by the Secretary-General and also listened with particular attention to your opening remarks, Mr. President, and those of a number of other delegations. We are convinced that economies have become unavoidable, and our approach in considering the proposals before us will be shaped by this conviction. We are prepared to work together with all other delegations in a constructive effort towards arriving at an acceptable compromise.

It is in that spirit that my delegation will fully co-operate with the efforts of the Secretary-General and other delegations to seek meaningful solutions at this resumed session. We are also heartened by the statements of support we have heard here from several delegations; this gives us hope that, given the necessary will and determination, the United Nations can overcome the present difficulties and that actions of individual Member States will not be allowed to undermine its smooth functioning.

(Mr. Krishnan, India)

In conclusion, while we are prepared to work constructively, I cannot but emphasize the responsibility that rests on the Member States to fulfil their obligations. As the Secretary-General said in his statement to us yesterday:

"while the present crisis is indeed one of insufficient funds, it is also - and above all - a political crisis. It arises principally, though not exclusively, from disregard for obligations flowing from the Charter and from lack of agreement among Member States on the purposes for which the United Nations should be used, and on the support to be rendered by each Member State to ensure its effectiveness." (A/40/PV.124, p. 4-5)

In a later part of that statement the Secretary-General reiterated that "All Member States must comply with the financial obligations defined in the Charter." (p. 12)

I wish to end my statement on that note and with that thought.

Mr. LIANG (China) (interpretation from Chinese): At the outset I should like to express our sincere condolences on the death of the former Secretary-General of the United Nations Conference on Trade and Development (UNCTAD), Mr. Raul Prebisch of Argentina, who contributed to the cause of economic development, and whose passing is a great loss for the entire international community.

We have carefully read and studied the reports of the Secretary-General and the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the current financial crisis of the Organization, on which I should now like to state our views.

Over the past 40 years the United Nations has done a great deal of work not only in the political field but also in promoting international economic co-operation and social development as well as in enhancing cultural, scientific and technological exchanges. In spite of the twists and turns it has gone through, this Organization has exerted widespread influence in various fields of world affairs and has become the forum for extensive dialogue between States on major international issues. The enduring viability of the role the United Nations has been playing flows mainly from the fact that the purposes and principles of the Charter epitomize the common aspiration of all peoples to bring about a world characterized by peace, security, prosperity, development, equality and co-operation. In order to achieve genuine and lasting world peace, as well as common development and prosperity, the world needs the United Nations, while this Organization needs the support of all Member States. In particular it is imperative that Member States scrupulously abide by the purposes and principles of the Charter.

(Mr. Liang, China)

The report of the Secretary-General points out that the United Nations is now confronted with the most serious crisis since the 1960s, and the Chinese Government is deeply concerned in this regard. In our view the current crisis is a political problem as well as a financial one. But the direct cause of the current crisis is the policy pursued by the major financial contributor to the United Nations. By asking for weighted voting on budgetary matters, it is trying to impose on this Organization policies adopted by its national legislative body.

In its Preamble the Charter stresses the equality of nations, large and small. Also, Article 2 (1) states:

"The Organization is based on the principle of the sovereign equality of all its Members".

In accordance with that principle, all Member States, big or small, powerful or weak, should have an equal status in this Organization, enjoying equal rights and assuming equal obligations. They should have an equal say and equal voting rights. Herein lies the most essential expression of the principle of equality enshrined in the Charter and the very viability of this Organization as the most important international organization in the world today. If voting rights were made proportionate to the assessed contribution of each Member State, the principle of equality laid down in the Charter would be reduced to nothing more than empty words.

The principle of assessing contributions according to the capacity to pay and to the assessed scale approved by the General Assembly is explicitly stipulated in the relevant resolutions of this Organization. After fulfilling its financial obligations as required, each Member States enjoys an equal voting right. It would run counter to the spirit of the Charter if any Member State should arbitrarily decide on the scale of its contribution without approval by the General Assembly.

(Mr. Liang, China)

Every Member State has its own legislative organs, and the laws and decrees those organs adopt are valid only in that Member State. Any attempt to impose one's own laws and decrees on the United Nations so as to exert pressure on it is in contravention of international practice. If a Member State has any objection to the principle of payment of assessed contributions or the assessed scale, it should state that objection before the United Nations and try to resolve the question through consultations with other Member States. That is the only normal and reasonable way to deal with the matter.

The Chinese delegation appreciates the efforts made by the Secretary-General and the Secretariat in order to alleviate the current financial crisis. We concur with some of the proposed measures contained in paragraph 21 of the Secretary-General's report, while we deem it necessary to open others for reconsideration. In view of the fact that the deferment of the construction of the two conference centres involves the interests of a large number of Asian and African countries, we should like to propose that full consultations be held by the Secretary-General with those countries before a decision is taken. As for the proposed deferment of other programme activities, we shall express our views after we are informed of the details.

We should also like to point out that for a long time the United Nations Secretariat has suffered from overlapping organs, overstaffing and a proliferation of documents and meetings. This unsatisfactory state of affairs has not only hindered the Secretariat in the effective fulfilment of its mandate, but it has also added to the financial burden on Member States. Although the Secretary-General has already taken some temporary savings measures, we are of the opinion that there is still great potential to be tapped in improving efficiency and cutting expenditures. It is our hope that the Secretary-General will continue his efforts and take measures to effect a change in the present state of affairs.

(Mr. Liang, China)

The Chinese delegation has always supported reforms and savings measures in the Organization in order to streamline it. At the same time we insist that all reforms or streamlining measures should serve the purpose of enhancing the functions and role of the Organization.

As a Member State of the United Nations, China has always abided by the purposes and principles of the United Nations Charter and fully understands its duties and obligations. In response to the Secretary-General's appeal we have paid our assessed contribution for 1986 in full. On its part, the Chinese Government will do its best to help resolve the current financial crisis.

Mr. MARINESCU (Romania) (interpretation from French): The question now under discussion is so complex that it necessarily requires extensive consideration. However, taking account of your implicit recommendation, Mr. President, when emphasizing the urgency of this resumed session, I shall confine my statement to the few points we feel are essential to a correct approach to the financial crisis facing our Organization in order to define accurately the lines along which we should proceed to arrive at lasting solutions.

First of all, the causes of the crisis cannot be reduced to partial, incidental and simplistic explanations. They originated long ago; although they are both political and financial, it is quite clear that they are deep-rooted and primarily political.

The non-aligned countries were quite right in expressing, in their communiqué adopted at the recent Ministerial-level Meeting held in New Delhi, their serious concern over the increasingly frequent attempts to weaken and reduce the role of the United Nations system and to erode the principles of sovereign equality and democratic functioning underlying this system, as well as in emphasizing that the current crisis had its origin in the erosion of the commitment to the purposes and principles of the United Nations Charter.

Secondly, any solution aimed at bringing the Organization out of its current financial crisis must therefore be based on respect for the principles and fundamental rules governing the functioning of the Organization and the decision-making process, above all the principle of the sovereign equality of Member States. The only acceptable solutions are those that would promote solutions to the major political and economic problems, ensure unfettered work by the main organs of the Organization and create the necessary conditions for broader and more active participation on an equal footing by all Member States - whether large, small or medium-sized - in the activities of the United Nations and its agencies.

(Mr. Marinescu, Romania)

The Romanian delegation appreciates the significant work done by the Secretary-General and thanks him for his report, which contains many proposals designed to overcome the most pressing financial difficulties. At the same time, we feel it is our duty to express serious reservations over some of the proposals the implementation of which could undermine the very political fabric of the overall activities of the Organization. For example, we cannot endorse the proposal to reduce the duration of the forty-first session of the General Assembly. Considerations as to form, practice and, above all, principle argue against such a measure. First of all it is not up to this session to decide on the duration of the forty-first session, since that is subject to the rules of procedure falling within the competence of the General Assembly and the General Committee it will appoint for that session. Since the agenda for the forthcoming session is fairly heavy, even for one of normal duration, one cannot seriously think of reducing it by almost one third without making it fit into a kind of Procrustean bed.

It seems to us that the General Assembly could not accept any measure that in the final analysis would reduce its role. On the contrary, the role of the General Assembly should constantly be strengthened and enhanced, for it is the principal political organ of the United Nations, the organ in which all States, regardless of size, can express themselves and take action in accordance with their rights and interests. This fundamental truth has been stated time and again, but - forgive me for the way in which I express it - it is the nail on which we must keep hammering if we want the Organization to become an even more effective international instrument capable of making a growing contribution to solving the complex problems facing mankind today. We must therefore carefully consider this proposal before we take any decision, for while its financial implications would be minor, indeed minimal, the political significance it might acquire would be major and far

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too negative. In our opinion - and this remark applies equally to other proposals along the same lines - this is not the right path to take in seeking a way out of the current budgetary difficulties and ensure the financial health of the Organization.

Thirdly, we cannot remove from any analysis of the current situation, and certainly not from our consideration of possible solutions, the situation obtaining in the Administration, the level of expenditures and the personnel problems within the Secretariat.

We are grateful for the measures already taken by the Secretary-General and we trust that he will resolutely pursue his personal efforts so as to reduce the United Nations budget to a rational, lower level. Those efforts - which cannot but enjoy general support - would be fully in keeping with the concerns of almost all Member States to reduce their budgetary expenditures at this time of severe world economic crisis, which is continuing and making it extremely difficult for many countries, including my own, to acquire the financial resources necessary to meet their numerous obligations.

Like many other countries, Romania has always advocated this approach. I wish to recall that in an official document on the strengthening of the role of the United Nations, which was distributed more than 10 years ago at the thirtieth session of the General Assembly, the Romanian Government considered it necessary, inter alia: to improve and rationalize the working methods of the Secretariat and to ensure adequate representation for all States in the Secretariat on the basis of criteria reflecting the membership of the United Nations; to reduce personnel and the constantly growing expenditures of the Organization by continually improving the functioning of the Secretariat, distributing and using funds in a more judicious manner, adopting stringent measures against creeping bureaucracy and

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routine, preserving rational dimensions for the whole machinery and avoiding any unnecessary expansion of its structures.

We feel that these goals are still valid today and that rigorous measures along these lines can no longer be delayed. Moreover, it would be paradoxical to keep administration and, above all, personnel expenditures at present levels, since they form the major part of the United Nations budget, if at the same time we were to propose doing away with numerous activities performed by organs and agencies within the United Nations system and with programmes dealing with major problems, either in the area of disarmament, the solution of conflicts, economic and social development or decolonization.

The Secretary-General's report contains many specific elements which obviously cannot be taken up in a general debate such as occurs in plenary meetings. As we have suggested, consideration of many of the proposals it contains - and my delegation reserves its position on them - could be best carried out within the Fifth Committee - something which, incidentally, was suggested by the Chairman of the Group of 77, the Permanent Representative of Yugoslavia.

The Romanian delegation is ready fully to participate in the detailed consideration of the various aspects of these proposals, whether in that context or in plenary meetings.

Mr. NOWORYTA (Poland): Only a few months ago, this unique Assembly of the world's nations echoed with high appraisals of the role and achievements of the United Nations and with expressions of political will to adhere to its goals and principles, as enshrined in its founding document, the United Nations Charter. Today, however, we are seized of a problem of such magnitude that it endangers the functioning of the Organization and its present and future effectiveness. In spite of the fact that the current crisis of the Organization arises directly from insufficient funds for its activities, it is first of all of a political nature that stems from the tense political and difficult economic situations in the world, as well as from the specific attitudes of Governments towards the Organization.

A matter of special concern is the unilateral decision by the United States of America to withhold partial payment of its assessed contribution to the Organization. Such an approach to the United Nations by an important Member State undermines the goals and principles of the Organization.

The United Nations must remain the basic forum for dialogue and the search for multilateral solutions to the principal current and future problems of international relations, in particular the maintenance of international peace and security and the promotion of international economic, social and cultural co-operation on a world-wide scale. Any attempt to solve the current financial situation of the Organization that does not take into account those objectives will not be to the benefit of the United Nations and its Member States.

My delegation fully shares the view that the present financial crisis should be addressed both on a short-term basis and in a longer-term perspective. The imminent necessity of finding short-term relief that at the same time would create the possibilities for working out a more comprehensive and long-lasting solution has led to the resumption of the fortieth session of the General Assembly. We welcome the work done so far by the Secretary-General to cut down the

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Organization's expenditures without detriment to the implementation of the current programme of work, as well as his present proposals for further savings in the work of the Organization. Some of them do not reflect our views and preoccupations. Our position is not a unique one and is common to most delegations. In this situation, we all should make joint efforts towards reaching the necessary consensus decision.

It is in that spirit that we perceive the proposals contained in the Secretary-General's report, which we consider to be a possible basis for such an agreement. As to the long-term solutions, we should concentrate our attention on actions that could preserve the capability of the Organization to deal with its main tasks. We subscribe to the view of the Secretary-General that

"It is essential that there be adequate time so that a constructive dialogue can develop, in which the search for lasting solutions can be carried out in an orderly and co-operative fashion." (A/40/1102, para. 4)

We expect that at the forty-first session of the General Assembly a great deal of attention will be devoted to the problems involved in slowing down the growth-rate of the United Nations budget and in improving the organization of work and co-ordination within the Secretariat.

The work of the Group of High-Level Intergovernmental Experts established by the General Assembly to review the efficiency of the administrative and financial functioning of the United Nations could be of great help in that endeavour.

Mr. ABULHASAN (Kuwait) (interpretation from Arabic): The General Assembly is discussing at this resumed fortieth session a very important subject, one upon which depends the future of our international Organization and its ability to continue to pursue its activities and tasks efficiently now that it has reached the age of 40. I should like to express our thanks to the Secretary-General for the

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efforts he has made in submitting to us his detailed report on the current financial situation of the United Nations, which contains important information on all aspects of the crisis.

We all know the factors that have led over the years to the aggravation of that crisis and that have resulted in the Organization's current financial situation. That crisis is embodied in the lack of funds that may make the Organization unable to execute mandated programmes and to fulfil its financial obligations. It is not purely a financial crisis. It is also, above all, a political crisis, and it will have dangerous consequences if steps are not taken to solve it.

In that connection, the Secretary-General's report states:

"The financial crisis has built up over the years as the result primarily of the withholding by some...Member States of assessed contributions from the regular budget. By the end of 1985, all reserves had been committed to meet the deficits resulting from these withholdings." (A/40/1102, para. 3)

The crisis is directly linked with the financing of peace-keeping operations. In that connection, we would like to mention that the responsibility for peace-keeping and for international peace and security is a collective responsibility. All Member States must shoulder their commitments in that respect. Assuming that responsibility would alleviate one of the United Nations largest financial burdens.

The Secretary-General has appealed on several occasions to Member States to pay their assessed contributions early as an important means of solving some of the financial difficulties the Organization is facing. I would note that Kuwait is one of the countries that respect and adheres strictly to their financial obligations vis-à-vis the United Nations and that we have an honourable record in this regard, to which the Secretariat will bear witness.

(Mr. Abulhasan, Kuwait)

I should like on this occasion to mention that Kuwait, for the first time, has not yet paid its contribution to the United Nations budget for 1986. This is because of our dissatisfaction with the decision of the Committee on Contributions to increase the contribution of Kuwait unfairly, a decision for which there was no foundation in the last scale of assessments. While we regard that Committee and its members highly, we believe that it has not fulfilled its duties, and such decisions made by the Committee on Contributions might have negative consequences on the financial situation of the United Nations. A more just base, which takes into consideration all the variables in national income and the capacity to pay, is required now more than ever.

The disruptive exacerbation of the financial situation, causing concern to all, stems from the United States decision to slash its contribution to the United Nations budget. It has also withheld part of its last year's assessment, as well as its contributions to certain programmes adopted by the General Assembly. All this, in our opinion, represents a very negative attitude towards this Organization. The responsibility for financing the United Nations has been accepted by all Member States and has been enshrined in the Charter. It must not become an instrument for certain trends that threaten the stability of this international Organization making it unable to execute the tasks mandated to it.

In general, my delegation supports the proposals made by the Secretary-General and believes that further consultations must be envisaged if we are to solve this crisis.

My delegation attaches great importance to the co-operation of the Secretary-General with the Group of High-level Intergovernmental Experts which has been established to streamline and rationalize administrative procedures in the United Nations, since the introduction of immediate administrative improvements in

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the present circumstances is an absolute necessity in both the short and long run. Such administrative improvements should have been introduced a long time ago. My delegation is ready to co-operate fully in the implementation of any procedures that would lead to the streamlining of the administration and the effectiveness of this international Organization.

Kuwait will continue to support the role of the United Nations in bolstering world stability.

Mr. ORAMAS OLIVA (Cuba) (interpretation from Spanish): I should like to begin by expressing the sorrow of my country on the death of Mr. Raul Prebisch, a distinguished and eminent personality of our time, who, through his unstinting efforts, made a contribution to the development of the United Nations and many agencies of the system.

Mr. President, on behalf of my delegation I thank you for having reconvened on an urgent basis the fortieth session of the General Assembly so that we may together find solutions to the acute financial crisis of the United Nations.

The Chairman of the Group of 77 has already made a statement on behalf of the Member States of the Group, a statement which we endorse. Nevertheless, my delegation wishes to make a few comments which we deem necessary in this debate.

Cuba believes that, as a matter of prime importance, we must not only guarantee the survival of our Organization and enable it to fulfil the purposes and principles enshrined in the Charter, but also work tirelessly in order to provide it with the resources and mechanisms needed on a daily basis to fulfil with increased efficiency and effectiveness its required role in today's complex world.

There is an obvious contradiction in the fact that today, while the world is groping for solutions to one of the most difficult situations mankind has ever faced, characterized by an unprecedented exacerbation in international tensions and

(Mr. Oramas Oliva, Cuba)

an acute world economic crisis, our Organization, whose role, by definition, is to work to preserve peace and achieve development, is struggling to survive as an independent and democratic institution.

Clearly, the current financial crisis of the United Nations is neither an isolated nor an accidental phenomenon, nor is it mere happenstance, when those who endanger international security engage every day in an increasingly aggressive policy of force, thwarting the development of the third world, are the same who, through unilateral and illegal measures, have brought about this crisis which we are today striving to resolve. Truth to tell, the current financial crisis of the United Nations is fully and clearly part of the attacks launched for years against multilateralism by the Government of the United States. In this connection, we endorse the declaration on the United Nations current financial crisis issued at the recent ministerial-level meeting of the Co-ordinating Bureau of the Movement of Non-Aligned Countries in New Delhi. We are of the view that rather than get bogged down trying to develop specific measures to deal with the current situation, we should begin by analysing carefully the root causes of the crisis.

After having witnessed for some time the growing trend of the United States Government to renege on its commitments to multilateralism, we were alarmed to see that Government unleash a violent attack against democratic international institutions. It began with the almost universally repudiated withdrawal by the United States from the United Nations Educational, Scientific and Cultural Organization (UNESCO) and is now centring on attempts to undermine the integrity of the United Nations and impose policies on it which not only run counter to the mechanisms, structures and procedures of the United Nations, but also infringe on the provisions of the Charter itself.

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We must emphasize in this connection that the profoundly democratic nature of the United Nations, enshrined in the Charter and a faithful reflection of the inviolable principle of the juridical equality of States, irrespective of their size, economic and social system, level of development or the amount of their contributions to the United Nations, is the cornerstone of the Organization and the only legitimate means of ensuring the confidence of the Member States in the impartiality of this institution. Therefore, we reject any attempt to introduce systems of weighted voting in any area of the United Nations work.

Bearing in mind those principles, we must clearly understand that it is a matter not only of guaranteeing the survival and progress of our United Nations, but also of protecting it from policies that seek to put it under the control of a single State, or a small group of States, which would thus have a free hand to impose policies on it or impede the free exercise of the majority will.

For all those reasons, we must not lose sight of the fact that the cause of the present financial crisis of the United Nations is fundamentally political, and therefore lasting solutions must also be political. It is precisely in the light of that fact that we have analysed the various proposed solutions, including the document presented by the Secretary-General.

It is well known that my country has consistently given its full co-operation to the United Nations and that it plays an active and constructive role in its work. We are therefore prepared, within the scope of our limited means, to contribute in the same way to overcoming the current crisis and preventing its impact from affecting the Organization's main programmes or impairing the level of its activities.

We have analysed with great care the document presented by the Secretary-General, and by and large we support his proposals for reducing costs and making savings, which have reduced the deficit forecast for this year in his

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document. We wish, through you, Mr. President, to thank the Secretary-General and the Secretariat staff for their great and important efforts to find a solution to the problem.

With regard to the proposals in the report, we believe that we must be very cautious and assess each of the suggested initiatives on its own merits, and not treat them as a package.

What I have just said is particularly true of those programme activities that are directly linked to the essential functions of the United Nations, in accordance with the purposes and principles of the Charter. Here it is particularly important for us to bear in mind the need to determine how the short-term measures that we adopt now may affect long-term actions that we may decide to take for the future.

We reaffirm our constructive attitude towards finding solutions to help our Organization, and express our hope that all Member States will work in the same spirit.

The meeting rose at 5.25 p.m.