



Wednesday, 17 November 1954,
at 10.30 a.m.

New York

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Chairman: Mr. Pote SARASIN (Thailand).

AGENDA ITEM 41

Scale of assessments for the apportionment of the expenses of the United Nations: report of the Committee on Contributions (A/2716; A/C.5/588 and Corr.1, A/C.5/588/Add.1; A/C.5/L.295, A/C.5/L.296, A/C.5/L.296/Rev.1, A/C.5/L.297, A/C.5/L.298) (*continued*)

1. Mr. VAN ASCH VAN WIJCK (Netherlands) associated himself with the representatives who had paid a tribute to the Committee on Contributions and its Chairman for the difficult and ungrateful task they had discharged.
2. The Netherlands delegation would accept the scale of assessments proposed by the Committee; on the other hand it would be unable to vote for the USSR draft resolution (A/C.5/L.297), because it agreed with the Committee that the establishment of a permanent scale, at least in the present year, was undesirable.
3. He had been pleased to learn from the Committee's report (A/2716, paragraph 5) that more statistical information had been submitted by Member States; no State could complain that its contribution was too high if it had not supplied the Committee with the necessary statistical information. He was glad to note that some Members had supplied supplementary information and statistics on being informed of the date of opening of the Committee's session. He agreed with the United Kingdom representative (462nd meeting) that such consultations should not degenerate into negotiations, so as not to impair the Committee's independence and impartiality.
4. He noted with satisfaction that the Committee had studied the relative advantages and disadvantages of the percentage system and the unit system of assessment; it had clearly shown that for the time being the percentage system was the more suitable.
5. He appreciated the Canadian delegation's feelings, and its disappointment at the fact that the Committee on Contributions had placed a different construction on Assembly resolution 665 (VII) from its own, since the result had been to increase Canada's contribution. Drawing attention to the spirit in which the resolution had been adopted, he said that possibly not all the Member States had realized at the time what the consequences of the resolution would be. It was natural that Canada should wonder why it was the only country

to be excluded from any favourable treatment; but the protection enjoyed by several other States Members was only theoretical, since the relief granted to countries with a low *per capita* income increased the burden on those in the middle *per capita* income group. The Netherlands delegation had noted with satisfaction that Canada had not requested any modification of the scale for 1955, and it was prepared to vote for the Canadian draft resolution (A/C.5/L.296) as amended by the United States (A/C.5/L.298).

6. Mr. HEMSLEY (Canada) reminded the Fifth Committee of the terms of the proposal made by his delegation (A/C.5/L.296). For the reasons it had already given at the 461st meeting, the Canadian delegation was still convinced that its proposal was justified. Some delegations had expressed concern at the fact that if the Canadian proposal was adopted, Canada's contribution would be reduced at the expense of other countries with a low *per capita* income. But Canada considered that its contribution should not have been increased; moreover it would be remembered that in 1951 the General Assembly had recommended by its resolution 582 (VI) to the Committee on Contributions that it should pay particular attention to the situation of countries with a low *per capita* income. If the amendment proposed by the United States (A/C.5/L.298) was adopted, it would mean that Canada's contribution would not be brought down to the 1953 level in 1956. With its usual spirit of co-operation, however, Canada was prepared to accept the amendment, in order to enable the Fifth Committee to adopt the compromise formula which it offered.

7. Mr. CHERNYSHCHENKO (Byelorussian Soviet Socialist Republic) pointed out that between 1949 and 1955 the Byelorussian Soviet Socialist Republic's contribution had increased from 0.22 to 0.53 per cent; thus, like those of the USSR and the Ukrainian SSR, it had more than doubled. On the other hand, the contributions of the United States of America, the United Kingdom and certain other countries had constantly decreased during those five years.

8. It was therefore legitimate to ask on what principles the Committee on Contributions based its conclusions. In its report (A/2716), the Committee offered no explanation of the increase in the contributions of the Byelorussian SSR, the USSR and the Ukrainian SSR; it had ignored certain essential factors such as the temporary dislocation of national economies caused by the Second World War and the ability of Members to secure foreign currency. In the Byelorussian SSR, the Nazi occupation had caused damage estimated at 75 thousand million roubles, while the loss of life had been incalculable. The effects of that catastrophe were still being felt, and, although the country had succeeded at enormous expense in restoring a large part of its economy, much still remained to be done and

considerable capital would still be needed to repair the damage sustained by industry and agriculture and to rebuild destroyed housing. The United Kingdom and United States representatives had said (462nd meeting) that the contributions fixed for the Byelorussian SSR, the Ukrainian SSR and the USSR were equitable, since, according to its own reports, the Soviet Union had succeeded in developing its national economy. They had doubtless forgotten that the destruction had been on a scale unprecedented in the history of the countries concerned, and that despite nine years of effort, their economies were still suffering its effects. It was therefore anomalous that the Byelorussian SSR contribution should have increased by more than 140 per cent since 1950, while that of the United States had decreased, although that country had not only not suffered as a result of the war but had strengthened its economic position.

9. In addition, the Byelorussian SSR had difficulty in obtaining foreign currency, chiefly because of the economic blockade which the United States had continued to maintain. That factor should not be passed over in the determination of the scale of contributions. Furthermore, the Byelorussian SSR was now participating in the work of ILO, UNESCO and the Expanded Programme of Technical Assistance. That had still further increased its foreign currency difficulties.

10. For those reasons, the Byelorussian SSR considered that the increase decided upon by the Committee on Contributions was unjustified, and it would vote for the USSR proposal (A/C.5/L.297) calling for the maintenance for the next three years of the scale approved for 1954.

11. Mr. SAPRU (India) congratulated the Committee on Contributions on the difficult task it had discharged. While the report could not be satisfactory to all parties, the Committee's recommendations should not be opposed without just cause.

12. In establishing the scale of assessments, the Committee on Contributions acted in accordance with its instructions from the General Assembly, particularly in resolution 582 (VI), with regard to countries with a low *per capita* income. India was one of those countries. Its contribution for 1953 had been increased by 5 per cent over the 1952 figure in consequence of an improvement in its production of foodstuffs. But the population of India had very substantially increased, so that the *per capita* income remained very low. Accordingly, the Indian delegation considered its contribution for 1955 reasonable. However, it felt that the scale of assessments should be somewhat more stable, and should be applied, say, to three-year periods. That would allow enough time for an assessment of the real progress made by a country's economy.

13. The Indian delegation noted Canada's objections to the interpretation placed on the General Assembly's instructions by the Committee on Contributions. In its opinion, the Fifth Committee should not object to recommendations made by the Committee on Contributions without giving the experts who were its members an opportunity to express their views, particularly when it was not absolutely certain that their recommendations were contrary to the General Assembly's instructions.

14. He noted also that the United States had proposed an amendment which Canada had accepted. That

proposal could be referred to the Committee on Contributions for consideration in the determination of the scale of assessments for 1956. The Committee would doubtless approach the matter without any preconceived opinions, and would not feel itself bound by its 1954 interpretation of the General Assembly's instructions.

15. However, the Indian delegation would abstain, because it was unable to vote for the amendment.

16. The Indian delegation said it would not vote for the amendment of the USSR.

17. Mr. KULAGA (Poland) cited the factors which, according to the General Assembly's directives, had to be taken into account in the calculation of contributions. He drew attention to the steady increase which had taken place in the contributions of one group of States and the steady reduction in the contributions of another group. Poland, together with the USSR, the Ukrainian SSR, the Byelorussian SSR, and Czechoslovakia, belonged to the first group; from 1950 to 1954, its contribution had increased from 0.95 to 1.73 per cent of the United Nations budget, i.e., it had almost doubled.

18. The main factors which the Committee on Contributions was required to take into account in determining percentage of contribution rates included one which was very important to his country, namely, the dislocation of national economies arising out of the Second World War. He challenged the United States representative's assertions, and pointed out that Poland was one of the countries which had suffered most from the Hitlerite aggression and occupation. Poland had sustained enormous devastation; industry, agriculture and means of transport and communication had been destroyed, towns and rural areas had been laid waste, and almost 6 million lives had been lost during the war. The losses suffered by the Byelorussian SSR, the Ukrainian SSR and the USSR had been no less severe.

19. The United States argument that an increase in Poland's contribution was justified because that country, like the USSR and other countries, was rapidly repairing the damage it had suffered, was untenable. Those countries should not be singled out by increasing their rates of contribution because they were repairing their war damage with relative rapidity and because they had been able to achieve progress; such progress required, and would continue to require, large sums of money, substantial investments and heavy sacrifices.

20. Another essential factor that had to be taken into account in calculating contributions was the ability of States to secure foreign currency, in particular, United States dollars. In that respect, Poland suffered from the discriminatory measures which were being imposed by the United States in international trade. That policy was directed primarily against the USSR and the peoples' democracies; and did much to complicate international relations. The Committee on Contributions should in no circumstances fail to take into account the existence of those measures and the difficulties that they caused the States affected.

21. Moreover, Poland was taking part in the work of a number of specialized agencies, and that increased the financial burden which it had to bear.

22. The Committee on Contributions had failed to take those factors into account in determining Poland's contribution. That was inconsistent with the terms of

reference laid down for it by the General Assembly. True, Poland's contribution was to be the same in 1955 as in 1954; but between 1950 and 1954 it had steadily increased.

23. On the other hand, the contributions of another group of States were declining steadily. For example, while Poland's contribution had doubled, the United States contribution had declined from almost 40 per cent to 33.33 per cent of the United Nations budget. Yet the United States was not affected by any of the difficulties mentioned in the General Assembly resolution, for example, the disastrous consequences of the Second World War and foreign currency stringencies. Indeed, it benefited from the fact that United Nations Headquarters were situated in United States territory. Moreover, the taxes the United States levied on the many American citizens employed in the United Nations were a supplementary source of revenue for the United States Treasury. It was also difficult to believe that there was any justification for the fourth successive reduction in the United Kingdom contribution.

24. Accordingly, his delegation would support the USSR proposal (A/C.5/L.297). It would speak on the other proposals before the Committee at a later stage, if the occasion arose.

25. Mr. MELO LECAROS (Chile), while noting with satisfaction the recommendation of the Committee on Contributions to reduce Chile's assessment for 1955, felt that that reduction did not sufficiently allow for the economic difficulties which his country was at present experiencing. The report of the Economic Commission for Latin America¹ showed that the rate of increase in income per head of population in the countries of that area had declined in 1953-1954 to 0.7 per cent. Moreover, Chile had been compelled to devalue its currency twice in eighteen months. It was a large exporter of mineral products, particularly copper, and the fall in the world prices of primary commodities was a serious matter for it, particularly as a steady increase was taking place in the prices of the industrial products which it had to import. The authorities had taken energetic action to check inflation but the situation remained difficult. Under those circumstances, his delegation would support the proposed scale for 1955, but it hoped that the Committee on Contributions would take greater account of Chile's economic difficulties next year.

26. Unfortunately, he could not support the Canadian and United States proposals (A/C.5/L.296 and A/C.5/L.298), in view of the possible effects of the proposed measures on the contribution rates of the under-developed countries. Neither could he support the USSR proposal (A/C.5/L.297).

27. Mr. GANEM (France) realized that the Committee on Contributions had a well-nigh impossible task to perform. On the basis of often incomplete data, it had to determine the capacity to pay of Member States in accordance with principles and instructions which were often contradictory.

28. Up to 1950, the Fifth Committee had been able to approve the scale of contributions unanimously. That period of harmony had ended, and each year the number of complaints increased. However, his delegation had always accepted the recommendations of the Com-

mittee on Contributions, and it proposed to do likewise in the current year, although the Committee recommended a substantial increase in the French contribution. He was not convinced that the increase was justified. It was true that France's national income was increasing, but it should not be forgotten that, as a result of the Second World War, France had suffered heavy losses which were still making themselves felt. Moreover, the increase in the birth-rate was resulting in a decline in the percentage of the active population. For those reasons his delegation, despite its admiration for the excellent work of the Committee on Contributions, could accept the scale proposed for 1955 only with certain reservations.

29. The Indian delegation had proposed that the Committee on Contributions should submit to the next session a scale of contributions applicable for three years. The French delegation did not go that far, but it hoped that the Committee on Contributions would try at least to draw up a scale applicable for two years.

30. Similarly, France appreciated the motives underlying the Canadian proposal. It was difficult for Canadian public opinion to accept the idea that the Canadian contribution should be set at 11 per cent of the United States contribution when Canada's population was only 9 per cent of that of the United States and its standard of living was considerably lower. Many delegations which would have hesitated to vote for the Canadian draft resolution in its original form would be able to support it now that the Canadian representative had accepted the amendments suggested by the United States delegation (A/C.5/L.296/Rev.1).

31. It should be emphasized that the only way to ease the burden of contributions was to admit new Members. If that was done the Committee on Contributions would certainly be able to satisfy every legitimate request for a reduction.

32. Mr. TOLKUNOV (Ukrainian Soviet Socialist Republic) noted that the Committee on Contributions was again recommending increased assessments for the Soviet Union, the Byelorussian SSR and the Ukrainian SSR, whose contributions had more than doubled in five years. On the other hand, the Committee was recommending reductions in the assessments of other countries, such as the United Kingdom and the United States of America. Such a step was completely unjustified; the Committee had failed to take into account the principles laid down in General Assembly resolution 14 A 3 (I), namely that in calculating contributions, the temporary dislocation of national economies arising out of the Second World War and the ability of Member States to secure foreign currency should be taken into account.

33. The extent of the losses and destruction suffered by the Ukraine as a result of the War was common knowledge. Many industrial centres, towns and villages had been completely wiped out. The Ukraine has made great efforts to rebuild its economy, but the effects of that calamity were still being felt. For many years to come the Ukraine would have to invest very substantial funds to reconstruct its economy and to build hospitals, day nurseries and schools.

34. The United States representative regarded the additional burden laid upon the Soviet Union, the Byelorussian SSR and the Ukrainian SSR as justified; but he advanced no arguments in support of his view.

¹ *Official Records of the Economic and Social Council, Seventeenth Session, Supplement No. 2.*

The United States had not suffered from the war; indeed, in contrast to many other countries, it had been able to improve its economic position. It was therefore inequitable that its contribution should be reduced.

35. Furthermore, the Committee had given no more weight to the difficulties encountered by the Soviet Republics and the people's democracies in obtaining foreign currency, difficulties which were due to the policy of trade discrimination pursued by the United States.

36. Lastly, the Committee on Contributions had failed to adhere to rule 161 of the rules of procedure of the General Assembly, which laid down that the scale of assessments, when once fixed by the General Assembly, should not be subject to a general revision for at least three years. In those circumstances, the delegation of the Ukrainian SSR could not do otherwise than support the draft resolution proposed by the Soviet Union (A/C.5/L.297).

37. Mr. ESPAÑA (Bolivia) took the view that the Committee on Contributions had done its work perfectly and had taken into account all the instructions it had received. In 1952, Bolivia had rid itself of the mining oligarchy which had dominated its political and economic life. Since that time it had made great efforts to diversify its production and develop its resources. Nevertheless, the fall in the price of tin and the increase in the prices of industrial products made it very difficult for Bolivia to obtain all the foreign currency it needed. It therefore welcomed the Committee's recommendation for a small reduction in Bolivia's contribution. The Committee's recommendation, in paragraph 17 of its report, that the revised scale of assessments should apply for one year only seemed to him entirely justified, since some countries had highly vulnerable economies and might encounter difficulties of the kind now facing Bolivia. The Fifth Committee could rest assured, however, that Bolivia would be ready to make a greater contribution to the expenses of the United Nations when its economic situation improved. The Bolivian delegation was unable to support the Canadian, United States or Soviet proposals.

38. Mr. BIHIN (Belgium) congratulated the members of the Committee on Contributions on their excellent work. The Belgian delegation was glad to note that more complete statistical information had been made available to the Committee in the current year, but there still appeared to be room for improvement in that respect. It approved in principle the scale of assessments proposed by the Committee and thought the Committee wise in recommending that the revised scale should apply for one year only.

39. His delegation appreciated the reasons for which Canada had proposed its draft resolution (A/C.5/L.296), and realized that the creation of an unfair situation at the expense of a single country should be avoided. It was never sound policy, however, to brush aside general principles in order to meet a momentary need or solve an isolated problem. For that reason, the Belgian delegation could not accept the Canadian draft resolution in its original form. Under paragraph 2 of the original draft resolution, the General Assembly would be called upon to take a decision of a purely general nature and to lay down, so definitely as to make it virtually binding for the future, a principle

which the Committee on Contributions and the Assembly had so far applied in a flexible and even empirical way. Furthermore, a country like Belgium, which was among those making contributions of medium size, was entitled to feel concern at the effect which some interpretations might have on the size of its contribution. That applied all the more forcibly in that reductions due to factors extraneous to national income, such as the decision to restrict the maximum contribution of a given country to 33.33 per cent, the criterion of comparative income per head of population, and the principle of allowances for countries of low national income, benefited only countries of high national income or countries suffering unfavourable economic conditions.

40. However, the Canadian delegation had agreed, in a spirit of conciliation, that the percentage of its contribution should be limited to the level approved for the 1955 budget, namely 3.36 per cent, instead of that for 1953. In addition, the Canadian delegation had accepted the amendment proposed by the United States (A/C.5/L.298), which represented a considerable improvement on the original text; for under the amendment the General Assembly, instead of deciding on the interpretation to be given to the decision adopted at the seventh session, would give the Committee on Contributions instructions which, while referring to the future, were in no sense rigid or final. It had also been an excellent idea to delete paragraph 3, which would have reduced the powers of the Committee on Contributions to an unwarranted extent.

41. The Belgian delegation would accordingly vote for the Canadian draft resolution as amended by the United States (A/C.5/L.296/Rev.1). However, its approval must not be regarded as unqualified, for in its view the purpose of the resolution was merely to correct the existing situation, which it considered unfair to Canada. But the Belgian delegation did not intend to commit itself irrevocably for the future and would oppose any interpretation whose effect would be to make the countries of medium contributions bear the burden of reductions granted to countries whose contributions were greater or smaller than theirs. As for the Indian representative's suggestion, the Belgian delegation feared that it was somewhat premature, and was more inclined to support the formula suggested by the French representative.

42. Mr. RAFIK (Afghanistan) associated himself with the tribute paid to the Chairman and members of the Committee on Contributions. He was glad to note the Committee's recommendation that the Secretary-General should again be authorized to accept as large a proportion as possible in currencies other than United States dollars. It was to be hoped that the Secretary-General would make full use of that authority. In paragraph 5 of its report the Committee reported an improvement in the statistical information provided by Member States. That was welcome news, but the Committee, in determining each Member State's capacity to pay, should not do so purely on the basis of estimates of national income, because the underdeveloped countries were unable to supply full statistical information on that subject. The Afghan delegation hoped the Committee on Contributions would continue to comply with the General Assembly's instructions to pay particular attention to the situation of countries with low *per capita* income. At the eighth session the Afghan delegation had pointed (395th meeting) out

that despite the general tendency to reduce the contributions of the under-developed countries, no reduction had been proposed for Afghanistan, although that country was in a very difficult economic position. It had accordingly suggested that a reduction of Afghanistan's contribution to 0.07 per cent should be considered. The Committee on Contributions had not complied with that request. Afghanistan had undertaken large-scale development works which absorbed a considerable proportion of its foreign currency resources, and it hoped the Committee on Contributions would take that situation into account in establishing the scale of assessments for 1956. The Afghan delegation wished to emphasize that it had the greatest confidence in the Committee on Contributions and would vote for the scale of assessments proposed for 1955.

43. Mr. RYBAR (Czechoslovakia) reminded the Fifth Committee of the reasons for which the Czechoslovak delegation and certain others had for some years been compelled to vote against the scale of assessments which the Committee on Contributions had recommended to the General Assembly, and, in particular, to protest against the trend towards a constant and unjustified increase in the contributions of the Soviet Socialist Republics, Poland and Czechoslovakia—those countries being the ones mainly affected since they accounted for 70 per cent of the increases made in 1951 and 90 per cent of the increases made in the period 1952-1954. A majority in the Committee on Contributions was once more recommending a substantial increase in the contributions of the Soviet Socialist Republics. Thus the trend still continued, though it might well be wondered whether it was justified by the General Assembly's directives.

44. He drew attention to the terms of reference laid down for the Committee by the General Assembly by its resolution 14 A 3 (I) and to the factors the Committee was required to take into consideration. Since among these factors were the temporary dislocation of national economies arising out of the War, and the difficulties some States experienced in securing foreign currency, the Committee had clearly not been justified in recommending an increase in the contributions of the Soviet Socialist Republics. During the war, those countries had sustained tremendous losses which it would take many years of effort and considerable investment of capital to make good. The Czechoslovak delegation was therefore unable to agree with the view the majority of the Committee had expressed in that connexion (A/2716, paragraph 11). Moreover, that same majority had closed its eyes to the fact that the United States—which in view of the 33.33 per cent ceiling rule and the fact that United Nations Headquarters were situated in New York enjoyed a privileged position—was pursuing a discriminatory trade policy towards the USSR and the peoples' democracies, thereby adding to the difficulties encountered by those countries in securing the dollars they needed to pay their contributions to the United Nations and the specialized agencies.

45. For all those reasons, the Czechoslovak delegation protested against the increase in the assessment of the Soviet Socialist Republics, and fully supported the USSR's just proposal that the scale approved for 1954 should be maintained (A/C.5/L.297).

46. With regard to the reconsideration of the *per capita* ceiling principle (A/2716, paragraphs 13 to 16),

he approved the conclusions unanimously reached by the Committee, and particularly stressed two of them, which, in his opinion, were particularly important from the standpoint of future policy for establishing the scale of contributions. Firstly, application of the principle would shift the burden from countries with high *per capita* income to countries in the middle or low *per capita* income group, which would be wrong and contrary to the provisions of resolution 14 A 3 (I). Secondly, the Committee's report (A/2716, paragraph 16) showed clearly that the *per capita* ceiling principle was not based on economic reasons, namely capacity to pay. Accordingly, the Committee was justified in recommending the General Assembly to reconsider the *per capita* ceiling principle; and in the opinion of the Czechoslovak delegation the Assembly could easily solve the problem by instructing the Committee on Contributions to disregard that principle and to base its recommendations on capacity to pay alone, in accordance with the conditions set forth in resolution 14 A 3 (I).

47. With regard to the payment of contributions in currencies other than United States dollars, he was glad to note the results already obtained (A/2663), which showed that a higher proportion of the goods and services needed by the United Nations could be procured in the soft currency countries. He therefore unreservedly supported the recommendation of the Committee on Contributions on that point (A/2716, paragraph 42).

48. With regard to the term of application of the scale for 1955, the Czechoslovak delegation was disappointed with the Committee's recommendation (A/2716, paragraph 17), which was not consistent with article 161 of the rules of procedure. If the Fifth Committee adopted the USSR draft resolution (A/C.5/L.297), the Committee on Contributions would not meet until 1957 and the Fifth Committee's agenda would be considerably lightened for two sessions. The Czechoslovak delegation would vote for the USSR draft resolution.

49. Mr. LIVERAN (Israel) commended the Chairman and members of the Committee on Contributions on the way in which they had discharged their duties. Of all the proposals before the Committee, none was designed to modify the scale of assessments for 1955: that was the finest tribute the members of the Fifth Committee could pay the Committee on Contributions. The differences of opinion that had come to light had related to the principles to be applied and their interpretation. It should be recognized that if the Committee were to take account of all the directives it had received the results would be absurd; and its task was further complicated by the fact that after enunciating the *per capita* ceiling principle, the General Assembly had hastened to say that it should not be applied immediately. Thus the Committee had had to interpret what the General Assembly in its resolution 665 (VII) meant by the phrase "to defer further action on the *per capita* ceiling"; but to try to find a new interpretation satisfying the needs of the moment was not the best way of achieving a satisfactory solution. The Committee was right in thinking that the *per capita* ceiling principle was justified for reasons other than economic ones (A/2716, paragraph 16); and that being so, the Committee, having given its interpretation of the principle, had to apply it. The French representatives had emphasized the psychological im-

portance of certain principles; that applied to the *per capita* ceiling principle. No doubt it had only a relative value and existed only subject to the 33.33 per cent ceiling rule; but for psychological reasons it should be reconsidered only if the whole question of the factors to be taken into account and the principles to be applied was reopened. So long as the General Assembly was not prepared to make a complete review of those factors and principles, the Committee on Contributions would have to be asked to do its best with inadequate means.

50. The Canadian draft resolution, as amended by the United States (A/C.5/L.296/Rev.1) maintained the *status quo* and restored the psychological advantages which had been placed in jeopardy; moreover, any other interpretation of the *per capita* ceiling principle would be unacceptable. The Israel delegation would therefore vote for the amended draft resolution.

51. Mr. HASSAN (Pakistan) associated himself with the tributes paid by previous speakers to the Chairman and members of the Committee on Contributions; in his opinion, it was quite unjust to say that the Committee's report was the work of a majority.

52. The Pakistan delegation welcomed the Committee's recommendation that his country's contribution should be reduced, and was glad that the Committee had recognized its economic difficulties. Those difficulties still continued; they were due to the fact that the prices of jute and cotton, which were Pakistan's main exports, were very low at a time when the country was trying to industrialize itself; moreover, the desired industrialization would not modify Pakistan's economic structure for many years. He hoped that the Committee on Contributions would take that fact into account in its future work.

53. The Pakistan delegation was not convinced by the arguments put forward by the USSR representative; it would therefore vote against the USSR draft resolution (A/C.5/L.297) and for the Committee's recommendations. He would have hesitated to support the Canadian draft resolution in its initial form (A/C.5/L.296); however, in view of the assurances given concerning its implications for the low-income countries, he would vote in favour of the draft resolution as amended (A/C.5/L.296/Rev.1).

54. Mr. ROMANACCE CHALAS (Dominican Republic) said that the Committee on Contributions, with a high sense of justice and equity, had taken into account all the pertinent factors and tried to eliminate inevitable anomalies and establish a well-conceived permanent scale.

55. The Dominican delegation would vote in favour of the Committee's recommendations.

56. Mr. CHECHETKIN (Union of Soviet Socialist Republics) said that the only answer representatives of the countries whose contributions had been reduced or maintained at the same level had given to the convincing arguments put forward by the USSR delegation against the Committee's recommendation for

increases in the contributions of the Soviet Socialist Republics, had been that in view of the spectacular progress achieved in the development of the economies of the Soviet countries, the contribution of those countries to the United Nations budget should be increased. That progress, of which the Soviet Socialist Republics were proud, did not justify a policy of discrimination.

57. The United States representative had not denied that his country was pursuing a discriminatory policy which, in some of its features, was a veritable economic blockade accompanied by acts of piracy and the seizure of ships on the high seas. That policy made normal economic relations impossible, and the countries against which it was directed had difficulty in securing the foreign currency required for their contributions. The United States representative's reply to that point had been simply that the trade between the United States and the USSR was sufficient to enable the USSR to meet its obligations, and that the USSR could pay in gold. Everyone knew that that was not a serious argument, and it was pointless to take it up.

58. In acknowledging that the development of the American economy had made fresh strides, the United States representative had admitted *ipso facto* that his country's contribution could be increased. The argument that an increase in the contribution of the United States might give it some sort of control over the United Nations was not convincing; the United Nations was not a joint-stock company. The United States representative had not dealt with the question of the reimbursement of taxes paid by United States nationals; he hoped that when the Fifth Committee took up the Secretary-General's report on that question (A/C.5/584) the United States delegation would be able to take the interests of the United Nations into consideration.

59. The United Kingdom representative had acknowledged that his country's economic situation had improved, which had resulted in an increase in its contribution to the specialized agencies; it was therefore difficult to believe that the United States and United Kingdom experts taking part in the work of the Committee had nothing to do with the Committee's decision to reduce the United Kingdom contribution, and that they had not resorted to economic and other pressure in order to obtain a decision favourable to that country.

60. The USSR delegation's protests were therefore justified; accordingly, he hoped that the Committee would overrule the unfair recommendations of the Committee on Contributions and adopt the USSR draft resolution (A/C.5/L.297).

61. The USSR would be unable to vote for the Canadian draft resolution, even as amended. The *per capita* ceiling principle was itself based on an unjustified principle, the 33.33 per cent ceiling principle. By virtue of those principles, countries with greater capacity to pay received relief and those with scanty resources had to bear an additional burden.

The meeting rose at 1.00 p.m.