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CONTENTS

	<u>Page</u>
Agenda item 41:	
Budget estimates for the financial year 1958 (con- tinued)	
Organization of the Secretariat at the senior level	227

Chairman: Mr. W. H. J. VAN ASCH VAN WIJCK
(Netherlands).

AGENDA ITEM 41

**Budget estimates for the financial year 1958 (A/3600
and Add.1, A/3624, A/3762, A/C.5/728) (continued)**

**Organization of the Secretariat at the senior level (A/
3762, A/C.5/728)**

1. The SECRETARY-GENERAL said that, while the Advisory Committee on Administrative and Budgetary Questions, in its twenty-seventh report (A/3762), had made some observations on the proposals set forth in his report (A/C.5/728), it had accepted all their main features. His comments on the Advisory Committee's report would be made in no spirit of controversy. Any difference of opinion between the Advisory Committee and himself could be ascribed to differences in the experience which shaped their respective attitudes.

2. His experience prompted him to warn the Committee against placing undue hopes on the view expressed in paragraph 9 of the Advisory Committee's report that there was scope, over a period of years in the future, for some reduction in the total number of posts at the level immediately below that of the Secretary-General. He had already reduced the number of posts in the Secretariat to a point below which further economies would be self-defeating, and could not perform his duties adequately without a sufficiently broadly-based panel of immediate collaborators. Even without those factors, the need for equitable geographical distribution of staff would militate against any reduction in the number of senior posts in view of the growing membership of the United Nations.

3. In principle, he entirely agreed with the Advisory Committee that no senior post should be regarded as falling outside the requirements of Article 101 of the Charter concerning geographical distribution. In practice, however, the Secretary-General's need of an Executive Assistant as his immediate collaborator on a personal basis, together with the practical considerations affecting the choice of the officer in charge of General Services set forth in paragraph 4 of his report, prevented him from making geographical distribution a decisive criterion for recruitment to those two posts.

4. As the Advisory Committee stated in paragraph 20 of its report, his proposal for a group or "panel" of three Under-Secretaries to take decision when the Secretary-General was absent and unavailable, was not entirely in harmony with the provisions of General Assembly resolution 13 (I). Since that resolution had been adopted, however, political conditions had changed radically and there had been a significant development also in the Secretary-General's political functions and responsibilities. In the circumstances, he had felt that full delegation of the Secretary-General's responsibilities, especially in the political field, to one individual might rightly incur objections from Member States, while a three-member panel of varying composition could keep its decisions out of the area of political conflict.

5. The one case in which the Advisory Committee disagreed with his proposal was less trivial than it might appear at first sight. The Advisory Committee recommended (A/3762, para.24) that the maximum total payments in reimbursement for representation should be limited to \$40,000. The need for such payments was increasingly felt not only at Headquarters, but also in the Economic Commissions for Asia and the Far East, Europe and Latin America, a consideration which offset the proposed decrease in the number of officials at the Under-Secretary level. The Committee could rest assured that there was no laxity in the administration of such payments, and, in the light of his experience, he urged it to rely on his judgement and to maintain the appropriation at the existing level of \$50,000.

6. Mr. GREZ (Chile) pointed out that the Secretary-General's proposals, which were the outcome of requests made to him at previous sessions for economies and rationalization at the top level of the Secretariat, involved far more than considerations of administrative efficiency.

7. The changes in senior posts proposed in paragraph 6 of the Secretary-General's report would apparently produce a net saving of \$5,000 a year. Such a small reduction in expenditure seemed insufficient to offset the problems which the proposed reorganization would raise.

8. The Secretary-General pointed out in paragraph 12 of his report that the department with the broadest field of activities and a resulting heavy workload was at present the Department of Economic and Social Affairs. That being so, it appeared paradoxical that the Secretary-General should seek to abolish the post of Deputy Under-Secretary for Economic and Social Affairs and to integrate technical assistance activities with that Department. It should be remembered that the responsibilities now borne by two officials in the Department had formerly been borne by two senior officials in each of the separate Departments of Economic Affairs and Social Affairs respectively. Amalgamation

of the Technical Assistance Administration (TAA) and the Department would add to the existing heavy responsibilities of the Under-Secretary for Economic and Social Affairs those at present borne by the Director-General and Deputy Director-General of TAA. The resultant economy scarcely seemed to justify the sacrifice of those posts, especially since the admission of twenty-two new Members to the United Nations in little more than two years had inevitably increased the volume of work.

9. In advocating, in paragraph 12 of his report, amalgamation of TAA and the Department of Economic and Social Affairs, the Secretary-General showed a laudable and reassuring caution. Chile, as an under-developed country, had a keen interest in the matter, and heartily agreed with the Secretary-General that it would require further study. Such an amalgamation had first been recommended by the Advisory Committee in its second report to the ninth session of the General Assembly (A/2688, para.225); the idea had been discussed in the Fifth Committee at the tenth session (524th meeting), but opposition had been expressed by several delegations and no resolution had been adopted. It had not been discussed at the eleventh session. During the present session, the work of TAA had been deservedly praised by many delegations in both the Second and the Fifth Committees, and the appropriation recommended by the Advisory Committee (A/3624, para.206) had been approved in full (621st meeting). It was plain that Governments, and especially those of the beneficiary countries, were satisfied with the administration of United Nations technical assistance activities.

10. The only extant proposal for the integration of those activities with the Department of Economic and Social Affairs was that presented by the Secretary-General in his report. In considering that proposal, the Committee should bear in mind that the function of TAA was to aid the under-developed countries with all due dispatch; that the vast majority of technical assistance experts, of whom there had been 678 in 1956, were not on the Department's staff, but were employed on contract by TAA; that TAA's other responsibilities—the granting of fellowships and scholarships, the supply of equipment and the organization of training centres and institutes—could be discharged only by a qualified staff; and that the Department was essentially a planning and guiding body, whereas TAA's function was the practical execution of plans.

11. It therefore appeared undesirable to amalgamate two organs with such essentially dissimilar functions. Furthermore, the administration of a programme financed by voluntary contributions, which at present totalled almost \$10 million and which were expected to increase in the future, should be in the hands of an organization that had a high sense of responsibility and authority; that commanded the confidence of the countries it served; that should enjoy more, rather than less, than its present independence of action; and that should be headed by an official at the highest level of the Secretariat hierarchy. Contact between TAA and the Department should be, and probably was, very close; but Chile's own experience with a highly successful Production Development Corporation, functioning independently of the Ministry of Economic Affairs, argued against their amalgamation. Chile was therefore unable to concur in the hope expressed by the

Advisory Committee, in paragraph 6 of its report, that the Secretary-General would be able early in 1958 to formulate plans and as soon as practicable thereafter achieve full integration. He ventured to think that the Advisory Committee had had insufficient time to consider all aspects of the proposal.

12. His delegation acknowledged the progress towards greater rationalization which the Secretary-General had made in recent years, but hoped that he would withdraw his proposal for amalgamation and, in the light of further study, submit to the Committee at the General Assembly's thirteenth session a more promising approach to the problem.

13. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the subject of the Advisory Committee's twenty-seventh report (A/3762) was of great importance to the continued sound administration of the United Nations, and that the association between the Secretariat and other principal organs of the United Nations was closer than that between any other principal organ and its fellows. The Advisory Committee had approached the question of organization at the senior level in the knowledge that the existing arrangements were not necessarily or entirely of the present Secretary-General's choosing. Those arrangements appeared, however, to have worked reasonably well, and the Secretary-General was to be congratulated on the continued improvement in the functioning of the Secretariat.

14. The view expressed in paragraph 9 of the Advisory Committee's report that there was scope, over a period of years in the future, for some reduction in the total number of posts at the top level, was borne out by the Secretary-General's own forecast of such a reduction following the integration of technical assistance activities with the Department of Economic and Social Affairs.

15. The Advisory Committee was in some doubt whether the Secretary-General's proposed arrangements for administrative direction of the Secretariat were entirely satisfactory, and still felt that there was a case for the Secretary-General being assisted by a single senior official in charge of administrative and financial affairs. In paragraphs 17-20 of its report, the Advisory Committee raised some considerations concerning the direction of the Secretariat in the absence of the Secretary-General; it realized, however, that that question was eminently a matter for the Secretary-General's own judgement.

16. The Advisory Committee agreed with the Secretary-General's proposal to fix \$15,000 net per annum as the base salary at the Under-Secretary level, and recommended that the total amount of additional payments to Under-Secretaries as reimbursement for representational expenses should be limited to \$40,000. As the Secretary-General had observed, there was no difference of opinion between the Advisory Committee and himself on any major issue.

17. Mr. DELGADO (Mexico) said that the Secretary-General's report raised two fundamental problems which should be treated separately: first, the organization of what might be called the Secretary-General's cabinet, in other words, such questions as the number, level and functions of Under-Secretaries, and secondly, the merger of TAA with the Department of Economic and Social Affairs.

18. The Secretary-General was obviously the best judge of the type of structure most suited to the needs of the United Nations and of his own requirements as chief administrative officer. In the interests of economy and simplification, he was proposing that the four existing posts of Deputy Under-Secretary (D-2) level carrying much the same salaries and allowances. Virtually no savings were therefore involved. While only the Secretary-General could judge whether it was easier to administer the United Nations with thirteen rather than seventeen immediate colleagues, there were certain considerations which the Committee should take into account before coming to any decision. His delegation had viewed with satisfaction the Secretary-General's efforts to create an international career staff. Proposals such as those under consideration might compel senior staff members with many years' experience to accept a reduction in post level for purely administrative reasons. It was very doubtful whether the slight administrative and financial advantages involved justified such treatment of senior staff members which would inevitably detract from their sense of security and their official standing. He would prefer to see the problem of reducing the number of senior officials solved through retirement or resignation. If, as the Advisory Committee remarked, the Secretary-General's proposals did not mark any significant change from the existing organizational arrangements, there was little justification for the upheaval they would necessarily cause.

19. The merger of TAA with the Department of Economic and Social Affairs was a question that should be given very careful consideration and not dealt with hastily at the very end of the session. There were said to be strong reasons of principle and logic for such a merger; they had never been explained to his delegation. Over the past five years, TAA had grown into an effective organization with a certain degree of autonomy which was essential for its proper functioning. Its main tasks—administration of the technical assistance programmes and negotiation with Governments—required a specialized department with its own identity and one in which responsibility could easily be determined. In his delegation's view, experience had amply demonstrated the need to maintain TAA as a separate unit.

20. One of the Secretary-General's objectives was apparently to provide a more lasting organizational framework for the activities of the United Nations. Past experience indicated that very large departments were unwieldy and inefficient; the Department of Conference and General Services, for example, had been divided into two separate units some years previously. The Departments of Economic and Social Affairs had already been merged into one large department and it seemed very doubtful whether the integration of TAA as well would prove advantageous in the long run. The Committee might well find it necessary, at some later date, to redivide that department into its component units.

21. Mr. CASSEL (Sweden) said that, if the United Nations was to perform its important services to the international community, it must remain the inspired creation conceived by its founders and must never be suspected of becoming a gigantic bureaucratic machine whose main function was to turn out large quantities of

reports and statistics. Every effort must, therefore, be made to keep the growth of the administrative apparatus under control. His delegation was gratified to note that that outlook was shared by the Secretary-General and the Advisory Committee.

22. The reports of the Secretary-General and the Advisory Committee touched on a problem to which the Fifth Committee had given much attention in the past, that of ensuring adequate co-ordination between TAA and the Department of Economic and Social Affairs. As far as it was possible to foresee, there would always be a marked disproportion between the funds available for technical assistance and the demand for such assistance. The greater the efforts and sacrifices made, the more the participating countries would want to be assured that the available funds would be used in the most effective manner. For that purpose, the planning of technical assistance activities must always be based on a thorough knowledge of conditions in the recipient countries. His delegation considered it essential that the planning body, namely the Department of Economic and Social Affairs, should have a decisive influence upon the actual execution of programmes. Otherwise, there was a risk that specific programmes might be carried out without due regard to over-all planning. On the other hand, every effort must be made to avoid hampering practical activities by too much theoretical speculation. In those circumstances, his delegation was in favour of integrating TAA with the Department of Economic and Social Affairs, thus producing the streamlining needed now that the technical assistance activities of the United Nations were really under way. His Government took a great interest in the technical assistance programmes and would like to see their administration improved as much as possible. He therefore formally proposed that the Fifth Committee should recommend the General Assembly to decide in principle at the current session that TAA should be integrated as soon as possible with the Department of Economic and Social Affairs and that the Secretary-General should be requested to formulate detailed plans with that goal in view and to report to the Assembly at its thirteenth session.

23. Mr. PAREJA (Peru) said that the Secretary-General was to be commended on his efforts to increase the efficiency of the Secretariat by improving the organizational arrangements and to reduce expenditure. As chief administrative officer, the Secretary-General had primary responsibility for the organization of the Secretariat, but the fact that he had submitted a report on the matter justified the Fifth Committee in expressing its views.

24. His delegation was opposed to the integration of TAA with the Department of Economic and Social Affairs. It was fully satisfied with the way in which the secretariat of TAA had been operating. The Director-General and Deputy Director-General were doing most efficient work. The satisfaction of Member Governments with TAA's services had been repeatedly expressed in various United Nations bodies. Hence, the reason for the proposed merger was not that TAA was ineffective. Furthermore, the new arrangements would not provide for co-ordination between the two departments, but would make TAA dependent on the Department of Economic and Social Affairs, thereby reducing its prestige and importance and increasing the dangers

inherent in bureaucracy and over-centralization. Among TAA's virtues were the speed and efficiency with which it reached decisions and the careful attention it paid to all requests for assistance. The technical assistance programmes involved serious problems calling for special knowledge, experience and a certain degree of autonomy. Those were attributes of TAA; it was to be feared that they would be lost as a result of amalgamation and the formation of a large impersonal bureaucracy.

25. One of the important factors in the success of technical assistance programmes was personal contact between the Director-General and Deputy-Director-General of TAA and the participating Governments. Senior officials of TAA travelled frequently and had a thorough personal knowledge of the problems in the countries receiving assistance. It would be deplorable if that personal contact were to be eliminated, as it inevitably would be, if the technical assistance programmes became the responsibility of an Under-Secretary who already had a large department to manage.

26. The technical assistance programmes were perhaps among the most important activities of the United Nations and represented one of its most striking advantages over the League of Nations. It was generally recognized that the solution of economic and social problems would in the long run lead to the elimination of political problems. In those circumstances, he urged the Committee not to look at the question from a purely administrative and budgetary point of view. TAA was one department of the Secretariat which was universally praised. Its standing, personal approach, autonomy and speed of decision far outweighed the hypothetical improvements that might result from its merger with the Department of Economic and Social Affairs. It should therefore be maintained in its present form.

27. Mr. LIVERAN (Israel) said that it was not clear from either the Secretary-General's report or that of the Advisory Committee exactly how or when the proposed integration of TAA with the Department of Economic and Social Affairs would take place, or on whose authority.

28. The Secretary-General spoke of "an early integration" and the Advisory Committee hoped that the Secretary-General would be able to formulate plans early in 1958 and to achieve full integration as soon as practicable thereafter. During the discussion of the detailed budget estimates, the representative of the Secretary-General had said (621st meeting) that no integration would take place pending further study. Mr. Liveran had assumed that that meant study by the Fifth Committee at the thirteenth session. While there was nothing in the reports before the Committee to contradict that assumption, neither was it borne out by any explicit statement. In his view, no other procedure was possible. As far as he was aware, the Committee had never taken any decision in principle on the merger of TAA and the Department of Economic and Social Affairs and the statements by previous speakers indicated that there was a body of opinion which questioned its advisability. The Committee could not now act to implement a principle that had not yet been approved and could not be approved until certain information was forthcoming. The Committee must, for instance, weigh the effects of streamlining the technical assistance services on the participating countries and, particularly, the recipient countries.

29. TAA was only one of the agencies concerned with technical assistance programmes. If administrative improvements were desired, the whole technical assistance picture as it affected both the United Nations and the specialized agencies, should be examined. It might well be that ways would then be found of achieving greater co-ordination and a higher degree of integration.

30. While it was true that technical assistance was primarily concerned with economic and social matters, it was not clear why, if amalgamation within the Secretariat was necessary, TAA should be subordinated to the Department of Economic and Social Affairs rather than vice versa. In view of the growing importance of the technical assistance programmes and the proposals to expand them still further, the time would seem inappropriate to introduce structural alterations which would make future changes more difficult.

31. The Committee should also consider the background of the technical assistance programmes, particularly as they affected participating countries. His Government, like many others, wished to play its full part, both as a recipient and a contributor, and to keep administrative and financial costs to the minimum. It had always assumed that the answer lay in concentration rather than in the diffusion of technical assistance over a number of fields. Accordingly, it attached great importance to the appointment of Resident Representatives and believed that Governments, too, should designate a focal point for handling technical assistance matters. In many countries that focal point was provided by a government department such as the Office of the Prime Minister or even of the Head of State, which had no connexion with economic or social affairs.

32. Apart from the fact that too much streamlining might not yield the desired results, he felt it was injudicious to take such an important decision as the by-product of a debate on the organization of the Secretariat at the senior level. The two problems were separate and should be treated as such.

33. He urged the Committee not to pass judgement lightly on a matter on which the full case had not been presented. The future of TAA required further consideration not only by the Secretary-General and the Advisory Committee but also by the Fifth Committee, which would not have time at the current session to give the problem the attention it deserved. He would therefore like to be assured that the Committee was not being asked to take an immediate decision in principle on the merger and that what the Advisory Committee had in mind was solely that the Secretary-General should formulate plans early in 1958, which would then be considered by the Advisory Committee and by the Fifth Committee early at the thirteenth session. He could agree to that proposal, provided that, in the meantime, nothing was done to prejudice the outcome of the Committee's deliberations.

34. Mr. FREIRE (Brazil) said that the proposals before the Committee would not apparently result in any real structural change or economy. Their only effect would be to create a new category of Director with a higher rate of pay.

35. He did not agree with the Secretary-General that it would be advisable to amalgamate TAA and the Department of Economic and Social Affairs. It was

true that the sphere of activity of the two departments overlapped to some extent, but their functions were different, since TAA was responsible for supervising the execution of programmes in the field, whereas the Department of Economic and Social Affairs had the more academic task of preparing studies and reports.

36. He agreed with the Advisory Committee (A/3762, para.8) that there was no justification for excluding two of the highest posts in the Secretariat from the application of the principle of geographical distribution, particularly in view of the desire expressed by the General Assembly in its resolution 1097 (XI) for an improvement in the geographical distribution of the Secretariat staff.

37. The administrative work of the Secretary-General was continually increasing, and it did not appear likely to be lightened in any way by the proposed reorganization. His delegation supported the suggestion that had been made at the eleventh session that one post of Under-Secretary should be held by an official who would have full responsibility for the administration of the Secretariat.

38. Mr. CARNAHAN (United States of America) said that the problem of senior staff was very complex and there was no assurance that any solution would be permanently satisfactory. When, however, the Fifth Committee had concluded its discussion, there would be a need for a period of stability in the top-level structure of the Organization.

39. He had hoped that it would be possible for the Secretary-General to move in the direction of appointing a senior official to be responsible for administrative and financial affairs. At present, the Secretary-General's personal attention was required on too many matters that could well be dealt with by other senior officials. Apparently, the Secretary-General and the Advisory Committee did not agree on that point, but he hoped that the Secretary-General would continue to give it some thought. One practical step, which he suggested not as a measure of economy but as a means of achieving more effective management, would be to reduce the number of senior officials who reported directly to the Secretary-General.

40. Plans for the integration of TAA and the Department of Economic and Social Affairs could and should be drawn up as soon as possible. There would be many practical problems in such a reorganization because of the wide variety of matters dealt with by the two departments, but the preparation of plans would show what those problems were and would stimulate efforts to solve them. Since the merger was not immediately practicable, no formal action by the General Assembly was required at the present stage.

41. The Secretary-General's proposals relating to the emoluments of top-level staff were reasonable, and his delegation would approve them. On the other hand, he was not clear why the Secretary-General was concerned about the reimbursement of the representation expenses of such officials, and his delegation would support the Advisory Committee's recommendation that such payments should be limited to \$40,000 in 1958.

Mr. El-Messiri (Egypt), Vice-Chairman, took the Chair.

42. Mr. LARREA (Ecuador) said he would confine his

comments to the proposal to amalgamate TAA and the Department of Economic and Social Affairs. He emphasized that technical assistance programmes, which helped countries to attain economic independence and thus to establish their international relations on a footing of equality, did more to strengthen the bonds between nations than other more expensive programmes. His delegation had, therefore, been surprised that the Secretary-General's plan for the reorganization of the Secretariat at the senior level included a proposal which would weaken the department responsible for carrying out the valuable work of technical assistance, and it did not believe that such a step could be justified.

43. As the Secretary-General had said in paragraph 12 of his report (A/C.5/728), there were close links between the two departments. Reference to the main functions of the Department of Economic and Social Affairs clearly showed that those functions were consultative; it would be a mistake to give the department administrative functions in addition. It was in the interests of administrative efficiency that the department should continue to exercise its consultative functions and that TAA should continue to supervise the execution of the field programmes. The present relationship between the two departments was based on the fact that, generally speaking, TAA had no experts of its own, and, therefore, relied on the technical services of the Department of Economic and Social Affairs for briefing technical assistance experts before they began their work, for reviewing their reports and evaluating the results achieved, an arrangement which had given excellent results. He wondered what were the "strong reasons of principle and logic" in favour of the merger, mentioned by the Secretary-General in paragraph 12 of his report. The idea of making a single official responsible for both the planning and execution of technical assistance activities might seem theoretically attractive, but experience had shown that in practice good administration was more important in achieving results than any particular form of organization; it had also shown that the present arrangements had given satisfactory results for the last seven years.

44. In the introduction to his annual report on the work of the Organization to the eleventh session (A/3137/Add.1, p.8), the Secretary-General had said that, since the Secretariat had to cover a field not much less diversified than that of a national cabinet, specialization on the top level must therefore be pushed fairly far. It was not in accordance with that principle to entrust the responsibilities of the two departments in question to a single official, particularly in view of what the Secretary-General had said in paragraph 12 of his present report about the broad field of activities and heavy workload of the Department of Economic and Social Affairs.

45. If the amalgamation were decided upon, there would appear to be two methods of putting it into effect. The first and simpler method would be to combine the various sections of TAA into a single unit which would become a part of the Department of Economic and Social Affairs. Governments receiving technical assistance would then have to deal with the head of a large department who would find it very difficult to maintain direct contact with them, whereas under the present system they could deal with a senior official responsible solely for the TAA programmes and with

direct access to the Secretary-General. The alternative method would be to set up technical assistance units in the various sections of the Department of Economic and Social Affairs. That method would have the additional disadvantage of dividing TAA into a number of technical units which would be likely to compete with one another for the available resources. It would mean abandoning the principle of country programming, and would place Governments receiving technical assistance at a disadvantage in dealing with a group of technical experts concentrated in the new department. There would also be a danger that it might encourage the regional economic commissions to participate in the programme, which might thus become regional in character, whereas its very nature made central control essential.

46. He was not convinced that the problems that would be created by the merger would be offset by more rational organization, since the proposal marked a return to an earlier arrangement, which had not apparently given good results, since it had been thought necessary to change it. Nor could the merger be justified on the score of substantial financial savings. The Secretary-General's proposal to eliminate the post of Deputy Director-General of TAA would result in a saving of \$25,000, but the merger would doubtless necessitate the creation of new posts in the Department of Economic and Social Affairs, so that there would be either no real saving, or at best a very minor

one. It seemed unwise to endanger the future of the technical assistance programme, costing over \$10 million a year, for the sake of a hypothetical saving of approximately \$20,000.

47. The Committee should also bear in mind that the proposed merger would have an adverse effect on the geographical distribution of the Secretariat staff, and particularly on the representation of Latin America, since the only senior post that was to be eliminated was held by a national of a Latin American country. In that connexion, he agreed with the opinion expressed by the Advisory Committee in paragraph 8 of its report (A/3762) on the exclusion of one post of Under-Secretary from the application of the principle of geographical distribution.

48. His delegation felt that a matter of such importance should not have been brought up so near the end of the session. The Secretary-General had emphasized the need for further study at the end of paragraph 12 of his report. Since, in any case, there was no need for an immediate decision, his delegation proposed that consideration of the item should be postponed so as to allow time for the full study and debate that the subject deserved. He urged the Secretary-General to take no step that would restrict TAA's freedom of action in the administration of its programmes.

The meeting rose at 1 p.m.