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Chairman : Mr. T. A. STONE (Canada).

Material for consideration by the Sub-Committee to review the principles governing the work of the Department of Public Information

1. The CHAIRMAN announced that the Sub-Committee appointed to review the principles underlying the work of the Department of Public Information would welcome any written statements which delegations might care to send in for its consideration. Such statements should have reference to the General Assembly resolution of 13 February 1946 concerning public information, which had been re-circulated as document A/C.5/SC.8/L.1, and should be received by the last day before the Christmas recess.

Scale of assessments for the apportionment of the expenses of the United Nations: report of the Committee on Contributions (A/1859 and Corr. 1, A/C.5/458)

[Item 44]*

2. The CHAIRMAN invited the Chairman of the Committee on Contributions to present that Committee's report (A/1859 and Corr. 1).

3. Miss. WITTEVEEN (Chairman of the Committee on Contributions), introducing the report, recalled that in 1950 a number of changes had been made in the scale of assessments of countries' contributions. They represented such progress as had then been possible towards the removal of maladjustments and the implementation of General Assembly resolution 238 A (III), and the resulting scale had been adopted on the understanding that it would be reviewed again during 1951.

4. In making that review in the summer of 1951 the Committee had borne in mind the ultimate objective

* Indicates the item number on the General Assembly agenda.

of achieving a permanent scale in accordance with rule of procedure 159 and had therefore carefully considered the possibility of recommending even at that date a stable scale of assessments or, if that were premature, deciding what would be the appropriate rate of progress for reaching that objective. Its conclusions were given in paragraph 9 and the subsequent paragraphs of the report. Views as to the rate of progress varied, but it was generally agreed to recommend for 1952 a scale designed to reduce by approximately one-third the present variations from the ultimate more permanent scale.

5. The changes recommended did not necessarily reflect changes in national income during the previous year; in some cases they were corrections of original maladjustments which had become apparent either through improved statistics or through economic trends over a number of years.

6. The Committee felt that caution was necessary in recommending changes, as recent estimates of national income were not available for all countries. It was also still difficult to convert to a common unit national incomes expressed in national currencies. The Committee had therefore kept to its previous policy of recommending only such changes as were justified in the light of available information.

7. Its view on the application of the ceiling principle were given in paragraph 12 of the report. It had decided to adopt the same general rate of progress as for the removal of maladjustments. The opinions of the two dissenting members were recorded in paragraphs 20 and 21.

8. In reaching its conclusions the Committee had been fully conscious of the importance attached by Member Governments to the question of their share in the financial burden and had done its best to improve the elements upon which its recommendations were based, for it realized that the task of estimating national income was not only a complex, but also a relatively new art. The Economic and Social Council, at its thirteenth session, had recognized that much

study was still needed to perfect the compilation of national income statistics. The Committee on Contributions would not fail to bear in mind that the accuracy and fairness of the scale depended considerably on the value of national income figures. It was gratifying to note that, for a number of Member States, recent official estimates of national income had now become available for the first time and the quality and completeness of others had improved.

9. Regarding chapter V of the report, which dealt with the other matters considered by the Committee, she announced that the Governments of Switzerland and Liechtenstein had agreed to the amounts proposed for their contributions to the expenses of the International Court of Justice in 1952.

10. The percentage rates recommended for contributions by non-members of the United Nations which were parties to international instruments relating to the control of narcotic drugs were given in paragraph 26 of the report, but their acceptance was subject to consultations which had not yet been completed.

11. The Committee had not been able to take any action concerning the contributions of non-member States which were parties to the Convention on the Declaration of Death of Missing Persons, for the reasons explained in paragraph 28.

12. Regarding the collection of contributions, she announced that, since the Committee's report had been written, the 1949 contributions had been paid in full and the further payments received in respect of 1950 and 1951 had increased the amounts collected to 94.45 per cent and 79.83 per cent, respectively, of the total assessments for those years.

13. In view of the continuing dollar shortage, referred to in chapter IV, paragraph 16, the Committee had recommended that the Secretary-General should again be authorized to accept as large a proportion as practicable of the 1952 contributions in currencies other than US dollars.

14. In conclusion, she paid tribute to the assistance the Committee had received from the Secretariat, particularly the Statistical Office, and from its own Secretary, and hoped that the report would meet with the Fifth Committee's approval.

15. Mr. VORYS (United States of America) said that the Fifth Committee's task, though unspectacular, was a vital one, for it first had to decide how much the United Nations was to spend on its many programmes, and then, with the aid of the Committee on Contributions, had to settle the difficult question of how the expenses were to be shared. As representative of the Government which paid the largest share, he thanked the Chairman and members of the Committee on Contributions for their efforts to apply impartial standards in so uncharted and explosive an area of human experience. Their report, though not unanimous, presented a working basis for the solution of a problem on which the United Nations Charter gave no guidance.

16. It might be thought that, in an organization of sovereign States each having a single vote, the obvious solution would be for each to make an equal contribution, but Members of the United Nations were not equal in anything except voting, and a budget estimated on that principle would be scaled down to the poorest country's ability to contribute. There was therefore no sure guide, for no mere technical formula could be applied. The Charter spoke of equal rights but

said nothing of equal duties. Nevertheless, the activities of the United Nations must rest on firm financial support.

17. The popular analogy which compared the United Nations to a family group, in which each contributed according to his ability, was not sound. Relative capacity to pay was a useful indicator, but there were other factors to be considered. Probably no single country relied wholly on taxes based on capacity to pay; substantial national revenue was obtained from excise taxes, which bore no relation to income. States would probably not submit too long to over-taxation and under-representation in any international organization, and the United Nations should not be unduly dependent for too long a time upon any nation or group of nations because of the size of their contributions. The need, therefore, was for a plan that struck an equitable balance between voting strength and paying possibilities.

18. Speaking in the Fifth Committee in 1946, Senator Vandenberg had said that no nation should be asked or permitted to furnish more than one-third of the financial support of the United Nations. Under General Assembly resolution 238 A (III) of 1948 one-third had been recognized as the maximum contribution that should be borne by any one Member in normal times. The Committee on Contributions, while continuing to implement that principle in part, had expressed the view that times were not yet normal and had proposed to postpone the application of the one-third principle for two years.

19. The United States delegation believed that the time had come to apply the one-third ratio without further delay. It was a matter of principle rather than money. In recent years United States financial support of United Nations principles had far exceeded not merely one-third but one hundred per cent of the United Nations budget. Its economic and military assistance to the free countries had given effect to Charter principles which the United Nations had been unable to put into practice. Its legislation in support of regional defence arrangements had implemented the Charter obligation to prevent aggression. The United States had undertaken to organize and direct the Korean campaign at the request of the Security Council and had carried the major burden there, suffering over 100,000 casualties and spending thousands of millions of dollars. In view of that record it urged the immediate application of the 33 1/3 per cent rule.

20. The argument that times were not normal was always given as an excuse when financial contributions were requested. Moreover, the Committee on Contributions had acknowledged that many temporary dislocations of national economies had now been corrected. In any case, if economic dislocation resulting from war was to be taken into account, the United States, with its abnormal war expenditure for the collective effort in Korea, had had an abnormal year in 1951 and, according to that theory, should be entitled to a sub-normal assessment.

21. An even more conclusive answer was provided by the replies of governments (E/1912 and Add. 1 to 10) to the Secretary-General's communication of 2 January 1951 on the world economic situation and the statements made during the thirteenth session of the Economic and Social Council, which revealed that pre-war levels of production had been exceeded in

most countries. States could use that production as they wished and the Soviet States had chosen to use theirs for armaments, forcing the free nations to borrow in order to finance common defence, but that did not alter the fact of the production level. In economic terms the world had succeeded in getting back to normalcy.

22. His delegation could not agree with the theory of the Committee on Contributions that the adjustments consequent upon the newly available statistical material should be extended over several years. Its view was that a number of countries had enjoyed substantial benefits for several years as a result of the special adjustments for dislocations resulting from the Second World War. Other countries, concerning which statistics now available showed that they were more justifiably entitled to such benefits, had paid the extra amounts for at least two years. It was unfair to allow those unjustified benefits and penalties to continue for a further two or three years; it would be far better to recognize the realities of the present situation and make the adjustments at one stroke, thereby disposing of the problem once and for all.

23. The shortage of dollar currency in some countries was used as an argument against the immediate application of the one-third principle for contributions, but the additional amounts of foreign currency needed by most countries to give effect to that principle were not major sums in relation to any country's foreign exchange problem as a whole.

24. It would be difficult for him to have to inform the people of the United States that, regardless of changes made in other national contributions to the United Nations, the United States was again expected to pay more than one-third of the total budget. It was all too easy to postpone changes, but he suggested that in the present case the time was ripe.

25. Mr. ABBASI (Pakistan) said that the recommendations of the Committee on Contributions were based on the unexceptionable principle that, since the United Nations was an organization of sovereign States, its costs should be apportioned among all Member States on a uniform basis. In applying that principle to Pakistan, however, the Committee on Contributions had given insufficient weight to certain important factors peculiar to that country.

26. Although the officially published figures for the year 1949-1950 showed the national income of Pakistan as \$ 4,418,000,000, which, with a population of 75 million, was equivalent to a national *per capita* income of \$ 60, there were circumstances which deprived those figures of much of their value. In the first place, according to the latest census figures, which were not yet complete, the population was 80 million; it was moreover constantly increasing as a result of the continuous influx of refugees. There were already 9 million refugees in the country, the majority of whom were without means and hence served to reduce the national *per capita* income; their presence was also resulting in wide-spread unemployment. In the second place, the conditions obtaining in the Indo-Pakistan sub-continent made it necessary for Pakistan to allocate 60 per cent of its budgeted income to the single item of defence. Again, in the existing world situation Pakistan had no option but to incur that expenditure, which made it necessary to postpone other nation-building activities of an urgent character.

27. Pakistan's contribution, which had been assessed at 0.70 per cent in 1950, had been raised to 0.74 per cent in 1951, and was, according to the proposals of the Committee on Contributions, to be raised to 0.79 per cent in 1952. The decision to increase its contribution in 1951 had been based on the purely fortuitous increase in the price of cotton and other raw materials exported by Pakistan. In the current year, however, prices and demand had declined; Pakistan's exports were falling, while its imports were increasing and it might not in fact be left with the normal favourable balance of trade. Its present situation did not therefore justify any increase in the rate of its contribution.

28. Pakistan fully appreciated the extent of the moral and material contribution which the United States had made to the United Nations. It did not exactly envy the indirect benefits the United States enjoyed in consequence of the location of the Headquarters in New York, as for example, the revenue it received from income tax paid by the United Nations on behalf of the United States nationals in United Nations service, other indirect taxes paid by the employees themselves, and the privileged position it enjoyed in the matter of foreign exchange. The United States had already received two reductions in the rate of its contribution and, with certain other great Powers, was now requesting a further reduction, for which there was no urgent justification, though the request might perhaps be examined by the Committee on Contributions. He therefore proposed that the Fifth Committee should send back the report to the Committee on Contributions for further study and for the assessment of contributions on a more equitable basis, viz., the ability of Member States to pay, due consideration also being given to the principles already emphasized.

29. Mr. ROSHCHIN (Union of Soviet Socialist Republics) said that the principal recommendation made by the Committee on Contributions was to increase the contributions of the USSR, the Ukrainian SSR, the Byelorussian SSR, Poland and Czechoslovakia, while reducing the assessment of the United States. The Committee had recommended an increase of 40.1 per cent in the USSR contribution, 41.3 per cent in that of the Ukrainian SSR and 41.7 per cent in that of the Byelorussian SSR.

30. The Committee's report gave no reason for the proposed increase in those contributions. In paragraph 9 of its report the Committee had, however, stated that it would "continue to move step by step in making adjustments, satisfying itself that the changes recommended are fully supported by the available evidence of relative capacity to pay and are in accordance with the directives of the General Assembly". But an increase of more than 40 per cent in the contributions of the USSR, the Ukrainian SSR and the Byelorussian SSR could not be regarded as a step by step adjustment, nor had the Committee, in recommending that increase, satisfied itself that it was acting in accordance with the criteria laid down by the General Assembly for the assessment of contributions.

31. At its first session in January 1946, the General Assembly had specified that the expenses of the United Nations should be apportioned broadly according to capacity to pay. Since, however, such capacity could not be measured merely by statistical means, it had suggested that three factors should be taken into account in order to prevent anomalous assessments,

viz., the comparative income per head of population, the temporary dislocation of national economies arising out of the Second World War and the ability of Members to acquire foreign currency.

32. As regards the first of those criteria, there had admittedly been an increase of 21 per cent in the national income of the USSR in 1951, but the population of the country was increasing at an annual rate of more than 3 million, or more than 1½ per cent. As regards the second criterium, the economy of the USSR had suffered damage amounting to more than 500,000 million dollars as a result of the Second World War and the investment of hundreds of milliards of roubles was required for reconstruction. The third criterium was particularly applicable to the USSR, the Ukrainian SSR and the Byelorussian SSR, whose main source of dollars was foreign trade. As a result, however, of action taken by the United States, such as the denunciation on 13 June 1951 of the trade agreement concluded between the USSR and the United States of America in 1937, the adoption on 2 June 1951 of legislation requiring the countries receiving economic and financial assistance from the United States to contract their trade with the USSR and the adoption by Congress on 2 August 1951 of legislation intended to terminate trade with the USSR, the volume of trade between the two countries had declined by more than six times since 1946 and was now insignificant. At present, therefore, it was extremely difficult for the USSR to obtain the necessary United States dollars for the payment of its contribution. The proposal to increase the contributions of the Soviet Republics was thus directly contrary to the directives laid down by the General Assembly. An objective approach, based on those directives, could not but lead to the conclusion that no increase in their contributions was warranted, much less an increase of 40-42 per cent.

33. The Committee had stated in its report that it had had to take into account a deterioration in the balance of payments of some countries, which might make it more difficult for them than had been expected to acquire foreign currency for the payment of their contributions. In the light of that observation, the recommended increase in the contributions of the Soviet Republics was incorrect, unjustified and unfair, particularly in view of the fact that their contributions had been increased by 10 per cent at the General Assembly's fifth session. The Committee's recommendation was, moreover, contrary to the principle which it had always followed and which had been laid down in paragraph 12 of the Committee's report to the fifth session (A/1330),¹ viz., that no contribution should be increased by more than 10 per cent in any one year.

34. The recommendation that the United States contribution should be reduced by 5.2 per cent appeared to be equally unfounded. Such a reduction was not justified by reference to any of the criteria laid down by the General Assembly. According to the data available to the Committee on Contributions, the national income of the United States had increased, while the country had not been faced with the need to spend milliards of dollars on repairing the destruction due to the Second World War. Nor did the United States face any difficulties in the matter of foreign exchange, since it paid its contribution in local cur-

rency. The greater part of United Nations expenditure on salaries and supplies was disbursed in the United States, which also received approximately \$1,500,000 from the taxes paid by United States nationals on the United Nations staff.

35. The USSR delegation therefore considered that the recommendations of the Committee on Contributions should be rejected by the General Assembly, for their adoption would violate not only the principles laid down by the General Assembly for the assessment of contributions, but also rule 159 of the rules of procedure which laid down that the scale of assessments, once fixed by the General Assembly, should not be subject to a general revision for at least three years, unless it was clear that there had been substantial changes in relative capacities to pay. The scale of assessments had however been reviewed and adopted by the Assembly only the year before.

36. The USSR delegation submitted the following resolution for adoption by the Fifth Committee:

"The Fifth Committee,

"Having studied the recommendations of the Committee on Contributions concerning the proposed adjustments in the scale of assessments for the 1952 budget,

"Requests the Committee on Contributions to review the recommendations it has made on this question, basing such review on the General Assembly resolution which laid down the criteria for determining the scale of contributions by Members to the United Nations and on rule 159 of the rules of procedure of the General Assembly."

37. In conclusion, he deprecated the introduction by the United States representative of a political element into the work of the Fifth Committee, which was essentially technical in character. He would not refute in detail the slanderous charges regarding Soviet armaments production made by the United States representative in view of the fact that they were irrelevant to the subject under discussion, but would merely point out that the continuation of hostilities in Korea was plainly due to the unwillingness of the United States to conclude an armistice.

38. Mr. BUSTAMANTE (Mexico) said that the Committee on Contributions had made a praiseworthy effort to accomplish its task and had submitted a report which was based on a possible interpretation of the directives of the General Assembly. His delegation felt compelled, however, to raise certain general objections to the scale of contributions proposed in paragraphs 18 and 19. Its objections did not imply any criticism of the technical ability of the members of the Committee and particularly of its able Chairman, nor did they alter Mexico's resolve to carry out the obligations it had accepted.

39. The problem of assessments for the apportionment of the expenses of the United Nations was not political but financial, and as such, should be dealt with in accordance with the principles of public finance. In view of the existence of a branch of science devoted to the study of similar problems, there appeared to be no reason why the United Nations should not be guided by the general principles of that science and by the indications given by distinguished economists working in that field.

¹ See *Official Records of the General Assembly, Fifth Session, Supplement No. 13.*

40. The Mexican delegation did not agree with the interpretation which the Committee on Contributions had placed on the directives received from the General Assembly. Those directives were, first, that every country should contribute according to its relative capacity to pay and, second, that no country should contribute more than a third of the total cost of the United Nations. The Committee on Contributions had attempted to comply with those directives, but without success.

41. The Mexican delegation was of opinion that the only directive which was binding on the Committee was rule 159 of the General Assembly's rules of procedure and that the Committee had interpreted General Assembly resolution 462 (V) incorrectly. Its reasons for that view were, first, that the General Assembly had instructed the Committee on Contributions to review the scale of contributions in 1951 and submit a report to the sixth session. The Committee's terms of reference were not limited to verification of the data used in computing the scale of assessments, but implied a revision of the basis on which the scale had previously been computed. In the second place, the two directives, which the Committee had attempted to follow, were mutually contradictory and the Committee had ultimately found it impossible to comply with them. In the third place, even on the assumption that the two directives of the General Assembly were not contradictory, the Committee should have pointed out that the second, which limited the contribution of any one State to 33 ⅓ per cent, was at variance with the letter and spirit of rule 159 of the rules of procedure.

42. If the first argument that the Committee should have revised the basis on which the scale was computed was not accepted, there was the further argument that the first and second directives of the General Assembly were mutually contradictory, as was unquestionably proved by the fact that the first provided that contributions should be based on capacity to pay, while the second fixed an arbitrary limit to contributions. That contradiction could only be resolved by giving priority to rule 159 of the rules of procedure.

43. General principles had been evolved in public finance for handling the problems arising in connexion with the contributions the members of a community had to make to defray its common costs. Those principles included equity, a concept which had developed into that of capacity to pay. Rule 159 of the rules of procedure and subsequent resolutions made it evident that the United Nations had formally accepted the rule that the problems of its financial relations with Member States must be solved in accordance with the principles of public finance.

44. The Assembly's resolution 238 A (III), by limiting the contribution of any one State to one-third of the total expenses and by permitting a gradual reduction in the contributions of countries with high *per capita* income, had actually destroyed the principle of assessment on the basis of capacity to pay. Moreover, that capacity increased in greater proportion than income once the basic cost of maintaining a subsistence living standard had been covered. In essence, any nation's capacity to pay was equivalent to the sum of the capacity to pay of the individuals constituting the nation.

45. It would be unfair to expect under-developed countries to contribute at the sacrifice of the minimum

standard of living which they had attained. Many nations still did not enjoy an adequate standard or the benefits of scientific and technical advances. In some under-developed countries that standard had been depressed even below the level to which other countries had been reduced as a result of the war. For that reason, contributions should be based on current relative capacity to pay; as under-developed countries progressed and war-devastated countries recovered economically, their relative capacity to pay would increase proportionately and their assessment could then be increased.

46. The Committee should consider relative real capacity to pay as the basis for a scale of contributions. It should give special consideration to countries with low *per capita* income and difficulties in acquiring foreign exchange. It should not make special deductions for war-devastated countries, because their economic situation was fully reflected in their national income figures. It should not fix a ceiling for the highest assessment, unless it was prepared to abandon to some extent the principle of taxing contributors according to capacity to pay. Moreover, the limit of 33 ⅓ per cent had been determined arbitrarily and did not appear justified.

47. Mexico wished to ensure full implementation of the principle of equity in assessing contributions. It could not agree that the question was merely technical and not a matter of justice; the technical principles in fact indicated how justice could be ensured. Assessments should in all cases respect the right of small countries to adequate and steadily improving standards of living.

48. While the Mexican delegation deeply appreciated the generous assistance furnished to many nations by the United States, it could not share the view that that country's contribution to the United Nations should be reduced. Clearly, it was in a position to pay more than other countries; its capacity to do so was reflected in its high *per capita* income and the large volume of sales to its consumer population.

49. Mr. HAMBRO (Norway) paid tribute to the Committee on Contributions for the good work it had done under the most difficult conditions. As there was no foolproof scientific method of assessing contributions, it had obviously been impossible to give satisfaction to all Member States. The best that could be done in the circumstances was to apply the principle of equity so far as possible. *Per capita* income was not an adequate criterion because it did not reflect actual purchasing power.

50. The Norwegian representative agreed that the United States contribution should be reduced, even beyond 33 ⅓ per cent, if possible. While it was doubtless proportionate to the wealth of the United States and to the *per capita* income of its taxpayers, in the interests of the independence and freedom of action of all other Member States in all United Nations activities, no single State should bear such a heavy financial burden. Mr. Hambro would have preferred to apply the League of Nations and ILO principle that no single State should pay more than 10 per cent of the total expenses of the organization.

51. Unfortunately, the Committee was faced with a world economic and financial situation which could hardly be described as normal. The liberal United

States contributions to the rehabilitation of a number of countries was clear evidence of that abnormal situation; and the Norwegian delegation deeply appreciated the magnanimity displayed by the United States. Unfortunately, however, any further reduction in the United States assessment must entail an increased burden upon other States, which the latter were unwilling to shoulder. Until nations had recovered economically to the point where they voluntarily offered to increase their contributions, there seemed to be no way of lessening the difficulties confronting the Committee on Contributions. So long as each Member State had one vote in the United Nations, rather than the weighted vote which Norway had unavailingly proposed at San Francisco, the work of the international organization would be hampered.

52. Referring to Mexico's protest against reduction of the United States contribution, he noted that there were several other proposals for decreased assessments which were equally unjustified. Similarly, the USSR had given cogent reasons against an increase in the assessments of the three Soviet countries. The Committee on Contributions, however, had found it difficult to give a complete explanation of the basis for its recommendations, as it was unable to alter the contribution of any one country without corresponding alterations in the remaining assessments.

53. In the circumstances, each Member State should carefully consider its final position on the proposed scale of assessments and submit its views to the Committee on Contributions before the vote was taken. In the light of those views and after consultation with the various delegations, the Committee should make a decisive effort to review its recommendations and present a scale likely to gain unanimous acceptance. It would be most unfortunate to leave the impression that some delegations remained apprehensive for the future and had voted for the proposed scale under protest.

54. Norway, for its part, had no objection to the proposed scale; its percentage contribution remained the same. Moreover, it hoped, within a few years, to be in a position to volunteer to increase that contribution.

55. Mr. LEVI (Yugoslavia) was not satisfied with the report and recommendations of the Committee on Contributions and did not entirely agree with the method used for computing the proposed new scale of assessments. Specifically, he objected to the increase of 0.07 per cent in the Yugoslav contribution.

56. Yugoslavia had endorsed the Assembly's directives governing the work of the Committee on Contributions

and had consistently accepted its material obligations as a Member State. Despite the heavy losses suffered as a result of the 1950 drought, it had accepted an increase of 0.03 per cent in its contribution for the financial year 1951. The further increase proposed in the Committee's report, however, failed to take account of the deterioration in Yugoslavia's economic situation brought about by the Cominform resolution and the economic blockade to which the country had been subjected at the height of its post-war reconstruction efforts. Moreover, the Committee had not given full weight to the ability of Yugoslavia to acquire foreign currency, as a factor in assessing its percentage contribution. That factor was indissolubly linked with national income and Yugoslavia's difficulties in that field would subsist so long as it continued to have an unfavourable balance of trade.

57. His delegation was nevertheless prepared to accept the Committee's report, but would determine its final attitude after the general debate had concluded.

58. Mr. GUIRAL (Cuba) reviewed the principles and Assembly directives which had guided the work of the Committee on Contributions in the past and drew the conclusion that they could not be applied rigidly and uniformly to all Member States. Each case was in fact a special case. Although the Committee had attempted to eliminate maladjustments by considering many additional factors affecting capacity to pay, Cuba did not find the resulting scale just or equitable. The Committee had failed to take account of the measure of participation of Member States in all United Nations activities and the benefits derived therefrom. It might also have considered the number of nationals of the various States in the Secretariat. Finally, it had recommended a reduction in the contributions of countries whose national income reflected a high degree of prosperity.

59. Cuba had accepted a steady increase in its assessment since 1946. The new increase proposed by the Committee, however, took no account of several important considerations. Cuba's economic situation, as shown in the report of the International Bank for Reconstruction and Development, was unstable. Its economy depended wholly on a single exportable product and its current prosperity was more apparent than real. No permanent percentage contribution could be fixed until the world economic situation had been restored to normal. On the other hand, there had been no fundamental change in Cuba's paying capacity to justify the latest increase in its percentage contribution. He wondered what statistical data had motivated the Committee's recommendation.

The meeting rose at 1 p.m.