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Chairman: Mr. Mario MAJOLI (Italy)

**UNITED NATIONS OPERATIONS IN THE CONGO:  
 1961 COST ESTIMATES AND FINANCING (A/4703,  
 A/4713, A/C.5/860, A/C.5/L.658 AND CORR.1)  
 (*continued*)**

1. Mr. NOLAN (Ireland) said that the United Nations was being torn by two equally destructive forces: forces seeking to destroy its very structure on the one side, and forces of selfish indifference towards and callous disregard for its financial decisions on the other.
2. If the Congo operation failed because adequate finances were not made available, either through the indecision of the Fifth Committee or the failure of Member States to meet their obligations, the Organization would receive a damaging blow. An insolvent Organization would have little moral or persuasive force and could not be expected to provide economic or technical assistance. Nor would Governments long continue to contribute voluntary funds to a world body whose Members decided for themselves whether and to what extent they would pay their membership dues.
3. A Member State which did not comply with financial resolutions of the General Assembly weakened the Organization's moral authority just as much as a Member which ignored political resolutions. The financial obligations of membership were admittedly burdensome to countries like Ireland with developing economies which needed all available capital to promote industrial expansion. Nevertheless, he was convinced that it was not necessary for any Member to abandon its national economic programmes in order to pay its United Nations contribution; but if the contributions were not paid and the United Nations should fail in consequence, those national programmes might also fail as a result of the return of a world order in which the small and weak were once again ruled and exploited by larger Powers.
4. His country had found it possible to supply a contingent to the ONUC Force, to make a voluntary contribution to the United Nations Fund for the Congo, and to pay all its assessments some six months in advance of the time allowed under its normal parliamentary procedures. He ventured to suggest that some Members should make further efforts to comply, or to comply more fully, with the United Nations resolutions on the Congo.
5. Those who contended that the affairs of Africa were no financial concern of theirs should reflect upon the future of the United Nations, which was at present under relentless attack from certain quarters. As the Minister for External Affairs of Ireland had observed at the 969th plenary meeting of the General Assembly, on 28 March 1961, such attacks would be more likely to subside if countries which were not involved in the cold war proved their loyalty to the Organization by paying their contributions. It should be made clear at the outset that whatever the decision regarding Members' contributions to the costs of ONUC, it must be followed by payments from Member States. There might be differing views as to the method of apportioning the costs, but once a formula had been agreed upon, there should be no question of States withholding payment.
6. His delegation had no difficulty in endorsing the first conclusion reached by the Latin American countries, as set out in the Venezuelan representative's statement at the 826th meeting. But according to an interpretation placed on that conclusion, the expenses of ONUC were not expenses of the Organization within the meaning of Article 17 of the Charter. If the Congo expenses were not expenses of the Organization, whose expenses were they? And if they did not come under Article 17, which Article did they come under? The view that they came under Article 43 had already been refuted.
7. The second conclusion reached by the Latin American countries contained elements which might usefully be considered by an expert group when revising the present scale of assessments and perhaps devising a new scale for peace and security activities, as suggested by the Canadian representative at the 826th meeting. However, the problem could not be solved simply by establishing arbitrary percentages for certain categories of Members. The second category mentioned by the Latin American countries seemed difficult to define, and it would be interesting to know which Members would be included in that category in the case of UNEF as well as ONUC costs. Moreover, the category which included the permanent members of the Security Council might not be of use unless the arrangement had the agreement of the five Members concerned. The most important feature of the third category was the percentage of the costs to be allocated to it: 5 per cent seemed hardly realistic in view of the present financial situation of the Organization.
8. His delegation would support any reasonable proposal based upon Members' ability to contribute, and would prefer the adoption of a more regular procedure than the *ad hoc* arrangements which had become a feature of recent resolutions concerning the financing of UNEF and ONUC. Time might be needed to find a solution which was just and universally acceptable. The problem might be solved by the application of a revised scale of assessments whose effect would differ little from that of the Latin American proposal. The existing scale of assessments was due for revision in the current year and the Committee on Contributions might be asked to consider a revision of the scale in the light of different criteria from those it had used in the past. While it could not be expected to evaluate the degree of responsibility of cer-

tain Members in a peace and security operation, the Committee could be asked to devise a scale which fully reflected Members' ability to contribute funds to the Organization. Meanwhile, he felt that few Members would be unable to bear their share of the expenses of ONUC as assessed on the basis of the existing scale. If a Member was genuinely unable to do so, it was for the Members as a whole, on the advice of the Committee on Contributions, to consider a revision of its percentage. Failure to adhere to that principle in 1958 had brought the United Nations to the verge of ruin today. Solvency could only be achieved by returning to a more responsible attitude towards the financing of the Organization's activities.

9. Mr. GANEM (France) said that, with respect to the 1961 cost estimates for ONUC, his delegation maintained the position it had taken on the 1960 estimates for ONUC, as defined in two statements during the first part of the fifteenth session (813th meeting of the Fifth Committee and 960th plenary meeting of the General Assembly). The course of events since those statements had been made had justified the misgivings and apprehension expressed by the French delegation, and France had been unable to support the resolution adopted by the Security Council on 21 February 1961.<sup>1</sup> In keeping with that position, France was unable to approve the 1961 estimates for ONUC submitted by the Secretary-General (A/4703) and the Advisory Committee on Administrative and Budgetary Questions (A/4713).

10. The Canadian representative had pointed out at the 826th meeting that the financial crisis of the United Nations had not begun with ONUC. It was true that, for the first ten years, the financing of the United Nations had proceeded smoothly. The budget had risen as the Organization had grown, but within reasonable limits; many Member States, largely for constitutional reasons, had been late in paying their contributions, but that difficulty had been overcome by the use of the Working Capital Fund. In 1953-1954 the new Secretary-General had had some success in cutting expenses. The appropriation, later cancelled, of \$8 million under General Assembly resolution 356 (IV) for a permanent international régime for the Jerusalem area and protection of the Holy Places had foreshadowed, on a much smaller scale, the problems that were to come; but when sixteen Member States in answer to the Security Council's appeal, had resisted aggression in Korea in 1950, the operation had been reflected in the United Nations budget by only token appropriations.

11. The years 1956 and 1957 had inaugurated a new era with the establishment of a Special Fund of \$20 million to cover the cost of UNEF. Some Member States had from the outset refused to share the new burden; the number of contributors to the Special Account had diminished to thirty by 1960. The Working Capital Fund had been increased, but had not sufficed to make up the deficit; and in 1958, in its resolution 1341 (XIII), the General Assembly had found it necessary to authorize the Secretary-General to borrow from special funds and accounts in his custody for purposes which normally related to the Working Capital Fund. Meanwhile, as the economic and social activities of the United Nations had expanded and the cost of living had risen,

especially in New York, the regular budget of the Organization had steadily increased, exceeding \$65 million in 1960 and already amounting to some \$73 million in 1961. The admission of some twenty new Members, welcome as they were, would not improve the financial position of the United Nations. The burden imposed by events in the Congo had further complicated the state of affairs just described.

12. There was a clear need for a comprehensive solution to all the financial problems of the United Nations. Of the two possible approaches, one presupposed a situation in which resolutions requiring a two-thirds majority would obtain it only in the face of mass abstentions that would rob them of all moral force. The other, sounder, approach was to be guided by what was possible; and most speakers during the current discussion had favoured the latter approach. The Latin American sponsors of draft resolution A/C.5/L.658 and Corr.1 sought to modify the regular scale of assessments for application to the expenses of ONUC. He could recall two instances in which something similar had occurred: through generous contributions from the United States, the United Kingdom and others, the scale of assessments had in practice been modified in the case of the UNEF Special Account, and a special system of contributions had also been introduced by General Assembly resolution 62 (I), establishing the International Refugee Organization. The Latin American proposal sought to relate assessments to the economic interests of Member States; resolution 1212 (XII), concerning the clearance of the Suez Canal, was to some extent a precedent for such a course. Governments would undoubtedly give the Latin American proposal close study, but could not be expected to give their delegations final instructions before the sixteenth session at the earliest. Moreover, as the United Kingdom representative had pointed out at the 828th meeting, the existing scale of assessments was designed to ease the burden on countries with low *per caput* incomes. The Committee on Contributions was to meet in May 1961 in order to work out a new scale of assessments. In the past that Committee had had access to reliable national income statistics for only three of the five permanent members of the Security Council; henceforth it would have such statistics for four members at least and changes in their assessments could be expected. The success achieved in the past by the first Chairman of the Committee on Contributions in his negotiations with Member States on the distribution of United Nations expenses encouraged the French delegation to feel that careful consideration should be given at the beginning of the sixteenth session to the Canadian proposal for the establishment of negotiating machinery with a view to improving the cash position of the United Nations.

13. He agreed with previous speakers that the Committee should debate the financial structure of the United Nations, in all its aspects, as soon as possible after the start of the sixteenth session. The Committee should consider *inter alia* the restoration, as suggested some years previously by the Advisory Committee, of a post at the Under-Secretary level to deal with administrative and budgetary questions. Such a post had existed in the past but had been eliminated on the reorganization of the Secretariat in 1954. Personal visits by such an Under-Secretary to Member States would in many instances prove more fruitful than the routine communications of permanent missions at United Nations Headquarters with their own Governments. The financial structure of the United Nations had been derived from that of the

<sup>1</sup> Official Records of the Security Council, Sixteenth Year, Supplement for January, February and March 1961, document S/4741.

League of Nations, although the Covenant of the League had been even vaguer than the Charter on financial questions; in practice all financial power had ultimately vested in the League Assembly. There had been no regular review of the financial machinery of the United Nations, and such a review was overdue. The Committee's competence was very questionable in the matter of the consideration of the USSR contention that the financing of ONUC should be dealt with, not by the General Assembly, but by the Security Council. Endorsement of that principle would appear *prima facie* to entail amending the Charter, but in practice much perhaps could be done by the mere interpretation of the Charter. It was for the Rapporteur to list, for eventual reference to Governments, all worth-while suggestions made in the Committee with reference to the financial structure of the United Nations. In that connexion he would commend to Governments the words of Abraham Lincoln in his second annual message to the United States Congress in 1862: "The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled with high difficulty and we must rise with this occasion." It was the Committee's duty to make clear to Governments the need for reforms which would place the finances of the United Nations on a firm and realistic basis and thus strengthen the Organization itself.

14. He had been glad to note the resumption, on 23 March 1961, of the publication of the monthly statement on the collection of contributions (ST/ADM/SER.B/141) which had been discontinued in January 1961. Members would learn from that statement that, after the United States, France had contributed more than any other Member State to the finances of the United Nations between 1 January and 23 March 1961. It was to be hoped that future statements would contain the comparison of contributions paid for the current year with those paid in previous years, which had been omitted from the statement of 23 March 1961.

15. Mr. TURNER (Controller) informed the representative of France that the figures he had referred to had been omitted from the statement of 23 March for a very special reason; they would appear automatically in the statement on the collection of contributions as at 31 March 1961.<sup>2</sup>

16. Mr. ALVAREZ RESTREPO (Colombia) regretted that the representative of France, in his very interesting statement, had not offered any comment on the Latin American draft resolution, nor given the Committee an indication of the precise intentions of his Government with regard to the payment of the new contribution required from all countries towards the cost of the United Nations operations in the Congo in 1961. Like others, he had gained the impression from certain Press reports that France wished to dissociate itself from such commitments. If that were the case, then the Organization would find itself confronted by a new situation and one which the Fifth Committee ought soberly to consider. The Latin American delegations wholeheartedly agreed with the representative of France, however, that the time had come for a thorough review of the financial structure of the United Nations and, more particularly, of the method of determining the contributions of Member States towards the costs of the Organization. It would be appropriate to undertake such a review in accordance with the principles set forth in the Latin American draft resolution.

17. The representative of France had suggested that there would be no harm in waiting a while before taking decisions on that matter. He could not agree. In countries like his own, appropriations for contributions to the United Nations must be included in the budget for the calendar year in question. It would, therefore, cause their Governments some embarrassment if, at the opening of the sixteenth session of the General Assembly in September 1961, they were to find that the contributions they were expected to pay, in accordance with the existing scale of assessments, had tripled in amount. The Committee was not overburdened with work at the present session. There was no reason at all why it should not take up the study of that problem and attempt to find a solution.

18. The Latin American delegations had observed with surprise the somewhat tepid reception their draft resolution had earned from the Committee. In their view, the problem was not a secondary one. Their contributions to the United Nations assumed considerable importance in relation to their modest national budgets and the growing size of those contributions frequently caused difficulties in their Parliaments. It was important, too, they believed, that countries receiving assistance from the United Nations should know how far to expect that assistance to go, given the budgetary limitations of the Organization. The Latin American delegations were, furthermore, very greatly concerned at the possibility that the present continuous drain on the Organization's resources resulting from its operations in the Congo might have harmful effects on the very important normal activities of the United Nations and its organs and affiliated organizations in the spheres of technical assistance, food, health, education and the economic development of the under-developed countries.

19. The representative of Ireland had said that two forces were apparent at the present time: the forces seeking to destroy the Organization by depriving it of the means necessary for its survival, and the forces which were creating difficulties for the Organization out of indifference or disregard for its financial decisions. The Latin American delegations belonged to neither of those groups. There was no question of their attempting to stifle the Organization by denying it their contributions, nor, certainly, of their indifference to its problems. They were aware of their responsibilities. They believed in the United Nations. They were ready to support, economically and financially, within the limits of their possibilities, all its activities, including its highly controversial Congo operations. They were unanimously in favour of establishing a special fund for contributions towards the continuation of those operations. All they claimed was that their contributions should be set at a level commensurate with their capacities. The representative of Ireland had urged members to look again at their obligations. The Latin American countries had already done so but they had not found, in any of the statutes of the Organization, an injunction to contribute to such new activities in a measure strictly proportionate to their contributions to the United Nations regular budget. It was thus their thesis that there should be two budgets, a regular budget for the maintenance of the United Nations normal activities and an extraordinary budget for financing operations such as those in the Congo, and that the scale of assessments for contributions to the two budgets should be quite different. That was the main objective of the draft resolution they had

<sup>2</sup> Subsequently circulated as document ST/ADM/SER.B/142.

submitted. He would urge all delegations to give it the very fullest consideration. The question was not a simple one. It had serious implications. The future success of the Organization would to a large extent depend on the equitable distribution of its costs. Many countries, threatened with the loss of their votes in the United Nations through the non-payment of a supplementary contribution would, in their pride, prefer to withdraw from participation in the Organization's activities rather

than accept such a situation. It must therefore be studied with great care and a full awareness of the facts.

20. Mr. NOLAN (Ireland) believed that the views of his delegation and those of the Colombian delegation were not so far apart as the representative of Colombia appeared to think: Ireland, too, believed that the distribution of the Congo costs should be based primarily on a country's ability to pay.

The meeting rose at 5.10 p.m.