

budgets and to limit extraordinary or emergency expenditures to essential activities of the highest priority. Although the nature, scope and direction of these efforts have varied from organization to organization, they have usually taken one or more of the following forms: closer scrutiny of the programmes of each organization to ensure that projected activities are sufficiently important to warrant their being carried out at this time; detailed examination of the budget estimates of each organization to eliminate waste and extravagance; attempts to improve internal efficiency by organizational and administrative improvements, by simplified procedures and by the recruitment of staff of higher calibre; greater emphasis on the necessity for an equitable sharing of costs among all member states; stronger efforts to induce member states to pay their contributions promptly; the development and application of procedures or sanctions to be applied in the event of continued arrears; increased efforts to "co-ordinate"¹ the programmes of all organizations in order to ensure that they are acting in harmony and avoiding costly overlaps and duplications; and the development of common services which can be carried out more economically than separate services for individual organizations.

Running counter to the acknowledged desire for lower expenditures was the ever expanding range of international interests and responsibilities. Aggression in Korea, continued friction in the Middle East, and intensified efforts to improve standards of living and to speed up the pace of economic development in the backward areas of the world, were among the activities which contributed to increased demands on the United Nations and the Agencies.

At a time when costs generally were rising, it was evident that despite efforts towards rationalization and general financial retrenchment, the desire for stabilized budgets could not be fully realized.

Examination of 1951 Budgets

United Nations

The original estimates for 1951 issued by the Secretary-General on August 18, 1950, called for expenditures of \$45,450,800, an increase of \$3,809,027 over the 1950 budget. The increase was largely due to items to which the General Assembly had already committed itself, including the first instalment of \$1 million on the loan from the United States for the United Nations permanent headquarters, the cost of remodelling the library (\$500,000), moving expenditures of \$537,000, increased maintenance costs (\$800,000) and the approved refugee programme for 1951 (\$300,000). In presenting the estimates, the Secretary-General stated that the budget had been prepared with "a full realization that United Nations expenses are only a small proportion of the total international financial commitments of the member states". He also stated that "he would continue to search for ways to alleviate the problems that some countries would experience in meeting their international obligations in hard currencies".

¹See "Co-ordination", p. 93.