

futurists. For the present, even more concrete financial schemes will be difficult to sell to member states.

Are SDRs the Answer?

On a completely separate tack, it has been suggested by a former Pakistani Prime Minister (and co-chair of the Yale Group) that the IMF could create a new allocation of SDRs of about \$2 billion which would be made available to member countries according to their quotas⁷. The board of the IMF would make the decision and could state that some portion of the allocation by country would have to be earmarked for payment to the UN. This financial transfer could be to pay off the country's UN assessment or to make a voluntary donation to the UN. The money could be set aside to create a fund for the UN. The Yale Report suggests that the creation of SDRs in this manner would be similar in effect to a levy on the commons. They recommend that an expert group should review and examine the administrative, legal and economic feasibility of the options.

Other studies have suggested a link between development (or peacekeeping) funding to the creation of SDRs by the IMF. There are several problems with this approach. As SDRs are meant to be a device for maintaining monetary stability, they should be created at irregular intervals, at moments when more international liquidity is needed. Only two increased allocations of SDRs have taken place since 1969. In fact, international development could be impaired when world liquidity does not justify the creation of more international money. Such an increase in capital liquidity could have a global inflationary impact. What the Yale Report and other proponents of the proposal also omit is the question of political will to support such a scheme. Inevitably, the SDR replenishment would have to be financed almost exclusively by OECD countries...the timing and likely unfruitful conclusions of such an approach are obvious.

The Best of the Rest

Other creative proposals found in the literature include:

- a tax on international arms sales and transfers (through the recently established UN Arms Register);
- using the seized proceeds from international crime (especially from illicit drugs) to finance, for example, international courts;
- an international UN lottery (see below);

⁷ "The United Nations in its Second Half-Century", A Report of the Independent Working Group on the Future of the United Nations, Ford Foundation, Yale University, 1994.