

peace-keeping operations in 1962-63, and which must, in due course, be redeemed.

I think these figures tell their own story. They indicate that the United Nations is facing an acute financial crisis which requires attention quite apart from any of the issues underlying it. For it would surely be tragic if, in addition to being inhibited from conducting its normal business, the United Nations were unable, as the Secretary-General recently put it, in the weeks and months ahead "to keep faith with those who have kept faith with it".

Some two-thirds of the arrears owing to the United Nations is attributed to the unwillingness of certain member states to pay their assessed share of duly authorized expenditures for keeping the peace. The major defaulter on that account is the Soviet Union, which accounts for just under half of the total arrears outstanding.

This brings me to the second element in the present crisis which I might call the crisis of confrontation. This has tended, in recent discussion, to overshadow the underlying financial problem.

CRISIS OF CONFRONTATION

The crisis of confrontation has hovered, like a Damoclean sword, over the ill-starred nineteenth session of the General Assembly, which has now adjourned until September. It could have been precipitated at any time - as it almost was on Thursday of this week - by a delegation refusing to go along with the consensus procedure by which the General Assembly has conducted its business since it first met on December 1. For a recorded vote could - and in ordinary circumstances would - have raised the issue of invoking Article 19 of the Charter against those member states whose arrears exceeded the contributions due from them for the preceding two full years. Article 19 stipulates that, in those circumstances, the defaulting member state shall have no vote in the General Assembly.

According to the latest count, 13 member states find themselves in that position, including two of the permanent members of the Security Council - the Soviet Union and France. These countries have argued that Article 19 does not apply to arrears arising out of assessments for peace-keeping operations of the United Nations, in that such assessments are not binding obligations within the terms of the relevant articles of the Charter. When that view was formally put to the International Court of Justice for an advisory opinion, the Court indicated that it did regard the costs of peace keeping as "expenses of the organization" to be borne by the member states in the normal way. The General Assembly subsequently endorsed that opinion by a very substantial majority. In doing so, it endorsed the legal character of assessments for peace keeping and, by implication at least, the relevance of Article 19 to arrears incurred on peace-keeping account.

But if the legal position was clear, the plain fact is that the generality of the membership were determined to avoid a confrontation in circumstances where they were not convinced that all other means of resolving the crisis had been exhausted. That position was, I think, underlined beyond any doubt by the events of the past week.

LOSS OF VOTE MANDATORY

As far as Canada is concerned, we should have felt bound to support the application of Article 19 to the defaulting countries if there had been a confrontation on that issue. We accept the advisory opinion of the International Court. We regard Article 19 as relevant to the arrears accumulated on peace-keeping account. We consider the loss of vote in the General Assembly in this situation as mandatory. And we think that, on balance, there would have been great harm to the continued financial stability of the United Nations if there had been failure to apply the one effective sanction the United Nations Charter has for persistent financial default.

On the other hand, there are those who argue that a confrontation, whatever its outcome, would at best have yielded a Pyrrhic victory. For even if there had been a majority in favour of depriving the defaulting member states of their vote in the General Assembly, it is doubtful if those states would, in such circumstances, have been willing to settle their arrears. If, on the other hand, the move to invoke Article 19 had failed to command a sufficient majority, some of the most loyal supporters of the United Nations might have had difficulty in continuing to accept the principle of collective financial responsibility and the support in those countries for the United Nations cause would inevitably have received a serious setback. In either case, the financial problem of the United Nations would have remained unsettled. There would have been division and recrimination among the membership. The capacity of the United Nations for future collective action would have been weakened. And much of the patient work that has gone into providing at least a minimum basis of accommodation between the United States and the Soviet Union might have been undone. These are some of the considerations that seemed to many member states to argue against a confrontation if that could be avoided.

I have spoken of the crisis of solvency, which continues. I have also spoken of the crisis of confrontation, which, for the time being at any rate, has receded into the background. Beyond these, however, lies what I consider to be the real crisis facing the United Nations and on the outcome of which will depend whether or not the United Nations will continue to have an effective and assured capacity of maintaining peace and security. And that is the constitutional crisis.

CONSTITUTIONAL CRISIS

To explain the origins of that crisis it is necessary to go some way back. When the Charter of the United Nations was drawn up, it was assumed that the great powers would carry the major responsibilities for the maintenance of international peace and security. It was part of that assumption that any really effective security system would have to rest on the continued collaboration of the great powers. That is the assumption that lies behind the veto, as it does behind Chapter VII of the Charter, which provided for United Nations forces to deal with threats to the peace, breaches of the peace and acts of aggression. It was implicit in that assumption, of course, that lack of unanimity amongst the great powers would prevent

(Continued on P. 6)