

i. Budgetary and Financial Arrangements.

In its recommendations the Preparatory Commission laid down the general principles which it considered should govern the financial and budgetary arrangements of the United Nations, leaving detailed arrangements for future consideration by the General Assembly. Draft provisional financial regulations submitted by the Advisory Group of Experts and the observations of certain delegations on them were referred to the General Assembly for its consideration.

To meet United Nations expenditures until such time as the first annual budget was approved by the United Nations the Preparatory Commission instructed the Executive Secretary, assisted by the Advisory Group of Experts, to prepare a provisional budget for submission to the first part of the first session of the General Assembly.

The Preparatory Commission recommended that the General Assembly establish an advisory committee on administration and budgetary questions and a committee on contributions, and that pending the appointment of the Advisory Committee the Secretary-General appoint an advisory group of experts similar to the one appointed by the Preparatory Commission.

j. Permanent Headquarters

On October 3, 1945, the Executive Committee voted 9 in favor, with 3 against and 2 abstaining, that "the permanent headquarters of the United Nations be located in the United States of America."

The Preparatory Commission assigned the question of the headquarters to Committee 8 (General Questions) for consideration. On November 29, 1945, Committee 8 appointed a Sub-Committee of seven members (Australia, Colombia, Cuba, Egypt, Iran, the Netherlands and Yugoslavia) to take evidence from delegations, municipalities and other bodies which had invited the United Nations to establish its seat within their territory. Notwithstanding the Executive Committee's recommendation that the headquarters be located in the United States, the whole question was reopened in the Preparatory Commission, many representatives expressing themselves in favor of Europe as the seat of the headquarters of the United Nations. A lengthy debate ensued, involving points of substance as well as procedure.

In favor of establishing the United Nations headquarters in Europe it was argued that Europe was the most important potential center of international unrest. The United Nations should be located where the need for action to maintain peace and security was greatest. If the United Nations were located away from Europe, with its troubles and sufferings arising from the war, this might result in official aloofness and lack of realism. Europe was the cultural center of a large part of the world; it was a natural center of communications and was closer to the capitals of the majority of the Members of the United Nations than the United States.

Another argument in favor of Europe as against the United States considered of major importance was that the United Nations should not be located in the territory of one of the major powers, in particular one of the five permanent members of the Security Council. A permanent member of the Security Council in the role of host State might exert undue influence over the organization and might obtain advantages not enjoyed by the other powers. On the other hand the presence of the United Nations on its territory might embarrass a permanent member of the Security Council and limit its freedom of action. The headquarters of the United Nations, therefore, should be established in a small country unaffected by major political and international issues. International influence, moreover, should be equitably distributed throughout the world. With the International Monetary Fund, the International Bank for Reconstruction and Development and the Food and Agriculture Organization of the United Nations located in the United States, it was not desirable to locate there, in addition, the headquarter of the United Nations.

In favor of establishing the headquarters of the United Nations in America it was maintained that Europe was not the only center of international difficulties and that other areas such as the Pacific or South America should not be neglected. The United Nations should be a truly international and not a regional organization. Moreover, the prevention of international conflict was only one of the functions of the United Nations. It was hoped that its positive tasks in the fields of international economic, social and cultural co-operation would become increasingly important. The United States with its traditions of peace and