Mr President, I congratulate you on your election to the Presidency of this great Assembly. Your election is a tribute both to you and to Portugal, and Australia will work with you to ensure that this historic Fiftieth Session is as memorable as it could possibly be. And I join in warmly welcoming, as the UN's 185th member state, our fellow South Pacific Forum member, Palau.

If we are to effectively prepare for our future we must first be able clearly to see our past. If we are to see where we must go, we must know where we have been: we must be conscious of our failures, but we should be proud of our successes.

The structure of today's world community - of sovereign, self-determined, independent states working together on the basis of equality in a framework of international law - simply did not exist before the Charter of the United Nations. There were imaginings of it in the minds of many for a very long time, and we saw emerge, between the World Wars, a pale approximation of it with the League of Nations. But it was at that special moment in San Francisco, fifty years ago, that today's concept of a community of nations was first truly born. And that concept has passed the test of fifty years of life.

Gifted though the authors of the Charter were, they would I think be awed to see how very much their vision of a globalised world has now been answered, and exceeded. Today's world is one world, a world in which no individuals and no states can aspire to solve all their problems or fulfil all their dreams alone. The ideas of San Francisco have entered into the unconscious of people all over the world. Those who refuse to acknowledge the global character of our world, or recoil from it and retreat into unilateralism or, worse, isolationism, have simply not understood the new dynamics that are at work. Ours is an age in which we are called to more, not less, cooperation - and to ever more, and more responsible, sharing of our common destiny.

The ideas of San Francisco have assumed many concrete forms, which have deepened and expanded over the last five decades. States now habitually, virtually automatically, conduct their relations with each other on the basis of the United Nations Charter. We have added continually to the corpus of international law and agreements made pursuant to the Charter, in ways that have touched every aspect of modern life. We have built institutions that have sought to deliver to the peoples of the world their most basic needs - for peace and
security, for economic well-being, and for dignity and liberty.

It was natural that, following a devastating World War and the hideous brutality which accompanied it, that the Charter would have at its heart the maintenance of international peace and security. So far anyway, we have passed the test of ensuring that the world would never again be subjected to global conflict. The United Nations has been, of course, deeply challenged in the maintenance of peace, from the very beginning and ever since. There are areas in which its attempts to maintain and restore peace have been flawed, and where the UN has faltered. But for all that has gone wrong in places like Bosnia and Somalia and Rwanda we should not forget the successes, like those in El Salvador, Cambodia and Mozambique. To go back a generation, no one should forget the role that was played by the Security Council and the Secretary-General in that desperate month of October 1962 when the hands of the clock were seconds before midnight, and the world faced potential nuclear holocaust. And no one should forget the role that the Nuclear Non-Proliferation Treaty has played in falsifying the almost universal prediction in the 1960s that within two decades there would be twenty or more states possessing nuclear weapons.

In development, in seeking to fulfil its commitment to promote "social progress and better standards of life" the United Nations has laboured hard, sometimes in very difficult circumstances. The gap between developed and developing countries still remains unacceptably high; there have been and continue to be difficulties with the availability of resources for development assistance; and we have to acknowledge the awful reality, according to the World Bank, that 1.3 billion of our people still live in absolute poverty. But in food and agriculture, in employment and labour standards, in health, in education and in building the infrastructure so vital to communities in the developing world - roads, bridges, water systems - the United Nations and its agencies have worked relentlessly in the service of the human family. It is because of UNICEF that today 80 per cent of the world's children are immunised against six killer diseases. And this is just one of hundreds of similar stories that the UN can and should be telling.

Basic to the United Nations' concept of the world community was that it should operate under and foster the development of law, justice and human rights. A fundamental commitment of the United Nations is to establish conditions under which justice may prevail, international law will be respected and peace can be built. In fulfilment of this charge, the United Nations has provided the setting for the negotiation of over three hundred major treaties, including in such crucial fields as arms control, transport, navigation and communications. This very practical area of international cooperation has formed the framework of a globalised world.

The Charter of the United Nations spoke not just of securing better standards of life, but of those better standards being enjoyed "in larger freedom". And the articulation, development and implementation of human rights standards across the whole spectrum of rights - economic, social and cultural as well and political and civil - has been one of the UN's most important and constructive roles.

One of the worst of all denials of personal and political freedom was that imposed by apartheid. The triumph over that evil was
above all a victory for those South Africans and their leaders whose freedom and dignity apartheid had so long denied. But it would ignore the testimony of history not to recognise the importance of the role played by the General Assembly and the Security Council in creating the conditions for that to occur.

For the peoples of this world, no political right has been more important than the right to self-determination. The achievements of the United Nations in this field alone are testimony to the indispensable role it has played in human affairs, with hundreds of millions of people having exercised their right to self-determination in these last fifty years. It is the great movement of decolonisation, as much as the Cold War and its aftermath, that defines the modern world as we know it, and which shapes the world's agenda for the years that lie ahead.

The United Nations of the future will need to be, above all, an organisation which works and speaks for all its members, no matter how large or small, and whose legitimacy is thus without question. It must be an organisation better oriented to performance, to delivery to people of the things they need and have a right to expect. And it must be an organisation which seeks to reintegrate, and better coordinate, the implementation of the UN's three basic objectives so clearly articulated at San Francisco fifty years ago - the objectives of peace (meeting the need for security), development (meeting economic needs) and human rights and justice (meeting the need for individual and group dignity and liberty).

The Peace Agenda

Disarmament and arms control continue to be of crucial importance in the peace agenda, and a major challenge immediately ahead will be to maintain the momentum of multilateral disarmament and non-proliferation efforts. The decision by the Nuclear Non-Proliferation Review and Extension Conference to extend the Treaty indefinitely was, and remains - despite what has happened since - the right decision. The work on a Comprehensive Nuclear Test Ban Treaty must be brought to conclusion, as promised, in the first half of 1996. We must also begin as soon as possible negotiations on a treaty to ban the production of fissile material for nuclear weapons purposes. A further helpful step, although more difficult to achieve, would be a regime requiring all states to declare and account for their present stocks of fissile material. The basic objective in all of this is to move towards the goal that is agreed by all - and it should never be forgotten that it has been agreed by all - that we will, ultimately, eliminate all nuclear weapons.

It is in this context, particularly, that the decisions by France and China to continue nuclear testing are to be so strongly deplored. The environmental consequences are bad enough of setting off an explosion more than five times the size of that which destroyed Hiroshima - as France did yesterday on the fragile atoll of Fangataufa in Australia's Pacific neighbourhood. But the nuclear policy consequences are even worse. This is not the time to be reinforcing nuclear stockpiles and asserting their ongoing deterrent role: the world wants and needs to be moving in the opposite direction.

This is the time to be negotiating away those stockpiles, and building verification systems of the kind we did with the Chemical
Weapons Convention - which needs still to be ratified into effect (and I urge those states who have not yet acceded to it to urgently do so). This is not the time to be encouraging scepticism about the Nuclear Non-Proliferation Treaty, as the French and Chinese tests are doing. It is, rather, the time for the nuclear powers to be encouraging its universal observance in the way that they best can - by showing that they themselves are absolutely serious about moving to eliminate nuclear weapons from the face of the globe. The best way for them to do that right now is for France and China to immediately end their testing programs; for all the nuclear weapons states to sign on to the nuclear weapons free zone treaties that now exist in the South Pacific and elsewhere; and for those states to commit themselves wholeheartedly to negotiating a genuinely comprehensive zero-threshold CTBT into place by the middle of next year.

The past few turbulent years of United Nations experience on the ground in peace keeping and peace enforcement has underlined the need for it to improve the effectiveness of its work in these important fields. Australia has welcomed the Secretary-General's further work in this area in his very lucid January 1995 Supplement to An Agenda for Peace. In our own contributions to the debate on these issues, we have argued for the clearest possible thinking to be given to the achievability of objectives right across the whole spectrum of responses to security problems - from peace building to peace maintenance to peace restoration to peace enforcement.

We have consistently argued, and I make the point again briefly today, that if the United Nations is to be able to meet effectively the security challenges of the post-Cold War world it must begin to devote more resources to preventive strategies than to reactive strategies. It makes more sense to concentrate on prevention than on after-the-event peace restoration, both for inter-state conflict and in the unhappily now far more common case of intra-state conflict. Violent conflicts are always far more difficult and costly to resolve than non-violent disputes, and failed states are extremely difficult to piece back together.

All that said, it has been encouraging to see the progress made in recent days toward resolving the conflict in the former Yugoslavia, and in moving the Middle East peace process a substantial new step forward. The UN should always be prepared to lend its support and encouragement to preventive diplomacy and peace making efforts taking place outside the formal framework of the UN system, and it should remain particularly alert to the opportunities envisaged in the Charter for advancing the peace agenda through regional organisations. In this context, we in the Asia Pacific have been pleased with the rapid evolution of the ASEAN Regional Forum over the last two years as a new vehicle for dialogue, and trust and confidence building, in our own region.

Particular attention has been given recently to the question of improving the United Nation's rapid reaction capability, and I warmly commend the work that has been done to clarify our thinking on these issues by the Netherlands and Danish Governments, and particularly in the major Canadian report, Towards a Rapid Reaction Capability for the United Nations, just presented to the Assembly. The very useful emphasis of the Canadian study is on the idea of improving the UN system's capability at the centre first - particularly in the area of operational planning - and thereby encouraging greater willingness by troop contributors to give practical and more urgent effect to standby arrangements. No organisational arrangements will
substitute for clear-eyed decision-making by the Security Council on the responses and mandates that are appropriate to particular situations, but the implementation of changes of this kind should make us much better equipped as an international community to deal in the future with situations like that in Rwanda, where last time our response was so tragically inadequate.

The Development Agenda

The security agenda tends to dominate most popular perceptions of the UN's role, but we in the international community must never allow our attention to be diverted from the demands of the development agenda, now as pressing as ever. When historians hundreds of years hence look back at this last half century, the Cold War and its aftermath will not be the only great international current to be remembered: it will be the giant step of decolonisation that looms at least as large.

Decolonisation led to the emergence of a world economy which for many years has been seen as divided principally into two categories - the developed and developing countries. But today the picture is more complicated. Mainly for reasons of change in technology and information systems, we now live in a global economy. No part of it is entirely separate from the whole, and no-one can act in that economy in an effective way entirely alone. Because we live in a global economy a key part of our action to deal with the problems of development must be multilateral. And the key problem facing us - both multilaterally and in our bilateral donor roles - is that within the global economy the gap between rich and poor countries, despite all efforts to resist this, has grown. The fact that some 1.3 billion of the 5.7 billion people alive today live at an unacceptable level of poverty is morally insupportable, and dangerous.

The United Nations of the future must, as a matter of the most urgent priority, forge a new agenda for development and reshape its relevant institutions to implement that agenda effectively. This is as important as any task it faces in the service of the human family, and in recreating itself as an institution fit for the 21st Century. The agenda is available for all to see. It has been fulsomely described in the six global conferences held by the United Nations in the last four years - the conferences on children, the environment, human rights, population, social development and women. There have also been important studies by the international financial institutions and by academic institutions. We know now what we need to do. We must resolve, politically, to do it.

In pursuing these various themes it is important, however, for us not to lose sight of those geographic regions where particular focus is still required, and where the UN's role is more vital than ever. Africa's influence and importance continues to be felt throughout the world in every field of human activity and culture. Exciting political developments, including the ending of apartheid, have been accompanied by major new efforts to restructure and reform national economies: those efforts demand the continued support of the international community, and in particular the UN system. Other regions where the UN needs to play a particular role to facilitate economic and social development are the Central Asian republics, the Middle East, the Caribbean, and in a number of area in the Indian Ocean region.
The Indian Ocean region is one where Australia, as an Indian Ocean country, has been promoting, with others in the region, both governmental and non-governmental efforts to enhance regional cooperation, particularly on economic and trade issues. The success to date of APEC in developing cooperative strategies in the Asia Pacific region to promote prosperity and stability, complementing the UN's broader work for these goals at the international level, offers one possible model for the countries of the Indian Ocean Rim to consider.

The institutions of the United Nations relevant to economic and social development are urgently in need of reform. The General Assembly has created the high-level working group needed for political consensus on this. It must complete its work in this Fiftieth Anniversary year, and it must do so creatively, setting aside past vested interests in the system. We must implement the development agenda of the future in a way which ensures a productive and fair place in the global economy for all states.

Human Rights

The complex and inter-linked system of principles, legal regimes and machinery that the United Nations has established to promote human rights is one of its major achievements. It must be built upon and strengthened, recognising always that the human rights whose universality and indivisibility we assert, are about economic, social and cultural rights just as much as the civil and political rights on which developed countries tend to focus their attention. Priority must be given to the major international human rights instruments and machinery and the committees which monitor their implementation. By this means we can provide a frank, non-confrontational and constructive dialogue amongst states parties.

The advisory services and technical assistance activities of the United Nations can also play a role in promoting the observance of human rights and the implementation of democratic principles around the world. Programs to help countries develop national institutions and systems to promote and protect human rights will enhance their capacity to prevent violations and make a direct contribution to human security.

The Organisational Agenda

It cannot be emphasised enough that the peace and development and human rights agendas I have mentioned are all interlinked. We need to avoid the compartmentalisation that occurred throughout the Cold War years, in which peace and security issues, development issues and human rights and justice issues were isolated in completely different conceptual and institutional boxes. Any viable modern concept of international peace, let alone peace within states, must recognise that "peace and security" and "development" are indissolubly bound up with each other: there can be no sustainable peace without development and no development without peace. And human rights, in the fullest sense, have to come into the equation too: there is unlikely to be sustainable peace in any society if material needs are satisfied, but needs for dignity and liberty are not.

No agendas of substance, no matter how clear in concept and well-coordinated in principle they may be, will mean anything to
people if they are not able to be implemented through effective organisational structures and instruments. There has been widespread recognition in recent years that the structure of the United Nations that grew up during the last fifty years is simply not adequate to the tasks of the next.

We now have an embarrassment of riches with respect to ideas and proposals for change to the United Nations organisation. Just as it is urgent that we complete work on An Agenda for Development in this fiftieth year, it is equally urgent that we complete the work of the high-level working group on the reform of the United Nations system, also within the fiftieth year.

The structural problem that it is probably the most urgently necessary to resolve, if the credibility of the UN system is to be maintained, is that of the Security Council. The debate on this subject has been long and detailed and is familiar to all of us. Australia's definite view is that it has been going on for long enough, and we are now at the time where action is required. Last year we submitted some illustrative models on the basis of which consideration could be given to an expansion in the membership of the Council. Others have made very specific proposals. Again, in this field there is no lack of ideas. What we must now do is move to the stage of forging political consensus on a new Security Council which will be effective, represents the whole membership of the United Nations and sensibly reflects the realities of today and the future, not those of 1945.

There are many structural changes and personnel reforms that could and should be made within the UN system to improve its efficiency. But ultimately the quality of that system depends on what we are prepared to pay for it.

It is important to appreciate at the outset the order of magnitude of the sums we are talking about. The core functions of the UN (involving the Headquarters in New York, the Offices in Geneva, Vienna and Nairobi, and the five regional Commissions) cost just $US1.2 billion between them: to take just one comparison last year the annual budget of just one Department in one United States city - the New York Police Department - exceeded that by $600 million.

The total number of personnel needed to run those UN's core functions is around 10,700: compare the local administration of my own national capital, Canberra - again just one city in one of the UN's 185 member states - which employs some 22,000 people on the public payroll.

The cost of the UN's peace operations last year - in Cyprus and the Western Sahara and the former Yugoslavia and thirteen other locations - was $3.2 billion: that's less than what it takes to run just three New York City Departments (Police, Fire and Corrections).

Add to the core functions of the UN all the related programs and organs (including UNDP, UNFPA, UNHCR, UNICEF, UNCTAD and International Drug Control) and you are talking about a total of around 33,000 people and a total budget (including both assessed and voluntary contributions) of $6.3 billion: that sounds a lot, but not quite so much when one considers, for example, that the annual global turnover of just one international accounting firm, Price Waterhouse, is around...
Go further, and add to the core functions and the related programs all the other specialised programs and agencies of the entire UN family - that is, add agencies like the FAO, ILO, UNESCO and WHO, plus the IAEA, and put into the equation as well the Bretton Woods Institutions (the World Bank group and the IMF, which between them employ nearly 10,000 people and spend nearly $5 billion annually) and you are still talking about total UN personnel of just around 61,400 and a total UN system dollar cost of $18.2 billion.

61,400 may sound like a lot of people, but not when you consider that more than this number - 65,000 in fact - are employed by the the three Disneylands in California, Florida and France. Three times as many people - 183,000 - sell McDonald's hamburgers around the world as work for the UN system.

And $18.2 billion might be a lot of money, but just one major multinational corporation, Dow Chemical, which happens also to have 61,000 employees world-wide, has an annual revenue in excess of $20 billion.

When you put the UN's financial problems into this kind of perspective, the solutions do not look quite so hard. Surely between us the 185 member states, with our combined defence expenditure alone of around $767 billion (as calculated in the UNDP's 1994 Human Development Report), can find that kind of money? But of course the problem of paying for the UN has now become critical because of the unwillingness, or inability, of so many of the member states (including the biggest of us all) to pay their assessed contributions - notwithstanding that the cost of these for the major developed country contributors works out at between $7 and $15 per head per year, the price of no more than one or two movie tickets in this city.

We have a short-term problem, which can and should be solved within the UN system by allowing the UN to borrow from the World Bank. But we also have a longer-term problem which, frankly, does not look as though it is going to be solved - however much we continue to work at adjusting assessment scales, and however much we exhort member states to pay up, and remind them of the consequences under Article 19 of the Charter if they fail to do so.

So what are we to do about all this? In my judgment, it is time to look again - this time very seriously indeed - at the options which do exist for supplementing member states' contributions by external sources of finance. The practicability of collecting a levy on every one of the $300 thousand billion worth of foreign exchange transactions that now occur every year remains to be fully assessed, but simple arithmetic tells us that if we strike a rate for such a levy of just .001 per cent - which hardly seems likely to have any significant economic consequences - we could generate $3 billion. And we know that if we could levy international airline passengers just $10 for every international sector flown - which would be very easily collectable indeed - we could also raise $3 billion, nearly the whole annual cost of UN peace operations.

There are as well other revenue options that have, to a greater or lesser extent, the same rational nexus with UN costs that these
do, in the sense that they involve transactions which are international, which take place within a framework of law and cooperation provided by the United Nations, and can be harmed by a breakdown in international peace and security - precisely the areas in which the United Nations has a fundamental responsibility.

But traditionally a threshold objection of principle has been mounted against any such talk. Member states, it has been said, should themselves own the UN system: if the Secretariat had direct access to non-member state revenue, who knows what adventures it might be inclined to get up to. But ownership and control are totally separate issues. The UN operates on a sovereign equality principle which means that, for example, those six states which presently between them pay over 65 per cent of the UN's regular budget should under no circumstances have greater authority over how it is spent than the overwhelming majority of members who each pay much lesser proportions of the total.

Surely, whatever the funding sources involved, the crucial question is how and by whom the money is spent: it is absolutely crucial that there be appropriate control of funds by member states, with all the accountability mechanisms that implies, but that doesn't mean that those member states should themselves have to provide all the funds in the first place.

In talking to many of my foreign ministerial colleagues from a wide range of countries and across all continents on these issues over the last few days, I have found an almost unanimous reaction that the UN's present and likely continuing financial crisis demands that these issues be looked at again, without any pre-judgments of the questions of principle or practicability involved.

I would suggest, accordingly, that the time is right for the Secretary-General to convene once again a high-level advisory group, like the Volcker/Ogata group established in 1992, with a mandate explicitly to think through what has hitherto been more or less unthinkable - how to fund the UN system in a way that reaches out beyond the resources that member states are prepared to directly put into it. Such a group could report to, or work with, a committee of representatives of member states - one in existence already (like the High Level Working Group on the Financial Situation of the United Nations) or one newly created for the purpose.

A great deal of work has been already, or is being, done on many of these issues, and it should be possible for such a group to report within six months or so, and certainly within a year. The parameters of the debate have to be changed, and for that to happen we need an authoritative new statement of the art of the possible.

Here as elsewhere, we have to move forward. We have to look to new ideas. We have to encourage humankind's ingenuity to search for better ways for states to deal with each other as relationships take new shape, as new states emerge and as problems which could not have been conceived of a few years ago become the challenges of the day.
We will fail to meet those challenges if we adhere solely to the ideas and dogma of the past. The United Nations was itself founded on a mixture of idealism and pragmatism. Both were essential to build a new world fifty years ago, and in the past fifty years that idealism has not disappeared. It was an important force in bringing about the end of the Cold War, and more than anything else it was idealism that lay behind the process of decolonisation which shifted the tectonic plates of history.

To some, idealism will always be the enemy of practicality. But to others, it will always involve, more than anything else, the courage to take advantage of new opportunities, ensuring that at least some of today's ideals will become tomorrow's reality. Perhaps now, fifty years beyond San Francisco, we need to renew that idealism, and walk down some of the uncharted paths that idealists have always been prepared to tread.

### WHAT THE UN SYSTEM COSTS

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<tr>
<th>Elements of UN System</th>
<th>Assessed Contributions</th>
<th>Voluntary Contributions</th>
<th>Total Budgets</th>
<th>Personnel</th>
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**NOTES:** Budget data: for core functions, derived from 1994-95 data in proposed budget for biennium 1996-97 (A/50/6), halved to produce annual figure; for peace operations, provided by the Peacekeeping Financing Division; for specialised agencies and IAEA, derived from relevant biennium budgets, halved to produce annual figure; for related organs and programs and Bretton Woods institutions, derived from UN and World Bank sources and compiled by Department of Foreign Affairs and Trade and AUSAID, Canberra. Personnel data: core function personnel include both established and extra-budgetary posts; peace operations figures as at 30 June 1994 from Report of the Secretary-General on the Work of the Organisation in 1994 (A/49/1).