

1944
NEW ZEALAND

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

REPORT OF THE NEW ZEALAND DELEGATION TO THE FIRST MEETING OF THE
COUNCIL AT ATLANTIC CITY, N.J., 10TH NOVEMBER TO 1ST DECEMBER, 1943

Presented to both Houses of the General Assembly by Leave

THE Agreement formally constituting the United Nations Relief and Rehabilitation Administration was signed at the White House in Washington, D.C., on 9th November, 1943. Immediately thereafter, on 10th November, the first session of the Council of UNRRA was convened at Atlantic City, New Jersey, continuing until 1st December.

In the preamble to the Agreement the determination is expressed that immediately upon the liberation of any area its population shall receive aid and relief from their sufferings, food, clothing and shelter, assistance in the prevention of pestilence and in the recovery of health. The preamble further sets out as amongst the essential purposes of the Agreement the making of adequate arrangements for the return of prisoners in exile to their homes, the resumption of urgently needed agricultural and industrial production, and the restoration of essential services. To these ends provision is made as follows:—

(1) The necessary authority is vested in UNRRA to plan, co-ordinate, and administer measures for the relief of victims of war in any area under the control of the United Nations—activities within any territory in which a member Government exercises administrative authority being carried out after consultation with and with the consent of that member Government.

(2) The Administration is also given power to acquire, hold, and convey property, enter into contracts, and undertake obligations appropriate to its objects and purposes.

(3) The Council of UNRRA which is to meet not less than twice a year and to which each member Government names one representative, is constituted the policy-making body of the Administration. Voting is to be by simple majority, except in the case of amendments to the Agreement when a two-thirds vote is required, and the Council is empowered to determine its own rules of procedure.

(4) There is provision for a Central Committee of the Council consisting of representatives of China, Union of Soviet Socialist Republics, United Kingdom, and the United States of America, with authority to make policy decisions of an emergency nature between sessions of the Council. All such decisions, however, are open to reconsideration by the Council at any of its regular or special sessions. The participation of representatives of a member Government at meetings of the Central Committee where action of special interest to such Government is discussed, is provided for. Similar provision is made for the Chairman of the Committee on Supplies to attend meetings at which policies affecting the provision of supplies are under consideration.

(5) The Committee on Supplies is to consist of those members of the Council representing countries which are likely to be the principal suppliers of materials for relief and rehabilitation. The Agreement provides also for the appointment by the Council of two Regional Standing Committees, one for Europe and another for the Far East, to advise the Council and Central Committee on relief and rehabilitation policies within their respective areas. The Council is empowered to appoint such other regional or technical advisory Committees as it considers necessary. In this respect, specific reference is made to such problems as nutrition, health, agriculture, repatriation, and finance.

(6) Executive authority is vested in a Director-General appointed by the Council on the unanimous nomination of the Central Committee. The Director-General is given full power and authority for carrying out relief operations within the limits of available resources and the broad policies determined by the Council or its Central Committee. In carrying out these operations he and his representatives are required to consult and collaborate with the appropriate United Nations authorities and to use wherever practicable the facilities made available by such authorities.

(7) To ensure co-ordination of policy and best use of available resources, the Agreement stipulates that foreign voluntary relief agencies shall not operate in any area receiving relief from UNRRA without the consent of the Director-General.

(8) Each member Government, subject to the approval of its constitutional bodies, is to contribute to the support of the Administration and to place at its disposal such supplies and resources which may be decided upon by the Council and agreed to by the national Government concerned. It is agreed also that all purchases made by any member Government outside its own territory during the war for relief or rehabilitation purposes shall be made only after consultation with the Director-General and that, so far as practicable, such purchases shall be carried out through appropriate United Nations agencies.

(9) The Director-General is required to submit an annual administrative budget, to be allocated, upon approval, to the member Governments in proportions determined by the Council.

(10) The Agreement finally stipulates (in Article VII) that while hostilities or other military necessities exist in any area the Administration and its Director-General shall not undertake activities therein without the consent of the Military Command of that area and unless subject to such control as the Command may find necessary.

These, in brief, were the main provisions of the Agreement signed by the representatives of the following forty-four Nations at the White House on the morning of 9th November, 1943, Mr. G. S. Cox, Charge d'Affaires *ad interim*, acting on behalf of New Zealand:—

Australia, Belgium, Bolivia, Brazil, Canada, Chile, China, Colombia, Costa Rica, Cuba, Czechoslovakia, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, French Committee for National Liberation, Greece, Guatemala, Haiti, Honduras, Iceland, India, Iran, Iraq, Liberia, Luxembourg, Mexico, Netherlands, New Zealand, Nicaragua, Norway, Panama, Paraguay, Peru, Philippine Commonwealth, Poland, Union of South Africa, Union of Soviet Socialist Republics, United Kingdom, United States of America, Uruguay, Venezuela, and Yugoslavia.

On the day following the White House ceremony, delegates and their staffs departed for Atlantic City where the first plenary session of the Council was convened under the chairmanship of Mr. Dean G. Acheson, member of the Council for the United States, at the Hotel Claridge on the afternoon of 10th November, 1943. In response to the Secretary of State's request, the New Zealand Government had nominated the Honourable Walter Nash as representative of the Council for New Zealand, with Mr. G. S. Cox, Dr. R. M. Campbell, Professor A. G. B. Fisher, and Mr. B. R. Turner as alternates and assistants. Owing to circumstances which demanded Mr. Nash's presence in New Zealand, he was unable to attend the Atlantic City meeting, and Mr. Cox, the Charge d'Affaires, acted in his stead.

The early sessions of the Council were devoted largely to matters of formal procedure, including the setting-up of nominating, credentials, and agenda Committees, and the adoption of temporary rules. The first important action taken was the election of Herbert H. Lehman, as Director-General of UNRRA. By virtue of his high reputation as a forceful and capable administrator and by virtue, too, of the experience he had gained and the first-hand knowledge he had acquired of relief and rehabilitation problems during his tenure of office as Director of United States Foreign Relief and Rehabilitation Operations, Governor Lehman's appointment met with unanimous support. In accepting his appointment, Governor Lehman made clear his conception of the task entrusted to him. "In approaching the task which lies ahead," he said, "one cardinal principle above all else should motivate our actions and govern our policies. That is the principle of helping people to help themselves. That principle must always be the guiding light of UNRRA."

Two further principles to which he gave considerable stress deserve attention. First, the necessity of making UNRRA "a single-minded effort in which every Nation does its full part willingly and without reservation" if only because "the fate of all United Nations' efforts to secure a world of security and lasting peace may well be largely influenced by the success of this, their first joint effort in relief and rehabilitation." Secondly, that "in aiding the Governments and peoples of the liberated territories, it should be the policy of this Administration to interfere as little as possible with the responsibility and authority of the recognized government of those areas. The purpose of UNRRA is not to substitute international controls for national controls."

To expedite consideration of its lengthy agenda, the Council as soon as preliminary formalities were completed, divided up into four main Committees and fifteen sub-committees, corresponding to main agenda topics. These Committees and the topics allotted to them were as follows:—

Committee I: Organization and Administration.—This Committee and its four sub-committees considered the following items: The composition and functions of the regional Committees for Europe and the Far East, together with the Standing Technical Committees on Agriculture, Displaced Persons, Health, Industrial Rehabilitation and Welfare; rules and procedures of the Council and its Standing Committees; personnel policies and administrative budget.

Committee II on General Policy and its three sub-committees dealt with the broad policies of the Administration, its relations with Governments and with other inter-governmental agencies such as the International Labour Organization, the inter-governmental Committee on Refugees and the United Nations Interim Commission on Food and Agriculture.

Committee III on Supply and Finance had a sub-committee studying the financial and supply plan for the Administration and a sub-committee examining the procedures for ascertaining and meeting deficits in supplies that had to be imported. It was also charged with setting up the Standing Committees on Supply and Financial Control and with defining their functions.

Committee IV on Relief and Rehabilitation Policies was divided into six sub-committees engaged in discussing technical aspects of relief distribution; health and medical care; welfare services and voluntary relief agencies; assistance to displaced persons; agricultural rehabilitation; and rehabilitation of industries, transport, and essential services.

Altogether, there were more than one hundred and fifty meetings of the main Committees, sub-committees, and drafting groups, some of which had almost daily sessions. The results of these deliberations are summarized in the Committee reports, and the policy resolutions which the Council adopted in the final stages of the Atlantic City session. The following are brief comments on certain of the more important issues that arose, having regard particularly to New Zealand's special interests and responsibilities.

The problem dealt with at Atlantic City fell into five main groups:—

- (1) In the first place, the Council had to decide what was to be the scope of UNRRA's activities. In particular, this turned on the interpretation of the second capital "R" in the Administration's abbreviated title. How far in relation to Europe and to Asia was rehabilitation to be considered as implying relatively long-term measures of general post-war economic reorganization of Europe and Asia? Was it to be strictly interpreted in terms of temporary aid in the restoration and resumption, as quickly as possible, of essential industries and services?
- (2) The second problem was that of procurement. How was UNRRA to procure the supplies of food, clothing, machinery, tools, and other things which would be needed for the terribly urgent task that lay ahead? This problem, it speedily became apparent, resolved itself into the issue of whether or not UNRRA was to act through the existing Combined Boards (on food, raw materials, shipping, production, and resources), whether it should urge the adaptation in any essential respect of this Combined Board machinery, or whether it should endeavour to act independently?
- (3) The third problem, discussed concurrently with discussions of the scope of UNRRA and its method of securing supplies, was that of distribution. Here the core of the problem was whether UNRRA should itself distribute relief supplies in the liberated areas, or whether this should be undertaken exclusively by the national Governments or other responsible authorities in such areas.
- (4) The fourth problem was perhaps even more important. It was the problem of finance. Where was the money for UNRRA to come from? Which countries should be asked to contribute, and in what proportions? Should contributions be in money or in kind?
- (5) The fifth problem was that of the organization of the Administration and its Standing Committees. What staff should the Director-General have? At what salaries and under what conditions should they be employed? What advisory and technical Committees were necessary, and how should their functions be defined?

On all these matters, though in varying degrees, provisional decisions had already been made by the most important interested countries. The Council debates were, however, real debates, and though the margin within which independent decisions could be made was somewhat narrow, the Council did more than merely register decisions arrived at beforehand.

THE SCOPE OF UNRRA'S ACTIVITIES

It became rapidly clear at Atlantic City that it would not be possible for UNRRA to assume responsibility for any long-range, post-war economic reconstruction. Throughout the Council's deliberations, in fact, no serious disagreement was expressed with the view that UNRRA's activities should be strictly limited to relief and rehabilitation measures, with the major emphasis upon relief. Thus the supplies which the Administration is to make available have been defined in a Resolution of the Council as:—

- (1) Essential consumer goods for immediate needs such as food, fuel, clothing, shelter, and medical supplies;
- (2) Supplies and materials such as seeds, fertilizers, raw materials, fishing equipment, machinery, and spare parts.

With regard to this second category, the general consensus of opinion was that rehabilitation supplies might be defined generally as articles which will permit a recipient country to solve its own relief problems more efficiently and more rapidly than would be the case if such supplies had to be met by the shipping of actual consumption goods into that country. In addition to material supplies, it was agreed that UNRRA should furnish essential services—for example, medical aid and assistance in the repatriation of displaced persons; the rehabilitation of public utilities in so far as these can be restored for immediate needs, and assistance in procuring equipment for schools and universities. The difficulty of drawing any hard-and-fast line between rehabilitation and reconstruction, particularly in relation to agriculture and industry, was not unappreciated, but there was a strong feeling, not least on the part of those who represented occupied countries, that UNRRA should be conceived and administered as a temporary organization which should not concern itself with any projects other than those directly related to relief as such, or to rehabilitation, interpreted rather narrowly to cover the restoration of the basic elements in national economies. It could assist in the re-equipment of industries and farms, since the need would then be lessened for imported relief supplies; but long-range reconstruction was definitely eliminated from the scope of its agreed activities. Its aim, in short, was held to be that of helping people to help themselves as soon as possible.

A further question that arose in the discussion on the scope of UNRRA's activities was that of defining the areas within which the Administration shall operate. These fall broadly into three types (1) a liberated area in which a Government or recognized national authority does not yet exercise administrative authority; (2) a liberated area in which a Government or recognized national authority exercises administrative authority; and (3) an enemy or ex-enemy area. The inclusion of this third category provoked some varying views. Should relief be confined exclusively to United Nations territories? Might not any allusion to relief for ex-enemies be misunderstood by the oppressed peoples still under the invader? In contrast with these well-understandable queries are the hopes held out, the solemn promises indeed, as in the Atlantic Charter, for equality of treatment "to victor and vanquished alike," an undertaking in line with the promise made on behalf of the United Kingdom Government when Mr. Winston Churchill declared,*

"We can and we will arrange in advance for the speedy entry of food into any part of the enslaved area, when this part has been wholly cleared of German forces, and has genuinely regained its freedom. We shall do our best to encourage the building-up of reserves of food all over the world, so that there will always be held up before the eyes of the peoples of Europe including - I say it deliberately - the German and Austrian peoples, the certainty that the shattering of the Nazi power will bring to them all immediate food, freedom, and peace."

Further, is it not the part of wisdom to recognize that medical and other relief in ex-enemy territories may be imperative to prevent and check epidemics that would assuredly pay no respect to national frontiers? It was in line with these considerations that the Council rejected one suggested form of words that would have prohibited UNRRA's operating in ex-enemy territories except to the extent that its operations would be in the interests of the United Nations. It was, however, agreed that UNRRA should operate in ex-enemy territories "only from such a time and for such purposes as may be agreed upon between the military command . . . and the Administration . . . and subject to such control as the military command . . . may find necessary"; with the added provisos that "the Council approve the scale and nature of the operations it is proposed to undertake and the standard of provision, and that all expenses connected with such possible operations in an enemy or ex-enemy area should be carried by the enemy or ex-enemy country concerned." The words as quoted leave it unstated whether "should be carried" means that payment is an imperative pre-condition of relief or simply an expression of hope. The discussions, however, clearly favoured this latter interpretation; it was sensibly recognized, even by those who favoured perhaps harsher words than were agreed, that in fact UNRRA should function if necessary in ex-enemy territory without being first concerned with expenses. The proceedings were thus in no way inconsistent with the belief that the United Nations are "wise enough to understand that they must extend their healing mercies to the peoples of the vanquished States not less than to those of the victors."† No conflict, in short, is to be reported between the promises of the Atlantic Charter and the decisions taken at Atlantic City.

As to the relevance of UNRRA to the tragic famine raging in India at the time of the Atlantic City Conference, two views were possible: One that it might be regarded as competent for UNRRA to assist there by virtue of Article I (2) (a), which states that the functions of the Administration shall be to provide "for the relief of victims of war in any area under the control of any of the United Nations" (and the wartime loss of Burma's rice crop, also the influx of refugees, have admittedly intensified the famine). An alternative interpretation, following the words in the preamble, might be that the agreement applies only to areas liberated "by the armed forces of the United Nations." Between these views the Council did not decide, and, indeed, the issue was not brought directly before it by the delegation concerned.

PROCUREMENT OF SUPPLIES

The relationship of UNRRA to existing Combined Board machinery with respect to the procurement and allocation of relief supplies gave rise to what was probably the most important issue discussed as well as the issue on which opinions were perhaps most divided at Atlantic City. Since these Boards were already exercising effective control over the bulk of essential war supplies available to the United Nations, including food, raw materials, production facilities and resources, and shipping services, the question immediately arose as to whether the same procedure should not apply in the case of supplies and services required by UNRRA. It was clear that any attempt on the part of UNRRA itself, or of the individual Governments represented on its Council to indulge in wildly competitive buying, particularly in the immediate post-war period of acute scarcity, would almost certainly lead to serious confusion and dislocation. It would result, too, in a most inequitable distribution of the limited supplies likely to be available as between "rich" and "poor" countries. The necessity was readily accepted of ensuring that purchase for relief purposes, either during or after the war, are properly co-ordinated and supplies fairly distributed. The question at issue was how and by whom should this function be exercised. At first considerable concern was shown, in view of the restricted membership of the Combined Boards, in the suggestion that final responsibility should rest with these allocating agencies. On the other hand, it was agreed from the outset that the activities of UNRRA should be "so conducted that they do not impede the effective prosecution of the war" and that they should be carried out in the fullest collaboration with the military authorities in any given area. It was obvious, moreover, that UNRRA would have to secure the bulk of its supplies from areas under the direct or indirect control (from a procurement point of

* House of Commons, Official Report, 20th August, 1940, Vol. 364, col. 1162. † "When Hostilities Cease" (Chapter by H. J. Laski), p. 31.

view) of the United Kingdom, United States, or Dominion Governments. Clearly, too, the Combined Board machinery and procedure constitutes an essential control for the "effective prosecution of the war." There was, therefore, no feasible alternative to granting these organizations the same powers and authority with respect to supplies for relief purposes as they already have with respect to supplies for war purposes. This arrangement has the great advantage of maintaining centralized control through the period of scarcity ahead and of avoiding the possibility of UNRRA, or of individual countries, intensifying present shortages by building up reserve stocks against a future which might be an indefinite time in arriving.

There remained, however, the problem as to whether any nation not represented on the Boards should be permitted to have direct access to them? This issue was naturally pressed with some vigour by those smaller nations of Europe (and by France), which, in spite of Axis occupation, may be classed as supplying nations by virtue of their shipping or colonial resources, or which, by virtue of their gold and foreign exchange holdings, are in a position to pay in full for any relief supplies they may acquire. This, however, would have left other countries such as Poland, Greece, and Yugoslavia, who lack the means of paying for the supplies and assistance of which they are in desperate need, at a grave disadvantage.

Some compromise, therefore, had to be reached. It was finally decided that countries could go to the Combined Boards direct, but that "it will be an essential part of the functions of the Administration to secure a fair distribution of goods which are in short supply and of shipping services to and among the various areas liberated or to be liberated. For this purpose the Administration must have full knowledge of all the relief and rehabilitation import requirements of such areas, whatever arrangements may be contemplated for procurement or finance. Therefore, member Governments shall keep the Administration fully informed of their requirements and programmes of intended purchases. The Director-General may present to the inter-governmental allocating agencies such recommendations or objections as he may deem necessary to obtain a fair distribution to and among both liberated and to be liberated areas." In addition, the Director-General was required to present before the allocating agencies—the Combined Boards in most cases—"the over-all requirements for relief and rehabilitation of all areas liberated and to be liberated in order to permit global consideration of these needs with other needs." It was also agreed that he may present the particular requirements of any country for which the assistance of the Administration is requested.

Thus the Combined Boards will retain the final decision, at least as long as any military supply problem is involved either in Europe or the Far East, but there is an understanding that the Director-General of UNRRA, while not possessing any formal "veto" power over the allocation of relief and rehabilitation supplies, will, nevertheless, "be fully consulted by the inter-governmental allocating agencies when any matter touching the interests of the Administration is under discussion."

One further decision of some importance, in connection with procurement policy, was the decision that the Director-General should make use, wherever possible, of established national agencies concerned with procurement, handling, storage, and transport of supplies; member Governments, on their part, agreeing to put the services of such agencies at UNRRA's disposal.

Overshadowing this whole question of procurement, of course, hangs the fundamental problem of the production and availability of supplies required for relief. Of what use, it is constantly asked, are elaborate schemes of relief unless supplies are in sight? And with some understandable impatience those who represent the occupied countries are apt to say: "Better supplies without estimates than estimates without supplies." For countries such as New Zealand the question means just this: What can we do by vigorously increasing production, and more vigorously than so far, limiting consumption to the end that we will help to make available the foodstuffs that will be so urgently wanted to lessen death and disease?

DISTRIBUTION POLICIES

General policies governing the distribution of relief supplies, it was decided, should be based on the principles laid down for defining the scope of UNRRA's activities—namely, that countries, so far as possible, would be helped to help themselves. It was therefore agreed that, in general, the responsibility for distribution of relief and rehabilitation supplies in a given area should be undertaken by the Government or recognized national authority exercising administrative authority in that area. This decision to give recipient Governments, wherever feasible, full charge of distribution arrangements in their respective countries was based partly on a desire to restrict national sovereignty as little as possible, and partly in a desire to avoid the waste and confusion that would result in the organization by UNRRA of its own distribution machinery in areas where an effective administration was already functioning.

On the other hand, it was recognized and agreed that where this condition cannot be met—where, for example, normal distribution organizations have completely broken down, or where there is no one Government in control but a number of competing authorities, each struggling for power—it might be necessary for UNRRA itself to handle distribution. In such cases UNRRA is required to make the fullest possible use of local authorities and local organizations. Any Government, too, is at liberty to invite UNRRA to assist it in the distribution of supplies and the organization of relief services within its territory.

No definite provision was made for on-the-spot observation by UNRRA officials, but the Council recommended that the Director-General "should be kept fully informed concerning the distribution of relief and rehabilitation supplies within any recipient areas, and under all circumstances there should be the fullest working co-operation between the

Government or recognized national authorities concerned and the Administration for this purpose." The question as to whether distribution should be through private or public channels was similarly left open; the Council recommending, however, "that use should be made of normal agencies of distribution (governmental, commercial, co-operative) to the particular ends of combating inflation and restoring normal economic activity." Specific safeguards were suggested, including measures designed to prevent profiteering and black markets, provisions to assure free distribution to people unable to pay, and the continuation of price controls and rationing.

A basic principle, on which great stress was laid, not only in relation to distribution policies, but also to every other phase of UNRRA's activities, was "that at no time shall relief and rehabilitation supplies be used as a political weapon; and no discrimination shall be made in the distribution of relief supplies because of race, creed, or political belief." Relief, in all its aspects, it was decided, where furnished in whole or in part from UNRRA resources, was to be distributed or dispensed fairly on the basis of the relative needs of the population in any area. An element of flexibility was introduced, however, by the recommendation "that in determining the relative needs of the population, there may be taken into account the diverse needs caused by discriminatory treatment by the enemy during its occupation of the area." This provision makes it possible for UNRRA to grant priorities in connection with relief supplies and the repatriation of Allied nationals displaced from their homes, in the case of those countries or peoples who have been specially discriminated against by the enemy, or who have suffered special hardship as a result of hostilities or enemy occupation.

FINANCE

The extent of the financial burden which UNRRA will be required to assume and the means whereby the necessary funds are to be secured was one of the most urgent, practical problems with which the Council had to deal. A number of countries (Norway, France, and the Netherlands) are in a position to pay for the relief they get; others, whose need is no less great and in some cases greater (Poland, Greece, and Yugoslavia), are not in this position. In addition to the actual cost of goods and materials purchased through UNRRA for relief purposes, there will be the expenses of the Administration itself, including the administration of international health and medical arrangements and the repatriation of displaced persons. To meet these problems the Council adopted a detailed financial plan, first submitted by the United States representatives and approved by all Council members after considerable modification and discussion.

The plan asserts that the contribution of each member Government towards the cost of UNRRA is to be "determined by constitutional bodies" as provided for in the Agreement. The central feature of the plan, however, is a recommendation that each member Government whose home territory has not been occupied by the enemy should make available to UNRRA a sum approximately equal to 1 per cent. of its national income for the year ending 30th June, 1943. It is estimated that between \$2,000,000,000 and \$2,500,000,000 will be raised. Towards this sum major contributions under the 1 per cent. arrangements are estimated as follows: The United States, \$1,350,000,000; the United Kingdom, \$320,000,000; Canada, \$90,000,000; Australia, \$36,000,000; South Africa, \$12,000,000 and New Zealand, \$8,000,000. It was pointed out by a New Zealand representative during Committee discussion that this flat rate of contribution was open to some objection in that it imposed a relatively greater hardship on poorer than on richer countries. As a result of this and other arguments put forward the scheme was made somewhat more flexible by introducing a provision which permits Governments that are unable to afford the 1 per cent. contribution simply to give in accordance with their ability to pay. The effect of this provision is to make the amount and character of contribution subject to special conditions due to the war or other unusual circumstances—*e.g.*, famine conditions in the case of India.

The plan recommends that "as much as possible, but not less than 10 per cent." of each nation's contribution shall be in foreign exchange, so that it can be spent outside the donor country, and that the balance be in the form of "credit in local currency available for the purchase of the contributing country's supplies and services." Contributions to UNRRA's administrative expenses are to be separately assessed on a percentage basis, with proportionate shares of such total expenses ranging from 40 per cent. in the case of the United States to one-twentieth of one per cent. in the case of the poorer nations. New Zealand's share of the administrative budget (estimated at \$10,000,000 for the first thirteen months to 31st December, 1944), is set down as 0.3 per cent.—*i.e.*, \$30,000. Each Government's share of those expenses, however, may be considered as included in its general contribution. Although countries which have been invaded are not required to contribute in accordance with the 1 per cent. of national income provision, they are expected to pay, along with other member Governments, their proportionate share of the administrative expenses. In addition, it is recommended that those invaded countries who are able to do so should contribute to the work of UNRRA outside their own territories. Other Governments desiring to make additional contributions over and above the 1 per cent. quota are urged to do so, and there is provision for the receipt of contributions from non-member Governments and from non-governmental sources in accordance with rules and regulations to be established by the Director-General. This was designed to permit the participation of such neutral countries as were willing to assist in UNRRA's work.

It was agreed that it should not be UNRRA's policy "to deplete its available resources for the relief and rehabilitation of any area whose Government is in a position to pay with suitable means of foreign exchange." This the "richer" countries of Western Europe—France, Belgium, the Netherlands, and Norway—are expected to pay, in so far as they can

do so, for supplies received—an obligation which their respective spokesmen at Atlantic City readily and willingly accepted. On the other hand, it was also agreed that “when a member Government considers that it is not in a position to pay, the Director-General, in consultation with the member Government involved and on the advice of the appropriate Committee or sub-committee of the Council, shall determine whether the Government or country is not in a position to pay for relief and rehabilitation supplies and services.” The Director-General, finally, is directed to submit to the Council an annual administrative budget, and programme of operations and all financial transactions are to be subject to careful review by a Committee on Financial Control and to an annual audit. It should be pointed out in view of some apparent misunderstanding that the total “turn-over” of UNRRA’s operations may, in effect, greatly exceed the estimated maximum fund of \$2,500,000,000 which will be made available from national contributions, according as the liberated countries find themselves able to pay for goods supplied or to provide relief requirements from their own production.

ORGANIZATION

The success of UNRRA will clearly depend to a very large extent on the efficiency with which it is administered, and particularly on the efficiency with which it goes about the business of securing supplies and either undertakes itself or supervises the distribution of such supplies amongst the needy populations of the liberated countries. The calibre of the Administration’s personnel is, therefore, a matter of first-rate importance.

The Administration, it was agreed, should recruit a staff of highly competent officers and employees who would have the status of truly international civil servants. To attain a staff of this character the Council recommended that recruitment should be upon as wide a geographic basis as possible and that member Governments should “assist the Director-General in securing a properly qualified staff by making available to the Administration such persons in their own Civil service as the Director-General might invite to join the staff of the Administration.” It was further agreed that UNRRA should train some of its own field-workers and that the fullest utilization should be made of the men and women now serving in the Armed Forces of the United Nations. To assist and advise the Director-General the Council made provision at Atlantic City for the establishment of several Standing and Technical Committees, including a Regional Committee for Europe and another for the Far East. New Zealand was made a member of the latter Committee, as well as of the Committee on Supplies, which it is anticipated will prove to be the most important Committee of the Council. Among the functions assigned to the Committee on Supplies are:

- (1) To advise the Council, the Central Committee, and the Director-General on general policies regarding the provision, financing, and transport of supplies;
- (2) To discuss with the Director-General broad programmes for securing the provision of supplies, as such programmes affect the supplying countries;
- (3) To co-operate with established inter-governmental supply and shipping agencies regarding supply policies and, when necessary, to make recommendations to implement the actions of such agencies and to assure the availability of required supplies;
- (4) To co-operate with established inter-governmental and governmental agencies in efforts to increase production and the availability of supplies;
- (5) To co-operate with the Director-General and the inter-governmental supply and shipping agencies concerned, so that as between contributing countries their supplies and services shall be drawn upon in an equitable manner; and that any necessary financial adjustments among them may be arranged;
- (6) To nominate two of its members who with one member of the Committee on Financial Control shall constitute a sub-committee to advise the Director-General regarding recipient countries’ capacity to pay in foreign exchange for relief supplies;
- (7) To consider whether there are unjustifiable differences in the valuation placed by the contributing countries upon the supplies and services purchased by or made available to the Administration, and to make necessary recommendations regarding the adjustment of such valuations.

Technical Advisory Committees on Agriculture, Displaced Persons, Health, Industrial Rehabilitation and Welfare were also set up, the Council recommending that such Committees should be relatively small groups of experts selected solely for their special competence and familiarity with the questions with which they are to deal. A Standing Committee on Financial Control was also created with wide powers to advise the Council on all financial matters within the competency of the Administration.

Numerous recommendations were drafted with respect to such problems as the repatriation of displaced persons, medical, health, and welfare services, agricultural and industrial rehabilitation; relations with voluntary relief agencies; and other inter-governmental organizations.

Among other points of importance which arose at the Conference was the question of the scale on which relief should be provided. It was realized that any attempt to lay down uniform standards equally applicable to the Far East and to the different countries of Europe would lead to endless difficulties. The scales adopted by the Leith-Ross Committee, however, were accepted as a most valuable guide. The Leith-Ross Committee had worked on the basis that relief should aim at supplying the pre-war standard of food, clothing, and other necessities of life or the British ration whichever was the lower.

It was agreed by all delegates at Atlantic City that the Conference made a useful beginning, but only a beginning of what will prove a very big job. It laid down the main lines of organization and policy, appointed the Director-General, and then adjourned to enable problems to be dealt with as they arose. One of the first problems which arises, of course, is that of securing an over-all statement of the likely relief needs of the peoples of Europe and Asia. Only when such a statement is in existence, however rough and ready it may be, can the work of allocating supplies for relief be carried out with any consistency or realism. This task, the Director-General, it is understood, is putting under way at once. The report of the Inter-Allied Committee on Post-War Requirements will prove of considerable assistance.* The signatories of the report have not claimed complete accuracy for it, but it at least provides a valuable foundation for further work. There still remain, however, two great gaps, due to the lack of information as to the requirements of Russia and of the Far East.

The second problem to come up for early consideration is the relation of UNRRA with the military. A clear understanding as to the point at which the military wish UNRRA to take over responsibility for the distribution of relief supplies will obviously be essential. This will also have a bearing on the question of supplies, for, unless respective responsibilities are clearly defined, there is a danger that both UNRRA and the military authorities may duplicate stocks to cover the same period.

CONCLUSION

One fact which was apparent at the Conference was that, despite the concerted international action which was taken, national feeling is still a potent and vigorous factor in the world, and it is important to note that all the decisions taken were specifically stated to be subject to the official consent of the Governments concerned. The national feelings of countries to-day under the enemy heel and in the territories in which UNRRA would operate found clear expression in the determination of the Governments to see that relief work is carried out through them or through their agents rather than through UNRRA machinery.

The attitude of the Union of Soviet Socialist Republics, was, of course, of interest following, as this Conference did, on the discussions between Mr. Molotov, Mr. Hull, and Mr. Eden at Moscow, and coinciding as it did with the meeting of Mr. Churchill, President Roosevelt, and Marshal Stalin at Teheran. The Russian delegation showed clear evidence of a desire to co-operate fully in the work of the Conference. They displayed at the same time a persistence in standing up for the points they thought essential, an attitude which could be regarded as a reflection of their realization of the new strength and international importance of their land.

The United States, also a newcomer to this "League of Nations" atmosphere, proved excellent hosts and organizers, as well as very energetic members of the Conference. The chairmanship of Mr. Dean Acheson was a model of efficiency and tact.

If one thing emerged very clearly from the discussions at Atlantic City, as well as from those which preceded it, it was that the post-war tasks of relief and rehabilitation, to say nothing of the longer term problems of reconstruction facing the world will be of such magnitude that no nation is strong enough or rich enough to tackle them alone. Atlantic City served also to bring out still more forcefully the hard fact, already heavily underscored at the Hot Springs Conference, that the world after this war will be, for a number of years at least, a world of scarcity. In it the most careful husbanding of resources and allocation of surpluses will need to be continued if the peoples of devastated countries are to be lifted quickly to anything even approximating peacetime standards of food, clothing, shelter, and basic needs inadequate as these were in many cases.

Most delegates felt that the necessary foodstuffs and other supplies for UNRRA will be forthcoming only if there is greater production in the free countries, speedier and increased production in devastated countries once they are liberated, and almost certainly some degree of continuance and even intensification of controls and rationing in the present supplying countries.

At Atlantic City attention was naturally focused on the sufferings and needs of the peoples of the occupied countries. No delegate from New Zealand could fail, however, to feel that the main responsibility for making the United Nations Relief and Rehabilitation Administration work rests on the shoulders of the supplying countries. For on the quantity of supplies which we can make available depends, more than any other factor, the health and indeed survival of millions of people, and the speed with which prosperity and peace can be established in the world.

G. S. COX.
R. M. CAMPBELL.
A. G. B. FISHER.
B. R. TURNER.

*The Inter-Allied Committee on Post-war Requirements was constituted under a resolution adopted by the Allied Governments at an Inter-Allied Meeting held in London in September, 1941, with a view to implementing a "common aim to secure that supplies of food, raw materials, and articles of prime necessity should be made available for the post-war needs of the countries liberated from Nazi oppression." It is now replaced by the Committee of the UNRRA Council for Europe. (Paragraph 5 of Article III of the UNRRA Agreement.)

1944

NEW ZEALAND

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

REPORT BY THE NEW ZEALAND DELEGATION ON THE **SECOND SESSION** OF THE COUNCIL OF THE UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION, MONTREAL, 16th TO 26th SEPTEMBER, 1944

Laid on the Table of both Houses of the General Assembly by Leave

The Right Hon. the MINISTER OF EXTERNAL AFFAIRS,
Wellington, New Zealand

SIR,—

I submit the following report of the New Zealand Delegation on the Second Session of the Council of UNRRA, which met at the Windsor Hotel, Montreal, from 16th to 26th September, 1944. The session was originally to have taken place in June, but at that time circumstances associated with the impending European invasion rendered a postponement necessary.

The meeting was notable as the first official international conference to be held in Canada, the selection of this locality being, no doubt in part, in recognition of the very important and active part played by Canada in the work of UNRRA as a principal supplying country. Mr. L. B. Pearson, the Canadian Minister in Washington, who has also been Chairman of the Committee on Supplies, was an efficient and popular Chairman.

Mr. C. A. Berendsen, the New Zealand member of the Council of UNRRA, headed the New Zealand delegation. The other members originally nominated were Hon. D. Wilson, the New Zealand High Commissioner in Ottawa, Dr. A. G. B. Fisher and Mr. B. R. Turner, but as Mr. Wilson had not at the time of the meeting returned to Canada, his place was taken by Mr. R. M. Firth.

All of the forty-four signatories of the original UNRRA Agreement of 9th November, 1943, were again represented at the Montreal session of the Council, which was, in addition, again attended by observers from the Danish Legation in Washington, the Economic and Health Sections of the League of Nations, the International Labour Office, the United Nations Interim Commission on Food and Agriculture, and the Inter-governmental Committee on Refugees. Except to a limited extent, the Montreal session was not required to deal with many important questions of principle, most of which had been settled at Atlantic City in 1943; its main purpose was, where necessary, to clarify these principles, and to ensure that the Administration was adequately equipped to perform its duties. Most of the delegations were smaller than those attending the 1943 meeting, though the three countries which have been most actively concerned with the detailed work of UNRRA—the United States, the United Kingdom, and Canada—and also the Union of Socialist Soviet Republics, brought together on this occasion a larger number of technical experts.

The agenda circulated before the meeting of the Council included eleven items, to which seven others were subsequently added. Consideration of the Director-General's Administrative Budget was remitted to the Committee on Financial Control, and items relating to the care and repatriation of displaced persons to the Standing Technical Committee on Displaced Persons. Some of the other Standing Technical Committees also held meetings during this session of the Council, but most of the active consideration of the agenda was undertaken by two Ad Hoc committees—established by the Council—the Committee on Policy and the Committee on Procedure, on both of which, as well as on the General

Committee, New Zealand was represented. Practically all questions of fundamental interest fell to be considered by the Committee on Policy before being finally disposed of in plenary sessions of the Council. Lengthy statements were submitted to a plenary session by representatives of the Combined Chiefs of Staff, the Combined Production and Resources Board, the Combined Raw Materials Board, and the Combined Food Board.

In the report of the New Zealand delegation to the first meeting of the Council the problems of UNRRA were discussed under five main headings. A similar classification will be convenient for commenting upon the business of the second session.

(i) THE SCOPE OF UNRRA'S ACTIVITIES

It has never been seriously questioned that the two R's in UNRRA were intended to be given a rather narrow interpretation; this view was reinforced at Montreal by the acceptance by the Council as "consistent with the provisions of the Agreement and Resolutions on Policy of the Council" of the reservation of the United States Congress which affirmed, *inter alia*, that "rehabilitation means and is confined only to such activities as are necessary to relief." In estimating the practical significance of this limitation, it should, however, be borne in mind that military exigencies will demand in certain areas the reconstruction of transport and of some industrial equipment which will, before UNRRA is asked to undertake any responsibilities on its own account, go a good deal beyond the scope of "rehabilitation" thus narrowly defined.

But UNRRA is also conscious of the fact that relief by itself will not be enough, and, on the initiative of the Czech member of the Council, a resolution was adopted drawing the attention of member Governments "to the importance and urgency of the need to provide means whereby the problems of continued rehabilitation may be jointly considered and, through the co-operation of the nations, successfully resolved." In the discussion of this resolution, moreover, the Canadian representative drew attention to the fact that effective measures for general rehabilitation must embrace the whole world.

Several resolutions on the Council's agenda raised points of importance affecting the geographical scope of UNRRA's work. The problem of famine in certain United Nations' territories, which had aroused considerable interest at Atlantic City, had induced both the United States and the Indian Legislatures to register reservations to the UNRRA Agreement, which were met at Montreal by the adoption of a resolution authorizing the Administration to make its benefits available in "any United Nations area under the control of any of the United Nations which is of importance to the military operations of the United Nations and which is stricken by famine or disease." The prior consent of the local Government is necessary in this as in all other cases.

A further resolution defined more precisely the responsibilities of UNRRA for the removal or repatriation of "persons of enemy or ex-enemy nationality who have been intruded into homes in liberated territory."

Steps were also taken to render more precise the responsibilities of UNRRA in relation to the care and repatriation of displaced persons. The Atlantic City resolutions had covered such persons of United Nations nationality who happened at the conclusion of hostilities to be in either liberated or enemy or ex-enemy territories, but had made no provision either for displaced persons of United Nations nationality in territories never occupied by the enemy, or for persons of enemy nationality who were favourable to the cause of the United Nations. At Montreal account was taken of both these categories. The Administration was authorized to assume responsibility for "the care and repatriation or return of displaced persons (of United Nations nationality) who are in territories which have never been occupied by the enemy," but with the limitations that it should "allot its resources mainly in favour of congregated groups of displaced persons rather than in favour of displaced individuals," that it should deal only with "persons who are necessitous and who lack the resources to return to their homes," and that it should operate "only in areas where the resources for their maintenance are inadequate or cannot continue to be made available." The second category was dealt with in two resolutions, one sponsored by the representative of the United States authorizing the Administration similarly to operate in enemy or ex-enemy territories for the care and repatriation of "persons who have been obliged to leave their country or place of origin or former residence or who have been deported therefrom, by action of the enemy because of race, religion, or activities in favour of the United Nations," and the other, sponsored by the representative of the United Kingdom, extending this authorization to persons described in the same terms, "of other than United Nations nationality, or stateless persons, who are found in liberated territory." These resolutions were understood to refer mainly, though not exclusively, to Jews; and though it was widely felt that the provision made for Jewish refugees was still merely a partial solution of a wide and perplexing problem, it was unanimously agreed that UNRRA should not be debarred from attempting some alleviation of their plight.

While no objection was taken on principle to these proposals, there was an understandable anxiety on the part of some of the European members of UNRRA lest even small extensions of its work should hamper its activities in fields which they regarded as more urgent. "It is very easy," said the Netherlands member of the Council, "to extend the work of the Administration, and many a field could be found where useful work could be

accomplished. Let us, however, be discreet and start doing the work which has been assigned to the Administration not only in Europe, but also in the Far East, and let us refrain from any extension of our work." This anxiety was particularly obvious in relation to UNRRA activities in enemy or ex-enemy territories, which, moreover, raised questions of principle upon which there are sharp differences of opinion.

UNRRA had already been authorized to operate in such territories for the prevention or control of epidemics and for the care and repatriation of displaced persons. Both these activities are obviously directly in the interests of the United Nations, however narrowly interpreted, but the Atlantic City resolution which authorized them still required prior approval by the Council of "the scale and nature of the operations it is proposed to undertake and the standard of provision." One Montreal resolution freed the Administration from the obligation to obtain this prior approval. A further resolution, the preamble to which declared that "a substantial portion of Italy is now under the control of the United Nations, and the Italian people are sacrificing life and property side by side with the forces of the United Nations," added an authorization to organize in Italy, also without the necessity of obtaining prior approval by the Council, "(a) the provision of medical and sanitary aid and supplies; (b) assistance in the care and return to their homes of displaced persons; (c) care of, and welfare services for, children and nursing and expectant mothers," with the limitation that the total net expenditure in foreign exchange thus incurred was not to exceed the equivalent of \$50 million without further specific authorization from the Council.

Such a proposal to include ex-enemies among the "victims of war" for whose benefit UNRRA had been created naturally received the most critical attention from the representatives of European Allied Governments, who felt that a too generous extension of UNRRA's activities would, in fact, be mainly at the expense of their own nationals. The resolution was promoted by the United States and United Kingdom Governments, who naturally held the view that the responsibility which in any event is imposed upon them by military operations and occupation should be more widely shared, and, moreover, were concerned with the necessity for avoiding the unfavourable repercussions on the Allied cause, both in Italy and elsewhere, such as might be expected to occur if there were a prolonged period during which conditions in Italy appeared less satisfactory than they had been under German control. In response to a question pressed by the Council member for Norway, the Director-General stated that it was not contemplated that clothing or footwear would be used for the Italian programme until the requests submitted by UNRRA on behalf of the liberated areas had been satisfied, and that in relation to two food items expected to be in short supply, sugar and fats, adjustments would have to be made by the supplying countries to avoid interference with the programmes for other areas. He estimated that the number of supervisory personnel required for work in Italy would not exceed seventy-five. In public statements the representatives of France, Yugoslavia, Greece, and Ethiopia, the countries which might have been expected to be most resentful against Italy, all approved of the proposal in moving terms which elicited high praise from many of their colleagues. Nevertheless, there was clearly considerable uneasiness in their minds, and the ultimate reactions of their Governments are still a little uncertain. They insisted on the addition of a clause which was unanimously adopted, affirming that "the operations in Italy shall not constitute a precedent for operations in other enemy or ex-enemy territory," and at subsequent stages of the proceedings the opportunity was taken to give them still further assurances in regard to the details of operations in Italy itself. In a final statement, for example, the Director-General affirmed categorically that "UNRRA takes no responsibility for food, clothing, or other needs for the remainder of the civilian population," other than children and nursing and expectant mothers. He further recorded his understanding that the resolution did not "involve the use of UNRRA funds to substitute for or to diminish the extent of the supplies that are necessary for the subsistence of the civilian population and which are now and in the future to be maintained." Mr. Richard Law, the United Kingdom member of the Council, reassured his European colleagues in the final Council session by pointing out that "the experience which UNRRA will gain in dealing with this Italian problem will be of immense value when UNRRA comes to deal with much greater and more vital problems."

The problems of UNRRA are closely tied up with the organization of relief in liberated territories during the period of military responsibility. The Canadian Government has already (on 12th June, 1944) recognized its responsibility for ensuring that "Canada will participate in fair proportion with other countries in the work of military relief," which for the time being is undertaken mainly by the United States and the United Kingdom, and it may be anticipated that in due course other Governments will find it necessary to clarify their attitude to this question.

The discussion of UNRRA policy as affecting persons of German nationality who have suffered on account of their race, religion, or activities in favour of the United Nations has already illustrated the difficulties likely to arise from considering relief on a strictly interpreted basis of nationality. The Council was made conscious of other difficulties of a like nature by a Greek proposal, which was adopted, authorizing "the extension of the benefits of the Administration to the inhabitants of the Islands of the Dodecanese," most

of whom, though technically Italian nationals, are of Greek origin. Similar resolutions from the Yugoslav representative on behalf of "the inhabitants of certain areas to the west of the present Italo-Yugoslav frontier," and from the Polish representative on behalf of Polish minorities in Germany, were withdrawn.

(ii) PROCUREMENT OF SUPPLIES

The relationship of UNRRA to the Combined Board machinery with respect to the procurement and allocation of relief supplies, which was probably the issue on which opinions were most divided at Atlantic City, was scarcely raised at all at Montreal. This was no doubt in part due to the fact that the general supply situation was reported as being a good deal more favourable than had been feared. There has indeed been considerable discussion recently in the United States and Canada of the problem of "agricultural surpluses," and while several key commodities, notably fats, sugar, and leather, are still expected to be in very short supply, the general situation is represented as being much improved. There is, however, no reason to believe that those who a year ago strongly favoured a widening of the bases of the Combined Boards have in the meantime modified their views on this subject. Nor is there any justification for any supplying country taking a less serious view of its responsibilities for ensuring that adequate supplies will in fact be available, and, accordingly, relaxing its willingness to maintain suitable restrictions on consumption for some time after the war.

The volume of supplies already formally earmarked as at the disposition of UNRRA is still quite small, but the more important thing is to assure that at the appropriate moment it will be possible without delay to divert from the current stream of output a volume of supplies adequate to meet UNRRA's requirements. In this connection, the stock-piles accumulated for military purposes and in Great Britain as insurance against the risks of interruptions in shipping and of enemy air attack are likely to play an important part.

There have been some fears that UNRRA had been a little slow in placing its requirements before the Combined Boards, interpreting with undue caution the obligation laid upon it to aim at "fair" results in any estimate it might make of over-all requirements, and therefore delaying action until it could feel perfectly certain that the requirements of equity had been fully satisfied, at least on paper. A formal amendment of earlier resolutions was intended to ensure that UNRRA's work was not unduly impeded by scruples of this kind; UNRRA is now in a position to present its estimates without unnecessary delay, and the general picture presented of requirements already formally presented or in preparation was satisfactory.

Membership of the Committee of Supplies was extended to twelve by the addition of India.

(iii) DISTRIBUTION POLICIES

The recommendations of the Committee of the Council for Europe regarding bases for relief requirements were submitted to the Council and approved by it. Except in relation to food, the bases recommended inevitably remain vague and imprecise. For food the standard adopted is 2,650 calories per person per day, but even this is more a target to be aimed at than a standard upon which all the individuals concerned can confidently rely.

The Soviet member of the Council sponsored a resolution for preferential treatment in relief to countries whose populations had suffered to the greatest extent from enemy occupation and who had actively participated in fighting and resisting the enemy. Opinion was again naturally divided about the equity of any principle which would convert UNRRA from a relief organization into an instrument for rewards and punishments, but in any event the practical consideration that the adoption of this resolution would impose upon the Administration an impossible task was overwhelming. A compromise was eventually adopted "that special weight and urgency shall be given to the needs of those countries in which the extent of devastation and of the sufferings of the people in a part or the whole of their respective areas is greater and has resulted from hostilities and occupation by the enemy and active resistance in the struggle against the enemy."

(iv) FINANCE

At the opening of the Montreal session, twenty-eight member States had paid their full quota for administrative expenses for the current year, while Czechoslovakia, Egypt, the U.S.S.R., and Yugoslavia had paid a portion of their quota. During the session, Brazil and Venezuela announced the payment of their quotas, so that contributions now remain to be received for 1944 from Australia, Bolivia, Chile, Colombia, Costa Rica, Ecuador, Iran, Iraq, Paraguay, and Uruguay. Several of these countries have indicated that the constitutional machinery for authorizing payment has already been put in motion; the volume of outstanding contributions is relatively small; the Administration has not been impeded by lack of funds in the expansion of its administrative activities, and it is estimated that \$4 millions will be available to be carried over into 1945.

The progress made in relation to operating expenses has been much less rapid. Formal steps had already been taken before the Montreal meeting to cover the full contributions from the United Kingdom, the United States, and Canada, and partial payments had been made by Iceland, Liberia, and South Africa. So far Uruguay is the only country which has formally raised the question of the excessive burden of a contribution of 1 per cent. of national income, and has proposed to make a contribution equivalent to \$520,000 to cover both administrative and operating expenses. At the final meeting of the Council the representative of Brazil announced the intention of his Government to contribute the equivalent of \$30 millions.

The Administrative Budget proposed for 1945 was subjected to fairly close scrutiny at the Conference by the Committee on Financial Control. It has now been agreed that all personnel services and related costs incurred in relation to Field Missions shall be charged to operating and not to administrative expenses, as originally intended. This decision is justified on accounting and other grounds, but it renders difficult any intelligent comparison between the provisional Budget submitted at Atlantic City, and the Budget now approved for 1945. An additional authorization of \$7.5 millions for administrative expenses has been voted for next year. This, together with the carry-over of \$4 millions, will cover a total budget of \$11.5 millions, which includes, however, a rather generous allowance for what is in effect unpaid members' contributions, the largest of these at the moment being the Soviet Union's balance of \$1,300,000, discussion on which is reported to be now proceeding.

It was at first intended that the 1945 Administrative budget should be met by an allotment on the same percentage basis as was adopted at Atlantic City (for New Zealand, 0.3 per cent. of the total, or for 1945 \$22,500); the Soviet delegation, however, refused to accept this, and insisted that their 15 per cent. should be reduced to 10 per cent. As this intention was announced only at the last minute, there was no time for any general re-survey of the position, and the resolution relating to the Administrative budget and the allocation of administrative expenses now includes an item, "Unallocated—5 per cent.," about whose constitutional propriety some doubts have been expressed. It must, of course, be understood that the formal uniformity of the allocation of administrative expenses for 1945 conceals a very real difference. The Governments of occupied countries will be required to put up additional real money, while other Governments will still be free to count their contribution for administrative expenses in 1945 as part of their over-all contribution, which presumably they would in most cases make in any event.

The question of the appropriate treatment of the 10 per cent. of the national contributions to operating expenses to be made available in convertible currencies is still only partially answered. For some of the countries which have already made their operating contribution, whether in whole or in part, it presents no difficulty, as adequate supplies of dollars or gold are easily available to them. For Great Britain, however, it presents a very great difficulty, and it seems that it is not contemplated that the full amount due under this heading would necessarily be made available in dollars, expenditure within the sterling area in countries other than the United Kingdom and the British colonies being regarded by Great Britain as an adequate partial discharge of this part of her responsibilities. New Zealand is obviously directly concerned with the solution of this question, which however, will probably be gradually resolved as the full picture is filled in of the areas from which supplies can most conveniently be drawn by UNRRA. The possibility remains, however, that it may later be found that some of the supplies most conveniently situated to meet UNRRA's requirements cannot easily be made available by supplying countries on account of the difficulties which payment for them would create in their balance of payments.

The Atlantic City resolutions had left in some obscurity the extent to which operations in ex-enemy territories were contingent upon the assumption by ex-enemy countries of a liability to pay. The resolution dealing with these operations laid it down that "all expenses connected with such possible operations . . . should be carried by the enemy or ex-enemy country concerned," the optional "should" contrasting rather sharply with the more peremptory "shall" which appeared in other resolutions, and, indeed, being interpreted in the course of discussion as indicating no more than an expression of hope. The whole matter was carried a little further at Montreal. In relation both to epidemic control and the care of displaced persons in ex-enemy territories, to the additional activities contemplated in Italy, and to the care of persons of other than United Nations nationality, a distinction was drawn between expenditure in local currency and expenditure chargeable against the general resources of UNRRA. Arrangements are to be made with the military command or other appropriate authority for the provision of any local currency, a reasonable provision if it can be assumed that the local currency situation is kept under proper control, while in relation to other charges the Director-General is directed to consult from time to time with the sub-committee already provided for to consider whether member Governments are in a position to pay for UNRRA supplies and services. The enemy countries are thus placed substantially in the same position in relation to payment as the beneficiary members of UNRRA. On the other hand, it is formally affirmed that all expenses connected with the removal or repatriation of "intruded persons" "shall be paid by or ultimately recovered from the enemy or ex-enemy country concerned."

So far, Greece is the only country which has made formal application to be recognized as a country unable to pay for UNRRA supplies. Its application has been admitted, with a request to submit further information at the end of six months, which will make it possible then to review the situation.

There has also been considerable discussion by the Committee on Financial Control, initiated mainly by the representative of South Africa, of the problem of audit. The United States member was anxious to entrust this function to a commercial firm, while the Soviet representative preferred a sub-committee of members of the Committee on Financial Control. A compromise was effected by a rather clumsy combination of the two ideas, involving the appointment both of a commercial firm, Messrs. Deloitte, Plender, Griffiths, and Co., and of an Audit Sub-committee of "persons of special technical competence." The South African representative objected to this as involving a duplication of work and as unnecessarily costly, but mainly as failing to make adequate provision for audit in the wide sense appropriate to a governmental agency, including an independent examination of the operations of UNRRA in the light of the resolutions which set out its policy in detail. The original proposal was carried without substantial amendment, but the matter is likely to be raised again later.

(v) ORGANIZATION

No significant changes were made at Montreal in the formal structure of UNRRA. A proposal authorizing the Central Committee to admit new members between sessions of the Council was not approved, but in view of the fact that action in Denmark might become urgent it was agreed, with strong support from Norway, to authorize her admission "if after the liberation of Denmark an appropriate Danish Government or Authority makes application for membership." The constitutional requirement of a second Council meeting during 1944 has been waived, unless some unexpected emergency should arise, and there is an informal suggestion that the next session should be held in the spring of 1945 in Europe, possibly in Paris.

The Director-General announced to the Council his intention shortly to establish branch offices in Chungking and Sydney. Otherwise, there was no formal examination at Montreal of the problems of UNRRA organization in relation to the Far East, though there was much informal discussion arising from a suggestion to transfer the Committee on the Far East to Sydney. Up to the time of the Montreal meeting it has been difficult, in the absence of detailed statements of requirements, to carry very far the work of the Committee on the Far East. With the submission since the Montreal meeting of the Chinese statement of requirements, it should now be easier to get the work of preparation for the Far East into better shape. Several delegates (including the New Zealand member of the Council) emphasized at one stage or another the importance of the Far Eastern sector of UNRRA's work, and the Chinese representative submitted an amendment (subsequently withdrawn) to one resolution which indicated clearly that the question of the relation between European and Far Eastern requirements was very much in the mind of his Government.

Some weaknesses are inevitable in the personnel recruited under the peculiar conditions of UNRRA to perform tasks for which precedents are almost entirely lacking. There was a strong and widespread feeling, however, that for the tasks immediately ahead the staff of UNRRA should be allowed the greatest possible degree of freedom to undertake the improvisation and adaptation to new and unexpected circumstances which would inevitably be necessary. Mr. Dean Acheson, the United States member of the Council, urged the Administration "with vigour and courage and whatever ruthlessness is necessary to review its scheme of organization to see whether it is adapted to action," and as there was evidence that this appeal was already being met there was little disposition to press strongly criticisms which had previously been privately expressed. It was, moreover, frequently emphasized that the provision of competent personnel was largely a responsibility of Governments themselves, who can easily fall into the error of making available for service with UNRRA only third-rate persons or, perhaps, no one at all. The principle enunciated by *The Economist* (15th July, 1944) that "it should be an essential qualification of every official transferred to UNRRA that he cannot strictly be spared from his current work" was perhaps there expressed in a rather extreme form, but it indicated an important point of view from which Governments could properly be criticized. It was noted with satisfaction that the Governments of Canada, the United Kingdom, and the United States had made available the aid of their Civil Service authorities in the selection and recruitment of competent personnel.

Much the same principle suggests itself in relation to doubts sometimes expressed about the effectiveness of that part of the UNRRA organization concerned with Technical Standing Committees. This is a matter which in the last resort must depend on the quality of the individuals nominated to serve on these Committees and the vigour with which they are supported by their respective Governments.

INTERNATIONAL SANITARY CONVENTIONS

Resolution VIII adopted by the Council at its first session made provision for member Governments and recognized authorities to co-operate fully with UNRRA in establishing at the earliest possible date regional and other emergency agreements for the notification of diseases likely to be epidemic, for uniformity in quarantine regulations, and for other measures for the prevention of disease.

The first step taken in furtherance of the terms of this resolution was the appointment by the European Technical Advisory Sub-committee on Health of an Expert Commission on Quarantine, with instructions to draft for the sub-committee's consideration international sanitary agreements of an emergency nature designed to take effect at the earliest possible date and to continue through the immediate post-war period.

The report of this Expert Commission was transmitted in due course through the Committee of the Council for Europe to the Standing Technical Committee on Health for further action. The Commission's initial recommendations in the meantime had been revised in the light of discussions in Washington with representatives of the United States Public Health Service and the Pan American Sanitary Bureau. The recommendations thus arrived at were incorporated in two draft agreements, the substance of which was approved by the Standing Technical Committee on Health at a meeting on 19th June, 1944, the Committee requesting the Director-General of UNRRA to circulate the proposals among member Governments for their views. These two draft agreements provide for many procedures relating to quarantine and epidemic disease control which were actually in effect prior to the war under the terms of the International Sanitary Convention of 1926 and the International Sanitary Convention for Aerial Navigation of 1933, to both of which a substantial majority of the United Nations were adhering.

The Expert Commission's proposals, however, involved certain modifications and revisions of the original conventions which in its judgment were necessary by reason of more recent acquisition of new knowledge in respect to methods of disease control and by reason, too, of the growing volume and increasing speed of air traffic.

Under the original conventions the International Office of Public Health at Paris was made responsible for the receipt of epidemiological information, for its distribution to the principal public health authorities of the participating Governments, and for certain other administrative duties. Since, owing to war conditions, the functions of this Office are temporarily in abeyance the proposed new agreements as recommended by the Expert Commission make provision for the carrying-out of these functions by UNRRA without prejudice to the future status of the International Office of Public Health. The revised agreements are therefore temporary in character and designed to meet the obvious necessity of re-establishing a reliable international epidemiological service at the earliest possible moment, particularly in view of the problems which arise in this field in connection with the movement of displaced persons. Thus, in transmitting the drafts to member Governments for their consideration, the hope was expressed that they would be in a position to sign the agreements at the time of the second session of the Council or shortly thereafter.

As originally recommended by the Expert Commission on Quarantine and considered by the Standing Technical Committee on Health at its meeting in June, 1944, the draft agreements were in the form of amendments to the existing conventions. As circulated to member Governments, however, they took the form of entirely new emergency agreements. Subsequently, certain legal and other difficulties arose as a result of which it was tentatively decided that it would be desirable to revert to the form originally recommended by the Expert Commission—*i.e.*, that the existing conventions should be amended in the manner proposed by the Committee of the Council of UNRRA.

The preliminary drafts of the two conventions (Maritime and Aerial respectively) were considered at Montreal by a drafting sub-committee appointed by the ad hoc Committee on Procedure whose report and accompanying resolution was accepted unanimously by the Council—the Soviet member refraining from voting or participating in the discussion since his Government was not a party to the 1933 (Aerial) Convention.

The resolution adopted approves the preliminary drafts in principle, requests the Director-General to transmit copies to member Governments for their early consideration, requests that such member Governments submit their comments not later than November, 1944, requires copies of such comments to be circulated to all member Governments immediately they are received by UNRRA, and instructs the Health Committee to prepare in the light of such comments final drafts of the conventions at a special meeting to be held as soon as practical but not later than 1st December. Finally, the Director-General is requested to arrange for the conventions to be opened for signature not later than 15th December, 1944, and for them to remain open for signature until 15th January, 1945.

The Director-General is further authorized to undertake the functions set out in the emergency amending conventions for the period for which they are to remain in force, at the end of which time it is hoped that the International Office of Public Health will be able to resume its full responsibilities.

CONCLUSION

It was no secret prior to the Montreal meeting that there was a certain amount of apprehension both inside and outside UNRRA concerning the efficiency of the preparations made for the active work which will now probably have to be begun in the very near future. The Director-General's report, while cautious and correct in tone, nevertheless appeared to convey an impression that he had not in all respects received the active co-operation of Governments without which the efficient functioning of the Administration is impossible, while Mr. Law declared that "UNRRA has fallen back in the public mind and in the

public esteem . . . In one way or another, the work of UNRRA is being clouded with an atmosphere, a kind of fog of unreality." On the part of many of the European Governments there is a strong disposition to regard UNRRA exclusively as a supply agency, and to retain all administrative responsibility for relief in the hands of national officials, so that the original expectations, themselves based perhaps on an unrealistic view of the possibilities, of the range and scope of UNRRA's activities, seemed likely to be disappointed, especially as the interposition of a period, provisionally estimated at six months, of military responsibility, before UNRRA assumes any active functions in any liberated area, inevitably also means a significant contraction of its scale of operations.

A more modest view of what UNRRA could or would in fact do was, in effect, implicitly accepted at Montreal. In Western Europe it is unlikely to do much more than co-ordinate the procurement of supplies—obviously a highly important function—leaving the work of internal administration very largely to national authorities; its plans for early detailed work appear to be most advanced for Greece, Albania, and Yugoslavia, and it has been reported since the Conference that satisfactory relations between UNRRA and the Yugoslav Government have still to be worked out. The position of Poland and Czechoslovakia is at present obscure, and UNRRA appears to have no information about proposed arrangements for areas now or likely to come under the control of U.S.S.R. forces, though an UNRRA mission will shortly be despatched to Moscow.

In regard to the efficiency of the work of UNRRA, as contrasted with its scope, the Council session closed on a much more hopeful note. The point was repeatedly emphasized that the time for paper planning had passed, and that it was essential to allow the Administration a substantial degree of freedom to improvise in the light of changing conditions and new information which in the nature of things could not at present be available. Supply prospects were presented in comparatively optimistic terms, and arrangements for making supplies available to UNRRA were well advanced in relation to many important commodities. The importance of UNRRA as constituting a precedent for effective international collaboration in general was also repeatedly emphasized during the discussions, and it was generally appreciated that failure, or even an inadequate measure of success, on this occasion would mean a setback to international co-operation with repercussions extending far beyond the actual scope of UNRRA's own work.

The Montreal session concluded with renewed emphasis on the dependence of UNRRA upon the continued and active support of its member States. Mr. Dean Acheson laid down three obligations which Governments ought to meet. "The first step is to complete the contributions to UNRRA . . . Perhaps of equal and even more importance than contribution of goods and funds are contributions of men and women," and, thirdly, the consent must be forthcoming from military and administrative authorities, without which UNRRA cannot operate in the territories under their control. As the Director-General pointed out in his concluding remarks, "UNRRA is not a thing of power apart from Governments; it is an agency which Governments themselves have set up to represent them, to do a job which they felt it was necessary to do." And the Chairman of the Council, Mr. L. B. Pearson, insisted at the final meeting on the overwhelming necessity for both Governments and peoples to back UNRRA to the full, "not merely with supplies and facilities and personnel, but with the full moral and political support which it is entitled to receive." UNRRA has now generated a certain independent active power of its own, but it can never operate independently of its member Governments. The constant and active support of all its members is still an urgent necessity, without which full success cannot be achieved.

I have the honour to be, Sir,

Your most obedient servant,

C. A. BERENDSEN.

Washington, D.C.,
10th October, 1944.

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