SUPRANATIONAL DECISION-MAKING:
A MORE EFFECTIVE UNITED NATIONS

by

Jan Tinbergen, Ph.D.

Booklet 29
WAGING PEACE SERIES

NUCLEAR AGE
PEACE FOUNDATION
Peace through Informed Action
WAGING PEACE SERIES

As far as is known, the term “Waging Peace” originated with Warren Wells, late husband of Ethel Wells of Santa Barbara, in a letter to President Eisenhower. It was a long-standing practice of Mr. Wells to keep in close touch with key national figures and give them his views on peace issues as well as other vital matters. This series is dedicated both as a memorial to him and in gratitude to Mrs. Wells for her continued efforts in this cause.

Just as peace is more than the absence of war, waging peace is more than supporting arms reductions. In addition, it embraces positive steps toward genuine harmony. In this series the Foundation publishes and distributes short booklets stressing ideas for attaining peace. Concepts expressed will include views of many authorities, and will not necessarily be those of the Foundation.

Suggestions for topics and your reactions to this issue are welcome. Booklets in this series are available from the Nuclear Age Peace Foundation.

NUCLEAR AGE PEACE FOUNDATION
1187 Coast Village Road, Suite 123
Santa Barbara, CA 93108

Copyright ©1991 Nuclear Age Peace Foundation
Published by the Nuclear Age Peace Foundation
First Printing, November 1991

\[\text{\copyright\ Recycled Paper}\]
INTRODUCTION

In this issue of Waging Peace, Jan Tinbergen calls for a more effective United Nations to respond to four critical problem areas “whose solution is vital to the future of humankind.” After discussing each of the problem areas, Professor Tinbergen proposes needed reforms in the United Nations system which would allow it to solve these problems more effectively. He concludes with a proposal to establish an independent commission to evaluate the reforms he has put forward.

Professor Tinbergen is a distinguished economist who was awarded the first Nobel Prize in Economics. Of even greater importance, he is a wise, compassionate and dedicated advocate of a more just and less dangerous world order. At 88, his vision encompasses the world and its future. The Foundation is proud to have Professor Tinbergen on its Advisory Council.

David Krieger
President
Nuclear Age Peace Foundation

ACKNOWLEDGMENTS

During the preparation of the text of this booklet, I was stimulated and assisted by the President of the Nuclear Age Peace Foundation, Dr. David Krieger. Many helpful suggestions were made by Dr. Robin Ludwig of the United Nations Peace Studies Unit. I also greatly profited by the expertise of my friend, former Ambassador Dr. Johan Kaufmann, who represented the Netherlands at the United Nations in New York and Geneva. In various publications he described and analyzed decision-making in the United Nations. I also profited from discussions with Jan Pronk, MA, Minister for Development Cooperation of the Netherlands, and Dr. Godfried van Bentheim van den Bergh, Mr. Dick Leurdiijk, MA, and other experts. The following presentation of my analysis and proposals was reformulated into readable English by Ellen Carleton and Cynthia Anderson. To each of them I express my sincere thanks.

J.T.

SUPRANATIONAL DECISION-MAKING:
A MORE EFFECTIVE UNITED NATIONS
by Jan Tinbergen, Ph.D.

Great problems in today's world can no longer be solved by decisions of sovereign national states. Interconnections among nations have grown to such an extent that such decisions inevitably affect the welfare of other nations. Economists call this process “external effects.” Too often national decision-making processes fail to consider the welfare of other countries.

This study discusses the four great problems presently facing the world and suggests that the United Nations is the system which, after a revitalization, may best meet the world's needs for decision-making at a global level.

THE FOUR GREAT PROBLEMS

Today the world is faced with four great problems whose solution is vital to the future of humankind:

1. Security Policy: the problem of preventing war, in particular, nuclear war;
2. Environment Policy: the problem of improving and maintaining the quality of the environment in which life, particularly human life, develops;
3. Third World Development Policy: the problem of providing adequate economic assistance to underdeveloped countries;

This essay will treat each of these four problems in turn, and conclude with recommendations for creating a more effective United Nations.

SECURITY POLICY

Throughout history, most politicians have accepted war as a permissible means of settling conflicts. In Hannes Alfvén’s words, only when weapons became “annihilators” did a majority of people become aware of the senselessness of war. Nuclear annihilators introduced the risk that all human beings would be killed, including those who had started the war. The only benefit of nuclear weapons has been that the hawks have joined the doves, and that global security has become a widely accepted aim of international policy.

Avoiding nuclear war is the precondition for all other human activities. After a long period of cold war mentality, the superpowers are engaged in the process of disarmament, as recommended by a variety of scientists and other experts.
Disarmament is, of course, essential to any plan for increasing global security. Considered in isolation, disarmament means a reduction of employment. Greater emphasis must be placed on producing goods and services needed to solve the world’s four great problems. This redirection of production is called conversion, and a policy of disarmament will be accelerated if conversion is increased. The experience of World War II shows that, during the period immediately following the war, conversion operated smoothly.

In discussing issues of global security, it is useful to apply the theory of the optimum level of decision-making. This theory states that the best level of decision-making is the lowest level at which all individuals affected by a given decision are represented. If, for example, a decision must be made which only affects the welfare of the local population, the optimum level of decision-making is at the local level.

It is my belief that decisions that affect the welfare of only one republic of the Soviet Union can and should be made by that republic. Decisions that affect the welfare of other republics should be made at the lowest level where these republics share representation. Similarly, Eastern Europe’s problem is that its welfare has been harmed by an imposed social order. Security assistance as an instrument of peace policy is being discussed as a means of compensating for the damage inflicted by the Yalta conference. The basis for deciding the amount and type of this assistance must be determined; however, it represents an opportunity for the superpowers to make an important contribution toward global security.

Today many countries, especially large ones, don’t accept “interference with internal affairs” because they consider themselves “sovereign” nations. A necessary and crucial step in the creation of a peaceful world is that part of each nation’s sovereignty be surrendered to a higher level of government. In principle, such transfers of national sovereignty are needed for the welfare of other nations to be taken into account.

Up to now, responsibility for the United Nations peacemaking process has been the task of the Security Council, the Secretary General, the International Court of Justice, and several United Nations interim forces, such as the U.N. force in Cyprus or the U.N. interim force in Lebanon. These operations require reform to improve their effectiveness.

For example, the Security Council could operate more effectively if its permanent members, those with nuclear arms (United States, Soviet Union, China, France, United Kingdom) had no veto power. The contribution to peacekeeping made by the International Court of Justice would be more effective if sanctions were imposed on nations refusing to abide by judgments of the Court. This plan would also increase respect for the decisions of the Court.

To achieve global security, it is also necessary for U.N. forces to become a permanent rather than ad hoc institution, comparable with various forms of police in every well organized community. Thus, a new agency, to be called the United Nations Police Force, could be substituted for the ad hoc forces created in the past.

In 1967, the “Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies” promoted international cooperation in the exploration and use of outer space. There is potential for the creation of a U.N. agency that will support a new Law of Outer Space to define and maintain the peaceful uses of space. Ratification of the Law of the Sea will play an equally important role in maintaining global security.

ENVIRONMENTAL POLICY

Pollution in its various forms has considerably diminished the quality of our surroundings. Manufacturing, traffic, and agriculture have introduced many toxic materials and gases, which are killing our forests and polluting our rivers and the atmosphere. Biologists continuously report on the extinction of entire species of animals and plants. Accidents with nuclear energy plants (Chernobyl, Three Mile Island), oil tankers (Alaska, Morocco), and pharmaceutical factories (Bhopal, India; Basle, Switzerland) threaten human life; smog covers cities all over the globe.

An increasing number of people understand the need for an active policy against further pollution. The importance of environmental policies was demonstrated by the extraordinary interest in the biannual meeting of the United Nations Environment Programme (UNEP) in 1989 at which 103 delegates, including 44 government ministers, were present. Donor countries committed themselves to raise the budget from $30 million to $100 million in two years. Binding legislation to protect biological diversity was recommended, and a world climate fund was established.

Experts on environmental problems and solutions emphasize the need for quick action. If necessary measures are delayed, the damage done is accelerated and the costs of the cure rise disproportionately. Here, a fundamental difficulty arises. The reforms of our decision-making structure show an inverse tendency: they become easier if more time is available for their execution. In principle, the best policy is the one in which total costs are held to a minimum. The estimation of the costs thus becomes an important instrument of policy and needs research.

Some environmental measures can be decided by national or even local authorities, such as maintaining satisfactory levels of soil quality. However, other measures must be taken at a supranational and even global level. Keeping an important river clean may be a task for the group of countries through which that river flows. Pollution of the oceans and of the atmosphere can be reduced only by measures at the global level. UNEP is the appropriate agency to design these measures. There must also be instruments to enforce
the execution of environmental measures. UNEP must be given the task of supervising member countries and of applying sanctions if environmental policies of a country do not meet UNEP criteria.

Technological development has also affected the seas and oceans. Although oceans cover three-fourths of the earth's surface, they can no longer be considered large enough to absorb the waste products of industry. At the same time, manganese nodules on the ocean floor may constitute a new source of profitable production. These factors make management of the oceans a necessity, and require that the existing Law of the Sea be replaced.

In 1967 Ambassador Arvid Pardo of Malta addressed the U.N. General Assembly, stressing the peaceful use of the oceans and also the use of their natural resources to benefit all humankind. Pardo argued that the ocean's resources outside the Exclusive Economic Zones (EEZs) around the coastal nations had not so far been claimed by any nation and that these riches could be used to aid underdeveloped nations.

In 1968 a Seabed Committee was appointed, and in 1971 a treaty banning nuclear and other weapons of mass destruction from the ocean seafords was signed. In 1975 the U.N. Conference on the Law of the Sea was established and, after nine years of negotiations, the text of the law was formulated. The law states that ocean management would be organized by joint ventures of an official international enterprise, with private Western enterprises supplying the technology.

Unfortunately, a group of Western firms interested in mining the manganese nodules are attempting to keep their technologies to themselves, thus depriving poor countries of the revenue Pardo intended to be shared by the world community. The Law of the Sea has yet to be ratified.

There is much similarity between the oceans and outer space. Both are universal elements, existing outside national boundaries. As a result of scientific and technological progress, both can yield useful services to the world economy. These similarities constitute a good argument for the establishment of a Law of Outer Space and a U.N. Space Agency. Though the Outer Space Treaty was concluded in 1967, what we need is an institution with the authority to impose an optimum policy, i.e., one that maximizes world welfare.

A positive feature in both the Outer Space Treaty and the Law of the Sea is their adherence to the principle of "common heritage." This principle, proposed by former Ambassador Pardo, is that the oceans and outer space form a "common heritage" which should be used in the interests of the world as a whole and, more particularly, the underdeveloped countries.

THIRD WORLD DEVELOPMENT POLICY

All industrialized nations have a government agency which makes available developmental assistance to developing countries—either directly, or indirectly through U.N. agencies. The most important United Nations agencies are the World Bank Group and the International Monetary Fund. Other agencies include the Food and Agricultural Organization (FAO), International Fund for Agricultural Development (IFAD), United Nations Industrial Development Organization (UNIDO), United Nations Development Program (UNDP), United Nations International Children’s Emergency Fund (UNICEF), and World Health Organization (WHO).

Development cooperation is looked upon skeptically because of doubts about the efficiency of U.N. agencies, and because of the existence of fraud. Partly as a consequence of these problems, the amounts made available are, on average, only 0.35 percent of Gross National Product (GNP). This is half the norm of 0.7 percent recommended by the Pearson Committee in 1969 and the Brandt Commission in 1980 and 1983.

The basis for calculating the 0.7 percent figure is not very clear. Recently I estimated the time needed to equalize incomes of developed and underdeveloped countries. With the present old level (0.35 percent of GNP) 500 years are needed. With 0.7 percent of GNP that time would be reduced to 493 years only. In order to attain a reduction to 460 years, 3 percent of GNP would be needed. So, a level of official development assistance of 2 percent of the GNP would be a very modest step.

As most donor countries have contributed less than half of 0.7 percent to date, institutions which represent the world community—such as the World Bank and International Monetary Fund—could be reformed and strengthened to play an important role by being authorized to determine the contribution of each donor country.

In addition, since international trade is the other source from which underdeveloped countries can finance their development, a reform in the field of international trade seems natural. Reforming and strengthening UNCTAD (United Nations Conference on Trade and Development) and GATT (General Agreement on Trade and Tariffs) may be helpful, as well as the establishment of an International Trade Organization (ITO) with the power to prohibit some forms of international trade policy.

The necessity of more equitable income distribution between developed and underdeveloped countries is understood, but the need is not being met. Data on the development of world income inequality have been published by Summers and by Theil. The most important message from both sources is that from 1950 onward, international income inequality has changed only slightly.

Many reports evaluating the present forms of development assistance are available. They testify that the quality of that assistance can be improved. Many forms of waste are reported, such as machines arriving before a factory is built, or unnecessary losses of food occurring during transportation.
Corruption is also common at many levels of government.

More development aid is not only necessary for the receiving countries, but it is also in the best interests of donor countries. Since no improvement in world income distribution has occurred, prosperous countries are flooded by immigrants from underdeveloped countries. North America is inundated with people from Latin America; Western Europe by Arab and Turkish immigrants; and the rich oil countries by citizens of surrounding Arab nations and Pakistan. Legal and illegal immigrants compete in the labor and housing markets, and especially in Europe, different cultural backgrounds create conflicts which contribute to fear and hatred.

The plight of underdeveloped countries can hardly be discussed today unless the problem of their large debts to foreign governments is addressed. The magnitude of the total external debt is $1 trillion dollars. For all underdeveloped countries, GNP is less than $3 trillion. It seems relevant to compare this figure with the amount of "development assistance backlog," meaning the assistance that would have been available if all donor countries had given 0.7 percent of their GNP. This backlog is almost $0.5 trillion dollars. In other words, the current external debt would have been half as large if the donor countries had held to the norm of 0.7 percent. If the 2 percent norm had been applied, presumably no debt problem would exist.

A clear summary of how the debt problem came about is offered by Professor H. W. Singer. He points out that for quite some time, borrowing by foreign governments and banks was welcomed by the World Bank and the International Monetary Fund as a complement to their lending. Recently, when it appeared that the anticipated effects of such borrowing were not obtained, the debt situation became a debt tragedy, and a subject of concern in the World Council of Churches and other non-governmental organizations. The well-known Mexican economist Victor Urquidi made the imaginative proposal that part of the interest payments could be paid, in local currency, into an account which would finance investment projects approved by the creditor country. This system was applied in the Marshall Plan in Europe after World War II.

It seems reasonable to conclude that lending governments should take responsibility for a large part of the debt burden in underdeveloped countries.

SUSTAINABILITY POLICY

Nearly every human being feels responsible for his or her children and, in turn, for their children's children. Thinking of the future macroeconomically, society feels responsible for future generations. This responsibility results in concern for conservation of the environment and its resources, such as energy, metal ores, and agricultural potential.

The necessity of sustainability, pointed out by the Brundtland Report,

Our Common Future, is understood by the experts, but has had little effect on today's policies. Sustainability means that the current generation should use a limited portion of exhaustible natural resources, ensuring their availability to future generations.

Knowing that the quantity of natural resources is finite, is it possible to use such resources for an infinite number of future generations? In order to understand the nature of this problem, we will reduce it to its simplest form. We will assume that:

1. Population is stationary.
2. The volume of goods and services consumed by the population is constant over time.
3. Technological progress exists and reduces the quantity $p$ of natural resources available to produce a unit of consumer goods and services each year by a factor $p$ (for example, 0.98).

Let the consumption and investment of goods and services in each year be $r$. Through some simple high school algebra, we can show that the quantity of natural resources needed to produce goods and services for all future generations is finite indeed, namely $r/(1 - p)$, or $50r$ if $p = 0.98$. Of these total resources, we must not use more than $r$, in our example 1/50 of the resources available. If $p$ were increased, the quantity of resources needed would increase, and the amount that we would be permitted to use without damaging the interests of future generations would decrease. For energy, where $p = 0.9835$, we must not use more than about 1/60 of the known reserves.

Our simplified example ignores the fact that population is not remaining constant, but is rising. Also, technological progress may not be as strong as assumed. Can technological development go on forever? Some optimism about continuing innovation by the human race seems legitimate.

In all cases, an effective population policy will be one of the conditions for a solution to the population/resources problem. The population of developed countries is expected to stabilize around the year 2030. Stability in the populations of underdeveloped countries is not predicted to occur by that date.

Technological progress will also be an important solution to problems of sustainability. The encouragement of scientific research, combined with the protection of a patent system and prizes for technological innovation, will help stimulate technological development.

When addressing problems of sustainability, it should be noted that delays make the solutions much more costly, and that the amount of energy reserves needed also increases rapidly the longer we postpone action. The costs after one year's delay are moderate. After two years, they are about three times as large; after three years, costs are six times as large; after four years, almost 10 times as large, and after five years, 14 times as large. Such an
acceleration of costs serves as a good indication of the problem's urgency.

LEVELS OF SUPRANATIONAL DECISION-MAKING

The phrase "supranational" covers a variety of higher-than-national decision levels. Decisions based on treaties concluded by a limited number of countries are good examples. Benelux is an example of three cooperating nations: Belgium, the Netherlands, and Luxembourg. Decisions about the quality of Rhine water constitute an example of cooperation between five countries. Decisions of the European Community may bind twelve nations. If, in the future, the Economic Commissions for Europe (ECE), for Latin America (ECLAC), for Africa (ECA), and the Economic and Social Commission for Asia and the Pacific (ESCAP) can make binding decisions, then supranational decision-making will apply to continents.

The highest level of decision-making is the global level. Security, environmental quality of oceans and the atmosphere, assistance of underdeveloped countries, sustainable development, and problems of health and population are examples of areas in which global decisions are needed.

Managed optimally, our planet will require a number of institutions authorized to make policies for all nations. At present, most of the necessary institutions do not exist. Examples do exist, however, of similar institutions operating in a more limited sphere. A well-known example in Western Europe is the High Authority for Coal and Steel, initiated by Jean Monnet. The distinctive feature of that Authority is its transnational nature: without involving national governments, the Authority decides on investments in coal mining, steel production, and other items by individual enterprises.

NEW UNITED NATIONS AGENCIES PROPOSED

1. A World Treasury

The membership contribution paid by each member nation to the United Nations proper (excluding specialized agencies) is fixed by the General Assembly. For the years 1989 to 1991, the amounts are recorded in the Report of the Committee on Contributions. These amounts are based on the "capacity to pay" (population multiplied by the income per capita). Some limits are applied: no member must pay less than one percent or more than 25 percent of the expenditures to be financed. In addition, a further limitation is set forth in the Report to avoid excessive variations in assessment rates between successive scales. Contributions to specialized agencies are determined in a similar way.

At present, each United Nations agency takes care of funding its own activities. A list of such activities given by the U.S. State Department in the 33rd Annual Report on U.S. Contributions to International Organizations contains over a hundred items, including approximately fifty United Nations special programs and specialized agencies. Funding is carried out inefficiently, with an enormous duplication of work and lack of cooperation. One single World Treasury would eliminate this duplication.

The World Treasury would define the amount of bilateral development assistance required of each member nation, in addition to defining the amounts each nation should contribute to the United Nations and its specialized agencies. Each member country would pay the total of a specified list of contributions, and the World Treasury would also supervise collection of these monies. One World Treasury would be able to coordinate the total revenues received by each specialized agency or by each activity of the U.N.

It would be preferable to leave the funding of the World Bank Group and the International Monetary Fund in the hands of those agencies, just as in well-governed nations the Investment Bank and the Central Bank are independent institutions. This comparison with well-governed countries also illustrates the importance of a World Treasury; inside each country the Treasury (or Ministry of Finance) is the core of the government.

2. A World Police Force

In the world community, law and order must be maintained. Special agencies exist within the U.N. to address this task of primary importance, for example, the Security Council. A general and permanent institution designated as the World Police Force must also be created. Its responsibility would be to identify and correct illegal behavior by any agency or member country. Each case discovered might be brought before the International Court of Justice. If the Court's ruling were disregarded, sanctions would then be imposed. These sanctions might be economic, such as fines or cessation of commercial trade. In cases of persistent illegal behavior, the World Police Force would have the means to deploy military force.

The United Nations has some experience in the use of force—for instance, in the Congo, Cyprus, and Lebanon. These forces were created ad hoc, for a limited period of time only. The World Police Force would be a permanent institution, composed of regularly changing troops and administrative personnel.

3. A Space Agency

The use of outer space must be based on a Law of Outer Space, for which proposals have already been made. A conference similar to the United Nations Conference on the Law of the Sea should be convened to discuss and draft a Law of Outer Space.

Among the peaceful uses of outer space, the launching of various types of satellites is important. Better knowledge of the earth and its riches can be obtained by remote sensing, including observation and photography from satellites. Satellites may also be used for weather forecasts, communication
of television programs, and observation of treaties implemented by United Nations institutions.

Some spacecraft may have destinations other than satellites. Nearer destinations would be shuttle services to other countries or continents. Further destinations would be the moon or other planets in our solar system.

At present, the Outer Space Division, which serves the Committee on Peaceful Uses of Outer Space and its two subcommittees, coordinates and cooperates primarily with ITU (International Telecommunications Union), but also with WMO (World Meteorological Organization), INMARSAT (International Maritime Satellite Organization), and FAO (Food and Agriculture Organization). The new Space Agency established by the Law of Outer Space would cooperate with these and other institutions.

THE BRANDT, PALME, AND BRUNDTLAND COMMISSIONS

Three important international commissions have dealt with the four great problems facing humankind in the last two decades. The members of these commissions were independent experts from all over the globe. The commissions were chaired by Willy Brandt, former Chancellor of the Federal Republic of Germany; Olof Palme, former Prime Minister of Sweden; and Dr. Gro Harlem Brundtland, Prime Minister of Norway.

The Brandt Commission dealt with international development issues; the Palme Commission with disarmament and security issues; and the Brundtland Commission with environment and development. Since the Brundtland Commission’s findings included discussion of the responsibility for future generations, the reports of the commissions covered the four great problems discussed here.

The Brandt Report, North-South: A Program for Survival, states that “a globally respected peace-keeping mechanism should be built up — strengthening the role of the United Nations.” The Report concludes its recommendation on energy scarcity with the proposal that “a global energy research center should be created under U.N. auspices.” It also states that “the reform of the international monetary system should be urgently undertaken.”


The Brundtland Report, Our Common Future, advocates strengthening the United Nations Environmental Programme (UNEP). An urgent need for increased financial means is expressed, along with a “much higher sensitivity to environmental concerns.” The imposition of taxes for polluting

activities is suggested; the commission agrees with the Brundt Commission’s proposals in this field. In conclusion, the Brundtland Report calls for the U.N. General Assembly to “transform this report into a U.N. Programme of Action on Sustainable Development.”

The parallels between the recommendations of these important reports and the ideas proposed in this article lead us to a review of the timetable for establishing a supranational decision-making system.

CHOICE OF A REFORMED UNITED NATIONS SYSTEM

The United Nations seems the best choice of a supranational decision-making body for an integrated world community. The U.N.’s advantages include the willingness of the superpowers to use its existing “family of institutions,” its more than 40 years of experience, and its complete representation of the world’s nations.

However, at present U.N. resolutions are not the decisions needed for an efficient world community. Strengthening the U.N. means changing its resolutions into binding decisions. The reformed and strengthened institutions charged with global management to solve the four great problems will be: the Security Council, International Court of Justice, United Nations Environmental Programme (or Agency), World Bank, and International Monetary Fund. In addition, numerous reformed specialized agencies, a reformed International Trade Organization, and three new agencies—a Space Agency, a World Treasury, and a World Police Force—will be needed.

The most important characteristic of this new world management is that it will be organized functionally, not geographically. As Van Benthem van den Bergh puts it, it will not be a (world) state, but a group of functional authorities.

New information and research will be needed to help solve relatively new problems. The large deviation from conventional wisdom concerning development assistance proposed here—from 0.35 percent of GNP to 2 percent, a sixfold increase—will require well-founded research in order to have any chance of acceptance. Research is also needed on energy policy, population policy, and a policy of technological progress.

In order to carry out U.N. reforms, a series of meetings of the institutions and individuals involved will be needed. Timetables for the steps to be taken, and cost estimates for shorter and longer durations of the reform process must be made. In this way, a first impression will be obtained about the optimum timetable for various decisions.

THE GENERAL ASSEMBLY: VOTING RIGHTS

With the possible exception of the World Bank Group and the
International Monetary Fund, the reformed and strengthened agencies will operate under the supervision of the U.N. General Assembly (the World Parliament). We must make a clear distinction between the power given to member nations and the technical aspects of implementing a desired power distribution. One study defined three methods of power distribution: 1) the dollar procedure; 2) the productivity procedure; and 3) the democratic procedure.\(^{14}\)

The dollar procedure gives power proportionate to nominal income, and is used in shareholders’ meetings of firms; it dates back to the early phases of parliamentary history, when only taxpayers had voting rights. The productivity procedure distributes power proportionate to real income, and is used in parliaments where not only financial, but also human capital, is represented (voting rights are based on passing an exam). This constitutes a development in a democratic direction. The democratic procedure is the one now applied in political democracies, and it has been characterized as the “least bad” procedure. Countries with the highest incomes receive the most seats under the dollar procedure, fewer seats under the productivity procedure, and still fewer under the democratic procedure.

Another option for implementing power distribution is to retain one representative for each country, but give special weight to the votes. Another is to determine the number of representatives per country proportionate to certain criteria. Yet another is to introduce two levels of voting: at the lower level, groups of countries vote, and at the higher level, each group has one vote. The groups are composed in such a way that they have, as a group, the power attributed to them by the criteria chosen.

Partly as a political process and partly as a consequence of world development cooperation, the power distribution in the General Assembly will move in the same direction as in single nations: from the dollar to the productivity procedure, and from the latter to the democratic procedure. If aid to underdeveloped countries is accelerated, the democratic structure will be attained sooner than by other methods.

**SUMMARY AND CONCLUSIONS**

In order to attain a harmonious world community, four great problems must be solved through supranational decision-making. First, security must be achieved through disarmament to the minimum level required for deterrence. Second, the environment must be made clean and of quality maintained. Third, underdeveloped countries must be developed to eliminate the gap in economic welfare. Fourth, use of natural resources must be limited to ensure at least an equal, if not an increased, supply for future generations.

The four great problems have in common the welfare of a large number of countries. While some solutions may result from treaties between individual nations, many aspects of the four great problems require decision-making at the global level.

The United Nations provides an alternative to global treaties. The significance attached by the United Nations and the Soviet Union to the United Nations is one reason why the U.N. alternative is preferred. The large powers can also be very important as initiators of activities to create solutions.

In order to implement the resolutions of the United Nations and its agencies, most of its bodies need to be reformed and strengthened. The operation of the Security Council as a peacemaking instrument requires, among other reforms, the elimination of the veto power of the permanent members. The United Nations Environment Programme needs to be given the authority to enforce its recommendations. Official development assistance to underdeveloped countries needs to increase to at least 2% of the donor countries’ GNP. The World Bank and the International Monetary Fund must be empowered to define conditions for creditor countries that are now imposed only on debtor countries, such as the size of their contributions.

Reform of the United Nations also implies the establishment of three new specialized agencies. One is a World Treasury to collect the finances needed to operate the United Nations and to distribute contributions to member nations and agencies. Costs of financing can be reduced considerably by this method. The second new agency would be a World Police Force, permanent instead of ad hoc, which would operate in close contact with the International Court of Justice. The third new agency would be an Outer Space Agency, based on a Law of Outer Space, similar to the Law of the Sea.

As far as the timing of these reforms, those in areas where the urgency is well understood should take priority. Security reforms would come first, followed by reforms for a better environmental policy. The necessity for quicker development of underdeveloped countries is not well understood, because the developed countries do not realize that it is in their own best interests to create employment in countries that currently flood them with immigrants. Still less understood are the policies needed to care for the welfare of future generations. Reforms in this area may only be possible in the long run.

In order to arrive at the optimum timing of various reforms, cost estimates should be made for solving the four great problems and carrying out the proposed reforms of U.N. institutions. The optimum timetable will be the one with the lowest total costs.

To conclude, we propose the appointment of an independent commission—an international group of experts with varied backgrounds—to evaluate the proposed reforms before the official procedure of changing the U.N. Charter begins. This commission, similar to the Brandt, Palme, and Brundtland commissions, would serve as a first step towards achieving the reforms that would revitalize the United Nations.
NOTES


2. Ibid.


THE AUTHOR

Jan Tinbergen is a Nobel Laureate in Economics and Professor Emeritus of Development Planning at Erasmus University in Rotterdam. He was born in The Hague in 1903. He served as Chairman of the United Nations Committee for Development Planning from 1966 to 1972. Professor Tinbergen was Coordinator of the 1976 study, Reshaping the International Order, undertaken at the initiative of the Club of Rome. He is the author of numerous books and articles on economic policy and development, including the Nuclear Age Peace Foundation's Waging Peace Booklet 13, “Revitalizing the United Nations System.”