

STATEMENT TO THE ADVISORY COMMITTEE
ON ADMINISTRATIVE AND BUDGETARY QUESTIONS,
UNITED NATIONS GENERAL ASSEMBLY
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Mr.Chairman, Distinguished members of this Committee,

I am pleased that once again I have the opportunity to present to you the United Nations University's proposed Programme and Budget for the next financial period covering the biennium 1984-85. It is the University's first biennium budget. The Council of the University endorsed the recommendation of this Committee last year to move to a biennial budget for the biennium 1984-85. We are using the same format and presentation utilized in former submissions, and have made the appropriate changes to reflect biennial totals.

Over the last year we have seen an encouraging upward trend in interest in the work of the University on the part of a number of nations, institutions and individual scholars. The University has shown that it has already started to gain a position for itself in the complex of approaches that are contributing to understanding the web of interlocking concerns that challenge society today. Thus, we can say with increasing confidence that the University is beginning to overcome the inevitable marginality from which any young institution suffers.

When I last appeared here I informed you that my proposals in the Medium-Term Perspective Document of the University were endorsed by the Council of the University. The proposed Programme and Budget for 1984-85 reflects the activities referred to in the MTP document which was sent to you early last year.

The proposed 1984-85 Programme and Budget now before you is based on an income of \$37,300,000 and represents an increase of \$2,500,000, or 7.4%, over the 1982-83 figure.

Of this sum of \$37,300,000, \$28,050,000, or 77.3% of the total financial resources, has been earmarked for the University programme. When we started to develop the 1984-85 budget, it was decided that any increase in financial allocations would be for the University Programme only and little, if anything, not counting increases due to the inflation factor, for other organizational units. This, I believe, we have achieved. As you will see from the staffing table (page 154-155) the staff increases are limited to the programme divisions with two exceptions, that is, the addition of one GS staff member in the Rector's Office and one in Administrative Services. The staff in the University will increase from 120 to 129 during 1984-85 and delayed recruitment will be employed to effect savings.

This Committee will notice that as a further step in the rationalization of the structure of the University, and after appropriate consultation with the Rector's Advisory Committee and Executive Committee, I decided to incorporate the functions of Academic Services and Information Services into the Global Learning Division in the University Programme.

This Committee will also notice the exclusion from the UNU allotment of the item referred to as an Administrative Reserve. Reference to this fund can be seen on page 9, paragraph (f). What in fact we are doing here is to set aside a sum of money - \$1,000,000 - to ensure that whatever happens during 1984-85, the University will have sufficient resources to ensure an adequate cash-flow while protecting the budget from the chaos of fluctuating rates of exchange. The Administrative Reserve of \$1,000,000 is invested, as are all our funds which are not actually needed immediately, at high interest rates over a fixed-time period.

From Table 3 on page 13, you will note that 45.4% of the total programme allocation is earmarked for those activities previously

approved by the University's Council. A further 6.5% is earmarked for activities reflected in the Medium-Term Perspective document but not yet approved by the Council. Other programme activities account for \$740,000, a decrease from \$1,451,000 in 1982-83 and \$3,198,000 in 1980-81, as you can see on page 139, paragraph 3, in the middle of the page. This shows what we intend to do with the funds allocated for other programme activities.

In accordance with what I mentioned to the Committee last year, provision has been made for a small Planning and Evaluation Service of two professionals and two GS staff members. Both professionals have taken up their duties -- one last year and the other early this year. Concurrently, with the recruitment of the Planning and Evaluation Service staff, external evaluation of the University's activities started in 1982.

If you turn to page 12 of the budget document, you will see how the University has been able to utilize its allocated funds. You can see that the expenditures for the University consistently reached about 90% of the approved budget. I mention this fact only because I want to emphasize that the funds earmarked for the approved University Programme are totally available for programme activities; and I am able to assure this Committee that all funds provided in the 1984-85 budget are attainable, assured and totally available and can be disbursed provided that the University's Programme Grants Committee is able to recommend to me that the tasks or activities mentioned in this document are ready, in all respects, for financing.

The Institutional Planning and Resource Development Division - headed by my colleague on my right, Dr. Alexander Kwapong - has made substantial progress in planning for the establishment of the first three research and training centers of the UNU: the World Institute for Development Economics Research, the Institute for Natural Resources in Africa, and the International Institute for Biotechnology. Two of these activities and others are reflected in Table 17 on page 144 and they hold the promise of enlarging the institutional outreach and programmatic

activities of the University and at the same time mobilizing additional resources. The funds allocated to this important endeavour in institutional development are relatively small and are considered by the University as "seed money" only. */elaborate*

If you now turn to page 140 you will see in Figure 2 where our publication programme is going. The 1982-83 details of publications produced shows a steady increase from 1978-79 to 1982-83.

Now let me turn to a question which is likely to attract the attention of this Committee and other committees of the UN during the present General Assembly. This is question of travel. You will note on page 11 that I have deliberately decreased the resources for staff travel from 1980-81 until 1984-85. This is particularly significant at a time when our staff has increased 24%, from 104 in 1980-81 to 129 in 1984-85. The reason for the decrease is that we find it possible, by taking advantage of the particular conditions that at present prevail in the travel market to travel on scheduled routes by some of the best known carriers at prices well below those quoted in the ABC, etc. We resort to these special arrangements as often as we can for meetings held in Tokyo and elsewhere. For that reason, I have allocated funds to staff travel which reflects an overall decrease over the 1982-83 budgeted amount.

At this point, it may be useful to clarify briefly the relationship between the University Programme - with its five themes - and the three divisions of the University.

In short, the five themes provide guidance for our work in the areas of continuing concern. There is a single University Programme which has nine Programme Areas. The three divisions provide the modes of operation which enable us to implement the basic programme activities. Let me say a few words about each of the three divisions:

The work of the Development Studies Division involves studying pressing global problems as they are manifested in particular locales and is concentrated in the broad areas of 1) energy systems and policy;

2) resource policy and management; 3) food, nutrition and poverty, and biotechnology.

The work of Regional and Global Studies Division, which helps the University contribute to the global debate on new theories and strategies of development, is centred on projects that are nearing completion from the former Human and Social Development Programme and on three new programme areas, Peace and Global Transformation, Food-Energy Nexus and Human and Social Development. To ensure the University's participation in the global debate, in areas such as peace, disarmament, human rights, and international security, the division organizes joint activities with major institutions and participates in other international meetings.

The work of Global Learning Division concentrates on studies in the field of learning, communications and information science, and is concerned with the leading role in dissemination of knowledge generated in the University programme as a whole. Formed in response to rapid social and technological change, the Division seeks to promote a more equitable access to information, as well as of the ability to generate, process and use it. In particular, we have identified certain areas in the so-called "Information Society" where we believe the University could make a meaningful contribution. One would deal with the problems that arise out of the management of complex systems, and as such are a concern of both the industrialized and developing worlds. A second deals with questions of how to reach various target populations -- in particular those who have been disadvantaged -- in the Third World with scientific information that could greatly help them to improve the quality of their own lives and build up endogenous creative capabilities.

To help provide a central focus for the work of the University there are three basic thrusts that help to give shape and direction to our work, cutting across the five themes and the three divisions.

First, I should emphasize that the University continues to concern itself with development problems and with poverty and underdevelopment and the global structural disparities in which they are set. This is a

commitment we made in the Medium-Term Perspective and it is reflected in the titles of our major programme areas such as Global Economy; Energy Systems and Policy; Resource Policy and Management; The Food-Energy Nexus; Food, Nutrition, Biotechnology; and Poverty and Human and Social Development. Most of our more than 50 projects are relevant to our concern with poverty and development.

A major interest cutting across a number of our activities in the broad development area is our continuing concern with poverty. This is, of course, closely linked to our studies of peace -- for overcoming poverty and meeting basic needs are fundamental to the improvement of the quality of life, without which it would be difficult if not impossible to resolve conflicts and maintain peace.

We are continuing to give particular attention to the problem of world hunger and specifically to the food and energy problems of the poor. We are doing so through studies of rural energy systems, of food and energy technologies which could enable the poor to meet their needs better, and through studies of the ways to communicate more effectively and more directly the available scientific knowledge to the poor that could help in raising agricultural productivity. Our expanding training activities through our fellowship activities also continue to devote increasing attention to the problems of world hunger. One of our major efforts is concentrated on the convergence of food and energy demands and its implications for government planners. We also hope that these studies will help to develop policies that will meet the special needs of the poorest of the poor who have no secure access to food or energy sources. The plight of the poor is in addition an important consideration in the search we are undertaking in the area of human rights.

We are pursuing our search for more relevant integrated theories of development that would make structural change possible in a more democratic manner. We are concerned here both with the macro-sociological and historical changes in civilizations as well as with the micro-level, down to the household and its actors -- women, children, the aged. In these studies we are taking into account dynamic factors which have

proven to be of so much greater magnitude than expected, such as massive migration and technological change. The interplay of these various dynamics forces us to think afresh about the whole development process in various cultural context and in radically changed international settings socially, economically and politically.

The second of our programmatic thrusts is a concern with peace and conflict resolution. What gives our focus here its freshness is, first, its concern with better understanding of the roots of violence down to the level of local societies and ethnic, religious, linguistic and racial groups. But beyond that, we are actively searching, at these various levels, for mechanisms that, in a time of rapid political and social change and increased competition for resources, will enhance the capacity to resolve or manage conflict in less violent ways.

We are moving into new areas here, but doing so with the benefit of research now accumulated in various University projects over several years.

A third major thrust is marked by the University's concern with science and technology for human welfare with attempts to increase learning capacity -- not only of individuals, but of groups, institutions and societies -- and with the sharing of knowledge in new and non-traditional forms. Many of the studies here come under the aegis of the Global Learning Division. These are grounded in the increasing awareness that fears of common people -- about nuclear war, environmental damage, and economic insecurity -- are beginning to express themselves in demands that pose new challenges to the political, social and economic management capacities of governments and other institutions. Humankind's abilities to manage these complex interacting problems will hinge on our capacity to cope with these demands and incorporate them into our scientific and technological planning. This in turn requires the development of new forms of public education -- of social learning -- as an important element of planning.

I believe that looking at the budget proposal you will agree with me that the University's present financial situation cannot be considered unhealthy. Our present endowment fund is, by no means, adequate. In these difficult days of financial constraint, however, even the present level of our endowment fund illustrates the wisdom of an institution of this kind having an adequate endowment fund on which to build and grow. It is clear that major new opportunities to intensify action in critical areas are possible even in these darkened economic times. It is equally clear that if we are going to make a dramatic impact, governments, bilateral donors, international donors and individual scholars and scientists would each have to attach high priority in taking advantage of these opportunities.

This Programme and Budget well reflects the dynamism and changing capacity of this organization. Surely it reflects our determination to make maximum use of the resources with respect to these difficult times. Above all it reflects my determination and resolve to ensure the UN University is responsive to the interlocking global concerns that challenge society at present and the near future.

Soedjatmoko
Rector