

Rector Soedjatmoko's Valedictory Statement to the  
United Nations University Council  
Helsinki, Finland  
July 10, 1987

I must confess to you that I have had a great deal of difficulty in putting together this valedictory statement. There were two reasons. One is that I perhaps had several different audiences in mind in addition to the Council, each of which has somewhat different concerns uppermost in mind in relation to the United Nations University-- for example, our host-country government, the other elements of the United Nations system, our collaborators in the world's academic communities, and of course potential donors.

A second reason for my difficulty is simply that there is so much to say about the past, present and future of this unique institution that I cannot possibly cover it all without probably trying your patience and certainly delaying your lunch. So I would ask you not to regard this statement alone as the testament that some of you have asked for. My testament is to be found in a series of papers going back to the first Medium-term Perspective, in which I have addressed myself to the development and the potentialities of the United Nations University. If you have occasion to look back at my thinking as you plan the future of the UNU, I hope that you will look at these papers as a collective whole. I would particularly mention the paper on the coherence of the UNU programme, which I delivered to the 26th session of the Council in December, 1984; the paper presented to the 10th anniversary colloquium in July, 1985, which was called "Quality, Relevance, Presence-- The

Challenge Ahead"; and the paper on directions for the second Medium-term Perspective which was presented to the twenty-seventh session of the Council one year ago. As for my intellectual testament concerning the work of the University, it is of course to be found in the second MTP. Since the Council has twice had the opportunity to consider that document, I need say no more about it, and will concentrate here on the current and prospective institutional character, evolution and problems of the UNU as I have seen it evolve over the past seven years.

I should say at the outset that these seven years have been the most challenging and enriching of my career. My own horizons have been expanded, my knowledge enriched, my awareness and imagination constantly stimulated. I hope you will not regard it as vanity if I say that I also have a very concrete sense of accomplishment, arising from the belief that the UNU is beginning to make a mark on the intellectual scene in a number of fields, that it is contributing to the practical solution of some problems and the badly needed illumination of others. My sense of accomplishment is no doubt enhanced by the fact that my final Council meeting is being held in Helsinki where our first RTC is getting off to such an encouraging start. At WIDER's successes I cannot help but feel a twinge of something like paternal pride.

The very real possibilities that we have of founding several other centres of similar excellence and relevance, with a strong Centre in Tokyo, make me feel very grateful to have had the good fortune to participate in what my predecessor, James Hester, called "a truly grand adventure". I have benefitted from this opportunity in innumerable ways, most of all by the very deep friendships that I have formed with colleagues on the staff,

in our networks, in the institutions with which we work, in the Council and among the people of Japan. In this I am greatly enriched. There are many people to whom I owe substantial debts of gratitude. I would like to thank some of them publicly at the luncheon following this meeting.

When I started this job seven years ago, I had no idea of the difficulty of managing a multinational intellectual enterprise characterized by extreme diversity and openness. There exists within the UNU, in every component, widely differing management styles, intellectual traditions, patterns of decision-making, notions of efficiency and concepts of quality. It was very clear to me from the beginning that to try to impose a single standard in any of these dimensions would be to sacrifice the UNU's greatest strengths: its pluralism and intellectual freedom.

At the same time, to live with such diversity within a single institutional framework means living with a great many tensions. Having long ago been taught anatomy, when I was a medical student, I have had to keep reminding myself that without the tensions of the opposing muscle groups in the body, the skeleton would collapse and be completely incapable of movement. There are only a few absolute requirements for constructive participation in the community of scholars of the UNU: they are a dynamic awareness of the real-world problems to which our work must be relevant, a striving for quality, an insistence on intellectual honesty, and a commitment to mutual tolerance and respect.

The tensions that we must learn to live with are not only the result of the internal diversity of the University, but also spring from the contrast between the scope of our mandate and the limits of our resources, as well

as from the needs and expectations of our varied constituencies. The UNU will always be torn between the desire to be on the cutting edge of emerging issues and the obligation to try to make a distinctive contribution to long-established but still unresolved issues, between the need for concentration and the need for breadth and global presence, between flexibility and continuity, dynamism and stability, collegiality and accountability, excellence and pluralism. The expectations of our host country are quite different from the expectations of universities in the developing countries. The expectations of the United Nations system are something else again.

We cannot, in my opinion, expect these tensions to be resolved; they are part of the nature of our task and the context in which we work. The structure and the procedures of the UNU must be flexible enough to allow us to work with these multiple and sometimes contradictory demands. I have often made clear my preference for a UN University system without a pre-determined architecture. The need for flexibility to respond to emerging needs and opportunities, however, requires a strong Centre capable of managing this process of improvisation within a shared sense of direction.

We have one research and training centre and the prospect of others; we have 39 associated institutions; we have research and training networks that operate through networks of institutions and individuals. We should look for and create other, new and unforeseen institutional forms and arrangements as well. The UNU should be a living example of the management of complexity. In order to do so, we will have to move away from the traditional notions of a clear-cut chain of command, linear staff

relations, and a preoccupation with control. However, we will also have to solve the problem of how to ensure accountability in such a system. The Charter assigns the ultimate responsibility for the purposeful direction of the organization to the Rector, who must operate within the policies and principles established by the Council. In addition, the Council has to approve the programme and budget of the University as a whole. However, the connective tissue that binds the various components into a coherent system is not and can never be the exercise of bureaucratic power. The connective tissue is the shared sense of purpose that I referred to earlier, and a dense flow of information in all directions throughout the system.

Given the possible proliferation of forms of participation and kinds of structures within the UNU, two questions arise. First, is it possible to prevent the Centre in Tokyo from being reduced to an administrative centre with only a bureaucratic relationship with the RTCs? A second and related question is whether it is possible for the Centre in Tokyo to retain intellectual leadership in such a decentralized system. A positive answer to both questions depends on the existence of an institute for advanced studies in Japan, connected with the Centre, that would deal with the connections among global issues raised in the UNU centres and programmes. All the work of the University should feed into the analysis of these meta-issues, the large-scale trends of a global character. The University Centre itself should retain substantive activities that are exploratory, high-risk, and of relatively short duration. One way to reinforce the system-wide predominance of the Centre in Japan would be for the Rector to act also as the director of the institute for advanced studies.

One further point that I would like to make about the structure of the University Centre is that it is probably time to do away with the programme divisions. One of the disappointments that I feel most keenly is the failure to do away with the compartmentalization among the divisions. They have been divisions in the most literal sense, and I do not see how we can aim to achieve a collaborative universality in our work if we cannot do so within the house. Of course, this is not a problem with a technical solution, but I believe that having a single Vice-Rector for research and training would help. It had always been my belief that a single Vice-Rector at the Centre should have the rank of Assistant Secretary General. Conversations at UN headquarters convinced me that the University could not ask for more than one ASG post at a time, and I concluded that it was important to establish a precedent for the RTCs by asking first for an ASG at WIDER. Applying this precedent to subsequent RTCs and to Vice-Rectors will involve the University in some bureaucratic arguments in New York, but I think the goal of an ASG in Tokyo should be kept in view.

The UNU presents a rare opportunity to develop a new kind of institution of higher learning. There are certain irreducible requirements for its viability. First, the United Nations aegis is absolutely essential to make possible a claim of universality. Paradoxically, a certain creative distance from the UN is also necessary, in order to maintain the distinctiveness of the approach of the University and its usefulness to the other elements of the UN system. Second, the autonomy of the UNU is vital. Without it, we would have no credibility in the world academic community. Third, the endowment fund is indispensable. It is the most effective guarantee we could have of the autonomy of the University, and

it determines the size of the core staff at the Centre, on which the co-ordination of the entire system depends.

Beyond these three requirements, there are a number of desiderata, including, of course, more money. Another of the most important for the future, in my opinion, involves the separation of the academic part of the UNU from the bureaucratic rules and regulations of the UN system. The Charter gives the UNU a great deal of flexibility on this point, in that it stipulates that only the Rector and his most senior academic collaborators and administrative staff should be UN officials. The status of academic staff is left open, with the only requirement being that staff rules and regulations of the UNU be compatible with those of the UN.

The recent devolution of authority from the Secretary General to the Rector in matters governing personnel, which took us two years to negotiate, gives the University the flexibility to design a pattern that is more appropriate to the needs of a University. Some time ago I commissioned a report on the possibility of having people at the RTCs and elsewhere who are not UN officials. I am persuaded that it is administratively feasible and indeed we are already moving in that direction to some degree at WIDER. Only four members of the staff at WIDER are UN personnel.

There are a number of issues concerning personnel that remain to be resolved, however. One, of course, is the question of fairness in a dual system of remuneration. Those people who are not within the very generous and secure pay and perquisites structure of the UN have a right to expect other compensations: more time for academic pursuits, perhaps, or

the possibility of faster promotion on merit than the UN system normally allows. We also need to reconsider the status of our programme directors. They have always been consultants, but it is time that the UNU developed its own categories.

A second question, and one which particularly troubles me, is that of protection for UNU personnel who are not covered by the immunities and privileges accorded to UN officials. This is especially important for those of our people who may be working on sensitive issues in politically unstable regions, but it is worth pointing out that even our host country agreement with Japan has no provision for academic personnel attached to the UNU who are not UN officials. We will have to negotiate on this matter with governments, so it is an issue that will require the attention of future Rectors and the Council. The basic point remains, however, that the personnel system of the United Nations is not very well suited to the UNU, and we now have the authority of the Secretary General to modify it.

The principle of systematic turnover of academic staff is something on which I have expressed myself many times, and I would simply reiterate here that the expectation of academic staff should be for a limited stay at the UNU, followed by return to their home institutions. I would hope that from there they would continue to be a part of our networks.

Quality control is, as I have mentioned, a difficult subject in a pluralistic institution but one with which we absolutely must come to grips. On this subject, I felt that the Ten Year Evaluation of the UNU had some sensible things to say: such as that it is extremely important for

even highly experimental research projects to have clearly defined methods and objectives from the beginning. Monitoring is also very important; we cannot wait until near the end of a multi-year project for the first warning signs of trouble to appear. Interim objectives must also be clearly defined and visibly fulfilled. The monitoring function is a joint responsibility of the co-ordinators in the field and the programme staff. However, it should also be a major responsibility of the Planning and Evaluation Service at the Centre, which should systematically track each activity as it is implemented. There has been a reluctance in the centre and the networks to have an effective Planning and Evaluation Service, and PES has not worked as well as expected, in part because of a lack of a centralized project information system. This is one area in which the performance of a Centre function clearly needs improvement.

The peer review system of the University needs to be strengthened and applied more systematically, at the research design stage as well as the research output stage. Peer review must be designed to safeguard pluralism as well as quality. This is easily said but not so easily implemented. We need peer reviewers who understand the objectives of the UNU, but they must also be independent of it. A question has often been raised within the UNU about the qualities necessary for reviewing and evaluating innovative work. Innovators are understandably reluctant to be subjected to review by peers whom they perceive to be stuck in old paradigms. Yet innovators must meet this challenge, for it brings them into contact with precisely those whom they must convince if the old paradigms are to change. Beyond that, all I can say is that the most qualified and sensitive reviewers must be sought, and they must be given very clear and specific terms of reference.

For all the emphasis on careful methodologies and clear objectives, I want also to insist that the UNU must be prepared to take risks, and to have failures. Failed experiments are no disgrace. But there are noble failures and not-so-noble failures. The UNU must carefully and honestly analyze our failures, and do all that we can to make sure that they do not come about through intellectual laziness, poor execution, failure to follow through, and so forth.

I think that the actual programming of the University's activities is one of the most difficult tasks that the Rector and his colleagues undertake, for the reason that I have already mentioned-- the great number of different constituencies and expectations to which the UNU must respond. As a new kind of university, the UNU is committed to cutting-edge research in emerging problem areas that traditional universities are ill-equipped to address. As part of the United Nations system with a special responsibility toward developing countries, we cannot turn our backs on the more established development issues-- what I sometimes call "bread and butter" issues. This is not only a question of an obligation on our part. It is also true that we are in contact with many of our actual or potential donor governments through ministries that are very much preoccupied with these bread and butter issues.

To put it very plainly, the UNU programme needs to include projects with a developmental character that is easily recognizable as such by the development bureaucracies in donor countries. But beyond this, our work on the bread and butter issues serves to establish our credibility with many of the developing countries with which we work. For example, I do

not think that the UNU would have been asked to play a part in China's Spark Programme had we not had a long track record of cooperation in the biogas programme at the Guangzhou Institute of Energy Conversion; nor do I think that the government of China would be offering such strong support to the idea of a UNU RTC on software development. So while I agree that the UNU should never act simply as a technical assistance agency, I do feel strongly that it should continue to be involved in research and training of a highly practical nature as part of the overall University programme. Such programmes respond to real, articulated needs in the developing countries. However, I feel equally strongly that this kind of research and training is not all the UNU should do. Innovative, cutting-edge research is what will lay the groundwork for the management of and adaptation to the sweeping changes that confront all societies now and in the future. If the UNU does not manage to contribute something here, it is really just holding a finger in the dike.

In addition to its research and training roles, it is part of the purpose of the UNU to provide bridges for scholarly communication. The University has much to be proud of in filling this role, but it can do better. The task of relieving intellectual isolation is cast in the Charter as a way of combatting the brain drain from the Third World. But I think there is more to it than that. Scholars in Europe and North America are also very often isolated-- especially from the intellectual ferment and currents of thought in the Third World. I believe that it is also part of the function of the UNU to relieve this kind of isolation.

The UNU can and should-- and does-- provide a forum for the voices that are less often heard in international debates. But we fail in our

responsibility if the forum provided by the UNU is perceived only as a place to be heard. I think it is a matter of scholarly ethics, if you will, that those who participate in the fora of the UNU recognize the obligation to listen as well as to speak. As I said in my statement at the opening ceremony of this Council session, it is the measure of the maturity and value of a community of scholars that its members not only speak their minds but open their minds.

Nor can the UNU afford to be a forum only for alternative voices, the anti-establishment and the underdog. As soon as we do that we will find ourselves only preaching to the converted, and lose the widespread credibility that makes possible a genuine dialogue. The UNU as a forum should in every instance be characterized by rigour, self-discipline and balance.

Our networks must have the same characteristics. I would especially like to emphasize the importance of pluralism within the networks. It is sometimes the case that the UNU is identified very closely in a particular country with one school of thought or academic faction. This may be difficult to avoid when we are first setting up networks, but it is damaging to the University in the long run and we should aim for contact and interaction with a broad spectrum of scholars in every setting.

The Council is not directly involved in programming, but its oversight function, in that it must approve the programme of the University, is extremely important. Some members of the Council have expressed a willingness to be more closely involved in programme development in their areas of expertise, and I am sure that the University would benefit greatly

from such involvement. As Rector, I have not actively promoted such involvement by Council members, and I can see that there have been some missed opportunities as a result, for which I take full responsibility. In part I have wanted to avoid placing Council members in the awkward position of being called upon to judge and approve programmes in whose development they have been active. I have also been aware of the possible disadvantage that might result to the symmetry of the programme as a whole if projects in which a Council member has not been involved suffer from a relative lack of comprehension or enthusiasm as a result. But I am sure that a workable arrangement can be achieved.

It is natural that individual members of the Council should develop relationships not only with particular programmes but with particular staff members, on the basis of affinities of language, region, common experience or personal interests. This is a positive mechanism for informing members of Council more closely about the work of the University. I have never attempted to inhibit this sometimes extremely intensive interaction, but I would implore members of the Council to keep in mind always that their responsibility is to the University as a whole, and that their brief visits twice a year necessarily impose limits on the completeness of the picture that they get. Different members of the staff, at all levels, vary greatly in their reticence or aggressiveness in approaching Council members, and in their sense of propriety about doing so. We can only rely on the wisdom and experience of Council members to encourage communication and discourage lobbying. Responding to the latter certainly makes the job of the Rector more difficult.

More generally, the distinction between the governing function and the

executive function, and the division of labor between the Rector and the Council is very clearly spelled out in the Charter, and for very practical reasons. I hope that you will keep it in the forefront of your minds. The Centre's communication with the Council needs to be improved, but it must be within this framework.

I made the point in our discussions yesterday, and it is perhaps superfluous to repeat it now, that the efficiency of Council procedures could be greatly improved. I would like to make three suggestions with respect to these procedures. One is that the Committees of the Council be entrusted with greater delegated authority to make decisions and that reprise of Committee discussions in plenary be kept to a minimum. Second, I suggest that the Bureau of the Council make a concerted attempt to formulate a clear set of objectives for each meeting of the Council and make those objectives known to the Council as a whole at the beginning of each session. My third suggestion is that the Council chairman receives from the Council as a whole a mandate to impose greater discipline on the discussions in Council. In these ways I think we could have shorter and more productive sessions. I also feel called upon to ask the Council to be especially aware in these days of staff cuts and budget cuts of the implications in terms of financial and opportunity costs-- to say nothing of human costs-- of the requests they make to the Rector and his staff.

I would like to say a few words now about the relations between the UNU and the rest of the UN system. Concern is often expressed about co-ordination between the UNU and other UN agencies, and it is a very legitimate concern. It is, however, a nearly impossible task for our programme staff of less than twenty people to keep up with all that is

going on in the UN system in our areas of concern. But we must and do try to keep abreast of it as best we can. We now have access to UN data banks that help us to do a better job of keeping up with UN activities. Also, many of the scholars in our networks are involved and in touch with other UN bodies and provide a channel of communication and co-operation with them.

The points I want to address now concern the forms of coordination and the kinds of expectations on the part of UN agencies that we have been able to meet.

The degree of coordination certainly cannot be measured by our presence at inter-agency coordination meetings. Our staff and resources are, again, too small to allow us to attend such meetings freely. In my view, the UNU should participate in coordination meetings only when we have a definite, substantive contribution to make to the proceedings. Similarly, I think we should avoid taking part in procedural discussions at the UN to the extent possible. What I have called a "creative distance" from the UN system is necessary, I think, in order to avoid being swamped by the larger bureaucracy, and in order to preserve the distinctive character of the UNU which is the source of its usefulness to the UN system. But even while being useful to the UN system, the UNU must set its own agenda.

That the UNU is useful to the UN can be demonstrated, I think, by the number of times that the UNU has been asked to take the lead in joint activities with other agencies. In some cases, the UNU is even asked to proceed on its own to investigate problems or carry out studies that other

agencies cannot do, either because they are politically circumscribed or do not have access to the networks that can mobilize scholars, or must operate in an inappropriate time-frame because of organizational rigidities. The flexibility, autonomy and academic nature of the UNU make it an asset for the UN system and this, I think, is increasingly recognized. My oral reports to the last several sessions of the Council contain several examples of this recognition in action.

If at least some of the expectations of the UN system have been met, meeting the expectations of the host country has been more difficult. It is understandable that the expectations should be high, given that Japan took the leap of faith in the UNU that is still unmatched by any country or group of countries. The UNU has been troubled from the time of its creation by an image in the host country of a richly endowed, single-campus teaching university. Clearly, we have not done as well as we should in making our work known in Japan. The UNU needs a strong constituency in Japan, both in academic and political circles. Even though we have a Council member, a senior advisor, a Vice-Rector, a senior liason officer and many staff members from Japan-- and despite all their efforts-- our communication is still poor.

One of the expectations of the UNU in Japan was that it would help Japan to internationalize. But in order to do this, both Dr. Hester and I felt that it was necessary first to establish the UNU as an international university. It could not afford to give priority to a disproportionately large number of Japanese collaborators without losing its international character. But we should reach out more.

The expectations of the Japanese academic community can only be met, I believe, by an RTC in Japan. It is the nature of the UNU that the Centre is primarily a planning and coordination centre. Few academic activities are located there. But I think it would be helpful if we used the Centre more intensively as a seat for academic activities, and the Japan Foundation for the UNU is helping us to do this. It almost goes without saying that our academic activities in Japan will intensify when the permanent headquarters building is open.

The relationship with the host country is a crucial one. It has some of the difficulties of many close--even familial-- relationships. The UNU is under a deep and everlasting and growing obligation to Japan, yet must continually assert its independence. This is another of the built-in tensions that we must learn to live with, while working hard to improve communication. Like all such attempts, the effort must be mutual.

The idea of what a university is has changed over the centuries. I have a strong conviction that we are now at one of the points of inflection on this long curve, where the rate of change suddenly accelerates. All over the world, universities are struggling to keep up with and respond to the rapidly changing needs and demands of the societies in which they function. They are being forced to change their structures, their functions and their purposes.

One of my ambitions for the UNU is that, while its position remains unique, it presents a kind of model of dynamism that other universities may find relevant. I think that this will be increasingly true as the UNU broadens its character from that of a research and training institution of

the United Nations to being truly a world university within the framework of the United Nations. This will be a challenging process, because the UNU does not fit well with the institutional forms of other universities. While the UNU is problem-oriented, they are primarily discipline-oriented. While global issues may be researched by individual faculty members, the universities generally are not organized to deal with global issues. This is where I think the UNU has an important role to play in the world scientific community. As it attempts to fill that role, the UNU has an excellent foundation in the support of its host country and other governments, in the willingness of scholars from all over the world to devote their energies to its work, and in the Charter that is its foundation stone. The UNU Charter is an admirable document. It shows the depth of the reflections that attended the birth of this institution, and it has served the University well.

The vision that is projected in the Charter is a bold one. I think we would not be faithful to the responsibility entrusted to us if we did not do our utmost to make that vision a reality. It is not a vision of a small, marginal institution. It is not a vision of an institution divided by national interests, regional interests, or ideologies. It is a vision of a world university, with programmes and institutions addressing themselves in concert to the most pressing global problems, and doing so in a spirit of human solidarity and out of the conviction that the faculty of human understanding can grasp the complexity of the issues that confront us, and can lead to practical solutions.

Ultimately we may hope that the United Nations University will make a contribution toward the emergence of a universalism beyond pluralism,

based not on the lowest common denominator but on the highest common values that we share as human beings. Our mutual dependence and mutual vulnerability demand this, and both are daily growing. I have always felt that the United Nations University is ahead of the times. But now, I feel, the times are catching up. We must be ready for them.

ORAL REPORT OF THE RECTOR  
TO THE 29TH SESSION OF THE UNITED NATIONS UNIVERSITY COUNCIL

DIPOLI CONGRESS CENTRE  
ESPOO, FINLAND

6 JULY 1987

I would like to welcome you, on behalf of the University staff, to the twenty-ninth session of the Council. We are very fortunate to be holding this session in Finland, and once again, I would like to express my thanks to our hosts. We have greatly benefitted from and enjoyed the hospitality and support of Finnida, the Ministry of Foreign Affairs, the Ministry of Education and the Academy of Finland. I want especially to thank those staff of Finnida and of the Dipoli Congress Centre, as well as members of our own staff at WIDER, who have worked so hard to make the arrangements for our comfort and convenience here at Dipoli. Though we have a very full agenda for this Council session, the long Nordic summer evenings will still allow us to enjoy these marvelous surroundings.

I would like to welcome Mr. Rafeeuddin Ahmed, Under-Secretary General of the United Nations Department of International Economic and Social Affairs, who is with us for the first time, representing the Secretary General. Dr. Michel Doo Kingue of UNITAR is unable to attend this Council session, and is represented by his Special Advisor, Mr. Berhankyn Andemicael. Welcome.

Some of you may have been surprised to see Mr. Amadio Arboleda still acting as Council Affairs Officer, since I had promised that he would be freed to devote his energies to the Academic Publications Service after our last session. However, owing to the special circumstances of this period, he has agreed to continue for the time being to fill both functions. We are very grateful to him and to Cynthia Velasquez for all their hard work.

I also wish to extend a very special welcome to Professor Heitor Gurgulino de Souza, who, as you all know, will take up the position of Rector of the University on the first of September. I have had the pleasure of spending many hours with him in these last few months since he was appointed, and I feel very optimistic about the future of the UNU knowing that its leadership will be in his capable hands.

As you are aware, this is the last Council meeting that I will be attending as Rector of the University. Naturally, my mind is full of reflections on the experiences of the past seven years and speculations on the future of the institution that it has been my privilege to head. Later this week, I would like to take an hour or so to share some of these thoughts with you. In the meantime, however, we have a great deal of important business to attend to, and I shall now proceed to make my usual oral report to the Council on the recent activities of the University and major developments in our programme, budget and institutional framework.

Among the major items on our agenda for this session is the report of the Ten-Year Evaluation Committee. Dr. Fischer-Appelt will join us later today to present the report, and I will then have the opportunity to thank him -- and through him all the members of the Committee -- for their efforts. We will also consider external evaluations of a number of specific projects. These, I believe, will flesh out the more general discussion of the Ten-Year Evaluation and give the Council an in-depth look at some completed and ongoing activities.

We will at this session resume our discussion of the draft second Medium-term Perspective, which has been revised to take into account the discussions at the last meeting of the Council, as well as some additional suggestions from members of the Council, Advisory Committee, Japanese Scientific Advisory Panel and cooperating scholars in our networks. I have in addition made some changes as a result of discussions with Professor Gurgulino.

The Council Committees on Programme and Institutional Development and Finance and Budget have considered the Outline of the 1988-89 Programme and Budget of the University, and will report to the whole Council. The biennial Programme and Budget will be adopted by the Council, as usual, in December.

We also have a number of reports and papers to discuss, including a progress report on INRA and the report of the feasibility study on the establishment of a research and training centre on new technologies. We will also consider again the frequency of Council sessions and, in a closed session, the procedures for appointment of the Rector. To remind us that we are a University, and to provide some intellectual relief and stimulation in the midst of this heavy agenda, we have planned a colloquium on Hunger and Poverty, drawing in the main from the WIDER research project in this area.

The past six months have been months of intensive activity at the University, on a number of fronts. We have been engaged in a comprehensive and sometimes quite difficult planning process, to draw up the Outline of the 1988-89 Programme and Budget -- the difficulty arising, of course, from the very stringent limitations of the assured and attainable income we have in the biennium. This was an exercise in conservative planning, but was necessary in order to develop a defensible plan to preserve the coherence of the University Programme and its forward momentum under even the most difficult foreseeable circumstances.

We have held in-house planning meetings at the Centre almost weekly between January and May, to review specific project ideas and proposals. In April, a Scientific Advisory Meeting was held at headquarters with participants drawn mainly from the Rector's Advisory Committee and the Japanese Scientific Advisory Panel. Fortunately, Professor Gurgulino was able to attend parts of this meeting. A working group of the staff and a steering committee of the Vice-Rectors and myself have helped to translate all these deliberations and the original proposals from the divisions and other sources into the programme and budget outline that you have before you.

During the process of planning for the future, the current programmes have continued to go forward -- a number of them into their concluding phases. In programme area 1, Peace and Conflict Resolution, the first volume of the UNU series on regional peace and security has been published in cooperation with Zed Books of London. It is entitled Africa: Perspectives on Peace and Development and was edited by Emmanuel Hansen. Four other volumes in this series are planned with the same publisher. In April, UNU ran a three-week training course for 15 young scholars from Africa, on the preparation for life in peace through socio-economic development. Nine UNU fellows were joined by five fellows sponsored by the Hungarian Ministry of Education, and the course was held in Budapest.

In April, a seminar on food and security in Africa was held in Dakar, within the sub-project on Human Rights and Cultural Survival. The final case studies of the project were reviewed and discussed. This meeting was hosted by the Committee on the Development of Economic and Social Research in Africa (CODESRIA). The project on Peace and Global Transformation held its concluding workshop in Malaysia in May, focusing on the problems of tribal minorities in Asia. The core group of this

project met in February in India to plan its concluding activities. It has completed the first of two composite manuscripts, which is now being prepared for dissemination.

May saw the publication of a special issue of the Bulletin of Peace Proposals by the Norwegian University Press. It consisted of papers from a conference on the Preparation of Societies for Life in Peace, which was organized by the UNU in cooperation with the United Nations Secretariat for the International Year of Peace. Secretary General Perez de Cuellar wrote a forward to the volume in which he noted that "these papers reflect the special insight and experience of the contributors on the requirements of peace".

The UNU has continued to contribute to the work of the Palme Commission on Disarmament and Security Issues and the Independent Commission on International Humanitarian Issues. I attended a Palme Commission meeting in Oslo immediately before this session at which the major agenda item was the situation in southern Africa. The current round of arms negotiations in Europe was also discussed. The final plenary meeting of the Humanitarian Issues Commission was held in December in Amman. Although I sit in both of these Commissions in my personal capacity, both have relied upon the UNU for substantive inputs as well some staff support.

Programme area 2, the Global Economy, is going from strength to strength as WIDER develops its programme activities. The Institute is engaged in its second major round of research conferences and planning meetings. For example, a planning meeting on new trade theories and their relevance to developing countries was held in Toronto in April. A research conference on "Poverty, Undernutrition and Living Standards" will take place here in Helsinki at the end of this month. The manuscripts from the first round of conferences are moving toward publication. Four volumes on Hunger: Economics and Policy, to be published in cooperation with Oxford University Press, will be the first to appear. Two other books are in preparation with Oxford University Press, and two more are being published by Basil Blackwell.

In addition to these, WIDER is publishing a number of papers and bulletins on a more informal basis. The working paper series now consists of 14 titles, five of which have been added since the last Council meeting. A series of discussion papers on stabilization and adjustment policies in various countries are in circulation. The second WIDER study group report was published in April to considerable acclaim in the international press.

it presented a detailed plan for the mobilization of international financial surpluses for development, and proposed that Japan takes the initiative in implementing such a plan. The paper was widely debated in the Japanese press; we also have press clippings from Britain, India and the United States.

The James S. McDonnell grant to WIDER has made it possible to invite a number of distinguished economists to make extended visits to the Institute. So far this year, they have included Professors Frank Hahn, Robert Solow and Don Patinkin. They have greatly enriched the academic atmosphere at WIDER. In addition, along with other visitors and members of the staff, the McDonnell fellows have contributed to WIDER's lively series of weekly seminars and lectures, which are popular and well-regarded events in Helsinki's development community. The participation of Finnish researchers in WIDER programmes has been greatly strengthened by the provision of a special fund from the Government of Finland for the financing of research programmes in areas of the special interests and expertise of Finnish scholars. Five projects are currently being pursued under this plan.

Dr. Jayawardena, the Director of WIDER, spent two weeks in Tokyo in April, consulting with me and other Centre colleagues, participating in the Scientific Advisory Meeting, and working on the second study group report, which was launched in Tokyo. Dr. Tauriq Banuri, a senior fellow on the staff of WIDER, also came to Tokyo for the Advisory Meeting. You will have the opportunity, during this week, to become better acquainted with WIDER, and I think it will enhance the very considerable sense of accomplishment at what the UNU has created here in Helsinki.

In our third programme area, Energy Systems and Policy, the project on the Dissemination of Biogas Technology to Rural Areas has proceeded with considerable success in both Guyana and Jamaica. In Guyana, 24 biogas digesters have now been constructed. That is six more than originally planned, and all are functioning at maximum capacity. In Jamaica, four digesters have been completed this spring. The Institute of Applied Science and Technology in Guyana now has the capacity to serve as a training centre for the construction and maintenance of digesters; three UNU-sponsored participants from Jamaica completed training there in March. Two other Jamaicans have trained in China, where our associated institution, the Guangzhou Institute of Energy Conversion, is a centre for the design of biogas digesters and for biogas dissemination programmes.

The Energy Research Group, which for five years has been a joint

in all countries. A prototype for a regional, computerized data base is functioning at the INFOODS Secretariat. The generation and compilation of sound and broadly comparable basic data is relatively unglamorous, but it is a fundamental prerequisite for sophisticated scientific work. In the last six months, five regional INFOODS groups have been functioning, and four others are being planned.

The second edition of the International Directory of Food Composition Tables was published in April, and draft manuals have been completed on data quality, techniques for data compilation and food nomenclature. As these move into wide circulation, they will help to define a common language and terminology that will permit international exchange and comparison of information, as well as the development of an electronic data network. INFOODS continues to publish a quarterly newsletter, and the first issue of a new scientific journal under the UNU imprint is due out toward the end of this year. It will be published in cooperation with Academic Press, and will be called The Journal of Food Composition Data and Analysis.

The UNU project on Nutrition and Primary Health Care is the subject of one of the external evaluation reports before this Council session. It concluded that a relatively small number of easily identifiable factors determine the success or failure of nutrition and primary health care programmes. A \$200,000 grant from the Ford Foundation financed a planning workshop for a second phase of the project and the extension of the global research network to South Asia. The workshop was held in Colombo in February, and studies are currently being conducted in Sri Lanka, India, and Nepal. A field guide for rapid assessment of nutrition and primary health care programmes, which can be applied in a wide spectrum of conditions, has been published jointly with the University of California Press in English. French and Spanish editions are being prepared. Use of the guide is already expanding rapidly.

This year's first issue of the Food and Nutrition Bulletin was devoted to the nutritional consequences of economic adjustment policies that increase poverty.

A new UNU publication on the study of chronic undernutrition appeared in 1986 and was widely accepted as a methodological basis for research in this field. As a result, UNU was asked to take lead-agency responsibility for an International Dietary Energy Consultative Group, to disseminate available knowledge and draw attention to gaps in the knowledge of human adaptation to undernutrition. A planning meeting for

activity of the UNU and the Canadian International Development Research Centre, produced of a report on research and technology priorities for developing countries, which was published in simultaneous French and English editions jointly by the UNU and IDRC. Recently, I received from Mr. Ivan Head, the President of IDRC, a copy of a letter which he had received from Canada's Federal Minister for External Relations. The Minister said, among other things, "The problems that the report highlights ... are at the heart of the global problem of the crisis in the Third World. I believe that the report prepared by the Energy Research Group presents an illuminating analysis of the situation, identifies the priority areas for intervention, and proposes mechanisms that could not but improve the utilization of energy resources".

Finally, we have within the last few weeks finalized plans to transfer publication of the UNU journal ASSET to the Tata Energy Research Institute in India. We are extremely grateful to Professor Menon for his good offices in bringing the question of ASSET's future to a happy resolution. ASSET will continue to be a UNU publication; the publishing costs will be shared with the Institute, and there will be an Editorial Policy Board which will include representatives of UNU.

The programme area on Resource Policy and Management has produced an outstanding book, called The Geophysiology of Amazonia, published in co-operation with one of the foremost scientific publishers in the United States. It was reviewed in Nature magazine in May, by Norman Myers, who called it "broad ranging in purpose, eclectic in spirit and pioneering in accomplishment" and said "It meets the needs of the times". This book, as you may recall, is one of the products of the project on Climatic, Biotic and Human Interactions in the Humid Tropics. Also under this project, five films are being produced which deal with tropical forests and deforestation.

The Food-Energy Nexus (FEN) programme area has just held a workshop in Paris on "Everyday Structures and the Working of the Real Economy in the Cities". Two new working papers in the FEN series have been published, and a workshop on integrated food-and-energy systems in China is being planned. The second issue of this year's Volume 9 of the Food and Nutrition Bulletin will be a special FEN issue on home gardens as sources of food and income for the poor.

In the programme area on Food, Nutrition, Biotechnology and Poverty, the INFOODS project continues to progress toward its goal of improving the quality of food composition data and making them available

this undertaking will be held in Guatemala in August.

Among our biotechnology activities, I would like to mention the initiation of a one-year study on the digestibility of mushroom proteins, investigating the potential of mushrooms as a significant dietary supplement. A workshop on fish fermentation techniques was held in Seoul, Korea in June. Its purpose was to identify ways of strengthening traditional fermentation technology with modern biotechnology.

Work is progressing on two films on the soybean product called tempeh, in collaboration with the Nutrition Research and Development Centre of Indonesia. The first film deals with the production of tempeh and the second with the popularization of tempeh. A newsletter dealing with tempeh and other similar fermented foods will soon be launched. It will serve as a vehicle for communication among all those interested in the subject, including the former UNU fellows who followed the 4 1/2 month UNU course on tempeh in autumn, 1986.

Finally, the project on Nitrogen Fixation in the Root System of Rice held a second workshop in February in Bangkok, Thailand. Twenty-one researchers from 14 countries analyzed research results on improved uses of bacteriological nitrogen fixation, using advanced techniques such as recombinant DNA and tissue culture.

A very considerable number of activities have taken place in the human and social development programme area in the last six months, of which I shall mention only a few. In the project on ethnic minorities, two manuscripts have been edited for publication out of the 1986 conferences, one on "Ethnicity and nation-building in the Pacific" and the other on "Ethnic conflict, human rights and development".

A new project on human rights and scientific and technological development has gotten off the ground with a steering committee meeting in April. The UNU was asked to undertake this study by the United Nations Commission on Human Rights, and the work is being funded by a special grant from the Ministry of Foreign Affairs of Japan.

Two conferences on rather similar topics which were held in Tokyo this spring attracted considerable enthusiasm both in Japan and abroad. The first was a symposium on "The Future of Mankind and Co-operation among Religions". It was organized by the Japan Foundation for the UNU and co-sponsored by the World Conference on Religion and Peace. An international roster of speakers debated the forms and possibilities of

religious co-operation over five days, with very active participation by an audience drawn largely from Japanese universities, religious organisations and the general public. In May, the UNU and Sophia University in Tokyo co-sponsored a seminar on Science, Technology and Spiritual Values in Asia. On the occasion of this seminar, the President of Sophia University and I received an unsolicited letter from Pope John Paul II in which he described the seminar as "an event of great significance for all those who seek a development which truly serves humanity by promoting ethical and spiritual values as well as economic and scientific progress".

In the project on Household, Gender and Age, four out of eight field studies were completed. Their results, and preliminary results of the four remaining studies were reviewed at an appraisal meeting in Italy in April. An audiovisual tape on the field study in Colombia, entitled "The Impact of Demographic Transitions on the Household in Bogota", was also reviewed. The tapes are available in English and Spanish. The third training course associated with the project was completed in May at the Universidad de los Andes. Participating were six UNU fellows: two from China, two from Ghana, one from Mexico and one from Nigeria.

As part of an effort to stimulate South-South academic exchange, the UNU is helping to support an exchange programme of African scholars to Latin America and Latin American scholars to Africa. In the first six months of this year, the UNU sponsored a visiting professor from Nigeria to teach and do research at El Colegio de Mexico, and provided a special fellowship for the Director of African Studies of El Colegio to visit the University in Dakar, Senegal.

The projects in the programme area on Regional Perspectives continued their individual activities while working toward a trans-regional synthesis under the project called the Third World and World Development. The Latin American Perspectives project produced an empirical analysis of the role of social movements in the processes of democratization, covering ten countries. Entitled Movimientos Sociales ante la Crisis, it was published in conjunction with the Latin American Council of Social Sciences (CLACSO) in Buenos Aires. It is one of several books arising from this project which form part of the growing "Biblioteca Latinoamericana" being built up by CLACSO in part as a result of the UNU project.

The East Asian group of the Asian Perspectives project held a final workshop in Macau immediately after our last Council meeting.

Twenty-one scholars from the four countries of the sub-region discussed "The State and Social Transformation". The European Perspectives project held a workshop on the crisis in development in Warsaw in March, and a seminar on active neutrality as a policy option, in Dublin, Ireland in April.

In February, the researchers of the African Regional Perspectives project met in Geneva to prepare a regional synthesis which will serve as the project's input to the trans-regional integration project. Their purpose was to develop specific theoretical and empirical questions which could be equally pertinent in other regions. The meeting also provided an opportunity to interact with the researchers of the UN Research Institute for Social Development, which is co-sponsoring the network of African researchers set up by the UNU project.

In programme area 9, the project on Microprocessor Technology conducted a workshop on microcomputers in the teaching of physics and mathematics at the University of Khartoum, Sudan in March 1987. Within the same project a programme designed to teach computer science to students enrolled in masters degree courses at the University of Yaounde, Cameroon was conducted from January to June 1987 in collaboration with the French National Institute for Research in Informatics and Automation. Instructors for the programme were provided by the Institute. Recently, the project co-ordinator, Dr. Wesley-Tanaskovic, with the assistance of Professor M.G.K. Menon, visited several institutions in India to explore possibilities of establishing more intensive co-operation in the field of microprocessor-based technologies and informatics, primarily within the framework of the agreement between the UNU and the Indian Council of Scientific and Industrial Research.

Research is proceeding on three fronts within the framework of the project on complexity. The original pilot study on the North Atlantic fishery has been extended to seven countries. Scientists from outstanding marine institutes in Canada, Iceland, Morocco, Peru, the Phillipines, Portugal and the United States are participating. In addition to this study, a group in France centered at the Research Institute for Economy and Epistemology is studying the application of concepts of complexity to learning and the cognitive sciences. A third group, at Development Alternatives in India, is working on complexity in industrial design. All three groups plan to meet together in November.

Three participants in the project on Information Overload and Information Underuse came from China's Institute of Scientific and Technical Information to Japan in March, under UNU auspices. Their

purpose was an exchange with Japanese counterparts on problems related to information education and facilities. Their programme included a public seminar on the contemporary information environment in China and Japan, which was held at the University of Library and Information Sciences in Tsukuba, Japan.

UNU training and fellowship activities have continued despite our financial difficulties, with 82 fellows completing their training programmes between January and June. Twenty-seven fellows started training programmes in that period. Currently, 79 fellows are in training.

As of 30 June, a cumulative total of 961 UNU fellowships had been awarded; 882 have already been completed. We may expect, therefore, that sometime late this year or early next year, the one-thousandth UNU fellowship will be awarded. This is a milestone we can all look forward to with satisfaction. We would have reached it by this time but for the austerity measures we have had to adopt to meet the current financial crisis. As applied to the training budget, the austerity measures meant that more than 65 fellowships had to be cancelled or postponed this year, and the duration of several others had to be shortened.

After our last Council Meeting, one of the major tasks of the Training Unit was to draft a policy paper to serve as a guideline for the University's future training and fellowship activities. You have the draft of this paper before you for consideration at this session.

In the final biennium of a Medium-Term Perspective period, the information and publishing activities of the University naturally come to the fore. In reviewing the programme highlights, I have already mentioned a number of specific publications by name. Given the considerable number of co-publishers with whom we work and the irregularity of our own publishing schedules as well as theirs, it is difficult at any one time to give an exact figure, but I estimate that in the first six months of this year, at least 12 new books have been published from UNU activities - a rate of more than one every two weeks. Of course, we are aware that the quality of publications is a better measure of our accomplishments than numbers alone.

Much of the work carried out under the first MTP is now moving toward publication. This output will equal or surpass the total number of UNU books published in the first ten years of our existence. It already includes titles from several series, such as Studies in African Political Economy, Peace and Regional Security, Contemporary Latin America, The

Japanese Experience in Modernization, and Energy Research. These series, along with individual books, will assuredly raise the profile of the UNU and increase its visibility in academic circles and among the general public.

In addition to books, the UNU is responsible for a number of periodical publications and paper series. I say "a number" and I suspect we are all somewhat vague about this, as some of the less formal publications are known chiefly to the members of particular networks. It may surprise you to learn, therefore, that at my estimation, the UNU is now involved in publishing some fourteen periodicals and at least six paper series. The periodicals range from established scientific journals such as Food and Nutrition Bulletin and Mountain Research and Development to network publications such as New Asian Visions and Arab Alternative Futures, to newsletters such as the INFOODS and INRESA Newsletters. Our own Information Services publishes three periodicals as well as co-publishing Development Forum. In addition, there are the paper series such as the WIDER working papers and policy papers, the FEN working papers, and the published versions of our Global Lecture Series. I am sure that there are other periodicals and paper series that I am not even aware of, as new ones seem to spring up in different parts of our network almost monthly. All this is a strong sign, I believe, of the health and vitality of our networks.

In addition to this broad and varied publishing activity, we are working to improve the University's contacts with the media, by placing articles about the UNU and its work in appropriate media outlets. Renewed interest in the UNU is now apparent among the Japanese media as well as among Tokyo-based foreign correspondents.

Internal communications have also been strengthened. A new in-house monthly newsletter called Looking Ahead is keeping the Centre staff and our external offices more thoroughly informed about upcoming activities, publications and so forth. Low-cost electronic mail linkages have been established among the Tokyo Centre, WIDER, the London and New York Offices, and several other institutions and individuals with whom regular contact is required.

Most importantly, the information base of the UNU as a whole is being improved by systematic computerization. The University's own mainframe computer became operational on 1 January. Accounting and other applications that had been performed outside have been brought in-house. An on-line finance and budget system has been installed. A number of information-management systems are being enhanced or

installed.

I would like to turn now to institutional developments, among which there are a number of exciting possibilities now taking shape. I have already brought you up to date on WIDER's activities, which demonstrate how quickly it has established itself as a focal point for new thinking in development economics. The Board of WIDER was re-constituted in January, following the expiration of some members' terms and two resignations. Happily, Dr. Saburo Okita of Japan has agreed to stay on for another term as Chairman, and the other members of the Board's first "class" have also demonstrated their commitment to WIDER by agreeing to serve another term. The two new members appointed to replace Professors Sen and Dahrendorf, who resigned, are Dr. Reimut Jochimsen, Minister for Economics and Technology of the German State of North Rhine-Westphalia and a former member of this Council; and Dr. I.G. Patel, Director of the London School of Economics and Political Science. Dr. Jochimsen, you may recall, was closely involved in drafting the statutes of WIDER, and will, I am sure, be a strong guardian of the proper relationship between the WIDER Board and this Council.

The Search Committee for the Director of INRA has met twice under the chairmanship of Maurice Strong, and has submitted to me a very strong panel of names for consideration. They have also come up with a wide-ranging list of possible candidates for the INRA Board. I am now in the process of consulting with the Chairman of the Council and the Rector-designate about this appointment. In February, Dr. Kwabong called on President Kaunda of Zambia and President Houphouet-Boigny of Cote d'Ivoire to stress the need for early payment of their pledges. Both reaffirmed their commitments, and assured us of the fullest possible co-operation. Payment of the French pledge of 20 million Francs has been discussed with the French Ministry of Co-operation, and we have requested payment of the first instalment of 3 million Francs this year. A private individual in the United States has contributed US\$100,000 as a special endowment fund for research associates. Consultations held in June with the Italian Government were very encouraging. The Government of Belgium has also assured us of their continuing interest in INRA. We are working actively with a number of other potential donors, in the public and private sectors.

The feasibility study on the establishment of a research and training centre on new technologies was completed by Professor Charles Cooper and his colleagues in April. In May, I discussed the conclusions of the feasibility study with the Minister of Development Co-operation of the

Netherlands, the Minister of Education and Science, the Governor of the Province of Limburg, and several other officials in the Netherlands. I found them all to be enthusiastically supportive of the conclusions of the study, and strongly committed to the idea of a UNU RTC in Maastricht. We will have a chance to discuss the content of the proposals in detail later during this session. I have sent, at the request of the Dutch officials, a letter outlining the level and forms of funding that would be necessary to make the proposed centre a viable proposition. Beyond this, a committee is now working under Professor Cooper's chairmanship to flesh out a detailed proposal for the consideration of the government of the Netherlands. A UNU team was in the Hague last week, working with Professor Cooper on matters of budget, staffing and organization that would have to be incorporated in a draft memorandum of understanding. The quality of the work done so far and the enthusiastic reception it has met in Holland have in my view laid the basis for consideration of the establishment of a new UNU research and training centre within this year. Momentum is very much in our favour.

Another feasibility study, on the establishment of a UNU research and training centre on outer space studies, has gotten underway this spring, with a grant from the Government of Austria. As you know, Austria has played an important role in mediation and diplomacy in this field through its chairmanship of the UN Outer Space Committee and as host country for the two major UN conferences on the peaceful uses of outer space, in 1968 and 1982. The Austrian Government has also consistently supported UNU efforts in this field. The feasibility study is expected to explore the rationale for an RTC on outer space studies, in order to provide a concrete basis for decision by the UNU Council and the Government of Austria.

A working group for the study has been established and it met for the first time in May. Its members are Professor Hubert Curien, formerly French Minister for Science and Technology and President of the European Space Agency; Professor Johannes Ortner, Managing Director of the Austrian Solar and Space Agency; Dr. Yash Pal, Chairman of the University Grants Commission in India, and Secretary-General of the second UN Conference on the Exploration and Peaceful Uses of Outer Space; and our former Vice-Rector Edward Ploman. This distinguished group can be expected to make a thorough and penetrating review of the existing institutional framework for outer space studies, and to identify the specific areas in which a new research and training centre could make an important contribution.

In May, the UNU convened a meeting of experts in computer software to discuss a possible UNU research and training facility for the development of software to meet the needs of developing countries. The group drew attention to the need for an institutional framework to promote the development of advanced software specifically designed for developmental applications that are not likely to attract the attention of commercial enterprises. Such a centre should also be equipped to train Third World specialists in the design of advanced software, expert systems and other forms of artificial intelligence in an effort to assist developing countries to achieve self-sufficiency in this field. The Government of Macau, where the meeting was held, has expressed an interest in hosting such an institute.

On June 5th, I received a letter from the Secretary-General of the State Science and Technology Commission of China, unequivocally stating the Government of China's full support for the establishment of a UNU research and training centre on software development. He wrote "We believe that this undertaking shall greatly benefit the scientific, technical, social and economic progress of developing countries. May I also assure you that we will do all we can to assist in the process. We will also consider the issue of financial contribution in due course, even though it may be rather modest in amount, taking into account China's present economic capability". We are very grateful for this vote of confidence, and feel that the project is worthy of more detailed exploration.

We now have before us the very real prospect of five UNU research and training centres functioning by the end of this decade. This would take us a long way toward the full realization of the UNU Charter's model of a global network of academic centres and programmes. It is a bold vision, but I am convinced that it is within the capability of this institution. We still look for a research and training centre in Japan to be the linchpin of this network and we hope that the rapid institutional development of the UNU will be a convincing argument for early realization of a research and training centre in Japan.

The encouragement that I feel at the development of UNU programmes and the possibilities for research and training centres that now present themselves is tempered, unquestionably, by the financial difficulties we are facing. It seems particularly ironic that we should be compelled to institute severe austerity measures at a time when the successes of the University are becoming so apparent. Nonetheless, we must make the best of a difficult situation and take the measures necessary to assure that the University's integrity and potential for

growth are not impaired.

The details of the programme and budget outline will be discussed in detail later, but the contours are clear. Major cuts in the non-programmatic parts of the budget have been made, including the freezing of 25 per cent of the posts at the University centre for the coming biennium. The savings from this measure alone will amount to some \$6 million. Along with other administrative cost-cutting plus major fund-raising efforts, this will enable us to maintain centre-based programme activities at approximately 60 per cent of the level originally budgeted in the current biennium. Of course, programme expenditures in the current biennium have already been subject to a reduction to 80 per cent of their original level. The austerity measures that have already been taken, and the lean budget for the next biennium allow us to look at the future with some confidence, despite a realization that the next two years will be difficult. However, we must look at these difficulties in the context of the totality of the institution, not only in terms of the Tokyo centre. They are not insurmountable, if we proceed with caution and self-discipline to turn the considerable existing reserves of good will and confidence in this institution into more tangible support for the work of the University.

Even without a financial crisis on our hands compelling us to become a leaner and more efficient organization, this would be a period of transition for the UNU. The change of Rectors, the articulation of a Second Medium-term Perspective, the evolution of the structure of the University, are all part of this transition. I believe the UNU is well positioned to become a true "World University" -- but to do this will require both boldness of vision and flexibility in developing new modes of organization appropriate to a new kind of university.

The need for flexibility has been recognized, very concretely, at the United Nations, which has agreed to a substantial devolution of authority from the Secretary-General to the Rector in matters governing the personnel of the UNU. This will enable us to move toward a system less oriented toward international bureaucracy and more oriented toward the needs of a university. This is a significant step that recognizes the uniqueness of the UNU as an academic institution within the framework of the United Nations.

The implementation of new arrangements under this and other aspects of the transition will be up to my successor. The many hours that I have spent with Professor Gurgulino and the many independent

consultations he has held will make, I have no doubt, for a smooth transition. They will allow me to say my farewells with a quiet confidence in the future of the United Nations University and the success of its ambitious endeavours.