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AT THE UNITED NATIONS, REFORM HAS A LONG WAY TO GO

INTRODUCTION

The United Nations has been earning public relations dividends from its high visibility role in recent attempts to negotiate agreements among belligerent states. Some say, for example, that the U.N. finally has become what its founders envisioned in 1945. The biggest dividend has been the September 13 announcement by Ronald Reagan that the United States will resume full funding of the U.N. This decision reflects the Reagan Administration's conclusion that the U.N. has begun to reform, as demanded by the U.S. Congress. While this is true, the reform has only begun. As such, the Congress should continue to demand that the U.N. continue its reform to earn full U.S. financial backing, using the leverage of withholding funding until U.N. performance matches U.N. promise.

This year, the U.S. tab for the U.N. system will exceed \$800 million — about one-quarter of the total U.N. system budget. Of this, \$144 million will be given as part of the mandatory assessed U.S. contribution to the U.N. regular budget, most of which funds the Secretariat and General Assembly. The remainder of the U.S. contribution to the U.N. system, over \$650 million, pays for "humanitarian" U.N. agencies, largely in the form of voluntary contributions. The general feeling in the U.S. remains one of cautious optimism as reflected in the actions of the Congress, which continues to demand that the U.N. become less of a "dangerous place" to U.S. interests.

Three Areas of Reform. Congressional concerns about the U.N. are forcefully expressed in the Foreign Relations Authorization Act for Fiscal Years 1988 and 1989. The Act requires that the U.N. make progress in three specific areas of reform before the full appropriated amount of the U.S.'s assessed contribution to the U.N. can be paid.

The first U.N. reform sought by Congress is a 15 percent cut in U.N. Secretariat personnel. U.N. Secretary-General Javier Perez de Cuellar has submitted plans to eliminate 1,465 staff positions by December 31, 1989. This reduction from the current level of 11,422 is approximately 12.8 percent. In his proposed budget outline for the biennium 1990-1991, the Secretary-General incorporates these staff cuts with an estimated \$177.5 million reduction in that budget.

Fixed-Term Soviet Staffers. The second reform sought by Congress is that no more than half of U.N. Secretariat staffers from any one country be on fixed-term contracts, revocable at any time by the home government. This reform is crucial to ensuring compliance with Articles 100 and 101 of the U.N. Charter, which stipulate that U.N. staff should be "exclusively international" and "shall not seek or receive instructions from any government or from any authority external to the Organization." This can be achieved by having Secretariat employees hired as careerists for indefinite, rather than fixed terms. Although other countries practice "secondment" of their nationals working for the U.N., almost all of the Soviet and Soviet-bloc nationals at the U.N. work on a temporary basis — or, as it is called, "seconded" — under fixed-term contracts, making them responsive to Moscow, not to the U.N. So far, the U.N. has made little progress in cutting the number of "seconded" staffers. In a hearing on September 23, 1988, before the House Foreign Affairs Committee Subcommittee on Human Rights and International Organizations and Subcommittee on International Operations, Assistant Secretary of State for International Organization Affairs Richard S. Williamson testified that the Soviets were "planning" to allow between three and six of its 184 nationals employed in the Secretariat to accept permanent contracts with the U.N.

The third reform sought by Congress is that a consensus based decision-making process for adoption of the U.N. budget "be implemented and its results respected by the General Assembly." By this provision, Congress intends to make the U.N. more responsive to its major contributors, since consensus decision-making effectively would give the U.S. a veto. Under the present system, the U.S. contributes around one-quarter of the U.N. regular budget, but has no more say on how that money is spent than a country that contributes the minimum .01 percent of the U.N. regular budget. This lack of accountability has contributed largely to the profligate waste for which the U.N. has become famous.¹

THE U.N. RESPONSE

The General Assembly passed a resolution in December 1986 which changed the budget approval process and calls for consensus decision-making, but only at the recommendation stage of the budgeting cycle. Under this new budget approval process, the Secretary-General provides the Committee for Program and Coordination (CPC) with a preliminary budget outline during the non-budget year of the U.N.'s biennial budget cycle. The CPC then is asked to make a consensus recommendation to the General Assembly on the outline. This is not required, however, merely encouraged. The General Assembly in

¹ See, for example, Thomas E.L. Dewey, "The Charade of United Nations Reform," Heritage Foundation *Backgrounder* No. 624, December 21, 1987.

turn provides the Secretary-General with binding recommendations on the preparation of the final budget. The Secretary-General prepares the final budget, which, after review by the CPC, is sent to the General Assembly for final adoption. The problem is that consensus is only recommended, and only within the CPC. The General Assembly can do as it sees fit before adopting the final budget. In effect, the U.S. voice in U.N. budget-making is no stronger than it has been.

Scratching the Surface. U.N. movement in the three areas of concern identified by Congress is modestly encouraging. Much, however, remains to be done. Talk that the U.N. finally has turned the corner is premature. These developments merely scratch the surface of the serious problems of the U.N. from a U.S. perspective.

The 15 percent reduction in the Secretariat staff has not yet been achieved. The 12.8 percent reduction proposed by Secretary General Perez de Cuellar is the first step toward this end, but this must be incorporated in the 1990-1991 budget which will not be adopted until the end of the 44th General Assembly in 1989. The possibility always remains that the General Assembly will alter the Secretary-General's budget outline.

The Soviet Union still has 100 percent of its nationals employed at the U.N. Secretariat on fixed-term contracts. Even with the small number which Moscow promises to allow to accept permanent contracts, that will leave, at best, 97 percent of the Soviets at the U.N. on fixed-term contracts. There is no indication that the Soviets or their Eastern bloc allies have any intention of continuing these reductions down to the 50 percent limitation any time soon.

General Assembly Control. Even the weak consensus decision-making procedure on the budget has not been tested yet. The CPC reached a consensus on the Secretary-General's preliminary budget outline for the 1990-1991 biennium this September 19. The General Assembly, which in the reform resolution (41/213) is still granted total control over the final budget with no pretense of consensus, has not approved this outline. In addition, the General Assembly, as typically has happened, can add on to the final budget. It can do this as late as the second year of a budget cycle.

Since the fulfillment of even these reforms remains in jeopardy, the U.S. must remain vigilant and insist that the U.N. follow through on its minimal, though not negligible, beginnings of reform. Should the General Assembly refuse to adopt an acceptable budget or the Soviet Union stall the progress toward a 50 percent limitation on secondment, then the U.S. will have no other choice but to resume its policy of withholding part of its annual assessed contribution to the U.N. However, if these efforts are successful, the reform movement cannot be abandoned. Instead, the success should serve as a catalyst for continued improvement, perhaps ultimately resulting in an organization capable of achieving the goals embodied in the U.N. Charter.

INCREASING THE U.N.'S EFFICIENCY

In addition to those reforms addressed by Congress which are just getting underway, the U.S. should pursue more managerial changes to improve the efficiency of the U.N. In one promising development, the Secretary General has proposed a contingency fund equaling 0.75 percent of the total U.N. administrative and budget. This contingency fund, long sought by the U.S., is designed to limit add-ons to the regular budget. However, as it exists now, this fund contains a loophole. It would not cover expenditures "arising from the impact of extraordinary expenses as well as fluctuations in rates of exchange and inflation." One example could be unforeseen peacekeeping costs. But "extraordinary expense" is ambiguously defined and conceivably may encompass anything the General Assembly wishes. The U.S. must follow through on this initiative and close this loophole. A separate peacekeeping contingency fund would be a simple way of providing for necessary peacekeeping start-up costs.

In addition to this, the State Department's Bureau for International Organization Affairs (IO) should begin a comprehensive series of audits of the U.N. and its specialized agencies. The U.S. Office of Management and Budget (OMB) can provide technical support to IO. Surprisingly, this kind of scrutiny almost never is applied when determining the level of funding for U.N. activities. In addition to conducting audits to determine managerial efficiency, IO should also perform cost-benefit analyses to determine if the results of particular programs are worth the amount of money being spent. Ideally, the U.N. Secretariat would perform these tasks, but it is unlikely that the U.N. will undertake rigorous monitoring of its own performance.

Enormous Redundancy. One thing that would become obvious through this kind of analysis is the enormous redundancy and overlap of responsibilities throughout the U.N. system. Example: About half a dozen U.N. offices and agencies, ranging from the Economic and Social Council to the Food and Agriculture Organization, are working on schemes to regulate multinational corporations.

A number of other U.N. organizations, meanwhile, dabble in development issues even though they were created for other specifically defined purposes. The World Intellectual Property Organization (WIPO) is an example of this. Created to promote the international protection of patents and copyrights, WIPO frequently tries to undermine patents in the name of promoting development in the Third World, by giving national governments of developing countries the right to essentially eliminate existing patent protection for multinational corporations under certain circumstances.

By simply insisting that every program or agency be restricted to the tasks for which it was created, the U.N. could eliminate much of the existing overlap. With the elimination of superfluous organizations, this would reduce the cost of operations and could improve the efficiency of the entire system by allowing each agency or program to focus on a single issue for which it alone is responsible and has demonstrated expertise.

HOW THE U.N. FLOUTS ITS CHARTER

Management and budget are not the only U.N. areas needing reform. The U.S. must forcefully push the U.N. toward strict adherence to the Charter and to the broader liberal democratic ideals upon which the Charter is based.

There has been a tendency for the U.N., and particularly the General Assembly, to ignore major provisions of its own charter and rules of procedure.

Supporting Terrorists

Typical of this is U.N. support for so-called national liberation movements. The very notion of endorsing and providing aid to promote armed struggle against a U.N.-member country is in direct violation of the U.N. Charter. Article 1 of the Charter states that it shall "take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means. . . adjustment or settlement of international disputes or situations. . . ." The U.N.'s funding of the South West African People's Organization (SWAPO), Palestine Liberation Organization (PLO), and the African National Congress (ANC), all of which engage in aggressive, violent tactics and reject peaceful methods for solving disputes, is clearly illegal under the terms of the Charter.

SWAPO, a Marxist guerrilla group that claims to represent the people of South West Africa, otherwise known as Namibia, has received U.N. funds since 1975 and will receive \$3.8 million in grants for 1988 and 1989. SWAPO enjoys official observer status at the U.N. and maintains an official mission in New York at a cost of \$420,000 per year out of the U.N. regular budget. The U.N. has also supported the ANC, a Soviet-backed terrorist organization, with its recognition and financial assistance since 1976. It too has observer status at most U.N. agencies and is given around \$170,000 per year for its offices in New York.

Education for Terrorists. In addition to direct grants, a plethora of U.N. programs provide assistance to these "national liberation movements." The United Nations Development Program (UNDP) funds farm projects for SWAPO in Angola and Tanzania and for the ANC in Tanzania. Through the United Nations Educational, Scientific and Cultural Organization (UNESCO), UNDP will spend over \$1 million "in favour of ANC" and over \$2 million "in favour of SWAPO" for "educational projects" in 1987-1991. Total expenditure by UNESCO in collaboration with UNDP for "educational projects" benefitting "national liberation movements" for this period will come to \$7,034,000.

The United Nations High Commissioner for Refugees (UNHCR) provides substantial assistance to both SWAPO and the ANC. For 1987-1988, for example, SWAPO will receive \$2,012,000 for agriculture equipment for its Viana Reception Centre in Angola. UNHCR funds for the ANC's Malange farm project in Angola, Dakawa Centre and Bagamoyo farm in Tanzania will total \$1,214,000 for 1987-1988. It also is providing \$360,955 for an ANC farm near Lusaka and SWAPO's Nyango farm in Zambia.

Another terrorist group, the PLO, has had permanent observer status at the U.N. since 1974. In its 1980 political platform, the PLO declared its goals to be "the liberation of Palestine, a full and complete liberation: the annihilation of the Zionist entity in all of its economic, political, military and cultural manifestations. . . and the establishment of an independent democratic Palestine which would rule the entire land of Palestine." The U.S. Congress has identified the PLO as a terrorist organization and ordered the closure of the PLO Information Office in Washington, D.C., in the Anti-Terrorism Act of 1987.

At about the same time as the PLO obtained observer status, General Assembly Resolution 3236 (XXIX) was adopted instructing the Secretariat to promote the PLO goals adopted by the General Assembly. Not only is the Charter violated on the grounds that the U.N. has bestowed legitimacy on a group that seeks the destruction of another member state, Israel, it also violates the requirement for maintaining an "exclusively international" Secretariat staff. The PLO is not a nation, yet it has the privilege of full membership status in the U.N. Economic and Social Council's (ECOSOC) Commission for Western Asia. It has even chaired the Commission in the past. While there are no specific line item expenditures budgeted directly to the PLO, its agenda is supported through a host of U.N. programs and committees.

The most important benefit that SWAPO, the ANC, and the PLO get from the U.N. is not however, financial assistance, but the aura of international legitimacy. This legitimacy works not only to enhance various terrorist organizations, but also to undermine any serious international effort to eradicate terrorism.

Excluding South Africa

The most flagrant case of the U.N. violating its own Charter is the illegal exclusion of the Republic of South Africa from the General Assembly. As a U.N. member, South Africa is entitled to participate in the General Assembly according to Article 9 of the U.N. Charter on which the universality provision is based. In Article 5, the Security Council is given sole authority for initiating suspension from the exercise of the rights and privileges of membership. Article 2 states that "nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the Members to submit such matters to settlement under the present Charter." These important safeguards were — and continue to be — disregarded by the General Assembly.

The first attempt to exclude South Africa came in 1970 in a Somali initiative to challenge the credentials of the South African delegation based on claims of the illegitimacy of their government. The Credentials Committee, which reviews all delegates' credentials for each General Assembly session, rejected this challenge.

General Assembly Violation. In plenary, the General Assembly then amended the Credentials Committee's report to delete the acceptance of the South African delegation, despite a ruling by the U.N.'s own Legal Counsel stating that such a move would be a clear violation of the Charter. Only the intervention of the President of the General Assembly, Norway's Edvard Hambro, prevented the illegal exclusion of South Africa from General

Assembly deliberations. Hambro ruled that the General Assembly's resolution could not prevent South Africa from exercising its full rights and privileges as a member of the U.N.

The "Hambro ruling" guided the actions of future General Assembly Presidents in this matter until 1974, when Abdelaziz Bouteflika of Algeria sat in the President's seat. A radical Third World leader, he ignored precedent and allowed South Africa to be denied participation in the work of the General Assembly. All subsequent attempts on the part of South Africa to regain its rights have failed.

Regardless of the member states' positions concerning South Africa's domestic policy of apartheid, the U.N. should never, even for the most "moral" reasons, abandon its Charter. The objections of the Netherlands, Canada, Great Britain, West Germany, the U.S., and many others shocked by this dangerous precedent have been forthright, but unsuccessful. However, many members still fail to appreciate adherence to the Charter as one of the major factors bearing on the U.N.'s legitimacy.

Undercutting the Security Council

The primacy of the Security Council is one of the main tenets of the U.N. Charter. Despite this, the General Assembly often encroaches on the authority of the Security Council, as it did in the South African case.

It also does so by routinely ignoring Article 12 of the Charter. This states that "While the Security Council is exercising in respect of any dispute or situation the functions assigned to it in the present Charter, the General Assembly shall not make any recommendation with regard to that dispute or situation unless the Security Council so requests." In other words, the General Assembly may not pass any resolution on a subject being considered by the Security Council, unless the Security Council seeks the General Assembly's advice.

An example of the General Assembly's violation of Article 12 was its creation of the Council for Namibia in 1967 at a time when the South West Africa/Namibia situation was on the agenda of the Security Council. In fact, the General Assembly illegally assumed responsibility for Namibia and turned over its administration to the Council for Namibia. Under the Charter, the Council for Namibia should not exist and, as such, has no authority to administer the trusteeship of Namibia.

Human Rights Double Standard

In addition to insisting on strict adherence to the letter of the Charter, the U.S. also should press for the revival of the liberal democratic principles upon which the U.N. was founded. One of the fundamental ideals embodied in the Charter is the "universal respect for, and observance of, human rights and fundamental freedoms for all. . ." Failure by the U.N. to apply consistent and equal standards for determining human rights abuses is a serious problem which destroys its credibility as a promoter of individual liberties.

For most of its existence, the U.N. has refused to expose, or even mention the possibility of, major human rights violations in the Soviet bloc. Recently, the U.N. Human Rights

Commission finally agreed to conduct an investigation of the human rights situation in Cuba. It took the Reagan Administration two years to get the Commission to look into alleged human rights violations in Cuba.

Yet, even as the Human Rights Commission was investigating Cuba, an accredited journalist at the U.N. in Geneva, Eliana Bocca, requested "technical support" from the U.N. Department of Information to do a TV program on the Commission's activities in Cuba. The response by Director of Information Therese Gastaut typifies the refusal of the U.N. system to probe human rights abuses in communist countries. She said, "It is not possible. . . because those Cubans [the ones Ms. Bocca would be interviewing] will be speaking against Castro."

Combatting Free Enterprise

The U.N. has a similar bias in its prescriptions for improving the economic well being of less developed countries. A free enterprise approach to economic development seems to be equated reflexively with "colonialism" and some unproven "dependency theory" — namely that "rich" countries can only be rich because "poor" countries are poor and are kept that way. Centralized, statist approaches, despite increasing evidence of the bankruptcy of these models, by contrast, continue to be the preferred method utilized by U.N. development schemes.

Through excessive international regulatory efforts, collectivist agricultural policies, and an emphasis on resource distribution rather than growth, the U.N. has failed to promote "higher standards of living, full employment, and conditions of economic and social progress and development," a duty given the U.N. by Article 55 of the Charter. Despite this, U.N. agencies continue to rely on nonmarket approaches to development that almost always drive developing nations deeper into poverty.

From Labor to Infant Formula. The list of restrictive regulatory measures crafted by the U.N. is lengthy. They include: the Multinational Corporation Code, Restrictive Business Practices Code, Tripartite Declaration on Labor, Convention on Termination of Employment, Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, Infant Formula Code, Essential Drug Program, Pharmaceutical Code, Transfer of Technology Code, and the New World Information Order.

These schemes emanate from almost every agency associated with the U.N., but especially those associated with the General Assembly and the Economic and Social Council (ECOSOC). Such agencies include: U.N. Conference on Trade and Development (UNCTAD), U.N. Development Program (UNDP), U.N. Environment Program (UNEP), U.N. Institute for Training and Research (UNITAR), Law of the Sea Preparatory Committee (LOS PrepCom), Committees on Science and Technology for Development, and the Centre on Transnational Corporations (CTC).

Despite some improvement in recent years, the August 12, 1988 update of UNDP activities still shows substantial reliance on government administration of development projects. For example, Nigeria will receive \$1,249,820 from UNDP for "improving its

capacity for agricultural planning.” UNDP will also support the Vietnamese government’s “effort to . . . create an improved fertilizer handling and distribution system” with \$1.4 million and will provide another \$1.4 for fertilizer. The disastrous results of Vietnamese agricultural policies are well documented.

The U.N. Conference on Trade and Development (UNCTAD) is another agency that consistently promotes nonmarket and anti-market “solutions” to problems in the developing world. UNCTAD continues to call for: increased regulation of business practices, transfer of technology, and multinational corporations; international taxation schemes; commodity price regulations; and expanded tariff preferences for developing countries.

The developing countries within UNCTAD, which constitute a majority bloc, blame their poor economic performance on external barriers to increased trade and development in their countries. Rather than looking to the growing number of development success stories, like the newly industrialized countries of South East Asia, they insist on clinging to failed Marxist policies.

TOWARD SERIOUS REFORM

Until the U.N. begins to respect the letter and principle of its Charter, it can not be said that it has been reformed in any meaningful sense. Serious reform will only be achieved when the U.N.:

- ◆◆ Expels and condemns all terrorist organizations posing as legitimate representatives of their people and begins seriously to address the threat posed by terrorism.

- ◆◆ Restores the primacy of the Security Council. First, it must adhere to Article 12 of the Charter which prohibits the General Assembly from making recommendations on issues being discussed by the Security Council. Second, it must restore Articles 5 and 6 regarding the Security Council’s authority over questions of participation in the General Assembly.

- ◆◆ Applies an unbiased standard in determining human rights violations.

- ◆◆ Recognizes that the existence of civil liberties is a necessary, albeit insufficient, precondition for achieving all of the lofty goals embodied in the U.N. Charter.

- ◆◆ Utilizes a free-enterprise, market approach to development in order to fulfill the mandate for promoting higher standards of living, full employment, and conditions of economic and social progress. The failed socialist policies of the past are no longer justifiable in light of the increasing evidence of success demonstrated by free market economies.

CONCLUSION

The United Nations' early steps toward reform, taken in response to U.S. financial pressure, are encouraging, but they are not enough. There remains a long way to go. Still to be achieved are additional reductions in the Secretariat staff and in the numbers of Soviet and East bloc nationals "seconded" to the U.N. The consensus decision-making procedure for the budget has yet to be tested and could be scuttled by the General Assembly. And sweeping managerial changes are needed to improve U.N. efficiency and eliminate wasteful and redundant programs. The next Congress and Administration, therefore, must be willing to use financial leverage and should not hesitate to withhold a portion of the U.S. assessed contribution to ensure that serious reform continues.

In those programs supported through voluntary contributions, the U.S., as the major voluntary donor to the U.N., has the capacity to insure that such programs are run in compliance with the spirit of the Charter. The U.S. should be prepared to use this leverage when an agency or program is operating otherwise.

The next Congress and Administration should press for still more reforms that will make the U.N. less dangerous to U.S. interests. Such reforms include ending the human rights double standard, promoting free market incentives and reducing state controls to stimulate economic development, and eliminating all funding for so-called national liberation movements.

Finally, the U.S. must insist constantly and unwaveringly that the U.N., especially the General Assembly, abide by its Charter and rules of procedure: If it refuses, the U.S. should use whatever means necessary, including refusing to participate in General Assembly sessions and withholding the U.S. portion of the cost of conducting the General Assembly, to see that it does.

Mark A. Franz
Policy Analyst

Robert Winters
Research Assistant

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