

# Executive Summary Background

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## A Progress Report on U.N. Reform

*Brett D. Schaefer*

Sixty years ago, the United Nations was founded to maintain international peace and security, promote self-determination and basic human rights, and protect fundamental freedoms. Sadly, weaknesses in the organization have prevented it from fully realizing these high aspirations. The past six decades have seen dozens of initiatives from governments, think tanks, foundations, and panels of experts aimed at reforming the U.N. to make it more effective in meeting its responsibilities. Although these reform efforts have seen occasional success, they have failed to address the core problems that cripple the organization.

An accretion of mandates, insufficient transparency and accountability, and resistance of member states to reform have resulted in a system that is bureaucratic, costly, cumbersome, lacking in oversight, and often incapable of fulfilling the responsibilities placed upon it. The United States and other reform-minded member states have capitalized on the many high-profile U.N. scandals in recent years to push a reform agenda to address many of these problems.

**Recent Reform Efforts and Failures.** In the fall of 2005, the General Assembly approved the 2005 World Summit Outcome Document, which sought to “strengthen and update the programme of work of the United Nations so that it responds to the contemporary requirements of Member States.” Critical parts of the process involve increasing and strengthening U.N. oversight, transparency, and accountabil-

ity. The Secretary-General was instructed to submit proposals to address these weaknesses and compile a list of mandates for the member states to review for relevance, effectiveness, and duplication.

In the wake of recent U.N. scandals, the Secretariat and the General Assembly have been forced to implement some initial reforms, including creation of the Ethics Office, mandating financial disclosure by key U.N. officials, and adopting a whistleblower policy protecting those who report on waste, corruption, and abuse in the U.N. But much remains to be done, even on issues to which the General Assembly has already agreed in principle.

- More than four years after the 9/11 attacks, the U.N. has yet to agree on and adopt a definition of terrorism.
- There has been little action on policies to strengthen the Secretary-General’s managerial authority, such as giving him more discretion to move personnel to meet organizational priorities better.

This paper, in its entirety, can be found at:  
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- Mandates older than five years have not been reviewed for duplication, irrelevance, or ineffectiveness. Some of the 9,000 U.N. mandates date back to the 1940s yet remain in place without scrutiny.
- There has been little progress either on buying out the many staff employees who, because they lack motivation or the necessary skills, contribute minimally to the U.N.'s mission or on changing hiring practices to emphasize qualifications over geographic representation.
- Oversight and auditing mechanisms remain hindered by insufficient resources and independence.
- A zero tolerance policy regarding sexual exploitation and abuse by U.N. personnel has yet to be implemented.
- The need for a clear policy on cooperating with legal investigations into criminal activities conducted by U.N. officials or staff remains unmet.

**Entrenched Resistance.** Many member states continue to resist reform, as demonstrated by the failure to impose membership criteria for the new Human Rights Council. Even the seemingly apolitical aspects of reform, such as proposals to accelerate personnel recruitment and grant the Secretary-General the ability to shift staff resources to meet urgent priorities, have met resistance from the G-77 group of developing countries, which sees the reform agenda as an assault on its authority in the United Nations.

In a draft General Assembly resolution introduced by South Africa on April 18, 2006, to the General Assembly's 5th Committee (administrative and budgetary) on behalf of China and the G-77, the many member states resistant to reform revealed that they would delay and block the reform effort by requesting a series of reports from the Secretary-General on his proposals. On April 28, when the G-77 forced a vote, the 5th Committee approved the South African resolution by a vote of 108 to 50 with three abstentions. The General Assembly subse-

quently passed the resolution by a margin of 121 to 50 with two abstentions on May 8.

This is a significant setback in the effort to reform the United Nations. Leading up to the vote, the U.S. and other nations warned the G-77 that passing the resolution would result in consequences.

**What the U.S. Should Do.** When the General Assembly adopted its 2006–2007 budget, only \$950 million of the \$3.8 billion budget was authorized. The U.N. is expected to exhaust this funding by the end of June. The U.S. and other like-minded states should oppose any funds beyond the \$950 million until reforms recommended in the Outcome Document and the Secretary General's follow-up reports (except those delayed by the G-77 resolution) are implemented. If these reforms are implemented, the U.S. should agree to allocate funds monthly, tying further funding to progress toward necessary reforms. By tying approval of the rest of the U.N. budget to reform, the reform-minded states can place significant pressure on the other member states to adopt reform.

In addition, Congress should announce that failure to act on reform will result in financial withholding. Similarly, Congress should withhold U.N. funding should the G-77 vote to pass a budget or approve funds beyond the \$950 million cap over the objections of the U.S. Outside pressure from the U.S. Congress, such as establishing reform benchmarks similar to those in the United Nations Reform Act of 2005, has been effective in the past and would further enhance the leverage for reform. Such outside pressure is less susceptible to the internal U.N. politicking that has watered down past reform efforts. Without tying reform to financial incentives, the sound and fury of the current U.N. reform effort, as with past efforts, could easily signify nothing.

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## A Progress Report on U.N. Reform

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Sixty years ago, the United Nations was founded to maintain international peace and security, promote self-determination and basic human rights, and protect fundamental freedoms. Sadly, weaknesses in the organization have prevented it from fully realizing these high aspirations.

Dissatisfaction with U.N. management and effectiveness goes back nearly to the organization's founding and the situation has only grown worse over time. An accretion of mandates, insufficient transparency and accountability, and resistance of member states to reform have resulted in a system that is bureaucratic, costly, cumbersome, lacking in oversight, and often incapable of fulfilling the responsibilities placed upon it by its member states. Detailed descriptions of the U.N.'s failings are readily available.

The past six decades have seen dozens of initiatives from governments, think tanks, foundations, and panels of experts aimed at reforming the United Nations. In the wake of recent U.N. scandals, the Secretariat and the General Assembly have been forced to implement some initial reforms, but many member states are resisting.

In a draft General Assembly resolution introduced by South Africa on April 18, 2006, to the 5th Committee (administrative and budgetary) of the General Assembly on behalf of China and the G-77 countries, the many member states opposing reform revealed that they would delay and block the effort by requesting a series of reports from the Secretary-General on his reform proposals.<sup>1</sup> On April 28, when the G-77

### Talking Points

- The United Nations was founded to maintain international peace and security, promote self-determination and basic human rights, and protect fundamental freedoms.
- An accretion of mandates, insufficient transparency and accountability, and resistance of member states to reform have resulted in a system that is bureaucratic, costly, cumbersome, lacking in oversight, and often incapable of fulfilling its responsibilities.
- The cost of failing to reform the U.N. is high, both for the U.N., which risks being ignored if it cannot address key issues, and for the United States, which would be forced to expend greater treasure and effort to resolve problems that would otherwise be assigned to the U.N.
- Financial carrots and sticks are the most effective levers. Congress and reform-minded member states should use such tactics again to spur reform.

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forced a vote, the South African resolution was approved by a vote of 108 to 50 with three abstentions.<sup>2</sup> The General Assembly subsequently passed the resolution by a margin of 121 to 50 with two abstentions on May 8.<sup>3</sup>

This is a significant setback in the effort to reform the U.N., and reform-minded member states must act to ensure that reform does not stall. Specifically, the U.S. and other like-minded states should use the U.N. budget to press the other member states to adopt reforms and force the G-77 (a group of 132 developing countries) to face the consequences of their opposition to reform. When the General Assembly adopted its 2006–2007 budget, only \$950 million of the \$3.8 billion budget was authorized, with the remainder dependent on progress toward reform. The U.N. is expected to exhaust this funding by the end of June. The U.S. and other like-minded states should oppose any funds beyond the \$950 million until reforms recommended in the Outcome Document and the Secretary General's follow-up reports (except those delayed by the G-77 resolution) are implemented. If these reforms are implemented, the U.S. should agree to allocate funds monthly, tying future funds to progress made in adopting necessary reforms. By tying approval of the rest of the U.N. budget to reform, the reform-minded states would place significant pressure on the other member states to adopt reform and force the G-77 countries to face the consequences of their opposition to reform.

Congress also should step in and announce that failure to act on reform or approving budget funds over the objection of the U.S. will lead to financial withholding. Outside pressure from the

U.S. Congress, such as reform benchmarks similar to those in the United Nations Reform Act of 2005 (H.R. 2745), has been effective in the past and would further increase the pressure for reform. Such outside pressure is less susceptible to the internal U.N. politicking that has watered down past reform efforts. Without tying reform to financial incentives, the current reform effort—like past efforts—will likely fall short of the fundamental reforms needed to improve the U.N.'s effectiveness.

### The Interminable Story of U.N. Reform

The Charter of the United Nations clearly states that the organization was founded to maintain international peace and security, which includes taking collective measures to:

- Remove threats to peace;
- Promote equal rights and self-determination of peoples regardless of race, sex, language, and religion;
- Help to solve economic, social, cultural, and humanitarian problems; and
- Encourage “social progress and better standards of life in larger freedom.”<sup>4</sup>

Regrettably, the U.N. has not done as well as it should have in championing these principles.

**Preventing War.** There have been approximately 300 wars since 1945, resulting in over 22 million deaths. The U.N. has authorized military action to counter aggression just twice: North Korea's invasion of South Korea and Iraq's invasion of Kuwait.

The three most urgent threats to international peace and security today are conflict within states,

1. “Investing in the United Nations: For a Stronger Organization Worldwide,” U.N. General Assembly Resolution A/C.5/60/L.37, April 18, 2006, at [www.eyeontheun.org/assets/attachments/documents/draft\\_res\\_fifth\\_comm\\_4-18-06\\_G-77\\_strengthening\\_UN.doc](http://www.eyeontheun.org/assets/attachments/documents/draft_res_fifth_comm_4-18-06_G-77_strengthening_UN.doc) (May 2, 2006).
2. Press release, “Budget Committee Approves Management Reform Text by Vote of 108 in Favour to 50 Against, with 3 Abstaining,” GA/AB/3732, U.N. General Assembly, Department of Public Information, April 28, 2006, at [www.un.org/News/Press/docs/2006/gaab3732.doc.htm](http://www.un.org/News/Press/docs/2006/gaab3732.doc.htm) (May 10, 2006).
3. Press release, “Acting on Budget Committee Recommendations, General Assembly Adopts Text on Management Reform Proposals by Vote of 121–50–2,” GA/10458, U.N. General Assembly, Department of Public Information, May 8, 2006, at [www.un.org/News/Press/docs/2006/ga10458.doc.htm](http://www.un.org/News/Press/docs/2006/ga10458.doc.htm) (May 10, 2006).
4. Charter of the United Nations, at [www.un.org/aboutun/charter/index.html](http://www.un.org/aboutun/charter/index.html) (May 2, 2006).



terrorism, and the proliferation of weapons of mass destruction. The U.N. is limited in its ability to intervene in internal conflicts; it cannot even agree on a definition for terrorism because it has terrorism-sponsoring states among its membership; and many member states protect states that are seeking to obtain weapons of mass destruction, such as Iran.

**Promoting Human Rights.** The U.N. counts human rights violators and repressive governments among its membership. Equal rights for men and women are not observed among many U.N. members, particularly among Muslim nations.

Human rights violators regularly sought seats on the U.N. Commission on Human Rights to blunt action on and scrutiny of their human rights abuses. They were so effective that the General Assembly voted to replace the discredited commission with a new Human Rights Council. Regrettably, there are no criteria for membership, and countries like Algeria, China, Cuba, Pakistan, Russia, and Saudi Arabia were recently elected to seats on the council, making it likely that the new body will be nearly as ineffective as the commission that it replaced.<sup>5</sup>

**Advancing Better Standards of Life in Greater Freedom.** As for advancing social progress, individual freedom, and the rule of law and improving living standards, Freedom House reports that a majority of U.N. members are not politically free.<sup>6</sup> *The Index of Economic Freedom*, published annually by The Heritage Foundation and *The Wall Street Journal*, also confirms that a majority of U.N. member states remain “mostly unfree” or “repressed” in terms of economic freedom.<sup>7</sup>

Yet the many failings of the U.N. do not outweigh the advantages of continued U.S. participation. As noted by U.S. Permanent Representative to the United Nations John Bolton:

Some Americans simply want to withdraw from the United Nations, believing that it can never really be fixed. I understand the frustrations and the disappointments that lead to that view, even though I disagree with it.<sup>8</sup>

The U.N. serves as a useful forum for multilateral meetings and discussion to address mutual concerns. U.N. interventions through peacekeeping operations, humanitarian missions, and political missions like election monitoring are often more politically acceptable than unilateral or multilateral efforts outside of the U.N. Crises or other problems that are not central to U.S. interests will often be addressed through the U.N. or not at all. While the U.S. government should never make U.S. policy decisions contingent on U.N. approval, this utility creates a strong case for working through the organization when possible.

### Past Reform Efforts

The utility of the U.N. has led to numerous initiatives over the previous six decades to make the organization more effective. Indeed, disillusionment over the U.N. is nearly as old as the organization itself, and there hardly seems a time when the U.S. has not been pressing for reform.

- From the very beginning, the U.S. sought to reduce its financial contribution to the United Nations. The initial agreement on the U.S. share of the U.N. Working Capital Fund was

5. Brett D. Schaefer, “Human Rights Relativism Redux: UN Human Rights Council Mirrors Discredited Human Rights Commission,” Heritage Foundation *WebMemo* No. 1069, May 10, 2006, at [www.heritage.org/Research/InternationalOrganizations/wm1069.cfm](http://www.heritage.org/Research/InternationalOrganizations/wm1069.cfm).
6. Aili Piano and Arch Puddington, eds., *Freedom in the World 2005: The Annual Survey of Political Rights and Civil Liberties* (Washington, D.C.: Rowman & Littlefield Publishers, Inc., 2005), at [www.freedomhouse.org/template.cfm?page=15&year=2005](http://www.freedomhouse.org/template.cfm?page=15&year=2005) (May 5, 2006).
7. Marc A. Miles, Kim R. Holmes, and Mary Anastasia O’Grady, *2006 Index of Economic Freedom* (Washington, D.C.: The Heritage Foundation and Dow Jones & Company, Inc., 2006), at [www.heritage.org/index](http://www.heritage.org/index) (February 4, 2006).
8. John R. Bolton, “The Creation, Fall, Rise, and Fall of the United Nations,” chapter 3 in Ted Galen Carpenter, ed., *Delusions of Grandeur: The United Nations and Global Intervention* (Washington, D.C.: Cato Institute, 1997), at [www.cato.org/pubs/books/bolton-chapter.pdf](http://www.cato.org/pubs/books/bolton-chapter.pdf) (May 2, 2006).

24.614 percent, and it was assumed that the U.S. share of the budget would be similar. However, the initial proposed scale of assessments in 1946 assigned the U.S. a share of 49.89 percent. The U.S. objected to being charged such a high assessment, arguing that such a disproportionate share would grant excessive influence to a single nation. In the end, the U.S. agreed to pay 39.84 in 1947.<sup>9</sup> Seven years later, the U.S. succeeded in reducing its assessment to 33.3 percent. Not until 1973 was the assessment reduced to 25 percent. It took another 30 years and the carrot of paying overdue assessments to reduce it further to 22 percent.

- Only two years after the U.N. was created, Congress issued a report calling for sweeping reform of the U.N. system. A September 1947 study by the Senate Committee on Expenditures in the Executive Departments found “serious problems of overlap, duplication of effort, weak coordination, proliferating mandates and programs, and overly generous compensation of staff within the infant, but rapidly growing, UN system.”<sup>10</sup>
- Through the 1979 Kemp–Moynihan Amendment, Congress sought to limit U.N. support of certain terrorist organizations by withholding a modest percentage of its contributions until it was satisfied that the U.N. had stopped this objectionable practice.
- Upset over the increasing politicization of U.N. operations and programs, as well as the organization’s rapidly increasing budgets, the United States and other Western countries sought unsuccessfully to hold the U.N. to a zero growth budget in the first half of the 1980s. This led former U.S. Ambassador to the U.N.

Jeane Kirkpatrick to testify that “[t]he countries which contribute more than 85 percent of the U.N. budget regularly vote against that budget, but are unable to prevent its increases because the countries who pay less than 10 percent of the budget have the votes.”<sup>11</sup> This frustration led to the first major use of financial leverage to secure a specific U.N. reform through the 1985 Kassebaum–Solomon amendment to the Foreign Relations Authorization Act for fiscal year (FY) 1986 and FY 1987, which withheld 20 percent of U.S. assessed contributions to the U.N. regular budget and specialized agencies until weighted voting on budgetary matters was adopted.

Weighted voting was not adopted, but the U.N. did agree in 1986 to the consensus-based budgeting process as an informal rule. While this process helped to constrain budget growth, it failed either to force a review of mandates and spending priorities or to reduce the budget. Consensus makes opposing budget increases easier, but it also makes eliminating programs more difficult—it takes only one sponsor to block action. The recent vote in the 5th Committee was the first major break with this tradition of consensus on budgetary matters in two decades.<sup>12</sup>

- After former U.S. Attorney General Richard Thornburgh, who served as U.N. Under-Secretary-General for Administration and Management in 1992 and 1993, informed Congress of his failed attempts to get Secretary-General Boutros Boutros-Ghali to clamp down on mismanagement and waste, Congress decided to withhold U.N. funds until the General Assembly created an inspector general to monitor, audit, and inspect U.N. operations. The Office

9. Edward C. Luck, *Mixed Messages: American Politics and International Organization 1919–1999* (Washington, D.C.: Brookings Institution Press, 1999), p. 226, at [brookings.nap.edu/books/0815753071/html/index.html](http://brookings.nap.edu/books/0815753071/html/index.html) (May 2, 2006).

10. Edward C. Luck, “Reforming the United Nations: Lessons from a History in Progress,” Academic Council on the United Nations System *Occasional Paper* No. 1, 2003, at [www.acuns.org/\\_PDF/publications/UN\\_Reform/Luck\\_UN\\_Reform.pdf](http://www.acuns.org/_PDF/publications/UN_Reform/Luck_UN_Reform.pdf) (May 2, 2006).

11. As quoted in *ibid.*

12. Press release, “Budget Committee Approves Management Reform Text.”

of Internal Oversight Services (OIOS) was created in 1994 as the U.N.'s primary investigative and auditing unit. Although lacking true independence and understaffed, the OIOS has contributed to savings and has exposed instances of mismanagement. However, as noted in an April 2006 report by the Government Accountability Office (GAO), the OIOS remains hamstrung by the U.N. funding process, which leaves it subject to political pressure and without sufficient resources to meet its responsibilities as the primary internal auditing and investigatory body in the U.N. system.<sup>13</sup>

- As a condition for payment of accumulated arrears to the U.N., Congress specified a series of reform benchmarks in the Helms–Biden United Nations Reform Act of 1999.<sup>14</sup> Among other conditions, the legislation required the U.N. to reduce the U.S. assessment for the regular budget to 22 percent and the U.S. peacekeeping assessment to 25 percent. The U.N. General Assembly agreed to cap the contribution of any individual nation to the regular budget at 22 percent. Under existing formulas, this reduced the U.S. peacekeeping assessment to about 27 percent. Congress deemed this sufficient and released the payment.

The U.S. has hardly been alone in its attempts to reform the U.N. Independent scholars and groups

of experts have authored dozens of reports. At the behest of the U.N. General Assembly and Secretary-General, various commissions and auditors have conducted numerous reviews, and member states continue to conduct studies into how the U.N. could be improved.

During Secretary-General Annan's tenure alone, the U.N. has undertaken numerous efforts to reform the organization, including detailed reform agendas in 1997 and 2002 and over the past couple of years.<sup>15</sup> The 1997 and 2002 reform proposals by Annan attempted to institute an "extensive and far-reaching set of changes that will move the Organization firmly along the road to major and fundamental reform designed to achieve a greater unity of purpose, coherence of effort and flexibility in response"<sup>16</sup> and, among other things, drop "[a]ctivities which are no longer relevant," "reduce the number of reports submitted each year," and "move resources according to needs."<sup>17</sup>

However, these reform efforts were only partially implemented. "As of December 2003," for example, according to a 2004 GAO report on U.N. reform, "60 percent of the 88 reform initiatives in the 1997 agenda and 38 percent of the 66 initiatives in the 2002 agenda were in place."<sup>18</sup> As a result, many of the key areas of reform identified in the 1997 and 2002 efforts remain objectives in the 2005 World Summit Outcome Document,<sup>19</sup> such

13. U.S. Government Accountability Office, *United Nations: Funding Arrangements Impede Independence of Internal Auditors*, GAO-06-575, April 27, 2006, pp. 3–6, at [www.gao.gov/new.items/d06575.pdf](http://www.gao.gov/new.items/d06575.pdf) (May 2, 2006).

14. Public Law 106-113 and Vita Bite, "United Nations System Funding: Congressional Issues," Congressional Research Service Issue Brief for Congress, updated November 30, 2005, at [sfc.state.gov/documents/organization/58281.pdf](http://sfc.state.gov/documents/organization/58281.pdf) (May 2, 2006).

15. See U.N. General Assembly, "Renewing the United Nations"; "Strengthening of the United Nations"; "In Larger Freedom: Towards Development, Security and Human Rights for All," A/59/2005, March 21, 2005, at [www.un.org/largerfreedom/contents.htm](http://www.un.org/largerfreedom/contents.htm) (May 2, 2006); and "Investing in the United Nations: For a Stronger Organization Worldwide," A/60/692, March 7, 2006, at [www.un.org/reform/reform7march06.pdf](http://www.un.org/reform/reform7march06.pdf) (May 2, 2006).

16. U.N. General Assembly, "Renewing the United Nations: A Programme for Reform," A/51/950, July 14, 1997, p. 6, at [www.un.org/reform/pdfs/1997%20renewing%20the%20un-prog%20for%20reform.pdf](http://www.un.org/reform/pdfs/1997%20renewing%20the%20un-prog%20for%20reform.pdf) (May 2, 2006).

17. U.N. General Assembly, "Strengthening of the United Nations: An Agenda for Further Change," A/57/387, September 9, 2002, pp. 2–3, at [www.un.org/reform/pdfs/2002%20strengthen%20the%20un-%20an%20agenda.pdf](http://www.un.org/reform/pdfs/2002%20strengthen%20the%20un-%20an%20agenda.pdf) (May 2, 2006).

18. U.S. General Accounting Office, *United Nations: Reforms Progressing, But Comprehensive Assessments Needed to Measure Impact*, GAO-04-339, February 2004, at [www.gao.gov/new.items/d04339.pdf](http://www.gao.gov/new.items/d04339.pdf) (May 2, 2006). The General Accounting Office has since been renamed the Government Accountability Office.

19. "2005 World Summit Outcome," U.N. General Assembly Resolution A/RES/60/1, 60th Sess., October 24, 2005, at [www.un.org/summit2005/documents.html](http://www.un.org/summit2005/documents.html) (May 5, 2006).

as overhauling human resources and management, weeding out deadwood staff, realigning the budget away from low-priority areas to higher-priority areas, implementing a performance-based budget system, imposing greater accountability, eliminating duplication, streamlining reporting requirements, and consolidating duplicative reports.

As evidenced by the well-publicized scandals involving the Iraq Oil-for-Food program, abuses by U.N. peacekeepers in the Democratic Republic of Congo and elsewhere, and more recent revelations of corruption in U.N. procurement, the organization has far to go in terms of improving oversight and accountability.<sup>20</sup> As one U.N. expert observed, “Critics keep calling for reform, in part, because the United Nations has been so slow in delivering it.”<sup>21</sup>

### The Most Recent Reform Effort

Spurred by reform-minded member states and recent scandals,<sup>22</sup> the General Assembly embarked on a new reform effort in late 2005. The General Assembly’s final decision on reform was the World Summit Outcome Document, which, though light

on detail, accepted in principle a number of overdue reforms, including replacing the discredited Human Rights Commission with a new Human Rights Council (HRC) and asking the Secretary-General to propose improvements in U.N. management, programs, personnel, oversight, transparency, and accountability. Several lengthy reports on U.N. reform influenced the Outcome Document, including the reports of the 16-member High-Level Panel on Threats, Challenges and Change;<sup>23</sup> the congressionally appointed Task Force on the United Nations;<sup>24</sup> and the Volcker Commission, which detailed failures of the Oil-for-Food program.<sup>25</sup>

Because of recent scandals, the Secretariat and General Assembly have been forced to implement some initial reforms. However, many member states continue to resist such efforts. Even the seemingly apolitical aspects of reform, such as proposals to accelerate personnel recruitment and grant the Secretary-General the ability to shift staff resources to meet urgent priorities, have met resistance from the G-77, which sees the reform agenda as an assault on

20. For information on the Oil-for-Food program, see Nile Gardiner, Ph.D., “The Final Volcker Oil for Food Report: An Assessment,” Heritage Foundation *WebMemo* No. 913, November 10, 2005, at [www.heritage.org/Research/InternationalOrganizations/wm913.cfm](http://www.heritage.org/Research/InternationalOrganizations/wm913.cfm). For information on U.N. peacekeeping abuses, see Nile Gardiner, Ph.D., “The U.N. Peacekeeping Scandal in the Congo: How Congress Should Respond,” Heritage Foundation *Lecture* No. 868, March 22, 2005, at [www.heritage.org/Research/InternationalOrganizations/hl868.cfm](http://www.heritage.org/Research/InternationalOrganizations/hl868.cfm). For an assessment of the U.N. procurement scandal, see U.N. General Assembly, “Report of the Office of Internal Oversight Services on the Comprehensive Management Audit of the Department of Peacekeeping Operations,” A/60/717, March 13, 2006, at [daccessdds.un.org/doc/UNDOC/GEN/N06/269/62/PDF/N0626962.pdf?OpenElement](http://daccessdds.un.org/doc/UNDOC/GEN/N06/269/62/PDF/N0626962.pdf?OpenElement) (May 2, 2006).

21. Luck, “Reforming the United Nations.”

22. Three major scandals have hit the United Nations in the past few years: the corruption of the Iraqi Oil-for-Food program, sexual abuse committed by U.N. peacekeepers, and corruption and mismanagement in U.N. procurement. For information on these issues, see the Independent Inquiry Committee, “Documents,” Web site at [www.iic-offp.org/documents.htm](http://www.iic-offp.org/documents.htm) (May 2, 2006); U.S. Government Accountability Office, *United Nations: Lessons Learned from Oil for Food Program Indicate the Need to Strengthen UN Internal Controls and Oversight Activities*, GAO-06-330, April 25, 2006, at [www.gao.gov/new.items/d06330.pdf](http://www.gao.gov/new.items/d06330.pdf) (May 2, 2006); U.S. Government Accountability Office, *United Nations: Procurement Internal Controls Are Weak*, GAO-06-577, April 27, 2006, at [www.gao.gov/new.items/d06577.pdf](http://www.gao.gov/new.items/d06577.pdf) (May 2, 2006); and briefing and hearing, *United Nations Organization Mission in the Democratic Republic of Congo: A Case for Peacekeeping Reform*, Subcommittee on Africa, Global Human Rights and International Operations, Committee on International Relations, U.S. House of Representatives, 109th Cong., 1st Sess., March 1, 2005, at [www.house.gov/international\\_relations/109/99590.pdf](http://www.house.gov/international_relations/109/99590.pdf) (May 2, 2006).

23. U.N. High-Level Panel on Threats, Challenges and Change, *A More Secure World: Our Shared Responsibility*, 2004, at [www.un.org/secureworld/report2.pdf](http://www.un.org/secureworld/report2.pdf) (May 2, 2006).

24. U.S. Institute of Peace, Task Force on the United Nations, *American Interests and UN Reform: Report of the Task Force on the United Nations*, June 2005, at [www.usip.org/un/report/usip\\_un\\_report.pdf](http://www.usip.org/un/report/usip_un_report.pdf) (February 4, 2006).

25. For documents of the Independent Inquiry Committee, see Independent Inquiry Committee, “Documents,” Web site.



its authority in the United Nations. Therefore, progress toward reform has been limited.

**Completed Reforms.** Nearly eight months later, tangible progress has been disappointing. Only two reforms can be considered complete: the Democracy Fund and replacement of the Human Rights Commission with the Human Rights Council.

*The Democracy Fund.* The Democracy Fund, established in July 2005, actually preceded the Outcome Document; but it fits within the current reform agenda, and the General Assembly has endorsed it. Set up to fund projects to strengthen democratic institutions, the rule of law, freedom of the press, and other characteristics of representative government, the Democracy Fund has a 17-member advisory board and \$41 million in pledged resources. It is considering projects.

*The Human Rights Council.* The General Assembly has passed the resolution establishing the Human Rights Council and has abolished the Human Rights Commission. Elections for new members were held on May 9, 2006. Although the process is complete, the HRC fell far short of U.S. expectations. The U.S. was one of four countries that voted against creation of the council and has announced that it will not run for a seat on it, waiting instead to see whether the HRC is an improvement over the discredited commission.<sup>26</sup> The election of human rights abusers like Algeria, China, Cuba, Pakistan, Russia, and Saudi Arabia to the new Human Rights Council clearly validates U.S. concerns.<sup>27</sup>

**Reforms in Progress.** Another group of reforms are at varying stages of completion. While these reforms are welcome steps in the right direction,

they will require extensive follow-up and support to ensure that they become embedded in the U.N. system and perform as envisioned.

*Peacebuilding Commission.* After months of negotiations, the Security Council and the General Assembly jointly adopted a resolution establishing a 31-member Peacebuilding Commission to provide international support to help countries make the transition from post-conflict instability to long-term stability. Funding and staffing are still being determined.<sup>28</sup>

*Ethics Office.* In paragraph 161(d) of the Outcome Document, the General Assembly asked the Secretary-General “to scrupulously apply the existing standards of conduct and develop a system-wide code of ethics for all United Nations personnel [and] submit details on an ethics office with independent status.” The General Assembly supported the proposal and approved resources for the Ethics Office on December 23, 2005. The Ethics Office has begun operations but is not yet fully staffed.

*Stronger Financial Disclosure Requirements.* The General Assembly also approved the Secretary-General’s proposal to impose financial disclosure requirements on U.N. staff at the D-1 level or above in December 2005. The bulletin outlining the new policy was issued on November 25, 2005.<sup>29</sup> Few disclosures have been submitted, although an updated bulletin has been issued and a submission deadline has been set for May 31, 2006.

*Whistleblower Policy.* The General Assembly supported the Secretary-General’s proposal to adopt “enhanced protection for those who reveal wrongdoing within the Organization.” The new policy was

26. For more information, see Brett Schaefer and Nile Gardiner, Ph.D., “The Right Decision on the UN Human Rights Council,” Heritage Foundation *WebMemo* No. 1031, April 6, 2006, at [www.heritage.org/Research/InternationalOrganizations/wm1031.cfm](http://www.heritage.org/Research/InternationalOrganizations/wm1031.cfm).

27. Schaefer, “Human Rights Relativism Redux.”

28. According to the U.N., “The Peacebuilding Commission’s membership will include seven members of the Security Council, including its five permanent members (China, France, Russia, the United Kingdom and the United States); seven States from the Economic and Social Council, elected from regional groups; five top contributors to the UN budget; and five top providers of military personnel and civilian police to UN missions. The General Assembly will elect seven additional members, with special consideration for States that have experienced post-conflict recovery.” See “7 Countries Elected to UN Peacebuilding Commission’s Organizational Body,” U.N. News Service, May 12, 2006.

29. U.N. Secretariat, “Secretary-General’s Bulletin: Financial Disclosure and Declaration of Interest Statements,” ST/SGB/2005/19, November 25, 2005, at [www.un.org/reform/stsgb\\_2005\\_19eng.pdf](http://www.un.org/reform/stsgb_2005_19eng.pdf) (May 2, 2006).

posted in a 2005 bulletin and became effective on January 1, 2006. The new whistleblower policy has resulted in a number of complaints being investigated by the Ethics Office. Progress to date has been admirable, but a consistent record of following through on complaints has yet to be established.

**Stalled Reforms.** The bulk of the remaining reforms endorsed in the Outcome Document, put forth by the Secretary-General, or sought by the U.S. Congress in the United Nations Reform Act of 2005 are being held up—in large part due to opposition in the General Assembly.

*Definition of Terrorism.* More than four years after the 9/11 attacks, the United Nations has yet to agree on and adopt a definition of terrorism. This failure has halted progress on the Comprehensive Convention Against Terrorism.

*Strengthening the Secretary-General's Managerial Authority.* The General Assembly requested that the Secretary-General, as chief administrative officer of the United Nations, submit proposals to reform U.N. management. The Secretary-General submitted his proposals on March 7, 2006, and they are under consideration by the General Assembly.

*Giving the Secretary-General More Discretion to Move Personnel.* In December 2005, the General Assembly reauthorized the Secretary-General's authority to redeploy 50 posts. The General Assembly, however, did not broaden—and the Secretary-General has not used—this authority. Additional authority to move personnel was proposed by the Secretary-General but faces opposition from the G-77.

*Review of Budgetary, Financial, and Human Resource Regulations and Policies.* The Secretary-General submitted his proposals, many of which require General Assembly approval, on March 7, 2006. Additional changes are supposed to be submitted in a September 2006 report.

*Review of Mandates Older Than Five Years.* The Secretary-General submitted an initial report on the review of mandates on March 30, 2006. The report's

recommendations were very general and focused on reducing reports, eliminating redundancy, and recommending procedures to avoid adoption of unnecessary mandates. The report contained few specific recommendations on which mandates to eliminate. Accompanying the report was a new Mandate Registry that, for the first time, provided a comprehensive list of the over 9,000 individual mandates requiring action by the Secretariat. Some of these mandates date back to the 1940s. The G-77 is resisting efforts to eliminate older or duplicative mandates. Similarly, little progress has been made on adopting sunset clauses in new mandates to prevent repetition of this problem in the future.

*Staff Buyout.* Many staff employees contribute minimally to the mission of the U.N. because they lack either motivation or the necessary skills. As the Task Force on the United Nations noted:

The personnel system has accumulated a heavy load of staff who lack the skills or the motivation to perform their duties, or whose duties are no longer necessary. For too many of the member-states, the United Nations is seen as a job placement bureau.<sup>30</sup>

The Secretary-General's March 7 report estimated the cost of a staff buyout at \$100,000 per person, for a total cost of \$100 million for the estimated 1,000 people determined to be poorly suited for employment in the U.N. Few details were provided on these 1,000 staff employees, their current employment status, how close they are to retirement, and why a buyout of \$100,000 was deemed appropriate.<sup>31</sup>

*Emphasizing Qualifications over Geography in Hiring.* The March 7 report maintains the current priority of nationality over qualifications in hiring, thereby raising doubts about how much a buyout would improve U.N. staff. As long as this policy continues, the U.N. will remain plagued by poorly performing staff selected because of geographic or political considerations instead of their skills.

*Strengthened Oversight and Auditing Mechanisms.* The U.N.'s oversight and auditing capabilities suffer

30. U.S. Institute of Peace, "American Interests and UN Reform," p. 47.

31. U.N. General Assembly, "Investing in the United Nations," pp. 41–42.

from insufficient resources and lack of independence. A key part of the problem is the funding mechanism for the Office of Internal Oversight Services, which subjects the OIOS to political pressure and undermines its independence. As noted by the GAO, “UN funding arrangements constrain OIOS’s ability to operate independently as mandated by the General Assembly and required by international auditing standards to which OIOS subscribes.”<sup>32</sup>

PricewaterhouseCoopers is conducting an independent external evaluation of the oversight and auditing systems in the U.N. and the specialized agencies, including the Office of Internal Oversight Services. The report is expected by June 2006 and, in addition to considering such issues as operational independence for OIOS and necessary resource levels, will make recommendations for the proposed Independent Audit Advisory Committee.

*Enhanced Resources and Capacity for the OIOS.* The General Assembly approved 39 additional posts for the OIOS. The new posts are temporary pending an external review that will determine the additional resources required by the OIOS, especially if it is to extend its oversight services to other U.N. agencies. The General Assembly will have to approve additional permanent positions or reallocate existing positions to the OIOS.

*Creating an Independent Audit Advisory Committee (IAAC).* The General Assembly approved, in principle, creation of the IAAC in its 2006–2007 budget resolution. However, the member states have not agreed to the details of the IAAC.

*Zero Tolerance Policy for Sexual Exploitation and Abuse by U.N. Personnel.* The report on implementation has been delayed indefinitely.

*U.N. Cooperation with Criminal Investigations.* The Secretary-General has not released a document detailing U.N. policy on cooperating with legitimate legal investigations into crimes allegedly committed by U.N. officials or staff. While the organization has lifted the immunity of staff implicated in various crimes, U.N. policy toward

employees or former employees charged with crimes is still conducted on an ad hoc basis.

For instance, former Under-Secretary-General for Internal Oversight Services Dileep Nair was the subject of an investigation by a U.N.-appointed independent investigator into allegations of favoritism in recruiting and promoting employees and other improper conduct.<sup>33</sup> Although the report has yet to be made public, reports indicate that Nair has refused to cooperate with the investigation and that this refusal has met with no repercussions. The Secretary-General should establish a policy laying out when immunity will be waived and what actions will be taken to compel cooperation with investigations, such as suspending pensions for those who are accused of crimes unless they cooperate with investigators.

## Needed Additional Reforms

As important as these reforms are, they would leave many important issues unaddressed, including issues of concern to Congress.

**Moving Toward Voluntary Funding.** Moving portions of the U.N. regular budget from assessed funding toward voluntary funding was a key part of the U.N. Reform Act of 2005, but it is missing from both the Outcome Document and the Secretary-General’s follow-up proposals. In a related matter, the regular budget continues to contribute to funds and programs that should be funded entirely through voluntary contributions. For instance, the United Nations Environment Programme (UNEP) has a biennial budget of \$272 million, of which \$12 million comes from the regular budget. Similarly, the United Nations High Commissioner for Refugees (UNHCR) receives 3 percent, and the United Nations Relief and Works Agency (UNRWA) receives 2 percent. There is little justification for continuing to assess members for activities that enjoy ample voluntary support.

**Reducing Redundancy and Ineffectiveness.** Even if the mandate review process successfully

32. U.S. Government Accountability Office, *United Nations: Funding Arrangements Impede Independence of Internal Auditors*.

33. ZeeNews.com, “Probe into Former Chief of UN Internal Watchdog Complete,” at [www.zeenews.com/znew/articles.asp?aid=292230&sid=WOR](http://www.zeenews.com/znew/articles.asp?aid=292230&sid=WOR) (May 2, 2006).

eliminates obsolete, ineffective, and duplicative mandates within the Secretariat, that will not resolve similar problems of duplication, ineffectiveness, and lack of coordination among the numerous funds, programs, agencies, and other bodies and organs of the U.N. As far back as 1946, Senator Arthur H. Vandenberg (R-MI) noted in a letter to Secretary of State James Byrnes that U.N. specialized agencies were being created too quickly and with responsibilities that were too ambitious.<sup>34</sup> A 1948 Senate report remarked:

There appears to be a tendency on the part of the agencies concerned to undertake far more than they can hope to accomplish, and very often without proper regard for the importance of the work undertaken. . . . The result is that funds are spread very thin and very little is accomplished generally. Whenever a particular project appears important at the moment, a new commission or committee is appointed to look into the matter. This ultimately results in a proliferation of bodies, attempting to accomplish a great deal of work, much of which constitutes duplication of effort already being made and some of which overlaps other projects.<sup>35</sup>

The proliferation of U.N. funds, programs, conferences, agencies, offices, and other organs and bodies has only increased over time.<sup>36</sup> In a related matter, the General Assembly has yet to review its committee structure to resolve overlapping responsibilities, such as between the Economic and Social Council (ECOSOC) and the 2nd (economic and

financial) and 3rd (social, humanitarian, and cultural) Committees.<sup>37</sup>

**Balancing Financial Contributions and Influence in the U.N. Budgetary Process.** The one-country, one-vote structure of the General Assembly, which ignores financial contributions, creates a free-rider problem wherein countries that pay little drive financial decisions. This divorce between obligations and decision-making is perhaps the greatest cause of the U.N.'s decades-long intransigence on real reform. The United States will pay 22 percent of the \$3.8 billion 2006–2007 regular budget, or about \$418 million per year excluding the 27 percent of peacekeeping costs that it also pays and its sizeable voluntary contributions to U.N. technical and specialized agencies. Yet the 48 countries that have the lowest U.N. assessment—a meager 0.001 percent of the regular budget—pay only about \$19,000 each per year. As a prominent U.N. expert once said, “Surely it should not cost a nation less to belong to the UN than an individual to go to college or to buy a car.”<sup>38</sup>

Member states that foot a significant portion of the U.N. bill (e.g., the United States, Japan, Germany, the United Kingdom, France, Italy, Canada, and Spain, which together pay 72.5 percent of the regular budget) deserve greater influence over how the funds are spent. If that is not possible, the financial burden should at least be spread across U.N. membership more evenly.<sup>39</sup> Proposals by Japan and the U.S. to address this issue, such as requiring permanent members of the Security Council to make minimum contributions or using gross national product adjusted by purchasing

34. Luck, “Reforming the United Nations.”

35. As quoted in *ibid.*

36. Paul C. Szasz, “The Complexification of the United Nations System,” in Jochen A. Frowein and Rüdiger Wolfrum, eds., *Max Planck Yearbook of United Nations Law*, Vol. 3 (Leiden, Netherlands: Martinus Nijhoff Publishers, 1999), at [www.mpil.de/shared/data/pdf/pdfmpunybszasz\\_3.pdf](http://www.mpil.de/shared/data/pdf/pdfmpunybszasz_3.pdf) (May 2, 2006).

37. The other major committees of the General Assembly are 1st (disarmament and international security); 4th (special political and decolonization); 5th (administrative and budgetary); and 6th (legal).

38. Luck, *Mixed Messages*, p. 253.

39. For more information see Brett D. Schaefer and Janice A. Smith, “The U.S. Should Support Japan’s Call to Revise the UN Scale of Assessments,” Heritage Foundation *Web Memo* No. 1017, March 18, 2006, at [www.heritage.org/Research/InternationalOrganizations/wm1017.cfm#\\_ftnref6](http://www.heritage.org/Research/InternationalOrganizations/wm1017.cfm#_ftnref6).



power parity as the basis for determining assessments, have been strongly opposed by many member states.

**Refocusing the Secretary-General on His Administrative Responsibilities.** Recent years have seen a troubling evolution of the office of the Secretary-General away from its primary responsibility as chief administrative officer of the U.N. toward a role as self-appointed political advocate. According to Secretary-General Annan:

As Chief Administrative Officer of the Organization, I have managerial responsibilities which have grown far more demanding with the extraordinary increase in the number and complexity of field missions and other operational activities. Yet at the same time the direct and active involvement of the United Nations in a far wider range of issues than in the past has placed enormous calls on my time and capacity in my role as a political instrument of the Security Council, the General Assembly and other United Nations organs. In short, I am expected to be the world's chief diplomat and at the same time to run a large and complex Organization, as it were, in my spare time.<sup>40</sup>

To ease this burden, Annan has proposed shifting the Secretary-General's administrative responsibilities—the only specific role assigned to the office in the U.N. Charter—to the Deputy Secretary-General to permit the Secretary-General to focus on his self-appointed role as the world's "chief diplomat." The U.S. should oppose this illegitimate role for the Secretary-General as inappropriately infringing on the prerogatives of heads of state and their representatives. As Ambassador Bolton has noted:

The UN Charter describes the secretary-general as the UN's "chief administrative

officer." He is not the president of the world. He is not a diplomat for all seasons.... He is the chief administrative officer. Nothing less than that, to be sure, but, with even greater certainty, nothing more.<sup>41</sup>

It is critically important that the United States emphasize the appropriate priority of responsibilities during the selection of the next Secretary-General in the upcoming months.

**Creating a New Organ to Contract and Oversee Procurement for U.N. Peacekeeping.** The ongoing peacekeeping procurement scandal raises questions about the U.N. Secretariat's ability to handle both its own procurement needs and those of the rapidly expanding peacekeeping operations around the world. According to the GAO:

While the UN Department of Management is responsible for UN procurement, field procurement staff are instead supervised by the UN Department of Peacekeeping Operations, which currently lacks the expertise and capacities needed to manage field procurement activities.<sup>42</sup>

The two procurement operations are substantially different and, in the case of peacekeeping, involve unique purchases that are likely to arise with little notice and for uncertain periods. It makes little sense to expand the procurement offices in the Secretariat to meet what may be a transitory demand. As noted by former Under-Secretary-General for Management Catherine Bertini:

DPKO, the UN's Peacekeeping operation, should have a formal governance structure responsible for its oversight and direction.... DPKO is a huge operational department. Its current budget is far larger than that of the Secretariat, yet it operates institutionally like a staff department.<sup>43</sup>

40. U.N. General Assembly, "Investing in the United Nations," p. 20.

41. Bolton, "The Creation, Fall, Rise, and Fall of the United Nations."

42. U.S. Government Accountability Office, *United Nations: Procurement Internal Controls Are Weak*.

43. Catherine Bertini, former U.N. Under Secretary-General for Management, statement in hearing, *Reforming the United Nations: Budget and Management Perspectives*, Committee on International Relations, U.S. House of Representatives, 109th Cong., 1st Sess., May 19, 2005, at [commdocs.house.gov/committees/intlrel/hfa21309.000/hfa21309\\_0.htm](http://commdocs.house.gov/committees/intlrel/hfa21309.000/hfa21309_0.htm) (May 2, 2006).

It is time for the U.N. General Assembly to consider creating a new organ specifically dedicated to procurement for U.N. peacekeeping operations that can be staffed by personnel provided gratis by donor militaries or through short-term contracts to adjust to the ebbs and flows of peacekeeping demands.<sup>44</sup> A new governance group, perhaps modeled after the new Peacebuilding Commission and composed of a relatively small group of permanent Security Council members, major contributors to the peacekeeping budget, and key contributors of peacekeeping troops and personnel, should be established to oversee this new U.N. organ, which should also be subject to OIOS and IAAC audits, inspections, and oversight.

### Prospects for Successful Reform

Many U.N. reforms face opposition from the G-77, which, with 132 members, commands a two-thirds majority of the General Assembly. A draft General Assembly resolution from the G-77 countries on April 18, 2006, to the 5th Committee revealed that they would delay and block the reform effort by requesting a series of reports from the Secretary-General on his reform proposals.<sup>45</sup> On April 28, the G-77 forced a vote on the South African resolution that passed by a vote of 108 to 50 with three abstentions.<sup>46</sup> The General Assembly subsequently passed the resolution by a vote of 121 to 50 with two abstentions on May 8.<sup>47</sup>

This is a significant setback. Nevertheless, there are three reasons for optimism concerning the current U.N. reform effort's potential for success.

**Public Scandals.** Recent extremely public scandals have clearly illustrated the many problems that continue to plague the U.N. As a fundamentally

political organization, the United Nations often makes decisions that are based more on political concerns than on effectiveness. Seemingly benign changes in personnel and mandates are perceived as turf wars, slights, or assaults on obscure fiefdoms. Historically, although many elements of the U.N. bureaucracy oppose change, it has been easier to pursue reforms if they are solely within the purview of the Secretary-General.

Intractable resistance by member states, not bureaucratic inertia, has been the biggest obstacle to reform. The many scandals have placed obstructionist elements among the U.N. membership on weaker ground and have enhanced interest in reform among major contributors. Partly in reaction to these scandals, the General Assembly has already acceded to key reform principles, including eliminating outdated and duplicative mandates, adopting stronger and more independent oversight, increasing transparency, and granting the Secretary-General greater autonomy over his staff. While resistance will be stiff, member states interested in reform can point to the agreed 2005 World Summit Outcome document and ongoing revelations of mismanagement as justification for moving forward.

**Focused Reform Actions.** If implemented, the current reform effort is far more likely to improve the U.N.'s daily operations than was the case with previous efforts because it requires review and change for those policies and mandates that impede the organization. Past reforms have focused on broad issues, such as adjusting the scale of assessments and expansion of the Security Council or ECOSOC, or on relatively mild adjustments in administration or structure that largely

44. There are precedents for this. For instance, the World Food Programme was established in 1961 by separate resolutions of the General Assembly and the Food and Agriculture Organization Conference and governed by rules adopted by ECOSOC and the FAO Council. It administers at least one program previously established by the General Assembly and is currently governed by an executive board of 36 states, with ECOSOC and the FAO Council each selecting half of the members. See Szasz, "The Complexification of the United Nations System," pp. 43–44.

45. U.N. General Assembly, "Investing in the United Nations."

46. Press release, "Budget Committee Approves Management Reform Text."

47. Press release, "Acting on Budget Committee Recommendations, General Assembly Adopts Text on Management Reform Proposals by Vote of 121-50-2," GA/10458, U.N. General Assembly, Department of Public Information, May 8, 2006, at [www.un.org/News/Press/docs/2006/ga10458.doc.htm](http://www.un.org/News/Press/docs/2006/ga10458.doc.htm).

fall within the purview of the Secretary-General. These changes have had little influence over the daily operations of the U.N., while more fundamental reforms were hampered by existing constraints that could be changed only by the General Assembly.

The current reform effort places significant focus on General Assembly action. It encompasses reform of what the U.N. does both in terms of mandates, prioritization, and operational activities and in terms of the supporting processes of budget, personnel, accountability, and oversight.

**The Budget Cap.** The imposition of a \$950 million budget cap is unprecedented. Unilateral financial leverage can be effective, but multilateral financial pressure is better. The expressed determination of the United States, Japan, Australia, Canada, New Zealand, the United Kingdom, and a few other member countries to oppose the biennial budget unless certain reforms are adopted—a form of multilateral financial withholding—will be instrumental in achieving fundamental reform.

If these major contributors remain committed to reform and do not prematurely approve another budget, the \$950 million cap will ensure that reform issues remain on the front burner and apply pressure on the G-77 to support key reforms. Even if the General Assembly moves forward on some key reforms, the U.S. and other reform-minded member states should oppose approving the full U.N. budget and instead seek incremental budget extensions to maintain pressure. Passage of the G-77 resolution delaying reforms until the Secretary-General submits additional reports has made this even more critical.

### Applying Constant Pressure

This is the time to press for fundamental reform of the U.N. The U.S. should not let G-77 intransigence block the current reform effort. Leading up to the vote in the 5th Committee, the U.S. and other nations warned the G-77 that passing the resolution would have consequences. British Amba-

sador to the U.N. Emyr Jones-Parry reacted strongly to this blocking strategy:

They should realize we pay 82 percent of the budget and we're not going to have this sort of imposition on us by the draconian tactics by the G-77 at the moment. If they want to play with fire, they're going to get their fingers burnt, that's clear.<sup>48</sup>

If the reform effort is to succeed, reform-minded member states must follow through on their threat to impose financial consequences on the G-77 based on its action. When the General Assembly adopted its 2006–2007 budget, only \$950 million of the \$3.8 billion budget was authorized. The U.N. is expected to exhaust this funding by the end of June.

The U.S. and other like-minded states should oppose any funds beyond the \$950 million until reforms recommended in the Outcome Document and the Secretary General's follow-up reports are implemented, except those delayed by the G-77 resolution. If these reforms are implemented, the U.S. should agree to allocate funds only incrementally. Any extension of the budget should be tied to progress in adopting reforms, specifically by extending the budget monthly as the Secretary-General submits follow-up reports and the General Assembly acts to pass reforms. Tying approval of the rest of the U.N. budget to reform can place significant pressure on the other member states to adopt reform.

The U.S. Congress can greatly increase chances of successful reform through legislated benchmarks and financial withholding, such as those adopted in the 2005 United Nations Reform Act. There are also worrisome indications that the G-77 is seeking to approve the U.N. budget beyond the \$950 million cap. Congress should pass legislation similar to the Kassebaum-Solomon amendment to withhold UN funds if the budget is passed over the objection of the U.S. or until weighted voting is adopted. Financial sticks and carrots can be very effective in countering the strong inertia within the U.N. against reform. The preferable route is to win

48. Nick Wadhams, "Top U.N. Financial Contributors, Developing Nations Clash over Reform," *OhmyNews*, April 25, 2006, at [english.ohmynews.com/ArticleView/article\\_view.asp?no=287930&rel\\_no=1](http://english.ohmynews.com/ArticleView/article_view.asp?no=287930&rel_no=1) (May 2, 2006).

through negotiation, but if reform stalls, there may be no other choice. Without this type of external measurement of progress tied to financial incentives, the sound and fury of the current U.N. reform effort, as with past efforts, could easily signify nothing.

### Conclusion

America's relationship with the United Nations is complex. The U.N. and its affiliated organizations have a utility that can assist the U.S. in accomplishing policy outcomes. It is clearly in the interest of the United States to engage the United Nations and use the organization to advance its priorities, indirectly address secondary or tertiary problems, and facilitate cooperation with other nations in addressing common problems. However, America must not let the occasional utility of the U.N. restrict its ability to protect its interests.

It is in the interests of the U.S. to have an effective United Nations. To be useful, the U.N. must carry out its responsibilities competently. The current organization falls short. The United States should not hesitate to encourage controversial reforms intended to improve the organization. The cost of failing to reform the U.N. is high, not just for the

U.N., which risks being sidelined if it cannot be relied upon to address key issues, but also for America, which would be forced to expend greater treasure and effort to resolve problems that could otherwise be assigned to the U.N.

An Administration focused on advancing its policy priorities in the United Nations can block many counterproductive initiatives put forth in the U.N. Rallying support for positive change is much more difficult. Such efforts require the assistance of other member states or the use of leverage to impose reforms on an unwilling organization.

Financial carrots and sticks are often the most effective levers. Congress and reform-minded member states should use such tactics again to spur reform. Without constant pressure, including financial pressure, change is unlikely to occur, and the U.N. will revert to its usual cycle of crisis, expressions of concern, cosmetic reform, and quiet inaction.

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