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The U.S. Should Oppose Any Increase in the U.N.'s Regular Budget

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In a biennial ritual, the member states of the United Nations are currently debating the Secretary-General's U.N. regular budget proposal. This process rarely receives close attention in Washington, but it should. Over the past decade, the member states have voted to expand the U.N.'s regular budget enormously while simultaneously refusing to undertake serious efforts to prioritize U.N. programs or activities or offset new budget expenditures with cuts in outdated, ineffective, or duplicative activities.

The growth in the budget and the failure of the U.N. to present its budget proposal transparently or adopt reforms necessary to reduce waste, prevent corruption, and increase the efficiency of the organization led the U.S. to vote against the adoption of the U.N. budget in December 2007.¹ Over the U.S.'s objection, the other U.N. member states voted to approve the 2008/2009 budget. This approval not only demonstrated a general disregard for the concerns of the organization's largest financier—the U.S. is assessed 22 percent of the U.N. regular budget—but also broke a 20-year tradition of adopting budgetary decisions only by consensus.²

As a result of this situation and the U.S.'s abandonment of its "zero growth" policy earlier in the decade, the U.N. regular budget lacks serious checks on growth, and the reform process lies moribund. At a time when millions of Americans are cutting back on their own budgets, it ill behooves Congress and the Administration to tolerate profligate practices in Turtle Bay. The U.S. should make U.N. budget restraint a top priority.

Staggering Increases Since 2000. At the insistence of the U.S. and other large contributors to the U.N. budget for "zero growth" in the budget, the U.N. regular budget stayed relatively stable from the mid-1980s through the 1990s. This stability ended, however, following the 2000/2001 budget. As illustrated in Chart 1, the U.N. budget has grown steeply since 2000. Since the 2000/2001 biennial budget, the U.N. regular budget has doubled, growing from \$2.5 billion in 2000/2001 to \$4.9 billion in 2008/2009.

The proposed 2010/2011 biennial regular budget would raise it to over \$5 billion. On first blush, the proposed increase for the 2010/2011 regular budget seems to be an overdue exercise in budgetary restraint. Secretary General Ban Ki-moon certainly characterized his budget proposal that way, stating, "I am proposing a budget of \$4,887.5 million [\$5.06 billion after recosting].... This reflects real growth of \$22.4 million, or 0.5 per cent over the revised appropriation."³

A closer look reveals the truth. Ban made a virtually identical claim for the 2008/2009 budget proposal, saying it "represented real growth of \$23 million over the current, 2006–2007, biennium, or

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just half a percentage point.”⁴ In reality, the 2008/2009 budget grew from an initial budget proposal of \$4.4 billion to \$4.9 billion by the end of the biennium—an increase of \$469 million, as shown in Chart 1.

The Secretary-General is engaging in budgetary sleight-of-hand by comparing the actual budgetary expenditures at the conclusion of the previous biennium to the proposed upcoming biennial budget that he knows will be adjusted sharply upward. A more appropriate comparison would be between the proposed budget expenditure for 2008/2009 and for 2010/2011. Ban avoids making this comparison because doing so would reveal a staggering increase of \$664 million.

This trend of initial budget proposals increasing by hundreds of millions of dollars by the end of the biennial budget cycle has occurred repeatedly since 2000 and stands in sharp contrast to the relatively minimal adjustments—sometimes even overall budgetary reductions—that occurred in the late 1980s and 1990s.⁵

Double the Deception. The proposed 2010/2011 budget request is doubly deceiving because of the selective nature of the U.N. budgeting process.

Recent budget proposals have not included all of the proposals identified by the Secretary-General in the budget proposal submitted to the General Assembly. The U.S. mission projected these additional budget expenditures to expand the 2008/

1. See Brett D. Schaefer, “The U.S. Should Oppose the Largest Budget Increase in U.N. History,” Heritage Foundation *WebMemo* No. 1741, December 13, 2007, at <http://www.heritage.org/Research/InternationalOrganizations/wm1741.cfm>.
2. See Brett D. Schaefer, “Congress Should Withhold Funding for Spendthrift U.N.,” Heritage Foundation *WebMemo* No. 1786, January 29, 2008, at <http://www.heritage.org/Research/InternationalOrganizations/wm1786.cfm>.
3. United Nations, “Secretary General Presents United Nations 2010–2011 Budget to Fifth Committee,” October 29, 2009, at <http://www.un.org/News/Press/docs/2009/sgsm12576.doc.htm> (December 11, 2009).
4. United Nations, “Presenting \$4.2 Billion Budget for 2009–2009 to Assembly’s Fifth Committee, Secretary-General Says U.N. Resources ‘Never Stretched So Thin,’” October 25, 2007, at <http://www.un.org/News/Press/docs/2007/gaab3818.doc.htm> (December 11, 2009).
5. For instance, the U.N. regular budget saw an average of less than 6 percent growth from the 1986/1987 biennium through the 2000/2001 biennium. The primary reason for adjustments over this period was fluctuation in exchange rates between the U.S. dollar (in which the budget was denominated) and other currencies in countries where the U.N. had a significant presence, like Switzerland.

2009 budget to at least \$4.8 billion⁶—a projection validated by current U.N. budget data. In other words, the U.N. deliberately underestimated its 2008/2009 budget proposal by 10 percent by not including all of the activities it expected to engage in, knowing that the budget would be increased in subsequent adjustments that receive far less attention than the overall budget proposal.

If the proposed 2010/2011 biennial budget follows this pattern—a reasonable expectation based on past experience—the 2010/2011 biennial budget's actual expenditure will be closer to \$5.6 billion than the \$5.06 billion proposed by the Secretary General. Indeed, the spokesman for the European Union to the General Assembly's budgetary committee criticized the Secretary-General's 2010/2011 regular budget proposal because "the amount did not represent full expected costs for proposals that would be considered during the main session." He went on to predict that the "total amount was more likely to be \$5.3 billion to \$5.4 billion."⁷

Time to Stand Firm on the U.N. Budget. The expansion of the U.N. regular budget over the past decade is huge and needs to be restrained. While her response to the Secretary-General's budget proposal was not a clarion call for budget constraint, Ambassador Susan Rice did acknowledge the need for prioritization in the U.N. budget and reform.⁸

Considering the resistance raised by the member states to just such actions in the past, U.S. opposition to overall budget expenditures or to specific items in the U.N. budget during budget negotiations will be unpopular. Moreover, based on previous experience, a "no" vote by the U.S. will not carry the day without linking such a vote to financial withholding.⁹ To that end, the U.S. should take the following actions.

- **Oppose Any Increase in the Regular Budget.** The U.S. mission should announce a renewed com-

mitment to a "zero growth" U.N. budget, oppose any budget increase, and insist that any new mandates and activities be financed by eliminating the many outdated, irrelevant, or duplicative activities that continue to be funded through the U.N. regular budget.

In fact, the U.S. should argue that a real reduction in the budget is possible based on the savings that would result from such a process. The U.S. should not be satisfied with disassociating from consensus—a position more akin to abstaining—but should firmly declare its opposition to the Secretary-General's proposed budget on the basis of excessive growth in recent years, failure to include all expected expenditures, and unwillingness to curtail extraneous expenses.

- **Demand More Influence over U.N. Budgetary Decisions.** In 2007, the U.S. was the sole "no" vote on the U.N. regular budget. It is outrageous that the U.N. ignored U.S. objections when America pays 22 percent of the budget. Congress should withhold U.S. contributions to the U.N. regular budget if the membership again adopts a budget over the objection of the U.S.

To that end, Congress should demand that the U.N. member states at a minimum affirm that all budgetary decisions must be adopted by consensus. Ideally, however, Congress should insist that the U.N. to adopt a system of weighted voting (wherein the countries would have votes commensurate with their contributions) on budgetary matters or demand that the U.N. modify the practice of assessing member states for the U.N. regular budget and move toward voluntary funding for many activities currently funded through the regular budget.

- **Protecting U.S. Taxpayers.** If the U.S. fails to take a firm stand against unwise and unjustified expansion of the U.N. budget, there is very little

6. See Schaefer, "Congress Should Withhold Funding for Spendthrift U.N."

7. United Nations, "Presenting \$4.2 Billion Budget for 2009-2009 to Assembly's Fifth Committee."

8. Ambassador Susan E. Rice, "Statement on the Secretary-General's Proposed Program Budget for 2010-2011 (A/64/6), before the Fifth Committee of the Sixty-fourth Session of the General Assembly," United States Mission to the United Nations, October 29, 2009, at <http://usun.state.gov/briefing/statements/2009/131074.htm> (December 11, 2009).

9. Brett D. Schaefer, "A Progress Report on U.N. Reform," Heritage Foundation *Backgrounder* No. 1937, May 19, 2006, at <http://www.heritage.org/Research/InternationalOrganizations/bg1937.cfm>.

indication that another nation will step forward. The U.S. should oppose the proposed budget increase and demand that larger contributors have greater influence over U.N. budgetary decisions. Such actions would be consistent with a desire to protect U.S. taxpayer dollars, and it would be in the best interests of the nation.

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