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# Smart Multilateralism

*When and When Not to Rely  
on the United Nations*

*By Kim R. Holmes, Ph.D.*





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# Smart Multilateralism

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## **Abstract**

Multilateralism is not an end in itself. It is one of many foreign policy tools, admittedly a very important one, in the diplomatic kit. For the United States, multilateralism faces its greatest challenge at the United Nations, where the all-too-frequent clash of worldviews between liberty and authoritarian socialism has stymied multilateralism more than facilitated it. If the United States is to advance its many interests in the world, it needs to pursue multilateral diplomacy in a smarter, more pragmatic manner. This is especially true when Washington is considering actions taken through the United Nations. A decision to engage multilaterally should meet two criteria: First, it should be in America's interests, and second, it will serve to advance liberty. Unless the United States can achieve both these ends acting within the U.N. system, it should find ways to work around it.

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# Smart Multilateralism: When and When Not to Rely on the United Nations

Multilateralism is not an end in itself. It is one of many foreign policy tools, admittedly a very important one, in the diplomatic kit. Basically a dialogue among nations that hope to work out common approaches to common concerns, multilateralism complements the enormous amount of bilateral diplomacy that thousands of government officials conduct every day to promote and protect their nations' interests and priorities.

The need for multilateralism is obvious. Nations share concerns about many problems and issues for which coordinated efforts could be mutually beneficial. Yet only rarely do all governments agree on the nature of a problem and the means to address it. At times, negotiations result in a less-than-perfect, but still acceptable, course of action. Disagreements can also lead to no action or the use of force or other confrontational measures. One of the purposes of multilateralism is to minimize the number and intensity of such confrontations. The process itself, however, is fraught with political challenges that can undermine potential solutions and even lead to other problems.

For the United States, multilateralism faces its greatest challenge at the United Nations, where U.S. diplomats seek cooperative action among member nations on serious international problems. Therein lies the tension. The United Nations is first and foremost a political body made up of 192 states that rarely agree on any one issue. Even fundamental issues, such as protecting and observing human rights, a key purpose of the U.N. that all member states pledge to uphold when they join it, have become matters of intense debate.

A key reason for this difficulty is the fact that the voices and votes of totalitarian and authoritarian regimes have equal weight to those of free nations at the U.N. The all-too-frequent clash of worldviews between liberty and authoritarian socialism has stymied multilateralism more than facilitated it, frequently leading to institutional paralysis when a unified response to grave threats to peace and security or human rights and fundamental freedoms was needed. U.S. secretary of state John Foster Dulles, who attended the San Francisco meetings that established the U.N., acknowledged this Achilles' heel in 1954, when he told reporters: "The United Nations was not set up to be a reformatory. It was assumed that you would be good before you got in and not that being in would make you good."<sup>1</sup>

Fifty-five years later, the ideological fray at the U.N. has turned the terms "democracy" and "freedom" on their heads. Autocracies that deny democratic liberties at home are all too keen to call the Security Council "undemocratic" because in their view not every region, country, or bloc is sufficiently represented. During my time at the State Department, I was told repeatedly by other diplomats at the U.N. that the very concept of "freedom" is taboo because the term is "too ideologically charged." In this environment, how can the United States or any freedom-loving country advance the purposes set forth in the U.N. Charter, including "encouraging respect for human rights and for fundamental freedoms for all,"<sup>2</sup> when the word "freedom" itself is considered too controversial?

More money will not do it. No other nation contributes more to the U.N.'s regular budget, its peacekeeping budget, or the budgets of its myriad affiliated organizations and activities than the United States. America has continued its generous support even though Americans increasingly view the U.N. as inefficient and ineffective at best and fraudulent, wasteful, anti-American, and beyond reform at worst.<sup>3</sup>

If the United States is to advance its many interests in the world, it needs to pursue multilateral diplomacy in a smarter, more pragmatic manner. This is especially true when Washington is considering actions taken through the

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1. "The Great Wall," *Time*, July 19, 1954, at [www.time.com/time/magazine/article/0,9171,857449,00.html](http://www.time.com/time/magazine/article/0,9171,857449,00.html) (accessed January 28, 2009).
  2. Charter of the United Nations, art. 1, par. 3.
  3. Lydia Saad, "Americans' Opinion of U.N. at Record Low," Gallup, March 6, 2008, at [www.gallup.com/poll/104806/Americans-Opinion-UN-Record-Low.aspx](http://www.gallup.com/poll/104806/Americans-Opinion-UN-Record-Low.aspx) (accessed January 28, 2009).

United Nations. A decision to engage multilaterally should meet two criteria: First, it should be in America's interests, and second, it will serve to advance liberty. Unless the United States can achieve both these ends acting within the U.N. system, it should find ways to work around it.

Such "smart multilateralism" is not easy, particularly in multilateral settings. It requires politically savvy leaders who can overcome decades-old bureaucratic inertia at the State Department and in international organizations. It requires the political will and diplomatic skill of people who are dedicated to advancing U.S. interests in difficult environments, especially where progress will likely be slow and incremental. It requires a belief in the cause of liberty, gleaned from a thorough study of our nation's history and the U.S. Constitution, and a deep appreciation for the values and principles that have made America great.

Smart multilateralism requires a fundamental awareness of the strengths and weaknesses, capabilities and failings, of the U.N. and other multilateral negotiating forums, so that the United States does not overreach. Perhaps the most critical decision is whether or not to take a matter to the U.N. in the first place. It would be better to restrict U.S. engagement at the U.N. to situations in which success is possible or engagement will strengthen America's influence and reputation. Selective engagement increases the potential for success, and success breeds success. When America is perceived to be a skillful and judicious multilateral player, it finds it easier to press its case. Smart multilateralism thus requires well-formulated and clear policy positions and a willingness to hold countries accountable when their votes do not align with our interests.

Finally, smart multilateralism is not the same thing as "smart power," a term that Secretary of State Hillary Clinton has used. Suzanne Nossell, a former diplomat at the U.S. Mission to the U.N. in New York, coined that term in 2004 and described it in an article in *Foreign Affairs*.<sup>4</sup> Smart power is seen as a takeoff of "soft power," which suggests that America's leaders downplay the nation's military might as well as its historic role in establishing an international system based on the values of liberty and democracy, and de-emphasize its immense economic and military ("hard") power. Smart power seeks to persuade other countries from a position of assumed equality among nations. This assumption has become the Achilles' heel of the U.N. system and other Cold War-era organizations. Smart multilateralism does not make that same mistake.

## Challenges to Effective U.S. Multilateralism

The United States belongs to dozens of multilateral organizations, from large and well-known organizations such as NATO, the World Trade Organization (WTO), and the International Monetary Fund to relatively small niche organizations such as the Universal Postal Union and the International Bureau of Weights and Measures. The 2009 congressional budget justification<sup>5</sup> for the U.S. Department of State included line items for U.S. contributions to some fifty distinct international organizations and budgets.<sup>6</sup> The United Nations and its affiliated bodies receive the lion's share of these contributions.

While the World Bank and International Monetary Fund weight voting based on contributions, most of these organizations subscribe to the notion of the equality of nations' votes. With a few exceptions such as Taiwan,<sup>7</sup> all nations—no matter how small or large, free or repressed, rich or poor—have a seat at the U.N. table. Every nation's vote is equal, despite great differences in geographic size, population, military or economic power, and financial contributions.

This one-country, one-vote principle makes the U.N. an extremely difficult venue in which to wage successful multilateral diplomacy. In this environment, multilateralism becomes a double-edged sword. It can sometimes speed up global responses to global problems, as with the avian flu outbreak and the Asian tsunami. At other times, it can slow or prevent timely responses, as with halting Iran's nuclear weapons program and stopping genocide in

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4. Suzanne Nossell, "Smart Power," *Foreign Affairs* 83, no. 2 (March/April 2004): 131–42.

5. U.S. Department of State, *Congressional Budget Justification, Fiscal Year 2009*, 619–20, at [www.state.gov/documents/organization/100326.pdf](http://www.state.gov/documents/organization/100326.pdf) (accessed January 28, 2009).

6. Some of these organizations include only a few dozen member states. Others, such as the Organization of American States, are regionally oriented. About one-third of these budget line items go to organizations directly affiliated with the U.N.

Darfur. Too often, multilateralism at the U.N. is the political means by which other countries and regional blocs constrain or block action. Groups of small nations can join together to outvote the great powers on key issues, and this situation can often lead to bizarre outcomes and compromises. Even seemingly noncontroversial issues, such as improving auditing of U.N. expenditures, require days of skillful, almost nonstop negotiations.

The U.N. is simply too poorly primed for American multilateralism. It is a vast labyrinth of agencies, offices, committees, commissions, programs, and funds, often with overlapping and duplicative missions.<sup>8</sup> Lines of accountability and responsibility for specific issues or efforts are complex, confused, and often indecipherable. For example, dozens of U.N. bodies focus on development, the environment, and children's and women's issues. Coordination is minimal. Reliable means to assess the effectiveness of the bodies' independent activities is practically nonexistent.

Although institutional fiefdoms and bureaucratic interests strongly influence the formulation of U.N. policy, programs, and resolutions, the most powerful actors remain the member states. Each tries to persuade the U.N. as an institution to advocate and adopt its positions on the matters most important to it. The chaos of conflicting priorities rarely results in consensus for decisive action. The most common result is inaction or a lowest-common-denominator outcome.

Too often, the United States also finds that other countries' positions on an issue have been predetermined in their regional or political groupings. These groupings include the European Union; the G-77, or Group of 77 (which is really a caucus of some 130 countries, including China, Iran, and Cuba); the Non-Aligned Movement (NAM); the African Union (AU); the Arab League; and the Organization of the Islamic Conference (OIC). Some countries participate in several of these blocs. Added to this mix is heavy lobbying by "civil society" special interest groups, especially on contentious causes, which helps to explain why the United States faces an uphill battle in successfully husbanding any policy proposal through the U.N. system. Perhaps the most stunning example came under President Bill Clinton, when the United States was trying to negotiate changes to the Rome Statute, which established the International Criminal Court (ICC), so that the United States could sign it. Intense lobbying by nongovernmental organizations at the proceedings culminated in dramatic cheering when 120 countries voted in favor of the statute despite U.S. objections.<sup>9</sup>

Of course, the most difficult forum for negotiating multilateral solutions is the Security Council, where the most serious security matters are raised and the greatest failures of multilateralism have occurred. During the Cold War, the Soviet Union largely shut down the council with its veto. As a result, the United States conducted most of its international affairs outside of the U.N., yet very few complaints of unilateralism were heard. That changed when the Soviet Union dissolved, and the hope was that the U.N. would at last become a force for good in the world. Instead, new rivalries have emerged that undermine its effectiveness.

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7. The Republic of China (ROC) was a founding member of the U.N. and a permanent member of the Security Council at its creation. When the Communist Party of China seized power over mainland China in 1949, it established the People's Republic of China (PRC). The ROC government fled to the island of Taiwan, but continued to represent the entirety of China in the U.N. until October 25, 1971, when the General Assembly recognized the PRC as the "the only lawful representatives of China to the United Nations." U.N. General Assembly, "Restoration of the Lawful Rights of the People's Republic of China in the United Nations," Resolution 2758, October 25, 1971. Only the PRC's opposition bars Taiwan from U.N. membership. Taiwan fulfills all the requirements of a nation-state in that its government exercises control over its territory and population and it has a defined territory. Using the U.N. principle of universal membership, the autonomous government of Taiwan is certainly as qualified for membership as failed states such as Somalia. In some ways, such as the fact that Taiwan is a democracy that respects the right of its 23 million citizens (a larger population than more than half of all current U.N. member states) to choose their own government, it is more worthy of membership than many current U.N. members.
  8. See U.N. Department of Public Information, "The United Nations System," December 2007, at [www.un.org/aboutun/chart\\_en.pdf](http://www.un.org/aboutun/chart_en.pdf) (accessed January 28, 2009).
  9. President Clinton eventually signed the Rome Statute on December 31, 2000. He had refused to sign the treaty for the previous eighteen months because, in his words, it had "significant flaws" that threatened legitimate activities of the U.S. military and the rights of Americans. After attempts to change the objectionable parts of the statute proved ineffective, the Bush administration sent a letter to the U.N. secretary-general declaring that "the United States has no legal obligations arising from its signature" of the Rome Statute—in essence "unsigned" the treaty. See press statement, "International Criminal Court: Letter to UN Secretary General Kofi Annan," U.S. Department of State, May 6, 2002, at [2001-2009.state.gov/r/pa/prs/ps/2002/9968.htm](http://2001-2009.state.gov/r/pa/prs/ps/2002/9968.htm) (accessed January 28, 2009). For more on the NGO involvement in this decision and others, see David Davenport, "The New Diplomacy," Policy Review, no. 116 (December 2002/January 2003), at [www.hoover.org/publications/policyreview/3458466.html](http://www.hoover.org/publications/policyreview/3458466.html) (accessed January 28, 2009).

Perhaps the most frustrating development for U.S. multilateralism at the U.N. in the post–Cold War era has been the inability of the United States to develop a shared position with some of its best friends in Europe. Often, the allies say that they cannot negotiate with the United States until the European Union has taken a “common European position.” Yet after that common position has been adopted, individual European countries claim far less flexibility to negotiate.

The EU also has been known to strong-arm its allies as well as its member states to oppose U.S. positions. For example, on the issue of genocide in Darfur, I witnessed the EU’s most visible leaders pressing the United States to accept the ICC as the international judicial authority to try war crimes committed in Sudan, rather than setting up an ad hoc tribunal. Furthermore, they leaned on Romania to go along with their position, even threatening Romania with punitive action if it did not.

Countries hostile to the United States and to economic and political freedoms can and do take full advantage of this crack in the West’s once-unified front. Sometimes, though, the United States is its own worst enemy. Intense interagency discussions must take place before the State Department sends out any instruction cable to its negotiators at the U.N. and diplomats in capitals. Such delays can be costly because they give other countries time to sway votes against the U.S. position, leaving U.S. negotiators with little time to convince others to change their minds.

For U.S. negotiators, this process can blur not only the clarity of purpose, but also policy objectives. Even after the State Department, Defense Department, and National Security Council hammer out a policy, U.S. diplomats are sometimes simply unable to advance it. Many who are fairly new to the negotiations must deal with counterparts from other countries who have worked the same issue in international settings for years. Some U.S. diplomats would rather settle for consensus than work for an outcome in which the U.S. will be isolated and which places America alongside pariah states such as Zimbabwe or Sudan, even if those countries voted with the United States for starkly different reasons.

Principled foreign policy may put the United States in just such a predicament, but U.S. diplomats should know that Americans expect them to hold the line. Americans need confidence in both the policies we promote as well as the people we send to argue for them.

American diplomats who are new to the multilateral game also need to know that the United States has offered sound policy prescriptions more often than not. We have offered ways to address climate change that are economically sound. We have advanced proven market solutions to poverty and disease and promoted effective methods to counter terrorism without violating civil liberties. Every new class of U.S. diplomats should know enough about these issues and America’s track record to argue for them forcefully. Cabled instructions are rarely sufficient to equip diplomats with all the background necessary to defend a controversial or complex policy.

Above all, diplomats must do a better job linking U.S. proposals to the defense of liberty. Too often, U.S. diplomacy has been devoid of American philosophical content, as though our diplomats are ashamed of the blessings that liberty has delivered. Smart multilateralism should explicitly link the spread of liberty with the policy outcomes that we advocate.

## **The Need for Smart Multilateralism at the U.N.**

Clearly, with global terrorism and nuclear proliferation abounding, the United States cannot abandon multilateral forums. Americans understand this. Surveys show that most Americans appreciate the value of having a forum like the U.N. where all the world’s nations talk. They just want it to do a far better job and not to work against the United States or freedom in general.

The trick is to know the objective and how best to achieve that goal. For instance, at times, U.N. peacekeeping operations may be necessary and even effective, but whenever these missions are being deliberated, smart multilateralism means U.S. negotiators must ensure the mandates spell out the specific parameters for success. If the United States believes a U.N. mission may not be optimal, then it should unashamedly promote alternatives, such as the international coalition that is helping Iraq become a stable democracy in the Middle East. To do this



effectively, the United States must conduct sufficient advance work to inform its decision on whether to take an issue to the U.N. or to pursue an alternative. This must happen before urgency on the ground removes that option and the United States is forced either to veto a resolution or to walk away from a consensus because the legal or policy outcome is unacceptable.

Smart multilateralism always will require hard decisions and hard-nosed determination. Sometimes the United States will need to ask for help, which is a vulnerable negotiating position even when we are protecting others' interests. Yet we must never be so desperate for help that we start cutting bargains on issues of lesser importance to us. The United States also must resist tempering its decisions by how much criticism they might provoke. We will never please everyone; we should prepare for and expect criticism. Our diplomats and policymakers should be strategic, respectful, and consistent in their negotiations. Our allies eventually will see that we are serious and that what they do and say in multilateral forums matters very much to us.

Our diplomats will also need to find ways to overcome the tyranny of the voting blocs that I mentioned earlier. It is a problem that even President Reagan felt called to address in his remarks to the U.N. General Assembly in 1983:

The founders of the United Nations expected that member nations would behave and vote as individuals after they had weighed the merits of an issue—rather like a great, global town meeting. The emergence of blocs and the polarization of the United Nations undermine all that this organization initially valued.<sup>10</sup>

Frequently, some of our oldest allies have collaborated to push through policies at the U.N. that would force America to become more like them, such as progressive social policies that give over more sovereignty to supranational, but unaccountable institutions. In their eyes, the United States is on the wrong side of history when it comes to the International Criminal Court, Guantánamo Bay, the death penalty, global warming, and gender quotas. The United States would do well to remind the Europeans that we find some of their policies equally objectionable, such as their draconian immigration policies, discrimination against minorities, and disregard for trafficking in persons while promoting the legalized sex trade that contributes to it.

For Europeans, achieving consensus can trump the substance of a resolution or document, but that is not the case with America. Substance matters. Our negotiators should take a note from the Europeans' diplomatic manual and push back on their issues if they push back on ours. After all, European leaders followed this tactic in 2007 at the Bali summit on climate change, threatening to boycott President George W. Bush's later conference on climate in Washington, D.C. Some even hinted that they might quit the G-8 if he went ahead with it. The United States need not go that far, but neither should we be any less committed to our interests. With developing countries, the key is to let them know that supporting U.S. positions provides certain benefits and that opposing them imposes some costs. The United States must become more adept at creating incentives that encourage more countries to support its policy priorities at the U.N.

As my colleagues Brett Schaefer and Anthony Kim have suggested, one way is to link U.S. aid to a country's voting practices at the U.N.<sup>11</sup> Congress has mandated an annual report delineating how countries voted each year on issues of concern to the United States. Yet too little has been done with that valuable information. Countries that work against U.S. interests on critical matters should not be rewarded for their opposition, least of all with Americans' hard-earned tax dollars. There should be consequences. At the very least, the United States should always make clear to its friends and allies that its willingness to work with them on soft issues they find important, such as climate change, will be directly related to their willingness to cooperate with us on the hard issues important to us, such as fighting terrorism and the proliferation of nuclear weapons. Washington has too often refrained from this kind of hard bargaining at the U.N. because the United States is already doing so much around the world. But these good deeds actually generate the goodwill that is the legal tender of multilateralism. America should not refrain from spending it when necessary.

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10. Ronald Reagan, address to the U.N. General Assembly, September 26, 1983, at [www.reagan.utexas.edu/archives/speeches/1983/92683a.htm](http://www.reagan.utexas.edu/archives/speeches/1983/92683a.htm) (accessed January 28, 2009).

11. Brett D. Schaefer and Anthony B. Kim, "How Do U.S. Foreign Aid Recipients Vote at the U.N.? Against the U.S.," *Heritage Foundation Backgrounder*, no. 2171 (August 18, 2008), at [www.heritage.org/Research/InternationalOrganizations/bg2171.cfm](http://www.heritage.org/Research/InternationalOrganizations/bg2171.cfm).

Critically, the United States must become better at recognizing and blocking efforts at the U.N. that run counter to U.S. interests or undermine its efforts and priorities. “Reforming” the Security Council by enlarging it or giving more of its members a veto is a case in point. Such reform would damage the council’s effectiveness, not improve it. Those who seek to expand the council claim that many countries feel the Security Council no longer reflects modern power realities. While the five permanent members of the council are a reflection of the power realities in 1945, the founders of the U.N. understood that permanent membership and the veto were bargaining chips to secure the commitment of the victors of World War II. If they were to be held responsible for securing peace in the world, they would need a veto over Security Council decisions that may not be in their best interests.

This formula admittedly makes working through the council difficult, but adding more permanent seats and veto-wielding members would only compound the problem. The proposals to increase the size of the Security Council (from the current fifteen countries to twenty-five or twenty-six) so it better reflects today’s power realities would at best be a temporary solution, lasting only until those power realities shifted. The problem is that few countries will willingly relinquish a permanent seat they hold when power realities change yet again.

Increasing the size of the Security Council poses other practical problems. The council has a well-earned reputation for inaction and paralysis in major crises. Its members differ greatly on serious matters, such as how to deal with Iran, Sudan, and terrorism. Bringing more decision makers to the table will make reaching consensus on issues even more unlikely. A larger council will merely increase competing interests, leading to more gridlock and diluting the influence of the United States and its best allies. From a purely parochial point of view, enlarging the council will not necessarily bring in more countries that support the United States on key issues.<sup>12</sup> It certainly would not have changed the outcome over Iraq.

In the end, enlarging the Security Council will likely result in the United States and other powers looking for more ways to work around the Security Council rather than through it. The only measure that could facilitate more frequent consensus in the council would be to enforce the U.N. Charter’s own standard of membership, so that all the nations seated at the council table share the same basic values and commitment to freedom, security, and sovereignty.

Whether in the Security Council or any other U.N. body, smart multilateralism will require American diplomats who understand that success is not always determined by winning a vote. Sometimes, standing on principle, even if it means losing a vote, will be necessary, and it can lead to subsequent victories. That was the case with a vote the United States called in the now defunct Commission on Human Rights after Libya, which was under Security Council sanctions, was permitted to assume the chair of the commission by regional group rotation. The United States lost the vote, but Libya’s chairmanship served as the penultimate embarrassment for the commission and ultimately led to the effort to replace it with the U.N. Human Rights Council.

Such smart multilateralism is a strategy that needs to be employed in every international forum. We will not be credible as a multilateral player if we do not stand firmly on principle and are not clear about what winning or losing a decision means.

Being effective in negotiations is about competence, not bullying or arrogance. France was not labeled a bully when it sabotaged America’s effort to obtain Security Council support for the campaign in Iraq. The U.K. was not accused of arrogance when it forced the United States to retreat on an ICC resolution for Darfur. China, Russia, and other countries drive hard bargains to support their own interests without fear of being labeled bullies. Even small countries such as Cuba press unashamedly for their interests. The United States should do the same. Of course, America can and should be sensitive to others’ interests, but we should be no less forthright in asserting our own. We need not bow to every demand simply because we want the United States to appear to be more multilateral.

A key component of a smart multilateral strategy must include continuing to push for reform at the U.N. When the decision is made to go through the U.N., the United States obviously would like the U.N. to implement and manage the endeavor responsibly and efficiently, and it would like measures included in the mandates to ensure trans-

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12. Nile Gardiner and Brett D. Schaefer, “U.N. Security Council Expansion Is Not in the U.S. Interest,” Heritage Foundation *Backgrounders*, no. 1876 (August 18, 2005), at [www.heritage.org/Research/InternationalOrganizations/bg1876.cfm](http://www.heritage.org/Research/InternationalOrganizations/bg1876.cfm).

parency and accountability. The current U.N. system falls far short of that standard, as the well-publicized scandals involving the Iraq Oil-for-Food Program and corruption in U.N. procurement demonstrate. Pushing for reform, however, will require the commitment of both Congress and the executive branch.

Granted, the United States and like-minded countries have provoked a few reforms in recent years, such as the creation of the U.N. Ethics Office and adoption of whistle-blower protections. Yet progress has faltered even in these areas. The U.N. Development Program has rejected implementing standard U.N. rules and protections for whistle-blowers as well as the authority of the U.N. Ethics Office, thereby weakening these reforms. The Office of Internal Oversight Services (OIOS), the U.N.'s quasi inspector general, is not fully independent from the agencies it investigates, raising questions about its objectivity. The Procurement Task Force was eliminated despite uncovering over \$600 million in contracts tainted by fraud and mismanagement.<sup>13</sup> Senior U.N. officials have refused to file financial disclosure statements, even after U.N. secretary-general Ban Ki-moon asked them to follow his lead. U.N. organizations refuse to give the member states that fund them unrestricted access to their internal documents and audits, even when U.N. and independent investigations confirm extensive evidence of mismanagement, as was the case with UNDP programs and activities in North Korea.<sup>14</sup>

Former Federal Reserve chairman Paul Volcker, who was tasked with leading the U.N. investigation into the Oil-for-Food scandal, concluded that reform was not only necessary, but critical to the future of the organization. He told an audience at DePauw University in 2005:

The simple fact is that the cheating, the corruption, the absence of disciplined administration has cost the United Nations grievously. Its competence [and] its honesty has been called into question. As a result, its credibility is undermined. And, if its competence and its credibility is undermined, so inevitably is any sense of its legitimacy.<sup>15</sup>

History has shown that some of the surest ways to provoke U.N. reform are for the United States to threaten to leave, to actually withdraw, or to make its contributions to an organization contingent on specific changes. President Reagan withdrew the United States from the United Nations Educational, Scientific and Cultural Organization (UNESCO) in 1984 because it had become the playground of socialists pushing policies that were anathema to free societies. Reforms came slowly after that, but they did come. In 2003, the United States rejoined UNESCO after President George W. Bush concluded that it had reformed sufficiently. The OIOS was established only after Congress passed legislation in 1993 withholding 10 percent of America's regular budget assessment until the U.N. established "an independent office with responsibilities and powers substantially similar to offices of Inspectors General authorized by the Inspector General Act of 1978."<sup>16</sup> Similarly, the Helms-Biden United Nations Reform Act of 1999 made payment of U.S. arrears to the U.N. contingent on reforms, including reducing the U.S. assessment for the U.N. regular budget from 25 percent to 22 percent.

Short of withholdings or withdrawal, the United States has to work within the many U.N. bodies to rein in runaway budgets and seek more equitable assessments. This is usually a losing battle. According to a 2006 report by the U.S. Office of Management and Budget (OMB), the United States contributed \$5.3 billion to the U.N. in 2005<sup>17</sup>—a 30 percent increase over the \$4.1 billion contributed in 2004. Yet the United States exercises minimal

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13. Steve Stecklow, "U.N. Allows Its Antifraud Task Force to Dissolve," *The Wall Street Journal*, January 8, 2009, at <http://online.wsj.com/article/SB123138018217563187.html>; and Colum Lynch, "U.N. Cites \$20 Million in Fraud," *Washington Post*, October 21, 2008, A13, at [www.washingtonpost.com/wp-dyn/content/article/2008/10/20/AR2008102003277.html](http://www.washingtonpost.com/wp-dyn/content/article/2008/10/20/AR2008102003277.html) (accessed January 28, 2009).

14. See U.N. Development Programme, External Independent Investigative Review Panel, *Confidential Report on United Nations Development Programme Activities in the Democratic People's Republic of Korea, 1999–2007*, May 31, 2008, at [www.undp.org/dprk/docs/EIIRP\\_Final\\_Report\\_31%20May.pdf](http://www.undp.org/dprk/docs/EIIRP_Final_Report_31%20May.pdf) (accessed January 28, 2009), and Permanent Subcommittee on Investigations, Committee on Homeland Security and Governmental Affairs, U.S. Senate, *United Nations Development Program: A Case Study of North Korea*, January 23, 2008, at [www.undp.org/dprk/docs/UNDP-senate-report.pdf](http://www.undp.org/dprk/docs/UNDP-senate-report.pdf) (accessed January 28, 2009).

15. DePauw University, Office of Media Relations, "United Nations 'Urgently Needs Reform,' Paul Volcker Says in Opening Session of DePauw Discourse 2005," September 15, 2005, at [www.depauw.edu/news/index.asp?id=16262](http://www.depauw.edu/news/index.asp?id=16262) (accessed January 28, 2009).

16. Marjorie Ann Browne and Kennon H. Nakamura, "United Nations System Funding: Congressional Issues," *Congressional Research Service Report for Congress*, updated November 13, 2008, p. 33, at [assets.opencrs.com/rpts/RL33611\\_20081113.pdf](http://assets.opencrs.com/rpts/RL33611_20081113.pdf) (accessed January 28, 2009).

influence over how those resources are spent. Budgetary decisions require the approval of two-thirds of the General Assembly (128 countries). Coincidentally, the 128 least assessed countries pay a combined total of about 1 percent of the regular U.N. budget and less than one-third of 1 percent of its peacekeeping budget. In contrast, the United States pays 22 percent of the U.N. regular budget and about 26 percent of the peacekeeping budget, yet it has only one vote.

These two key U.N. budgets are growing rapidly. The U.N. regular budget has increased by an average of 17 percent annually over the past five years and by 193 percent since the 1998–1999 biennial budget, according to the U.S. Mission to the U.N. The U.S. Mission projected the 2008–2009 biennial budget will exceed \$5.2 billion. This represents a 25 percent increase over the final 2006–2007 biennial budget and, in dollar terms, the largest increase in the regular budget in U.N. history.<sup>18</sup> The projected budget for U.N. peacekeeping operations was \$7.4 billion for the twelve months from July 2008 through June 2009.<sup>19</sup> This is a 10 percent increase over the previous budget and a nearly threefold increase since 2003. It makes the annual peacekeeping budget triple the size of the annualized U.N. regular biennial 2008–2009 budget that covers the operations of the rest of the U.N. Secretariat.

The United States has been unable to prevent budget growth through diplomacy alone. In fact, the U.N. passed the largest budget increase in its history over the objections of the United States in December 2007.<sup>20</sup> That decision to overrule the United States broke a twenty-year tradition of consensus-based budget decisions. It was ushered in with a standing ovation by other member states.

Quite simply, there is a free-rider problem caused by the one-country, one-vote system. The countries that contribute very little to the U.N. budgets, yet receive the most in terms of U.N. services, can as a bloc drive the financial and programmatic decisions. Because they pay little into the U.N. budget, they are less concerned about waste or mismanagement than about protecting their disproportionate returns.

However, not just these countries favor the status quo. Other countries that make significant contributions also choose not to champion budgetary restraint or management reform in order to gain support for their own policy priorities.<sup>21</sup> In the first Bush term, France repeatedly blocked U.S. efforts in the Geneva Group General—a group made up of countries that each contribute more than 1 percent of the U.N. budget—to bring a common tough position on budgetary restraint and reform to U.N. budget negotiations.<sup>22</sup>

Counteracting the free-rider and clientitis problems that the current system of assessed funding creates requires a new approach. It may require moving more organizations to weighted voting by which the nations that pay most of the bills have more control over programming decisions. This system has worked for the Universal Postal Union and other U.N.-affiliated organizations. Alternatively, more U.N. agencies could be moved to voluntary funding, as Ambassador John Bolton recommends in the foreword. Both approaches will require smart multilateralism to build the case that this kind of change would help to increase accountability and effectiveness in the U.N. system.

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17. Tom Coburn, “U.S. Contributions to the U.N. System Are Over \$5.3 Billion,” August 1, 2006, at [coburn.senate.gov/ffm/index.cfm?FuseAction=OversightAction.View&ContentRecord\\_id=cb1276da-802a-23ad-4f6e-9b71d30d4064](http://coburn.senate.gov/ffm/index.cfm?FuseAction=OversightAction.View&ContentRecord_id=cb1276da-802a-23ad-4f6e-9b71d30d4064) (accessed January 28, 2009).

18. Press release, “Statement by Ambassador Mark D. Wallace, U.S. Representative for UN Management and Reform, on the 2008/2009 U.N. Budget,” U.S. Mission to the United Nations, December 11, 2007, at [www.usunnewyork.usmission.gov/press\\_releases/20071211\\_367.html](http://www.usunnewyork.usmission.gov/press_releases/20071211_367.html) (accessed January 28, 2009).

19. U.N. Department of Public Information, “Budget Committee Takes Up \$7.4 Billion Proposal for 2008/09 Peacekeeping, Board of Auditors Report on 2006/07 Peacekeeping Financial Statements,” GA/AB/3846, May 8, 2008, at [www.un.org/News/Press/docs/2008/gaab3846.doc.htm](http://www.un.org/News/Press/docs/2008/gaab3846.doc.htm) (accessed January 28, 2009).

20. U.N. Department of Public Information, “Fifth Committee Recommends 2008–2009 Budget of \$4.17 Billion, as It Concludes Work for Main Part of Current Session,” GA/AB/3835, December 21, 2007, at [www.un.org/News/Press/docs/2007/gaab3835.doc.htm](http://www.un.org/News/Press/docs/2007/gaab3835.doc.htm) (accessed January 28, 2009).

21. 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 [www.heritage.org/Research/InternationalOrganizations/wml1741.cfm](http://www.heritage.org/Research/InternationalOrganizations/wml1741.cfm).

22. According to a presentation given to a U.N. agency, the Geneva Group General was “established in 1964 of those like-minded countries contributing more than 1% to the UN system. Membership includes Australia, Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Spain, Sweden, Russia, Switzerland, UK and USA.” U.N. Chief Executives Board, “IT/MIS Recommendations of the Geneva Group General,” modified February 27, 2006, at [ict.unsystemceb.org/reports/200503/item5](http://ict.unsystemceb.org/reports/200503/item5) (accessed January 28, 2009).

## **When the U.N. System Fails**

America's success in reshaping the international system to better advance freedom, security, and human rights ultimately will depend on how well its leaders implement smart multilateralism. International political, legal, and economic institutions should be transformed in ways that do not equate free and democratic nations with tyrannical and failed states. The U.S. Senate should continue its decades-long record of not ratifying the two dozen or so problematic treaties that it has determined pose problems for U.S. sovereignty, the Constitution, and our system of federalism.<sup>23</sup> America will need to strengthen its security alliances and resist new interpretations of international law that are inconsistent with its interests and founding principles. It will need to create new partnerships when needed and undertake an aggressive strategy of smart multilateralism in America's interest.

A blueprint for this strategy must start with U.N. reform. As many of the authors in this book point out, America's great financial leverage could be better used to convince the U.N. to reform more rapidly. Whatever the mechanism—targeted withholdings of U.S. contributions to programs that are ineffective, insufficient, wasteful, or fraudulent; moving more programs and activities to voluntary funding; or securing weighted voting—the result would be greater accountability, transparency, and oversight of a system riddled with abuse. As Ambassador Bolton rightly observes, even the mere discussion of these steps can provoke member states to do the right thing. Other ideas for reforming the U.N. are presented throughout this volume.

Even when the U.N. is unwilling, incapable, or poorly positioned to respond to a crisis or critical global problem, the United States should not stop trying to improve the outcomes. Nor should the United States and its friends shy away from seeking creative work-arounds. Some issues are simply ill suited to the highly politicized and universal nature of the United Nations. President Clinton made such a determination about the Balkans crisis, and President George W. Bush made similar determinations. For example, when the Security Council proved unable to deal with the issue of illicit trafficking of weapons of mass destruction, most notably by the A. Q. Khan network run by the head of Pakistan's nuclear program, President Bush created the Proliferation Security Initiative (PSI). Over ninety countries have conducted training exercises with the United States and signed agreements allowing inspectors to board their ships to find and interdict illicit weapons and technologies transported by sea. Successful interdictions are on record. The best the Security Council could do was to adopt its first nonproliferation resolution, which endorses and encourages PSI-type activities outside the U.N. system.<sup>24</sup> The United States and Russia cosponsored the resolution.

In another notable work-around, President George W. Bush put up the very first pledge of \$200 million to start a global fund to provide effective medicines to people and communities hard hit by HIV/AIDS and other potential pandemics. The U.N. General Assembly unanimously endorsed the concept a month later in June 2001, and in 2002, the Global Fund to Fight AIDS, Tuberculosis and Malaria was established. Today, it is an active partnership of governments, civil society, the private sector, and communities. To encourage other countries to participate, Congress enacted legislation that limits U.S. donations to 33 percent of total donations. The fund has committed more than \$11 billion to finance "aggressive interventions" in 136 countries, and the U.S. share has exceeded \$3.3 billion. Other examples of work-arounds included hosting the Annapolis Conference to reinvigorate work on a two-state solution for the Israelis and Palestinians.

## **Implementing Smart Multilateralism**

Smart multilateralism focuses on using the best options to achieve the best results. The more options that are available, the better, especially when going through the U.N. would result in nominal or no action. The United States should lead an effort to create additional alternative structures and programs through which the free world can target its resources more directly to solve the world's thorny problems. To this end, the United States should:

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23. Treaties in this category include several sitting in the Senate Foreign Relations Committee since 1949, such as the Law of the Sea Treaty, the Comprehensive Test Ban Treaty, and the International Covenant on Economic, Social and Cultural Rights. The president should request that the Senate send them all back for a fresh review, and resubmit only those that do not threaten U.S. sovereignty or undermine the Constitution. In a dangerous world, the president needs all the flexibility that he can garner to decide what is best for America.

24. U.N. Security Council Resolution 1540, S/RES/1540, April 28, 2004.

## Create alternative security structures

Recent events such as Iran's defiance of the U.N. regarding its nuclear weapons program, North Korea's nuclear weapons and ballistic missile tests, China's use of a ground-based missile to destroy a satellite in space, and Russia's invasion of Georgia highlight how ill equipped the U.N. is to respond to the world's security crises. In the more than sixty years since the U.N. was created, there have been over three hundred wars resulting in over twenty-two million deaths. Yet during that time, the U.N. authorized military action to counter aggression just twice: in response to the North Korean invasion of South Korea in 1950 and to the Iraqi invasion of Kuwait in 1990. At other times, U.N. peacekeepers have stood aside and failed to prevent despicable acts, including the genocide in Rwanda. In the Democratic Republic of Congo and other countries, U.N. peacekeepers have abused or raped the very people whom they were supposed to protect.

With the growing threat that a rogue regime or terrorists will obtain weapons of mass destruction, Washington simply cannot afford to rely on the U.N. for the security of the free world. America must strengthen its alliances and pursue alternative arrangements with new allies that better enable it to respond to today's challenges. Topping the list should be developing a new, more flexible security arrangement, a truly global alliance that would include only those states deeply committed to liberty. Free nations have far more in common than what divides them politically, militarily, or geographically. NATO is simply too slow, too divided, and too parochial to become that institution.

Countries committed to freedom should create a "global freedom coalition," a flexible platform that enables them to collaborate more closely to counter terrorism, proliferation of weapons of mass destruction, trafficking in persons, international crime, and other threats that the U.N. and other organizations and security alliances are unable to address.<sup>25</sup> It should be a voluntary association made up of nations from around the world that believe that security and liberty are inextricably linked and that broader multilateral security cooperation is necessary. The options for closer cooperation include coordinated sanctions, increased intelligence sharing, better-integrated law enforcement, and joint military training and exercises. The successful Proliferation Security Initiative proves that such multilateral coordination is not only possible, but a productive option. The Global Freedom Coalition could eventually consider drawing that successful initiative into its global strategy.

The only requirements for membership in the coalition should be a demonstrated commitment to freedom at home and abroad, a willingness and readiness to take immediate action in the face of a threat, and an ability to contribute meaningfully to the coalition's activities. States that are committed to its objectives but still transitioning to greater liberalization should also be involved in some fashion, much as our Cold War alliances included Portugal even when it was not yet fully democratic.

## Create an alternative to better promote human rights

The United States should launch a Liberty Forum for Human Rights.<sup>26</sup> The "new" U.N. Human Rights Council has not been an improvement over the disbanded U.N. Commission on Human Rights. In its first three years, it failed to hold most of the world's worst human rights abusers accountable. The world and especially the oppressed people in places such as Sudan, Burma, Cuba, Iran, and China need a legitimate standard-bearer for human rights, one with members that truly respect liberty and the rule of law and are willing to seek new ways to advance them.

A Liberty Forum would give them a platform from which to highlight the critical linkages between human rights and security and between economic freedom and political freedom. It would be a place where emerging democracies could go to gain a better understanding of the proper role of the sovereign state in upholding individual liberties, equality before the law and to receive guidance to improve their human rights. Its members that sit on U.N. bodies such as the Human Rights Council could advance the Liberty Forum's agenda in those bodies and support each

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25. For more on this idea, see Kim R. Holmes, "Time for 'Global Freedom Coalition,'" *Washington Times*, September 11, 2008, A4. See also Kim R. Holmes, "Time for a New International Game Plan," Heritage Foundation *Background*, no. 2231 (January 22, 2009), at [www.heritage.org/Research/InternationalOrganizations/bg2231.cfm](http://www.heritage.org/Research/InternationalOrganizations/bg2231.cfm).

26. Kim R. Holmes, *Liberty's Best Hope: American Leadership for the 21st Century* (Washington, DC: Heritage Foundation, 2008), and Kim R. Holmes, "Liberty Forum Better than U.N. Rights Council," *Washington Times*, December 29, 2008, A4. See also the chapter by Brett Schaefer and Steven Groves in this volume.

other's candidacies for important leadership positions. To be successful, such an entity should have strict membership rules and a clear strategy for how best to coordinate their activities.

### Transform the Community of Democracies

Washington should also undertake a new campaign to transform the Community of Democracies, a Clinton-era initiative ostensibly dedicated to promoting democracy. Regrettably, it has accepted a number of members and observer states that are not true democracies, such as Egypt and Russia. Having such countries at the table confuses the true meaning of democracy, makes speaking and acting with one voice difficult, and gives political cover to those clamping down on freedom.

Membership in the Community of Democracies should be a high honor and privilege. Only countries designated as “free” in Freedom House’s annual *Freedom in the World* survey or a similar independent evaluation deserve seats at its ministerial meetings. Less-free nations could be observers if they are making positive improvements toward freedom and not backsliding. Members should strive to more closely coordinate activities that advance democracy, such as organizing election monitors and promoting freedom of the press, the rule of law, property rights, and economic freedom. Such a revamped Community of Democracies could contribute to and reinforce the efforts of the U.N. Democracy Fund to give democracy promotion and democratic values a more central role in the U.N.’s work.

### Revamp the international economic system

The current global economic crisis has highlighted the need for America to take the lead in revamping the international economic system. The world’s international financial and economic institutions are antiquated. Radical anti-American and anti-free-trade leaders in Russia, Venezuela, and other countries are calling for a new international economic system based on increased regulation and the redistribution of wealth. If the United States does not step up and use this opportunity to lead the world down the proven path to economic freedom and prosperity, such harmful proposals will fill the void.

The United Nations, which claims in its Charter the goal of improving living standards and freedom around the world, has spent billions of donor dollars over the years to foster development without achieving that goal. On this point, Ambassador Terry Miller’s argument in this volume is right: The failure may be because the U.N. “eschews the proven development strategies of classic liberal economics” and instead promotes “aid-focused plans that almost certainly do more harm than good because they emphasize and enhance the role of government and central planning.”

For fifteen years, the *Index of Economic Freedom*,<sup>27</sup> published by The Heritage Foundation and the *Wall Street Journal*, has tracked economic policies in nations around the world. It provides conclusive evidence that economic freedom, as expressed in market-based policies bolstered by the rule of law, provides the surest path to real development and prosperity. The U.S. Millennium Challenge Account has demonstrated how linking aid to sound economic policies can bring about lasting change that helps people pull themselves out of poverty.

The world needs a new approach to development and the global economy. It needs a new way to explain the benefits of trade liberalization for poor people around the world. The time has come to create a new venue where countries that believe in economic freedom can freely discuss what works and what does not and where they can develop collaborative responses to the latest stresses on the global economy. The White House could take the initiative on this, but it might be better if the president asked Australia or another key economic ally to take the lead in establishing a Global Economic Freedom Forum.<sup>28</sup> The goal would be a venue where leaders of the fifteen or twenty freest economies could work together to set common trade agendas and issue joint statements highlighting how they each have benefited from such policies as lowering taxes, eliminating subsidies, reducing regulation, improving property rights, liberalizing investment laws, and signing trade agreements.

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27. Terry Miller and Kim R. Holmes, *2009 Index of Economic Freedom* (Washington, D.C.: Heritage Foundation and Dow Jones & Company, Inc., 2009), at [www.heritage.org/index](http://www.heritage.org/index) (accessed January 29, 2009).

28. Holmes, *Liberty’s Best Hope*.

The first summit should be hosted in Washington, D.C., and the more diverse the geographic representation of countries is, the better. Bahrain, Chile, Ireland, Mauritius, and Singapore could bring as much to the discussion as Canada, the U.K., and Australia. The initial group of countries could eventually become a steering committee that determines the agenda of future forum summits. For example, each summit could include sessions led by countries that have shown particular leadership in specific issues such as reducing agricultural subsidies or protecting intellectual property rights. Larger meetings could be held to include countries that do some things well, but fall short in other areas. Undoubtedly, as the forum's prestige grows, its policies could be echoed in the G-8 and WTO and could even become the basis for a U.N. caucus on economic freedom.

## Conclusion

The executive branch and Congress should consider all the recommendations in this book and unveil a new strategy for revamping the international system to better respond to tomorrow's challenges. Employing smart multilateralism will be key, but it will not be a panacea. As Ambassador Jeane J. Kirkpatrick so aptly described in 2002:

Multilateral decision making increases the cultural, political, and geographical distance between those who choose decision makers, those who make decisions, and those affected by these decisions. Abstract relations cannot produce the same solidarity among people as common identifications, education, and experience. The democratic institutions that make and keep decision makers representative and accountable are national. . . .

The officials of multilateral organizations are not elected by a popular vote. Often they are not even chosen by elected officials. Multilateral institutions do not merely add another layer of bureaucracy between rule makers and those who live under their rules; these institutions create wholly new jurisdictions that do not coincide with existing institutions—based on nation-states—that provide democratic accountability. Voters can rarely “throw the rascals out” when the rascals hail from 200 countries scattered around the globe.<sup>29</sup>

Multilateralism in liberty's best interests will always face uphill battles, but America has faced immense odds in the international realm many times before. When its decisions have stood firmly on principle and its dedication to liberty and the ingenuity of its people have been unleashed, it has prevailed. The challenges we face compel the United States to employ smart multilateralism in every venue, but especially at the United Nations, where the decisions often have the greatest or most destructive impact on people and on liberty itself.

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29. Jeane J. Kirkpatrick, “The Shackles of Consensus,” *Foreign Policy* (September/October 2002): p. 37.





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