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The U.S. Must Maximize Its Influence over U.N. Budgetary Decisions

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In recognition of budgetary constraints in America and other nations, U.N. Secretary-General Ban Ki-moon has announced that he will seek a 3 percent cut in his proposed biennial budget for 2012–2013. This cut and his proposals for implementing it fall far short of those necessary to make a lasting budgetary impact.

The U.S. should make clear its demands for substantial reductions in the U.N. regular budget, reforms that would lead to improved effectiveness and prioritization, and a reversal of recent staff increases. To achieve this, the U.S. should take additional steps to maximize its influence in budgetary discussions.

Meager Budget Cuts. The U.N. regular budget more than doubled between 2000 and 2010. This level of growth is extraordinary, outstripping that of the U.S. budget and the budgets of other U.N. organizations over that period. Moreover, the growth continues, with the current 2010–2011 biennial budget increasing by more than \$200 million over the \$5.16 billion initially approved in 2009 and now standing at \$5.37 billion.

Last fall, the U.N. Secretary-General proposed increasing the 2012–2013 biennial budget to \$5.46 billion. Since then, however, he has acknowledged that “we must be realistic about the current economic climate. Even the wealthiest nations are tightening their belts and cutting budgets. The United Nations must be no less disciplined. We cannot go about business as usual.”¹

The Secretary-General’s idea of tightening the U.N.’s belt is to reduce his initial budget proposal from \$5.46 billion to about \$5.29 billion (a savings of a meager 3 percent, or about \$164 million) for 2012–2013. However, even this small cut is less than it appears to be. The actual budget for 2010–2011 is \$5.37 billion. Thus, in reality, the Secretary-General is proposing to cut his new budget by only \$75 million—1.4 percent—compared to the current budget.

The Secretary-General’s strategy for implementing his cut is also underwhelming. The proposals focus on projected efficiency gains like videoconferencing in lieu of travel, cutting down on printed reports in favor of electronic documents, and entering into contracts with vendors that would apply across multiple U.N. bodies.²

While welcome, these cuts ignore the fact that about 65 percent of the 2010–2011 U.N. budget goes to staff-related expenses. The U.N. is not considering reducing staff even though U.N. employment funded by the regular budget increased more than 20 percent from 2008 to 2009.³ Nor is the U.N. considering cutting salaries, as Ban has noted some countries have done, despite the fact that U.N.

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compensates its employees at rates that are far higher than those paid to equivalent-level U.S. government officials.⁴

The proposal also avoids the need to end outdated or irrelevant U.N. activities, known as mandates, some of which date back to the 1940s. Before the effort was prematurely terminated, the U.N. Mandate Review looked at two categories of U.N. mandates and concluded that only 56 percent of the mandates in the Humanitarian cluster and only 35 percent of the mandates in the African Development cluster were “current and relevant.” A thorough mandate review could save hundreds of millions from the U.N. budget.⁵

The bottom line is that the Secretary-General’s 3 percent cut is hardly a “painful” proposal, considering the enormous budgetary increases over the past decade, and that it avoids the reforms necessary to guarantee substantial, long-term reductions in the regular budget. Yet the Group of 77, whose members number more than two-thirds of the U.N. General Assembly, has stated its opposition to the Secretary-General’s proposed cuts, indicating that any budget restraint will be a difficult battle.

Maintaining and Increasing U.S. Influence over the U.N. Budget. The U.S. pays 22 percent of the U.N. regular budget, making it by far the U.N.’s largest contributor. But America has only one vote out of 192 when it comes to adopting that budget. The combined assessment of the 128 least-assessed countries—two-thirds of the General Assembly—totals less than 1 percent of the regular budget even

though that group alone, according to U.N. rules, can pass the budget. These countries, combined with influential voting blocs in the U.N., can and do block attempts to implement reforms and curtail budgets.

Overcoming this intransigence requires the U.S. to apply and expand its direct and indirect influence over U.N. budgetary oversight and deliberations. Specifically, the U.S. should:

- **Seek to increase U.S. influence over U.N. budgetary decisions.** If the U.N. is to be a more effective, efficient, and accountable body, budgetary decision making must be linked to financial responsibilities by granting major donors a greater say in budgetary decisions.⁶
- **Oppose a regular budget that fails to make serious reductions.** The U.S. should demand that the budget be cut by 20 percent, returning it to the 2008–2009 budget level. This can be achieved through staff cuts, a thorough mandate review, and shifting activities such as the regional economic commissions to voluntary funding.
- **Withhold funding if the U.N. adopts a budget over the objections of the U.S.** In 2006 and 2007, the U.N. member states broke a 20-year agreement to adopt the U.N. budgetary decisions only by consensus in several key votes, including adopting the 2008–2009 regular budget over U.S. objections. The U.N. faced no repercussions from this because U.S. legislation mandating withholding if this happened had

1. Martin Nesirky, spokesperson for Secretary-General Ban Ki-moon, “Highlights of the Noon Briefing,” March 9, 2011, at http://www.un.org/News/ossg/hilites/hilites_arch_view.asp?HighID=1836 (April 22, 2011).
2. For a list of these proposals, see United Nations Chief Executives Board for Coordination, “High Level Committee on Management Sub-Committee on Improved Efficiency and Cost Control Measures,” March 30, 2011, at http://www.foxnews.com/projects/pdf/cutback_suggestions.pdf (April 22, 2011).
3. George Russell, “As Ban Ki-moon Calls for Belt-Tightening, Confidential Documents Show He’s Been on a Hiring Binge,” FoxNews.com, March 21, 2011, at <http://www.foxnews.com/world/2011/03/21/ban-ki-moon-expands-secretariat-despite-belt-tightening-warnings-managers> (April 20, 2011).
4. George Russell, “Austerity Measures Not Seen in Top-Ranking U.N. Official’s Salaries,” FoxNews.com, April 7, 2011, at <http://www.foxnews.com/world/2011/04/07/austerity-measures-seen-ranking-officials-salaries/#ixzz1IrgjDL2M> (April 22, 2011).
5. See Brett D. Schaefer, “United Nations: Urgent Problems That Need Congressional Action,” Heritage Foundation Lecture No. 1177, February 3, 2011, at <http://www.heritage.org/Research/Lecture/2011/02/United-Nations-Urgent-Problems-That-Need-Congressional-Action>.
6. See Brett D. Schaefer, “The U.S. Should Push for Adjustment in U.N. Dues,” Heritage Foundation WebMemo No. 2735, December 15, 2009, at <http://www.heritage.org/research/reports/2009/12/the-us-should-push-for-adjustment-in-un-dues>.

been rescinded in the 1990s. Congress should give legislative heft to U.S. budgetary demands by reinstating withholding if a budget is adopted over U.S. objections.

- **Link assistance to support for U.S. policy priorities in the U.N.** Since 2000, about 95 percent of U.N. member states that receive U.S. assistance have voted against the U.S. most of the time in the General Assembly on non-consensus votes. The U.S. should inform aid recipients that their support (or lack thereof) for U.S. priorities in the U.N., including budgetary and reform issues, will affect future decisions on allocating U.S. assistance.
- **Maintain a U.S. representative to the Advisory Committee on Administrative and Budgetary Questions (ACABQ).** The ACABQ is a critical budgetary oversight and advisory body in the U.N., and America's current ACABQ representative is retiring. If the U.S. is serious about budgetary restraint, it should seek out, nominate, and secure the election of an American expert who is both familiar with the U.N. budget and experienced in working through complicated budgetary and performance documents.
- **Appoint an American as Under-Secretary-General (USG) for Management.** The Bush Administration decided in 2007 to forego having an American as USG for Management and instead got an American appointed as USG for Political Affairs. This was a mistake. The U.S. is unique in its concern about U.N. transparency, oversight, and budgetary discipline. Having an American as USG for Management helped to keep the U.S.

informed about management and budgetary issues and provided a means for ensuring better budgetary and management oversight and monitoring the status of reforms. The current USG for Management is reportedly retiring. The U.S. should seek to have an American appointed to that position even if that means giving up the USG for Political Affairs slot.

- **Coordinate budget and reform efforts with other major U.N. contributors.** Other large contributors to the U.N. budget often share U.S. concerns. The U.S. should consult and coordinate with the Geneva Group, whose members collectively pay over 80 percent of the regular budget, to broaden support for its budgetary and reform efforts.

Difficult but Necessary. Few countries are interested in making sure that the U.N. has adequate oversight and accountability or uses its resources effectively. Unlike the U.S., most countries pay the U.N. a pittance and therefore have nothing at stake. The U.S. has fought a difficult battle for U.N. budgetary restraint and management reform for decades in an effort to make sure that American taxpayer dollars are not wasted. America's current budgetary crisis adds fiscal necessity to underscore that moral responsibility.

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