

51. The United Nations

The U.S. government should

- withhold all payments to the United Nations until the new secretary-general demonstrates a commitment to reform;
- demand that the United Nations undergo a comprehensive audit and eliminate all programs and agencies that do not meet stringent criteria in terms of mission, organization, and performance;
- withhold all payments to the United Nations until such a comprehensive audit has been completed;
- announce that the United States will unilaterally reduce its contribution to the United Nations by 50 percent once current arrearages are paid in full; and
- pass legislation that prohibits the participation of U.S. troops in UN military operations.

The United Nations is a miasma of corruption beset by inefficiency, Kafkaesque bureaucracy, and misconceived programs. Numerous diplomatic efforts to encourage UN reform have failed. It is now obvious that the United States must use its financial leverage to force the UN bureaucracy and the arrogant General Assembly to reexamine their practices. The bottom line is that the UN will either be fundamentally reorganized or, in a relatively short time, it will cease to exist.

The Unholy Trinity: Waste, Fraud, and Abuse

After more than a half century, the verdict on the United Nations is in. The data on reform or lack thereof are available for all to see—and they are not a pretty picture. There is abundant evidence that waste, fraud, and abuse are rampant throughout the UN system.

The UN's astronomical personnel costs are one manifestation of the problem. Incredibly lucrative salaries are commonplace at the UN's New York headquarters. The average salary of a **midlevel** accountant at the UN is \$84,000, compared to \$41,964 for non-UN accountants. A UN computer analyst could expect to receive **\$111,500** per year, compared to \$56,835 outside the UN bureaucracy. An assistant secretary-general receives \$140,256; the mayor of New York gets \$130,000.

Salary figures do not reflect the full disparity between UN and non-UN personnel costs, however. Salaries of UN diplomats are tax-free. Salaries of administrative staff include an "assessment" used to offset tax liability in most cases, so many of the staff salaries are tax-free as well. In addition, UN employees receive monthly rent subsidies of up to \$3,800 and annual education grants of up to \$12,675 per child. But such generous compensation does not translate into a productive workforce; former secretary-general **Boutros-Ghali** told the *Washington Post* that "perhaps half of the UN work force does nothing useful."

Widespread corruption is also a problem. Nearly \$4 million in cash was stolen from UN offices in Mogadishu, Somalia. Other funds are not stolen outright but are spent for highly questionable purposes. The *New York Times*, for example, reported that \$15,000 of \$457,000 earmarked for a two-week conference on the Sustainable Development of Small Island States was spent flying representatives "of a national liberation movement recognized by the Organization of African **Unity**" to the conference. "In fact," the *Times* disclosed, "the movement was the **Polisario** from the Western Sahara, a desert region conspicuously short of small islands."

The Accountability Problem and Failed Attempts to Restore Responsibility

At the heart of the UN's problem is an almost total lack of accountability. Former U.S. attorney general **Richard Thornburgh's** 1993 report on UN mismanagement, along with subsequent investigations, charged that UN budgets, formed behind closed doors, are shrouded in secrecy. In addition, the actual performance of the myriad bureaucracies is rarely measured against criteria established at program inception. There is no way to tell whether the various, often overlapping **agencies**—for example, at least two dozen are involved in food and agriculture **programs**—are meeting their stated objectives.

Theoretically, the lack of accountability could in some ways be addressed by a comprehensive audit. Boutros-Ghali long resisted such an investigation, and, in fact, he reportedly had the Thornburgh report literally burned. Not until April 1994, when an impatient U.S. Congress demanded reform and threatened to withhold \$420 million of the U.S. assessment from the UN coffers, was an independent inspector general—German diplomat Karl Paschke—named.

Paschke was short on funds, staff, and time. His independence was compromised when Boutros-Ghali inserted a "service at the pleasure of the Secretary-General clause" in his contract, which meant that Boutros-Ghali could dismiss him for virtually any reason. Nonetheless, Paschke produced an interim report in seven months—the first attempt at cost accounting at the United Nations in 50 years—which revealed, not surprisingly, that UN finances were a mess.

The new inspector general's first swipe at the Augean stables revealed some \$16.8 million in outright fraud and waste. The report documented numerous examples, including the following:

- In Somalia, \$369,000 was paid for fuel distribution services the contractor never provided.
- A project director of the UN Relief and Works Agency, which helps Palestinian refugees, kept \$100,000 of agency money in his private bank account and failed to disclose a personal stake in the irrigation project under way.
- In Nairobi, a member of the UN Center for Human Settlements arranged loans worth \$98,000 for a company of which she had been a partner and with whose director she was "closely associated."

By the time his report was out, however, Paschke had become part of the problem instead of part of the solution. His report contained the usual critique of poor management practices and abysmal personnel policy. But Paschke's overall conclusions proved more disturbing to the cause of real reform than any of his velvet-glove criticisms.

He said, "I have not found the UN to be a more corrupt organization, an organization that shows more fraud than any other comparable public organization." Members of Congress had hoped for an inspector general who would prove to be a junkyard dog, but U.S. ambassador to the United Nations Madeleine Albright—no UN basher—summed it up when she said that Paschke had thus far proved to be a 'junkyard puppy.' In short, the inspector general's effort devolved into a typical UN exercise in deflecting criticism without addressing the problems.

The New Secretary-General

Boutros Boutros-Ghali, the controversial secretary-general of the UN, was perhaps the foremost symbol of the problems associated with waste, fraud, and corruption at the UN, as well as one of the biggest obstacles to injecting accountability into the UN system. Instead of working to solve the UN's institutional problems, he thwarted U.S. efforts to do so.

At the same time, Boutros-Ghali was an aggressive proponent of expanding the mandate of the United Nations. In *Agenda for Peace*, his ambitious outline for the United Nations in the post-Cold War era, Boutros-Ghali called for the creation of a standing UN army. He was also one of the strongest advocates of the disastrous 'nation-building' mission in Somalia.

There is some hope that with the election of Kofi Annan, the United Nations will no longer be run by a secretary-general who ignores or exacerbates the organization's deep-seated institutional problems while also trying to expand its mandate. Nevertheless, Congress should not casually assume that an era of reform has arrived. It should continue to withhold funds until Annan's promises of change result in meaningful deeds.

Power and the Purse

Until the mid-1950s the United States enjoyed the support of a majority of the 51-member General Assembly. That margin vanished forever when a momentary thaw in U.S.-Soviet relations after Stalin's death allowed the admission of 20 new members. Five years later the General Assembly had 82 members, nearly all former colonies of the European powers. By 1970 the number had jumped to 108; by 1980 it was 136; and by 1995 the General Assembly had a total of 185 member-states, each with one vote.

The vastly expanded General Assembly was soon dominated by non-Western states whose elites seldom shared the political culture of the democratic West. Despite their diverse interests, logrolling among UN members has historically resulted in General Assembly votes having a distinctly anti-American cast.

The Third World-dominated General Assembly also approves numerous programs and projects for which the vast majority of member-states contribute only a minuscule portion of the funding. In 1992, for example, the United States was assessed 25 percent of the general UN operating budget, while 79 member-states each paid 0.01 percent of the budget—

the minimum allowed. And another 9 each chipped in 0.02 percent. That means that a majority of the voting members of the General Assembly contribute less than 1 percent of the UN's general budget, while 14 members contribute 84 percent. A similar pattern is evident in the peacekeeping budget, to which the United States contributes 31 percent of the total.

That fundamental disconnect between power and purse is at the root of many of the UN's greatest problems. There is little hope of curtailing the proliferation of agencies and bureaucracy or significantly reducing corruption until the UN's major contributors wield more influence over the budget.

UN Military Operations

The United Nations is ill-equipped to conduct military operations. It has no general military staff—and therefore is incapable of integrating command-control-communications and intelligence with a planning function. There is no unified command. Personnel from different countries who serve in UN military missions do not reflect the same training and standards and judgment when it comes to putting people's lives in danger.

It should come as no surprise, then, that the UN's record in peacekeeping is a chronicle of failure. Operational ineptitude is only one problem. Perhaps the greater problem is the tendency of the United Nations to become a party to the conflict rather than to preserve its impartiality. In Somalia, the United Nations ended up on a manhunt for Mohammed Farah Aideded, the leader of one of the two main factions in the civil war. In Bosnia, the UN Protection Force was for all practical purposes at war with the Bosnian Serbs.

Under no circumstances should U.S. troops participate in UN military operations. In most cases, American participation in UN missions will not advance U.S. vital interests. Conversely, in the event that U.S. vital interests are at stake, allowing the United Nations to be involved in (much less lead) a military operation could have disastrous consequences.

Toward Constructive Internationalism

The United Nations can serve a modestly useful purpose. It is a valuable forum for international diplomacy, crisis management, and mediation. The UN also performs some important work in the humanitarian and assistance areas—although private organizations perform the same work more cost-

effectively, since personnel costs account for 70 percent of UN operating expenses.

Without drastic reform, however, the United Nations will probably not exist for long. Rep. Joe Scarborough (R-Fla.) introduced legislation in the 104th Congress that would rescind the UN Participation Act, leading to the withdrawal of the United States from the United Nations and the relocation of the UN outside the United States. Although the measure did not become law, there was a surprising level of support both in Congress and among the general public for the initiative.

History has proven time and again that the United Nations will not reform willingly. The only way the United Nations will engage in meaningful reform is if the United States uses its financial leverage. Congress needs to make clear to the United Nations that reforms must be forthcoming, and that it is prepared to put the United Nations into bankruptcy, if necessary, to force reform.

The use of such leverage, if joined with a Herculean effort to clean the Augean stables, would provide the foundation for a return to productive internationalism. The alternative is the end of the United Nations.

Suggested Readings

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- Halper, Stefan. "A Miasma of Corruption: The United Nations at 50." Cato Institute Policy Analysis no. 253, April 30, 1996.
- Helms, Jesse. "Saving the United Nations." *Foreign Affairs*, September-October 1996.
- Hillen, John. "Killing with Kindness: The UN Peacekeeping Mission in Bosnia." Cato Institute Foreign Policy Briefing no. 34, June 30, 1995.
- Phillips, James. "Needed at the UN: More Secretary, Less General." Heritage Foundation Executive Memorandum no. 455, June 1996.
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