

A Run for the Money

Spin-Offs, Rivals and UN Reform

Ruth Wedgwood

IN THE fading light of Kofi Annan's tenure as a "reform" secretary general, super sleuth Paul Volcker has made plain that Saddam Hussein and his Ba'athi regime plundered the Oil for Food program. Oil for Food was touted as a humanitarian benefice, entrusted to the United Nations. But an inquiry headed by Volcker, the former Federal Reserve Board chairman, has shown without a doubt that Saddam shaped the program to deliver kickbacks and surcharges, converting coercive economic sanctions into a global ATM. The UN also gained a tempting "administrative" surcharge from Saddam's oil sales, and no one inside Turtle Bay was willing to blow the whistle on a program gone haywire. Volcker and his colleagues have called for the reform of UN practices to prevent similar mismanagement.

But conservatives and liberals alike must recognize that internal reform is unlikely. Senator Norm Coleman can seek dues-withholdings. State and federal grand juries may add some froth and frisson to the usual conversations in the staff cafeteria. A tough-minded U.S. ambassador can make an impression on the 38th floor.

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Unfortunately, key internal changes are likely to succumb to the doldrums of the General Assembly. Many of the changes needed at the United Nations lie within the decisional power of the General Assembly, which has no obvious incentive to change its own shared perquisites. Votes in the General Assembly oft-times are predetermined before they get there. Ambassador Richard Schifter has noted that during the Cold War the Soviet Union would approach selected members of the Non-Aligned Movement (NAM) and ask them to serve as caucus whips on issues of interest in the East-West confrontation. Since the collapse of the Berlin Wall, Cuba has continued to play a similar role in both the General Assembly in New York and the UN Human Rights Commission in Geneva. (Collectors of political trivia will be pleased to know that the reputed Cuban author of the UN's infamous "Zionism is Racism" resolution was recently spotted in Geneva, where he now serves as an "expert" for the UN Subcommittee on Human Rights.) The United States cannot attend the NAM and G-77 meetings, and the rule of consensus usually means the most intense advocates carry the day. Even states friendly to the United States may be unwilling to break consensus on key points, lest they lose caucus support on other issues they do care about. Faced with competing priorities, Washington is often unable to nail down the necessary commitments from foreign capitals. And

in the carnival mood of the General Assembly, some country delegations don't even bother to call home about impending votes, or they ignore their instructions. It takes a concerted diplomatic effort to master a moving game, with 190 other players on the board, and we often do not invest the time. This makes the General Assembly a daunting place to seek reform measures. (Of course, some wits may say that reform of other institutions can be equally daunting; one-third of a college faculty can yield a dead-hand tiller.)

Within days of Volcker's final report on Oil for Food mismanagement, a UN "Millennium Summit" was staged in New York, marking the organization's sixtieth anniversary. (Like Buckingham Palace, the UN is often best at purely ceremonial events.) The summit declaration of 171 heads of state endorsed some mild "good governance" proposals—confiding that the General Assembly should review outmoded programs, establish a more competitive personnel system, and support a toothier inspector general and external advisory group to review audit procedures. But even these are likely to wind up on the cutting room floor. Many countries of the south and elsewhere lack enthusiasm for the organizational aims put forward by the United States, and an ineffective organization is seen as a small price to pay for retaining a veto by inefficiency.

In Kofi Annan's first term as secretary general, the General Assembly ignored the cogent recommendations for peacekeeping reform offered by Algerian envoy Lakhdar Brahimi. Earlier, the reform proposals of former U.S. Attorney General Richard Thornburgh—serving as a UN undersecretary for management—had the honor of being shredded under orders from former Secretary General Boutros Boutros-Ghali. (Volcker alleges, incidentally, that Iraqi oil vouchers awarded by Saddam found their way to a joint venture owned by the brother-in-law and the cousin of Boutros-Ghali.)

DESPITE ALL the justified complaints, American conservatives recognize that, at least for the moment, the United Nations remains the only all-inclusive political organization for the wondrous array of the world's states, including the 20,000 islanders of Palau and the 1.3 billion mainland Chinese. Its first business plan was a flop—the United Nations has never served as an effective collective security mechanism and quickly yielded pride of place to NATO and coalitions of the willing. But the UN invented peacekeeping in the 1950s and 1960s, citing the invisible ink of "Chapter 6½" of the UN Charter. And though peacekeepers are slow to arrive, are often untrained and unequipped, and lack effective discipline, these international forces can be useful nonetheless where there is a relatively benign security situation and a truce to monitor or boundary to patrol. Few people dispute that some form of internationally coordinated action is needed in matters such as disease control, famine relief, refugee crises and election assistance in post-conflict societies. The United Nations is still the only place where almost every state, friend and foe, turns up for debate, allowing quiet contacts and discreet discussions without any time lost on the shape of the table. In addition, there is legal leverage. The Security Council—the 15-state body on which the United States holds a permanent seat and wields a veto—has unique power under Chapter 7 of the UN Charter to issue decisions that are legally binding on all other states. When the Security Council can be made to work, the United States gains added strength from this form of legitimacy in international decisions.

What, then, is a conservative to do to transform the place? The answer may lie in the serpentine ways of a wise English judge of the 18th century, who wanted to reform the courts of England. When the antiquated rules of common-law judges

threatened to stifle British business, Lord Chief Justice Mansfield turned to the British admiralty courts and warned that these judges of waves and tides would have competence to apply their new rules of commerce to any commercial matters with an international aspect. The prospect of competition for judicial business persuaded the local English courts to look beyond their transom.

The bracing impact of competition should apply to the multilateral sector as well. If the UN can't reform—because the General Assembly has twisted its politics into a pretzel—we should look for other multilateral venues to take action, administer programs, or seek partners for policies whose legitimacy needs support. It is not 1945, when the international landscape was barren. There are complicated and overlapping venues for multilateral agreement and execution. Regionalism did not end with Europe. The African Union, for example, has a new protocol that gives its Peace and Security Council the right to intervene in member states to counter genocide or crimes against humanity—even without the UN Security Council. In aid delivery, the UN frequently serves as no more than a pass-through, collecting financial aid from interested countries and contracting out program delivery to interested relief organizations and corporations. Over the last 25 years, the reinvention of the corporation and the outsourcing of economies have taught that few organizational forms are a given. Many of the UN's functions may be subject to a similar law.

More to the point, competition may be the only effective method of change. Albert O. Hirschman's famous essay "Exit, Voice and Loyalty" has taught several generations of students that if things can't be reformed inside an organization, then members may need to vote with their feet. Innovation may require outside competition—the Satchel Paige feeling that something might be gaining on you.

What might be improved by this? It could counter the decay that keeps the UN from working effectively. Preferring their own small lodgings for nationals within the Secretariat, too many countries decline to allow a modern personnel system, on the misplaced gamble that they will gain an advantage in decision-making or procurement. A secretary general cannot choose his own team or move people around to the most critical missions. The system does not provide equal opportunity for women (with a work environment ranging from favoritism to harassment) and retaliates against whistleblowers. A new UN personnel chief was recruited from UNICEF in early 2005 but soon quit, hamstrung by the unwillingness of the institution to change. When asked why mandatory retirement in the UN system remains at the relatively young age of 62, one former Secretariat official innocently asked, "How else would we get rid of them?" Redundant agencies that perform the same task, and the inability to support critical functions with adequate personnel, means we might seek other methods of carrying out the same activities.

Business-school students would choke on the UN's command-and-control budgeting system, which sends every proposed expenditure in any field mission to the decisional mercies of the General Assembly's obscure Advisory Committee on Administrative and Budgetary Questions (ACABQ). It was a surprise, but not really, when the long-serving Russian chairman of the ACABQ was charged by a grand jury in the Southern District of New York in the aftermath of the Oil for Food scandal. Consider as well a stunted oversight system that assigns fewer than thirty investigators to guard the integrity of a \$10 billion budget in the main Secretariat and specialized agencies. There are rumors of bribes offered and accepted, even in international courts, and there is no one who can master the matter.

Member countries, too, often have little incentive to blow the whistle on a system from which they also profit. In the Cold War, for example, Eastern Bloc governments hungry for hard currency seized a large slice of their nationals' UN salaries, payable in U.S. dollars or Swiss francs, as the cost of an exit visa, ignoring the UN Convention on Privileges and Immunities. (The Czech government has recently acknowledged that this was a standing practice before the Berlin Wall came down.)

Through thick and thin, the United Nations has perfected the art form of the Grand Apology. There is always a long report and ritual remonstrance, after profound moral failures of will and judgment such as Rwanda, Bosnia and the Baghdad headquarters bombing. Over the years, UN spokesmen have developed a studied rhetoric of explanation, shrugging off such events as part of an endless "learning experience" or blaming the member countries, with a wan promise to do better next time. The reminder that the United Nations is nothing more than its member states is hauled out of the closet each time a disaster occurs, ignoring the ethos and decisions of the Secretariat that may have contributed. One typical example: The Dutch military was told by UN officials that it should not mount machine guns on armored personnel carriers deployed to Bosnia, a decision that takes on a less attractive light after Srebrenica. Peacekeepers could not respond to Serb artillery without calling a Japanese mission chief for "dual key" permission. Strange to say, a collective security system cannot operate very well through an organization that has an ethos of deadpan pacifism.

KOFI ANNAN'S close call in the Oil for Food scandal has led to high hopes that he might use his remaining time in office for a serious reform initiative. John Bolton

has an unusual capacity for hard work and nailing down votes and will undoubtedly use every method of suasion available. But the reformer's stone must be rolled up a Sisyphian slope, and it is not clear at all what will ensue in the General Assembly.

The September summit fell short of an epochal call for change, stymied by naysayers such as Cuba, Venezuela, Egypt and Pakistan, who lobbied hard against U.S. proposals throughout the run-up. But in the event, the world's elected presidents, sitting alongside autocrats and dictators, called for the creation of a new Human Rights Council, to replace the UN's highly politicized Human Rights Commission. The summit declaration does not say how the council will be chosen, and the same thugs may come forward again to claim their seats, skating on board through the mutual courtesy of regional caucuses. A new Peacebuilding Commission has been created as an "intergovernmental advisory body" to coordinate aid for post-conflict war-riven countries and is to be supported by a "small . . . support office" within the Secretariat. It is less clear how this advisory group will improve the coordination of the current array of Bretton Woods institutions, international pledging conferences, and UN agencies on refugees, human rights and development. (Usual rule of thumb: When you hear the word "coordination" in a UN corridor, head for the exit.) A call for "significantly strengthening" the UN's inspector general was stripped of any specifics, and the idea of an outside audit board (to begin an institutionalized version of the Volcker Oil for Food commission) was discarded in favor of an audit "advisory committee." The success of these modest changes depends on the unfettered will of the General Assembly.

Some proposed changes were better abandoned, at least for the moment, and amongst these was Security Council

expansion. Adding new members to the council has been a favorite topic of conversation since the mid-1990s, sustained by the ambitions of Germany and Japan. These two countries contribute almost 30 percent of the UN's budget, but are still called "enemy states" in the UN Charter and have no permanent seat on the Security Council. Germany burned its bridges this time around with Chancellor Gerhard Schröder's vocal opposition to the intervention in Iraq. Though the United States backs Japan in its quest for a permanent seat, China has shouted its opposition. And the rivalries of each regional group meant that no one could agree on who might be suitable as *primus inter pares* for new permanent seats. Brazil, India, Indonesia and Nigeria were opposed by local rivals.

This stasis may be just as well. Expansion of the council's membership would lengthen debate, make it harder to assemble a two-thirds majority (even apart from the issue of vetoes), and add member states that are generally skeptical of the UN's role in quelling civil war conflicts.

Though the heads-of-state summit fell short, one still has the intellectual clarity of a remarkable "High-Level Panel" convened by the secretary general last year. This group, shepherded by American academic Stephen Stedman, included former U.S. National Security Advisor Brent Scowcroft, former Russian Prime Minister Yevgeny Primakov, former Vice Premier Qian Qichen of China, French jurist Robert Badinter, former Australian Foreign Minister Gareth Evans and Secretary General Amre Moussa of the Arab League. The group made three cogent observations, transcending the lowest common denominator of its UN venue. The possession of WMD by "irresponsible states" should be countered as an alarming security threat. The threat of genocide against civilians should be thwarted by capable states

willing to assume a moral "responsibility to protect." And any deliberate attack against civilians in order to coerce a government should be recognized for what it is—sheer terrorism. Happily, nothing in the September summit retracts these bolder claims.

BUT THIS brings one back to the issue of competition. Having some rivals could prove a benefit to the United Nations as an institution. In a world of internet and email, there are many ways for states and sectors to cooperate without going through the eye of a Turtle Bay needle. Actors will seek a modality that is effective and competent, whether regional, private or informal, and any starchy claim of sole-source legitimacy is not likely to last for long. Even international relations theorists implicitly recognize the point. The current bull market in academic theories about "transnationalism" notices that cooperative action can often proceed without a bricks-and-mortar assembly hall, through other forms of coordination and persuasion. Standard setting and cooperative action can occur through a host of other means, including trade and professional associations, independent economic groups (such as the Basle Committee that sets minimum capital requirements for banking), or military to military relations (within NATO or Partnership for Peace). A dignified kick-in-the-pants may be essential therapy for a sixty-year-old multilateral institution that has not lately read Joseph Schumpeter's work on innovation and "creative destruction."

Regional organizations are becoming important places to take decisions to mount peacekeeping and peace enforcement operations. Once upon a time, the UN Charter was said to bar such regional actions, unless there was a prior resolution from the Security Council. But accepted readings of the 1945 blueprint have changed to fit reality. The little-

known Economic Community of West African States, dominated by Nigeria and Ghana, organized and authorized the interventions in Sierra Leone and Liberia in the early 1990's, with no prior Security Council vote. NATO decided to fight in Kosovo in 1999, in order to check Slobodan Milosevic's policy of ethnic cleansing. In diplomacy itself, the UN has long used "contact groups" and "friends of the secretary general" who have no formal structure, but are felt to be useful in cajoling and persuading a reluctant government or insurgency. Some UN special representatives are double-hatted, representing a regional group as well.

So too, in human rights, there are regional courts active in Latin America and Europe, and increasingly, in Africa. Most European countries have taken treaty reservations to opt out of the UN Covenant on Civil and Political Rights and its Human Rights Committee for individual matters when their regional human rights court has already addressed a case. In treaty negotiations, rather than using the International Law Commission and the General Assembly, the United States has successfully used the innovative venue of the Council of Europe, with *à la carte* participation by Canada, Australia, New Zealand and Japan, on the technologically complex issues of cybercrime. With the rise of a dominant NGO presence in UN conferences, and the UN's exclusion of business and trade groups from the privileged moniker of NGO, nation states may seek quieter venues in which to draft agreements.

One could imagine a model of spin-offs and voluntary funding to counter the debilities of the core UN. Specialized agencies such as the International Maritime Organization, the International Labor Organization, the International Telecommunication Union and the World Intellectual Property Organization operate independently, with their own governing boards and without any

direct reference to the New York Secretariat. Some of the most productive UN enterprises, such as UNICEF, the High Commissioners for Refugees and Human Rights, the UN Development Program and the World Food Program, depend almost entirely on voluntary funds, and the United States contributes more than \$2 billion per year, beyond its assessed dues. There needs to be some coordination among these agencies, and thus a core Secretariat function. But one should not confuse the head and the tail of a dog. The use of voluntary funding also means that these agencies can afford a more responsive relationship to contributing governments. In New York, UN officials prefer to talk only to diplomatic missions, and often seem annoyed when national legislators ask to see first hand how taxpayer monies are spent. In a setting of voluntary funding, it is easier for a UN agency chief to justify talking to the chairman and ranking member of, say, the Senate Foreign Relations Committee or the House Appropriations Committee.

The essential work of politics and peacekeeping is no reason to suffer the parts of an organization that have gone bad or to shelter its self-satisfaction. There are brave and brilliant UN staffers serving in the field and scattered pearls in headquarters. But in critical functions such as elections assistance, post-conflict aid and famine relief, they deserve an organization that supports their work with efficiency and political realism. The advent of transnational threats means that the UN cannot coast on the security symbiosis of the Cold War. Directing our multilateral projects to the best-run competitive organizations may be the only way to cure a hide-bound United Nations or to bolster the courage of its leadership.

The UN has asked for \$1.9 billion to rebuild the organization's First Avenue headquarters. Overhauling the enterprise that sits inside the shell is surely as important. □