Management of global issues requires effective international cooperation, and the United Nations is the primary body created for achieving such cooperation. This chapter provides an overview of the United Nations, its mandates, and finances. It looks at the role that the United Nations plays in global issues management and the constraints it faces in this role. The chapter ends by discussing some key reforms that will help the United Nations be more effective in managing global issues.

An Overview of the United Nations System

On a single day, April 28, 2006, the United Nations’ World Food Programme cut food aid to the war-torn Darfur region in Sudan, Iran curtailed its cooperation with U.N. nuclear inspectors, and a vote sponsored by a large group of developing countries (the Group of 77) in the United Nations’ Budget Committee blocked a major management reform proposal offered by the secretary-general. By the end of that fateful day in April, calls for change were once again resonating across the United Nations and beyond. Media commentators and leaders of civil society organizations demanded that the...
organization reform itself to respond to an increasingly complex and difficult world, but at the same time questioned its capacity to do so. The stalemate also marked a clear division between developed and developing countries, one that would make future movement on reform extremely difficult. As delegates and observers left U.N. headquarters late that Friday night, it was clear that the organization was facing one of the most serious crises in its 60 years of existence. Asked if they saw a way out, veteran U.N. delegates just shook their heads.

The United Nations came into existence at the end of World War II, in 1945, when 51 nations met in San Francisco to draw up the charter of a new organization. After a short but intense deliberation, the U.N. Charter came into force in October 1945 after being ratified by the countries that would become the five permanent members of the U.N. Security Council (China, France, the Soviet Union, the United Kingdom, and the United States) and the majority of signatory nations. In contrast to its predecessor, the League of Nations, the new organization enjoyed the support of all the great powers of the world, and despite the onset of the Cold War, the United Nations would become an important and effective forum within which to manage global issues.

The Charter of the United Nations sets out the basic principles of international relations and entails obligations that all member states agree to accept. According to the Charter, the United Nations has four purposes:

- To maintain international peace and security
- To develop friendly relations among nations
- To cooperate in solving international problems and in promoting respect for human rights, and
- To be a center for harmonizing the actions of nations.

To put these principles into practice, the U.N. Charter establishes five main bodies: the Security Council, the General Assembly, the Economic and Social Council, the Trusteeship Council, and the International Court of Justice. This chapter will focus on the first three. In addition to these, the U.N. Secretariat administers the policies and programs of these main bodies and carries out the day-to-day work of the organization.

The Security Council is made up of 15 member nations: the 5 permanent members listed above and 10 members elected by the General Assembly for two-year terms. Each council member has one vote. However, each of the permanent members has the right to veto decisions passed by the council. Through this veto mechanism, the victorious powers in World War II effectively were granted an instrument by which to control intergovernmental relations in the area of peace and security.
Within the new organization, the Security Council was balanced by the inclusive and open General Assembly, a forum where all nations have an equal vote. Today 191 countries—nearly all the countries of the world—are members of the United Nations and have seats in the General Assembly.

The Economic and Social Council, or ECOSOC, is the central forum for discussing and managing global issues outside the security domain, such as higher standards of living, full employment, and economic and social progress around the world; for identifying solutions to international economic, social, and health problems; for facilitating international cultural and educational cooperation; and for encouraging universal respect for human rights and fundamental freedoms. With 54 voting member states, none holding veto power, elected by the General Assembly for overlapping three-year terms, ECOSOC meets annually for a four-week substantive session each July, alternating between New York and Geneva.

In addition to the principal organs established by the Charter, the United Nations now includes a network of international organizations, subsidiary bodies, agencies, funds, and programs, which together are known as the U.N. system. Among them are the Office of the United Nations High Commissioner for Refugees, the United Nations Development Programme (UNDP), and the United Nations Children’s Fund (UNICEF). These bodies are closely linked to the central organization and report to the General Assembly or to ECOSOC.

Specialized agencies, by contrast, are independent organizations created by intergovernmental agreements and treaties. The International Monetary Fund (IMF) and the World Bank—called the Bretton Woods institutions after the location of their founding in 1944—and 12 other independent organizations, such as the World Health Organization and the International Civil Aviation Organization, cooperate with other entities in the U.N. system on a wide range of global issues in the economic, social, cultural, humanitarian, environmental, and related fields. Table 19.1 lists the programs, funds, and other organs of the U.N. system and the specialized agencies. Figure 19.1 is an organizational chart of the system.

All of the specialized agencies have their own governing bodies, budgets, and secretariats. At the intergovernmental level, they interact through the coordinating function of ECOSOC. However, under the provisions included in the legal agreements that rule the relationship between the specialized agencies and the United Nations, many of the organizations within the system behave as independently of the United Nations as if they were not part of the system at all. Within ECOSOC, countries’ diplomatic representatives are supposed to decide on technical issues and agendas on the basis of reports
### TABLE 19.1 Programs, Funds, Other Organs, and Specialized Agencies of the United Nations System

<table>
<thead>
<tr>
<th>Entity and standard abbreviation</th>
<th>Year created</th>
<th>Headquarters</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programs, funds, and other organs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United Nations Conference on Trade and Development (UNCTAD)</td>
<td>1964</td>
<td>Geneva</td>
<td>wwwunctad.org</td>
</tr>
<tr>
<td>United Nations Environment Programme (UNEP)</td>
<td>1972</td>
<td>Nairobi</td>
<td><a href="http://www.unep.org">www.unep.org</a></td>
</tr>
<tr>
<td>United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)</td>
<td>1949</td>
<td>Gaza City and Amman</td>
<td><a href="http://www.unrwa.org">www.unrwa.org</a></td>
</tr>
<tr>
<td>United Nations University (UNU)</td>
<td>1969</td>
<td>Tokyo</td>
<td><a href="http://www.unu.edu">www.unu.edu</a></td>
</tr>
<tr>
<td>World Food Programme (WFP)</td>
<td>1962</td>
<td>Rome</td>
<td><a href="http://www.wfp.org">www.wfp.org</a></td>
</tr>
<tr>
<td>Specialized agencies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food and Agriculture Organization (FAO)</td>
<td>1945</td>
<td>Rome</td>
<td><a href="http://www.fao.org">www.fao.org</a></td>
</tr>
<tr>
<td>International Atomic Energy Agency (IAEA)</td>
<td>1957&lt;sup&gt;b&lt;/sup&gt;</td>
<td>Vienna</td>
<td><a href="http://www.iaea.org">www.iaea.org</a></td>
</tr>
<tr>
<td>International Civil Aviation Organization (ICAO)</td>
<td>1944</td>
<td>Montreal</td>
<td><a href="http://www.icao.org">www.icao.org</a></td>
</tr>
<tr>
<td>International Labour Organization (ILO)</td>
<td>1919&lt;sup&gt;c&lt;/sup&gt;</td>
<td>Geneva</td>
<td><a href="http://www.iolo.org">www.iolo.org</a></td>
</tr>
<tr>
<td>International Maritime Organization (IMO)</td>
<td>1948</td>
<td>London</td>
<td><a href="http://www.imo.org">www.imo.org</a></td>
</tr>
<tr>
<td>International Telecommunication Union (ITU)</td>
<td>1865&lt;sup&gt;d&lt;/sup&gt;</td>
<td>Geneva</td>
<td><a href="http://www.itu.org">www.itu.org</a></td>
</tr>
<tr>
<td>United Nations Industrial Development Organization (UNIDO)</td>
<td>1966&lt;sup&gt;e&lt;/sup&gt;</td>
<td>Vienna</td>
<td><a href="http://www.unido.org">www.unido.org</a></td>
</tr>
<tr>
<td>Universal Postal Union (UPU)</td>
<td>1874&lt;sup&gt;f&lt;/sup&gt;</td>
<td>Bern</td>
<td><a href="http://www.upu.org">www.upu.org</a></td>
</tr>
</tbody>
</table>

(Continued)
prepared by the secretariats of the specialized agencies. These reports are often long and technical, and in many cases ECOSOC does not spend enough time and attention discussing them.

Originally, ECOSOC was intended to perform quite a different role. The San Francisco Conference in 1945 adopted an understanding that the word “economic” in the U.N. Charter would cover international trade, finance, communications, transport, economic reconstruction, and, where economic problems emerge, access to raw materials and capital flows. From the work of the Preparatory Commission, it is clear that the governments whose representatives met in San Francisco intended the United Nations and ECOSOC to be the world’s central body for the formulation of global macroeconomic policy. The subsequent record shows an important failure by those same governments and by the international community to fulfill their commitments in this regard. Political will, or lack thereof, is the critical factor in international affairs, and the United Nations, at its best, can only contribute to catalyzing the will of governments.

<table>
<thead>
<tr>
<th>Entity and standard abbreviation</th>
<th>Year created</th>
<th>Headquarters</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>World Health Organization (WHO)</td>
<td>1948</td>
<td>Geneva</td>
<td><a href="http://www.who.int">www.who.int</a></td>
</tr>
<tr>
<td>World Meteorological Organization (WMO)</td>
<td>1873</td>
<td>Geneva</td>
<td><a href="http://www.wmo.ch">www.wmo.ch</a></td>
</tr>
<tr>
<td><strong>International agencies with independent governance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International Monetary Fund (IMF)</td>
<td>1944</td>
<td>Washington</td>
<td><a href="http://www.imf.org">www.imf.org</a></td>
</tr>
</tbody>
</table>

Sources: Agency websites.
b. Originally called Atoms for Peace.
d. Originally the International Telegraph Union, took its present name in 1934 and became a specialized U.N. agency in 1947.
g. Originally formed from separate organizations (for patents and trademarks and for copyright) as the United International Bureaux for the Protection of Intellectual Property, took its present name in 1970 and became a specialized U.N. agency in 1974.
h. Originally the International Meteorological Organization, took its present name in 1950 and became a specialized U.N. agency in 1951.
i. The World Bank comprises the International Bank for Reconstruction and Development and the International Development Association; the World Bank Group comprises these two organizations and the International Finance Corporation, the Multilateral Investment Guarantee Agency, and the International Centre for Settlement of Investment Disputes.
FIGURE 19.1 The United Nations System

**Principal Organs**

- **Trusteeship Council**
- **Security Council**
- **General Assembly**
- **Economic and Social Council**
- **International Court of Justice**

**Subsidiary Bodies**

- **Military Staff Committee**
- **Standing Committee and ad hoc bodies**
- **International Criminal Tribunal for Rwanda**
- **UN Monitoring, Verification and Inspection Commission (UNMOVIC)**
- **United Nations Compensation Commission: Privatizing Operations and Measures**

**Programmes and Funds**

- **UNCTAD** United Nations Conference on Trade and Development
- **ITC** International Trade Centre (UNCTAD/ITC)
- **UNODC** United Nations Office on Drugs and Crime
- **UNGF** United Nations Environment Programme (UNEP)**
- **UNICEF** United Nations Children’s Fund

**Research and Training Institutes**

- **UNU** United Nations University
- **UNRISD** United Nations Research Institute for Social Development
- **UNITAR** United Nations Institute for Training and Research
- **UNHDR** United Nations Human Development Programme
- **UNISDR** International Research and Training Institute for Disaster Risk Reduction

**Other UN Entities**

- **OHCHR** Office of the High Commissioner for Human Rights
- **UNOPS** United Nations Office for Project Services
- **UN** United Nations
- **UNRISD** United Nations Research Institute for Social Development
- **UNSCC** United Nations System Chief Executives Board for Coordination (UNSCC)
- **UNAIDS** Joint United Nations Programme on HIV/AIDS
- **CTBTO** Comprehensive Test Ban Treaty Organization
- **OPCW** Organization for the Prohibition of Chemical Weapons

**Other Bodies**

- **Permanent Forum on Indigenous Issues (PFII)**
- **UN-REDD** United Nations Forum on Forests
- **UNDB** United Nations Database on Disarmament
- **UNSC** United Nations Security Council
- **UNODA** United Nations Office for Disarmament Affairs

**Specialized Agencies**

- **ILC** International Labour Organization
- **FAO** Food and Agriculture Organization of the United Nations
- **UNESCO** United Nations Educational, Scientific and Cultural Organization
- **WHO** World Health Organization
- **WORLD BANK GROUP**
  - **IBRD** International Bank for Reconstruction and Development
  - **IDA** International Development Association
  - **IFC** International Finance Corporation
  - **MIGA** Multilateral Investment Guarantee Agency
  - **ICSID** International Centre for Settlement of Investment Disputes
  - **IMF** International Monetary Fund
  - **ICAO** International Civil Aviation Organization
  - **IMO** International Maritime Organization
  - **ITU** International Telecommunication Union
  - **UPU** Universal Postal Union
  - **WMO** World Meteorological Organization
  - **WFP** World Food Programme
  - **WTO** World Trade Organization

**Related Organizations**

- **ILO** International Labour Organization
- **FAO** Food and Agriculture Organization of the United Nations
- **UNESCO** United Nations Educational, Scientific and Cultural Organization
- **WHO** World Health Organization
- **WORLD BANK GROUP**
  - **IBRD** International Bank for Reconstruction and Development
  - **IDA** International Development Association
  - **IFC** International Finance Corporation
  - **MIGA** Multilateral Investment Guarantee Agency
  - **ICSID** International Centre for Settlement of Investment Disputes
  - **IMF** International Monetary Fund
  - **ICAO** International Civil Aviation Organization
  - **IMO** International Maritime Organization
  - **ITU** International Telecommunication Union
  - **UPU** Universal Postal Union
  - **WMO** World Meteorological Organization
  - **WFP** World Food Programme
  - **WTO** World Trade Organization

**Departments and Offices**

- **OSG** Office of the Secretary-General
- **OSIS** Office of Internal Oversight Services
- **OAL** Office of Legal Affairs
- **DPA** Department of Political Affairs
- **DPA** Department of Peacekeeping Operations
  - **OCHA** Office for the Coordination of Humanitarian Affairs
- **DESA** Department of Economic and Social Affairs
- **DGACM** Department of Management
- **DPI** Department of Public Information
- **DM** Department of Management
- **OHCHR** Office of the High Commissioner for Human Rights
- **UNDO** United Nations Office on Drugs and Crime
- **UNHCR** United Nations High Commissioner for Refugees
- **UNICEF** United Nations Children’s Fund
- **UNIDS** United Nations Office at Geneva
- **UNO** United Nations Office in Nairobi
The challenges faced by the system in achieving effective cooperation on global issues are compounded by the decision of many governments to send officials of their foreign ministries to the General Assembly and ECOSOC, while sending officials from other sector ministries, such as finance, health, or international development, to the governing bodies of the specialized agencies. Given that coordination at the national level between ministries is not always fluid, it is easy to imagine how disconnected representatives of different ministries in the various specialized agencies, working in different cities and guided by their own agendas and cultures, might become.

This difficulty did not go unnoticed. The United Nations, and in particular ECOSOC, were not in a position to provide the systemwide coherence needed. Duplication and fragmentation became a common feature, leading to inefficient use of resources and ultimately a clear lack of results. It is therefore not surprising that calls for reform increased significantly over time.

How the U.N. System Is Funded

If the institutional design of the United Nations seems complex, the funding modalities established to provide the resources it needs are at least as cumbersome and complicated. The U.N. system is financed primarily through assessed and voluntary contributions from the member states. The Regular Budget, the Peacekeeping Budget, and the international tribunals’ budget are funded through assessments on the member countries. The various U.N. programs and funds are financed through voluntary contributions from members. The specialized agencies are funded partly through assessments and partly through voluntary contributions, except for the IMF and the World Bank, which are mostly self-funding. The expenditures of the U.N. system amount to approximately $12 billion a year. This includes the Regular Budget, the Peacekeeping Budget, and the budgets of the specialized agencies (assessed and voluntary). It also includes voluntary contributions to cover the operational expenditures of the funds, programs, and specialized agencies (other than the IMF and the World Bank). Figure 19.2 shows how U.N. system expenditures are distributed among the Regular Budget, the Peacekeeping Budget, the programs and funds, and the specialized agencies.

The General Assembly sets the Regular Budget every two calendar years. This budget funds the United Nations’ core activities, including staffing costs, in the system’s eight headquarters locations in the United States, Europe, Asia, Africa, and Latin America. It also covers international conferences, dissemination of public information, human rights promotion, and special U.N. missions to conflict areas. The Regular Budget is financed through assessments
on all U.N. member states. Countries pay according to their economic capacity, except that no country may pay more than 22 percent of the total; this “ceiling” rate is intended to prevent the United Nations from becoming overly dependent on any one member state. The United States is the only country that would exceed this ceiling based on economic capacity; consequently, it pays much less than its share of the global economy would indicate. However, over 80 percent of all member states fail to pay their dues to the United Nations in full and on time. Many countries, including some of the largest contributors, transfer just about enough to maintain their vote in the General Assembly.

The Peacekeeping Budget pays for U.N. peacekeeping operations all over the world. This budget is financed through assessments on all the member states, based on the scale of assessments for the regular budget. The five permanent members of the Security Council, which approve all peacekeeping operations, pay a surcharge on top of their regular assessments. Poor countries get a discount on their rates. In the 1990s, as the Security Council launched an unprecedented number of peacekeeping operations, the Peacekeeping Budget and total debt to the budget rose quickly. The General Assembly also sets a fiscal-year Peacekeeping Budget. However, the committee reviews and adjusts the budget throughout the year. Since peacekeeping missions vary in number, size, and duration, contributions to the Peacekeeping Budget are extremely volatile.

Some of the specialized agencies, funds, and programs are financed through voluntary contributions from member countries, and in some cases also from private sector and nongovernmental organizations (NGOs).
UNICEF has developed this modality extremely well, through the establishment of its national committees. On the other hand, the Food and Agriculture Organization, the International Labour Organization, the United Nations Educational, Scientific and Cultural Organization (UNESCO), and the World Health Organization are funded through assessments and voluntary contributions. The IMF and the World Bank are funded and governed outside of the U.N. system. U.N. programs and funds remain particularly vulnerable, as they rely entirely on voluntary contributions from a handful of donor countries. Thus the capacity of these agencies and funds to develop longer-term programs is extremely limited. Improving the predictability of funding has therefore become one of the key objectives of the reform process. Some NGOs argue that these organizations should be funded at least partly through assessments. Additional funds could be raised through alternative sources such as global taxes. Since the Millennium Summit in 2000 agreed on the principles that would become the Millennium Development Goals (MDGs), these proposals have lately regained momentum and are being discussed in several forums.

The United Nations’ Role in Global Issues Management: Actions and Limitations

The United Nations, as a universal meeting place and forum, has been entrusted since its creation with promoting stability and good relations between states. The United Nations has evolved over the years to fulfill this mandate and to perform its critical role in global issues management. Adaptation to new geopolitical contexts and circumstances has not always been easy, but the U.N. system has made commendable attempts, notably during the major international conferences of the 1990s, to forge international cooperation to address global challenges in areas such as the environment, human development, and peace and security.

The 1960s and 1970s: Putting Together a System to Manage Global Issues

From time to time, the United Nations has had to catch up with political, social, and economic change around the world. In the 1960s U.N. reform was driven by the decolonization process and the need to provide greater assistance to newly independent countries and developing countries. From a global issues perspective, the main focus was on how the system could support the efforts of these countries to accelerate their economic growth and development.
In 1969 two reports examined the capacity of the U.N. system to respond to the development challenges of that time. *Partners in Development*, better known as the Pearson Report,2 was prepared by the Commission on International Development at the request of then-World Bank President Robert McNamara and under the leadership of Lester B. Pearson, former prime minister of Canada. The so-called Jackson Report was commissioned by the UNDP’s Governing Council to study the capacity of the U.N. development system.3

The final Pearson Report stated that the U.N. system was suffering from a proliferation of agencies, which resulted in dispersed and unrelated efforts at the country level. The report also stressed the urgent need for improved coordination and proposed that donor countries’ total aid should amount to at least 1 percent of their GNP by 1975, and that official aid should reach 0.7 percent of GNP. The Jackson Report concluded that “the UN development machine had evolved into probably the most complex organization in the world . . . [with] no real central coordinating organization, which could exercise effective control at headquarters and with administrative tentacles that ran down to a vast complex of regional, sub-regional, and field offices” [emphasis in the original]. Among the report’s recommendations was that the UNDP be anchored firmly as the central financing mechanism for technical cooperation and pre-investment for the whole U.N. system. The report pleaded in favor of “country ownership,” argued against “one size fits all templates and blueprints” for development, and indicated an early interest in management for results. Both reports addressed the issue of systemwide coordination of the aid machinery, including the Bretton Woods institutions.

The Jackson Report enjoyed greater support than the Pearson Report, most likely because it focused more on the U.N. system and incorporated concrete reform proposals for the U.N. development framework. Some of the Jackson Report’s main recommendations were phased in, such as a new system of country programming based on indicative planning figures and the creation of UNDP resident representatives (later called resident coordinators).

It was several years before the topic was taken up again, this time in the 1975 Gardner Report,4 which again looked again at the need for greater coherence in the planning, programming, and budgetary processes of the U.N. system. The report also recommended the establishment of a United Nations Development Authority, which would consolidate funds for technical cooperation and the pre-investment activities of agencies throughout the system with the exception of UNICEF.

Some of the Gardner Report’s reform proposals, in a much-weakened form, were taken up in 1975–77 by the Ad Hoc Intergovernmental
Committee on the Restructuring of the Economic and Social Sectors. The committee endorsed a single annual pledging conference for all U.N. operational activities for development. It called for measures to achieve maximum uniformity of administrative, financial, budgetary, personnel, and planning procedures, and for improved coherence of action and effective integration at the country level. The Committee decided that the UNDP country programming process would become the framework for systemwide operational management of global issues.

The 1980s and 1990s: Building a Common Future

A new reform process began in 1987 and gathered momentum with the optimism that emerged with the end of the Cold War. It was widely believed that the world was facing a unique opportunity to construct a better world for current and future generations, if it could address effectively the management of common global issues such as environmental protection, population growth, and human rights at the global level. In light of this opportunity, the international community launched a series of global summits to discuss these issues. One such summit was the United Nations Conference on Environment and Development in 1992 (UNCED, also known as the Rio Earth Summit), followed by the Cairo Conference on Population and Development in 1994 and the Copenhagen Social Summit in 1995.

The impetus for these conferences came from outside expert reports. One key report, the Brundtland Report, was produced by the World Commission on Environment and Development in 1987. This pivotal report resulted in the landmark Rio Earth Summit in Rio de Janeiro in 1992. In terms of U.N. system dynamics, the Rio summit and the “Agenda 21” that it produced marked a turning point in the relationship between the United Nations and nonstate actors. Until then, diplomacy had been considered a privileged affair in which secrecy and backroom deals were not only expected but viewed as legitimate. In this instance, intense pressure from civil society and NGOs resulted in a change in the usual course of events—this time, civil society drove the agenda for the summit.

All these reports and conferences seemed to mark a new awakening—a renaissance of trust in the capacity of the international system to manage global issues effectively. However, the new dynamic of the intergovernmental normative process was not accompanied by parallel processes for the provision of resources to pay for the conferences’ ambitious plans. Although it had been agreed, in Agenda 21, that new and additional financial resources would be used to fund sustainable development, the result was official development assistance, core contributions, and noncore U.N. contributions
remained roughly the same. Heads of state gathered to discuss ways to improve the system, but the ideas they generated were not transformed into reality on the ground.

It is not surprising, then, that shortly after the conclusion of the Rio and Cairo conferences, a new set of studies were conducted dealing with financing options. Given the new tasks that had been taken on, the international community and the United Nations in particular needed to find appropriate means of financing these new tasks. In 1993 the Ford Foundation supported an effort to review U.N. financing. The report of the Independent Advisory Group on U.N. Financing (also known as the Ogata-Volcker Group after its chairs Sadako Ogata and Paul Volcker), *Financing an Effective United Nations*, concluded that, as confidence in the effectiveness and efficiency of the United Nations grew, governments might start to look more favorably at alternative financing mechanisms, such as that of the World Intellectual Property Organization, which is authorized to collect payment for services rendered with respect to intellectual property rights. Although the report was generally well received, few of its recommendations were ever implemented.

All of these efforts and the human development commitments that had been made in New York, Rio, and Cairo were synthesized in a 1994 report of the then-Secretary-General Boutros Boutros-Ghali. Titled “An Agenda for Development” and intended as an accompaniment to the 1992 report “An Agenda for Peace,” the report sought to “revitalize a vision of development and to stimulate intensified discussion of all its aspects.” The report addressed concerns that the United Nations was placing greater emphasis on peacekeeping than on development issues, and it established a clear linkage between peace and development. It also emphasized that coordination of activities and assistance was essential for development resources to achieve their maximum impact, and it presented once again the concept of a global tax as a potential development funding source.

There was a clear desire to make the system work. The follow-up to these reports was undertaken by five thematic intergovernmental high-level working groups on U.N. reform within the General Assembly. The working groups looked specifically at finance, Security Council reform, peace and security issues, and development, as well as the overall strengthening of the U.N. system. Unfortunately, member states could not agree on a specific reform proposal, in part because of lack of political will and of new ideas that could be implemented without a commitment to new and additional resources, and in part, near the end of the process, because of dwindling interest and growing frustration in national capitals and among U.N. delegations. Four out of the five groups closed their deliberations in 1996, just as the United Nations was
marking its 50th anniversary, without showing concrete results; only the working group on Security Council reform continued to function.

From this point onward until the end of the millennium, numerous additional reports researched and discussed structural reform of the United Nations, but with little practical impact. Some of these reports included the following:

- The secretary-general’s 1994 report, “Funding Operational Activities for Development Within the UN System,” reviewed the funding of U.N. development operations and examined the funding mechanisms used by other multilateral organizations, including replenishment systems and negotiated pledges.

- “Our Global Neighbourhood,” the 1995 report of the Commission on Global Governance, made numerous specific proposals such as a global tax, a standing U.N. army, an Economic Security Council, U.N. authority over the global commons, an end to the veto power of the permanent members of the Security Council, a new parliamentary body of representatives of civil society, a new Petitions Council, a new Court of Criminal Justice, binding verdicts of the International Court of Justice, and expanded authority for the secretary-general.

- More influential in the reform debate was a review of the U.N. system undertaken by Sir Brian Urquhart and Erskine Childers in 1994–96 under the auspices of the Dag Hammarskjold Foundation. In their report, titled “Renewing the UN System,” the authors advanced innovative reform proposals to “gradually transform [the United Nations] into the effective mechanism of a future world community.” They recommended reempowering the United Nations to formulate global macroeconomic policies and to consolidate the authority of the United Nations at the global and field level around a single U.N. development authority.

- From 1991 to 1997 a Nordic United Nations Reform Project was undertaken. The project’s report described in detail the urgent need for U.N. reform in general and of its development system in particular. Recommendations for operations at the country level included support for integrated development and local ownership. At the headquarters level, the project recommended integrated support of country-level operations. In terms of governance by the member states, it called for further integration of intergovernmental mechanisms and a better division of labor between governing bodies, as well as for financial reform and predictable funding—a combination of voluntary contributions, pledges and assessed contributions, and innovations in funding.
Shortly after his appointment as secretary-general, Kofi Annan presented his 1997 report, “Renewing the United Nations: A Programme for Reform,” to the 51st session of the General Assembly. This early reform appraisal aimed at renewal and revitalization of the institution, with recommendations that would establish a new leadership and management structure and, through it, a new culture intended to lead to greater unity of purpose, coherence of effort, and agility to respond to the goals expressed in major international conferences. The report called for a strengthening of U.N. operations at the country level, with a view to improving policy and program coherence. The establishment of the U.N. Development Assistance Framework, the Common Country Assessment, and the U.N. Development Group were among the key outcomes of these 1997 reforms. Executive committees were created to address global issues in the areas of peace and security, economic and social affairs, development cooperation, and human affairs, among others.

**The New Millennium: The Awakening**

As the new millennium began, hopes for a world at peace had not materialized. Neither had the much-expected peace dividend—resources no longer needed to finance the Cold War that would have been channeled to development assistance. Despite the expected benefits of globalization, the implementation of the commitments agreed upon in the global conferences remained far from becoming a reality. In this context of increasing demands on an already overextended system, the United Nations agreed in 2001 on the MDGs, which for the first time established comprehensive and clearly defined goals and targets for development and poverty relief, reflecting the multidimensional nature of development, while linking its income and nonincome dimensions. As the 2004 *Global Monitoring Report* stated, “Higher incomes and less poverty mean better human development outcomes. Better health and education contribute to higher productivity and higher incomes.”

There was a consensus among the member states that, in order to manage global issues, a more coherent global development approach was needed—the question was not only one of resources, but also one of coordination, country ownership of reform, and quality of assistance. Starting from these principles, the United Nations undertook a new reform process, which continues today.

In 2003, at the 57th session of the General Assembly, Secretary-General Annan presented a new set of proposals in a new report, “Strengthening of the United Nations: An Agenda for Further Change.” This report called for a thorough review of the organization’s work, to “make sure we are concentrating our efforts on what matters to . . . the peoples of the world.”
Secretary-General Annan’s 2005 report to the 59th Session of the General Assembly—prepared in the context of the “Year of Development” that marked the five-year point since the adoption of the MDGs—went a step further. Titled “In Larger Freedom: Towards Development, Security and Human Rights for All,” the report addressed a wide range of critical issues, including the threat of terrorism, the means to finance development, enlargement of the Security Council, and the replacement of the Human Rights Commission. On the issue of improving systemwide coherence to manage global issues, the report emphasized the secretary-general’s commitment to the UNDP and a further strengthening of the role of the resident coordinators, giving them more authority. Annan called on member states to improve coordination among their representatives on the various governing boards, to ensure coherent policy in assigning mandates and allocating resources throughout the system. He also requested that member states consider a more integrated structure for the management of global issues in the areas of environmental standards setting, scientific discussion, and monitoring of treaty compliance.

The 2005 World Summit took up the question of U.N. reform and the status of progress in reducing poverty and improving livelihoods since the 2000 Millennium Declaration. The summit’s outcome document supported systemwide coherence and noted that it would require policy measures to create stronger linkages between the organization’s normative and operational work, as well as coordination of representation on the governing boards of the various development and humanitarian agencies. On the operations side, the document called for implementation of reforms aimed at a more effective, efficient, coherent, coordinated, and better-performing U.N. country presence, and it asked the secretary-general to launch an effort to further strengthen management and coordination of U.N. operational activities, including proposals for tighter management of entities in the fields of development, humanitarian assistance, and the environment.

Among the proposals of “In Larger Freedom” lay the genesis of two significant changes made to the U.N. system structure following the 2005 summit:
- The new Peacebuilding Commission, which started its deliberations in June 2006, is designed to coordinate efforts in postconflict situations across the U.N. system. It will propose integrated strategies for postconflict recovery, focusing attention on reconstruction, institution building, and sustainable development. It will coordinate systemwide efforts in conflict prevention, mediation, peacekeeping, respect for human rights, the rule of law, humanitarian assistance, reconstruction, and long-term development, and it will help ensure predictable financing for early recovery and sustained reconstruction following the cessation of conflict.

- In March 2006 the General Assembly adopted a resolution replacing the highly politicized Geneva-based Commission on Human Rights with a 47-member Human Rights Council. The new council will address violations of human rights, including gross and systematic violations, and promote effective coordination and the mainstreaming of human rights within the U.N. system. The council began its work on June 19, 2006.

The United Nations at a Crossroads

The adoption of the MDGs at the beginning of the century marked a turning point for the role of the United Nations in the management of global issues. For the first time the international community, acting with remarkable unity to face the new challenges of globalization, agreed on a comprehensive plan for a world free of poverty. By setting clear and monitorable goals, the United Nations was leading the way toward a new and enhanced partnership for development cooperation. But as the 2005 World Summit’s five-year assessment showed, the world is currently not on track to meet the MDGs by 2015. The United Nations has a crucial role to play to move the agenda forward and build the required momentum for significant results on the ground. But urgent reforms are needed for the United Nations to play a more effective role.

It is clear that enormous effort has gone into scrutinizing the structure of the United Nations and identifying reforms that would enable it to respond to the needs of a changing world and the development challenges it faces. However, it is also clear that the longer the implementation of much-needed reforms are delayed, the more difficult it will be for the organization to tackle the global issues of our time, from pandemics to climate change and humanitarian crises. Inaction not only would be detrimental to the organization’s future but would also signify a collective failure to move the world closer to peace and prosperity for all.
At the intergovernmental level, the main issue on the minds of the negotiators has been the need to coordinate the activities, agencies, and programs of the U.N. system in the economic and social arena. Analysis of the work to date indicates no lack of ideas, but rather a lack of political will to make the system work. It is seldom possible to use the word “new” about proposals for reorganization or better coordination in the U.N. system. Rather, the latest proposals are almost always carried over from a previous round. Poor institutional memory at the United Nations sometimes accounts for this and often gives U.N. veterans and current staff a depressing sense of déjà vu. For example, the recent debates on development cooperation and the terms of reference of recent ECOSOC reform efforts echo the criticism leveled in 1966—and some of the remedies being proposed now were actually adopted by the General Assembly in that year. For example, in 1966 the General Assembly called for sharply reducing the burden of reporting and program request procedures on developing countries, yet in 1990 the General Assembly requested a new study to assess the burden of existing procedures on developing countries. In the late 1950s then-Secretary-General Dag Hammarskjöld urged the creation of a High Level Segment of ECOSOC and a streamlining of its agenda. In 1991 the same request was repeated and decided on all over again.

At the interagency level, the discussion has focused mainly on two issues: the programmatic relationship between funds and programs, and the relationship between funds and agencies at the field level. To these a third has to be added, to deal with the U.N. Secretariat.

The Programmatic Relationship Between Funds and Programs

The capacity to establish a clear programmatic relationship between funds and programs is directly linked to the ability of the intergovernmental machinery to improve interagency coordination. Currently, three models are being discussed in response to the secretary-general’s recommendation in his 2006 report,\(^\text{18}\) proposing the grouping of U.N. operational activities around three pillars: development, humanitarian affairs, and the environment:

- Under the **fundamental restructuring approach**, the policy and program activities of the existing funds and programs would be consolidated into three self-contained agencies, each with a much broader mandate: one for development, one for humanitarian affairs, and one for the environment.
- The **grouping approach** is based on development of a common governance and policy direction for organizations acting in the three pillar areas, as well as a more integrated management. The existing
institutions would be largely left intact but made subject to some form of governance or management by a higher entity.

- Under a business-as-usual approach, the basic structure of the U.N. operational system would not change, but management and operational reforms would be introduced to make the system more efficient and effective.

Whatever the solution, the critical element for success is the capacity to create an effective coordination mechanism capable of identifying and deciding on program priorities.

**The Relationship Between Funds and Agencies at the Field Level**

Who should be in charge of U.N. operational programs at the field level? Currently, most agencies with a field presence have their own representative in the field to interact with the host government. The U.N. resident coordinator in each country tries to introduce a certain level of interagency coordination through the U.N. country team and the U.N. Development Assistance Framework. The resident coordinator, however, has no authority to manage the overall U.N. program at the field level.

The models currently being discussed focus on the role of the resident coordinator and how much power he or she could or should have over management of the country program. Here, again, the main question is how much coordination power should the position of resident coordinator have? As long as this question remains unresolved, the Gordian knot will not be untied.

**Reform of the U.N. Secretariat**

Currently the secretary-general has limited capacity to reform the structure of the administrative system that he or she is in charge of—the U.N. Secretariat. The Budget Committee, not the secretary-general, authorizes the use of funds for each and every program; the secretary-general cannot move resources from one program to another, as any serious reform would require, without the committee’s approval. Recently, the Budget Committee turned down a proposal to give the secretary-general more budget authority and to let the secretary-general manage the organization, including personnel appointments, without major interference.

**Conclusions**

Few U.N. reforms in the past have been given enough time for implementation: new calls for reform often come along before the previous reform has
had a chance to show results. Moreover, those reforms that have been adopted are typically watered down, during an often-lengthy negotiating process, from what was originally proposed. Reform resolutions produced or endorsed by high-level representatives are often extremely detailed and sophisticated, with resounding rhetoric and idealism in abundance, but in reality they usually call for changes that would be difficult to implement, or for new organizational units that, if created at all, may prove unable to show adequate results because the original supporting structure could not be agreed upon or financed. A compromise reform may fail to remedy the real weaknesses, and it virtually guarantees that sooner or later the reform process will start again, under even more difficult conditions.

The above problems notwithstanding, the response to the question posed to the delegates leaving the United Nations on April 28, 2006, is yes. There is a way out of the United Nations’ dilemma. The United Nations has a future as long as the member states and the organization itself have the political commitment to make the system work.

At the intergovernmental level, ECOSOC, or a new institution such as an Economic Security Council, has to be given real authority to coordinate the system and to manage global issues. Real authority means high-level and relevant representation in the institution, as well as at meetings, and a commitment to decide on priorities that the governing bodies of each fund and program can then translate into operational guidelines. Regardless of the model adopted—whether it be the fundamental approach, the grouped approach, or business as usual—at the interagency level, the funds and programs will be able to implement the reform decisions only if enough political will exists to allow for effective coordination and priority setting across agencies. At the country level, the key is to give enough authority to the resident coordinator while ensuring that the other players—agencies, funds, governments, donors, and others—recognize the resident coordinator as the principal U.N. authority in the field. At the same time, the United Nations and its funds and programs have to be given predictable funding scenarios that allow them, their government counterparts, and other partners such as the World Bank to develop meaningful development plans that have results in the real world.

With respect to reform of the U.N. Secretariat, the legitimacy and leadership of the position of the secretary-general are critical for the success of the entire organization. If the secretary-general lacks the recognition and support of all member states, any reforms that he or she may propose will not be implemented.
When asked about democracy, Winston Churchill once said that many forms of government have been tried and will be tried in this world of sin and woe. No one pretends that democracy is perfect or all-wise. Indeed, it has been said that democracy is the worst form of government except for all the others that have been tried. The same applies to the United Nations.

Notes


Selected Readings and Cited References


