



NAVAL POSTGRADUATE SCHOOL

MONTEREY, CALIFORNIA

THESIS

**U.S. BUDGETING FOR THE UNITED NATIONS: PROCESS,
POLICY AND PROBLEMS**

by

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June 2009

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PROBLEMS**

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Submitted in partial fulfillment of the
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ABSTRACT

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TABLE OF CONTENTS

I.	INTRODUCTION.....	1
A.	OVERVIEW	1
B.	PRIMARY AND SECONDARY RESEARCH QUESTIONS.....	2
C.	METHODOLOGY	3
D.	CHAPTER CONTENTS.....	3
II.	UNITED NATIONS ORGANIZATION.....	5
A.	INTRODUCTION AND BRIEF HISTORY	5
1.	History of UN.....	5
2.	Cold War.....	8
3.	Peacekeeping	9
4.	Achievements and Future.....	12
B.	STRUCTURE OF UN.....	13
1.	UN System Components.....	13
2.	UN Charter	17
C.	UN BUDGET	18
1.	UN Budget Process.....	18
2.	Improving the UN Budget.....	22
3.	Peacekeeping Budgets.....	23
D.	CHALLENGES AND REFORMS IN RECENT YEARS	25
1.	Peacekeeping Challenges.....	25
2.	Transitions in Peacekeeping.....	27
3.	Peacekeeping Recommendations.....	31
4.	Delinquent Dues	31
5.	UN Reform.....	33
III.	U.S. BUDGET PROCESS	37
A.	INTRODUCTION TO BUDGET PROCESS	37
1.	Important Acts	37
2.	Budget Overview	38
3.	President’s Budget	43
4.	Authorizing and Appropriating.....	45
5.	Spending and Incrementalism	48
6.	Earmarks, Supplementals, and CRAs	49
B.	CONGRESSIONAL BUDGET FORMULATION.....	51
1.	Congressional Budget Resolution Overview	51
2.	Reconciliation	56
3.	Provisions of Budget Resolutions	58
4.	Budget Support Agencies	59
5.	Enforcement	60
IV.	U.S. FUNDING OF UN	61
A.	INTRODUCTION TO HISTORY OF U.S. FUNDING FOR UN.....	61
1.	Largest Contributor.....	61

2.	Kassebaum—Solomon Amendment.....	64
3.	Addressing Arrears.....	65
4.	Peacekeeping	68
V.	DISTRIBUTION OF FUNDING FOR UN IN U.S. BUDGET	79
A.	BUDGET FUNCTION 150	79
1.	Sources of UN Contributions	85
2.	Voluntary Contributions.....	90
3.	Withholding and Reform Efforts	92
a.	<i>United Institute of Peace Report</i>	101
b.	<i>Restrictions Related to Peacekeeping</i>	103
VI.	FACTORS AFFECTING U.S. SUPPORT FOR THE UN BUDGET	105
A.	INTRODUCTION TO MAJOR THEMES AFFECTING UN BUDGET.....	105
1.	Peacekeeping Issues	105
2.	Reform Efforts	110
3.	UN Employment.....	116
B.	DISCUSSION OF PRESENT FACTORS INFLUENCING U.S. SUPPORT FOR THE UN BUDGET	118
1.	UN Headquarters.....	118
2.	UN Population Fund	119
3.	Human Rights	121
4.	Withholding Dues.....	122
5.	The Oil for Food Program	124
6.	Procurement Reform.....	125
7.	Auditing Standards.....	127
VII.	CONCLUSION AND RECOMMENDATION	131
A.	CONCLUSION	131
B.	RECOMMENDATIONS FOR FURTHER RESEARCH	138
	LIST OF REFERENCES.....	141
	INITIAL DISTRIBUTION LIST	153

LIST OF FIGURES

Figure 1.	Composition of Federal Receipts by Source, From Walker.	39
Figure 2.	Congressional Budget Process, After Doyle.....	40
Figure 3.	Executive Budget Process Timetable, From Heniff.	44
Figure 4.	Relationship of Budget Authority to Outlays for 2009, Dollars in Billions, From GPO.....	47
Figure 5.	Federal Spending for Mandatory and Discretionary Programs, After Walker.....	49
Figure 6.	Summary by Function of the Congressional Budget Resolution, FY 2009, Dollars in Billions, After Concurrent Resolution.	52
Figure 7.	FY 2008 Federal Revenues, Dollars in Billions, After Congressional Budget Office.....	54
Figure 8.	UN Regular Budget Expenditures, Current and Real Terms, in millions, From Renner	63
Figure 9.	U.S. Payments for UN Peacekeeping, From GAO Peacekeeping Observations	70
Figure 10.	UN Military and Police Deployed to Peacekeeping Missions, From GAO	71
Figure 11.	Composition of Foreign Affairs Budget, FY 2008, From Veillette and Epstein, State FY 2008 Appropriations	82

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LIST OF TABLES

Table 1.	UN Regular Budget Cycle, From Office of Programme Planning	20
Table 2.	UN Regular Budget Cycle, From Office of Programme Planning	20
Table 3.	Congressional Budget Process Timetable, From Keith.	53
Table 4.	United States UN Regular Budget Contributions, After Browne and Blanchfield.....	62
Table 5.	Top Ten UN Regular Budget Contributors for 2008, From Browne and Nakamura.....	64
Table 6.	Peacekeeping Contributions, \$ in thousands, From 2009 State Budget	76
Table 7.	Total UN Peacekeeping Costs, Fiscal Years 1995–2002, Constant 2001 dollars in billions, From GAO UN Peacekeeping	77
Table 8.	International Affairs Discretionary Budget Authority, \$ in billions, From Nowels	83
Table 9.	State Department and Public Diplomacy Budget Authority, \$ in billions, from Nowels, 2006.....	84
Table 10.	U.S. Contributions to the United Nations System, \$ Obligations in thousands, OMB, From Report on U.S. Contributions.....	87
Table 11.	U.S. Department of State UN contributions, \$ in thousands, From 2009 State Budget.....	89
Table 12.	U.S. Assessment Levels: UN Specialized Agencies and IAEA, From Browne and Nakamura	90
Table 13.	U.S. Voluntary Contributions to UN Programs, \$ in millions, from Browne and Nakamura, 2008	91
Table 14.	Peacekeeping Operations Expenditures, in millions, From Renner	106
Table 15.	UN Peacekeeping Assessment Levels for the U.S., From Browne	107

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LIST OF ACRONYMS AND ABBREVIATIONS

ACABQ	Advisory Committee on Administrative and Budgetary Questions
ASMP	American Service Members' Protection Act
CBA	Congressional Budget and Impoundment Control Act
CBO	Congressional Budget Office
CEB	Chief Executives Board
CIO	Contributions to International Organizations
CIPA	Contributions to International Peacekeeping Activities
CPC	Committee for Program and Coordination
CRA	Continuing Resolution Appropriation
CRS	Congressional Research Service
DPKO	Department of Peacekeeping Operations
ECONSO	Economic and Social Council
FAO	Food and Agriculture Organization
FY	Fiscal Year
GA	General Assembly
GAO	Government Accountability Office
GATT	General Agreement on Tariffs and Trade
IAAC	Independent Audit Advisory Committee
IAEA	International Atomic Energy Agency
IBRD	International Bank for Reconstruction and Development
ICC	International Criminal Court
ICJ	International Court of Justice
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
IMF	International Monetary Fund
ITO	International Trade Organization
NATO	North Atlantic Treaty Organization
NGO	Nongovernmental Organization
NOAA	National Oceanic and Atmospheric Administration
OIOS	Office of Internal Oversight Services

OMB	Office of Management and Budget
PDD	Presidential Decision Directive
PKO	Peacekeeping Operations
PRC	People's Republic of China
UNCED	UN Conference on Environment and Development
UNCTAD	United Nations Conference on Trade and Development
UNDP	UN Development Programme
UNEP	UN Environmental Programme
UNESCO	UN Educational Scientific, and Cultural Organization
UNFPA	UN Population Fund
UNGOMAP	UN Good Offices Mission in Afghanistan and Pakistan
UNICEF	UN Children's Fund
UNIMOG	UN Iran–Iraq Military Observer Group
UNITAF	Unified Task Force
UNON	UN Office in Nairobi
UNSAS	UN Standby Arrangements System
USAID	United States Agency for International Development
USIP	United States Institute of Peace
WFP	World Food Programme
WHO	World Health Organization
WTO	World Trade Organization

I. INTRODUCTION

A. OVERVIEW

As the largest single contributor to the UN, the U.S. government has an interest in how the UN operates. Congress has an important role in determining how much the U.S. government will provide to the UN each year and under what circumstances. While the dollar amounts involved are not large in relation to most U.S. domestic programs, they are closely tied to U.S. policy towards the UN. What the U.S. budget provides for the UN can be explained with relation to both dollars and purpose. This thesis will identify and explain the processes used to provide this funding, including the key players within Congress and the administration, and the policies that have shaped this funding. It will also examine the issues affecting this funding as the major budget players have attempted to achieve various policy objectives.

The UN is made up of variously interconnected components, including specialized agencies, voluntary funds and programs, peacekeeping operations, and the UN organization itself. The organization is financed by contributions from member and/or participant states. The contributions are usually made in two ways: assessed contributions that are required “dues” as percentages established by the UN for each member, and voluntary contributions that represent more than half of the total aggregate funds received by the UN.

Article 17 of the UN Charter requires each UN member state, including the United States, to contribute to the expenses of the organization as assessed by the General Assembly. The UN General Assembly has adopted a scale of assessments, which is based in large part on a country’s capacity to pay. The United States pays the maximum, or around 22 percent of the UN regular budget, while over 50 members pay the minimum, or 0.001 percent. There have, however, been instances where the U.S. has not agreed with certain UN policies or decisions, and has not always paid 22 percent of the UN’s regular budget.

A number of issues affect the amount the U.S. budgets for the UN. One issue is the UN budget itself. As the largest contributor to the UN, a larger UN budget would lead to a larger U.S. budget for the UN if the U.S. voted to approve the UN budget. Another issue is the internal management of the UN and its current policies. If the U.S. does not agree with how the UN is functioning in a certain area, it may approve less money that year to the UN.

An example of one such area is the UN Population Fund. The U.S. initially supported it in the early years, but has subsequently withheld donations to the UN due to disagreements on how the fund should be spent. Also, incidents such as the management of the oil for food program have led to diminished support for the UN until changes were implemented with internal controls. The amount of money the U.S. owes in arrears can also be a factor in how much the U.S. budgets for the UN.

B. PRIMARY AND SECONDARY RESEARCH QUESTIONS

Primary Question: How does the U.S. budget for the UN and what are the primary policy issues affecting that budget?

Secondary Questions:

1. Where is the U.S. contribution to the UN found in the congressional budget resolution?
2. Which authorizing committees and subcommittees have the most influential role in determining the budget outcome for the U.S. contribution to the UN?
3. Which subcommittees of the congressional appropriations committees have appropriations jurisdiction over the funds that make up the U.S. contribution to the UN?
4. What policy issues have affected the U.S. budget for the UN the most?
5. How do the policy issues relevant to the U.S. budgets for the UN play out in the congressional budget process?
6. What is the composition of the UN's budget and how are these funds approved and implemented in the budget.

C. METHODOLOGY

The methodology used in this thesis research will consist of the following steps:

1. Conduct a literature search of books, journal articles, and other information resources.
2. Conduct a thorough review of the U.S. budgetary system.
3. Look at major committees and subcommittees that influence the budget for the UN.
4. Look at the shape of the UN budget and important changes that have taken place in the budget in the past 10 years.
5. Identify the major factors affecting U.S. government funding for the UN.
6. Identify measures Congress has put in place that influence the U.S. budget for the UN.

D. CHAPTER CONTENTS

Chapter I provides an overview of U.S. funding of the UN, including some issues that affect funding. The primary research question and secondary research questions are also stated. In addition, the methodology is presented that will be used in the thesis research.

Chapter II begins with a short history of the UN. The structure of the UN and how the UN creates its budget is also examined. In addition, past and current challenges and reforms are considered.

Chapter III deals with an explanation of the U.S. budget process, concentrating on how the U.S. Congress formulates a budget.

Chapter IV begins with an introduction to the history of U.S. funding for the UN. Where the UN budget is located in the U.S. budget is also examined.

Chapter V examines factors such as withholding and reform efforts. In addition, the major Committees and Subcommittees that influence the U.S. budget for the UN is explored.

Chapter VI looks at factors affecting the U.S. budget for the UN. Major themes that have affected the amount budgeted for the UN in the past are examined in addition to current themes.

Chapter VII presents the conclusion and includes recommendations for future research.

II. UNITED NATIONS ORGANIZATION

A. INTRODUCTION AND BRIEF HISTORY

1. History of UN

The catastrophic events of WWII were the major motivation for the establishment of the UN in 1945 by the victor states of WWII. It inherited not only many of the features of the League of Nations, but also added and increased those functions in areas of conflict resolution, human rights, and economic affairs. It has suffered from the paradox of all international bodies, since it was created by member states and can only function well when it receives support from national governments, mainly the larger powers. The conflict between sovereignty and internationalism is persistent and unavoidable (Sitkowski, 2006, Foreword).

The current UN system has transcended the scope of the organization that was begun in 1945. Its goals have reached past the traditional interest in interstate diplomacy to the sovereignty of the individual (Moore, 2006, 33). The UN is a constantly evolving and expanding organization, with offices, in addition to the UN plaza in New York City, in Geneva Switzerland; Nairobi, Kenya; Vienna, Austria; Rome, Italy; The Hague, The Netherlands; Paris, France; Washington, D.C. Each year, more conferences are held in Geneva than in New York City. Geneva is the primary point for the UN's social, humanitarian, and cultural activities, and home to numerous UN specialized agencies and treaty-monitoring committees. The UN Office in Nairobi (UNON) was officially created in 1996, but the UN has been operating there since the 1970s with a focus on the issues presented by environmental degradation and Third World development. Vienna is the newest of the UN's four headquarters and is home to several UN and treaty bodies, including the International Atomic Energy Agency (IAEA), whose mission is to accelerate and enlarge the contribution of atomic energy to peace, health and prosperity all over the world. The only principal organ of the UN that is outside New York City is the International Court of Justice, which is located in The Hague, The Netherlands. Two UN specialized agencies, the Food and Agriculture Organization (FAO) and the

International Fund for Agricultural Development (IFAD), in addition to the World Food Program, the largest international provider of food aid, have their headquarters in Rome, Italy and work closely to feed the world's hungry (Moore, 2006, 14–26).

The first important wartime conference meeting that laid the plans for the UN was the Dumbarton Oaks Conference, held from August 21 to October 7, 1944. The conference gave rise to the Dumbarton Oaks Proposals for the Establishment of a General International Organization. The proposals were in the form of twelve chapters that represented a key step towards the establishing of the UN. In Yalta, from February 4–11, 1945, the Big Three—Franklin Roosevelt, Winston Churchill, Joseph Stalin—met to resolve crucial post-war era questions. The three leaders refined their understanding about the UN's structure and membership and proposed the date for the organizing conference, which was scheduled to be held in San Francisco. The Big Three agreed to a definition of “peace-loving,” and therefore which countries could join the UN as original members. Stalin only wanted nations that were at war with the Axis to be admitted as founding members, while Roosevelt, sensitive to the concerns of Latin American nations, secured agreement from Stalin that nations not yet in the war could, before March 1, 1945, be defined as peace-loving and become members.

In Bretton Woods, New Hampshire, the UN Monetary and Financial Conference convened from July 1–22, 1944. Three institutions were drafted by the conference members to create a postwar global free trade system: the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD), also known as the World Bank, and the General Agreement on Tariffs and Trade (GATT). GATT was planned to be a temporary agreement until an International Trade Organization (ITO) was established, but it remained in place until January 1, 1995, when the World Trade Organization (WTO) replaced it. The success of the measures started at Bretton Woods depended on the U.S. to fund these institutions and maintain monetary policies beneficial to world economic growth, since its economy in 1944 accounted for more than half of the world domestic product (Moore, 2006, 52–53).

Between April 25 and June 25, 1945, around 850 delegates from 50 countries came to San Francisco to consider the proposals drafted at Dumbarton Oaks the previous fall. The meeting ended on June 26, and 50 original members signed the Charter. That the conference succeeded was attributed to the solving of several major issues, the most serious of which was the Security Council. The Security Council was to have five permanent members and six nonpermanent members and was authorized to implement mandatory enforcement measures against an aggressor. Numerous proposals from several states attempted to change this set up, but the major powers made it known that major change to the composition, powers, or responsibilities of the council would mean the end of the great power support for the organization. After fierce negotiations, the majority of states agreed to the proposed set up of the Council (Moore, 2006, 56–57).

There was also the issue of the veto power by the permanent members. The smaller states were worried that the great powers' control over peace and security issues would minimize their role within the organization, lessen the competence of the General Assembly, and marginalize other purposes important to the weaker powers. A compromise was reached that recognized the authority of regional arrangements to manage local affairs if their actions were consistent with the principles of the UN. In addition, the competence of the General Assembly was expanded during the San Francisco meetings, as it was given control of the UN budget (Moore, 2006, 56–57).

Another serious challenge was from the states that wanted a Charter commitment to full independence and decolonization. The British and French made it known that no reference to independence would be allowed in the Charter. The sponsoring powers, however, did accept a commitment to self-government and a declaration within the Charter calling on administering states “to assist [these territories] in the progressive development of their free political institutions.” (Moore, 2006, 57–58).

Former first lady Eleanor Roosevelt took a very active role in the United Nations, particularly in the area of human rights. In 1946, the Economic and Social Council (ECONSO) asked her to serve on a commission to make recommendations for a permanent commission on human rights. The most important recommendation was to

write a bill of human rights, and on December 10, 1948, the General Assembly approved the Universal Declaration of Human Rights. Mrs. Roosevelt was very active in negotiations leading up to the approval (Moore, 2006, 60).

2. Cold War

The Cold War severely affected the functioning of the UN, with the U.S. and the USSR battling within the UN. The U.S. and USSR both blocked the admission of several countries that aligned with the other country. The Cold War divided the UN members into competitive East and West camps and made collective action difficult and in some cases impossible. With the ideological divide and superpower veto in later years, the Security Council was limited from taking up significant issues such as the French and later U.S. interventions in Vietnam and the Soviet presence in Hungary and Czechoslovakia to suppress anti-Communist movements. Stalin often used the veto to block Western initiatives, and when Mao Zedong's forces took over China in 1949, he boycotted the Security Council to protest rejection of the Communist's regime's taking the seat held by the Nationalist Chinese government (Moore, 2006, 64–65).

When Stalin gave his approval for North Korea to invade the South, the UN decided to use force to counter the attack. The Soviet delegate returned to the Security Council to block any further UN actions in Korea. The U.S. went around the council by getting the General Assembly to approve the Uniting for Peace Resolution, which made it possible for the assembly to make recommendations on the restoration of peace and security when the council was deadlocked by the veto. Cold War tensions continued during the 1950s, with nonaligned nations upset at the inability of the UN to meet their needs and lessen the contest between Moscow and Washington (Moore, 2006, 65–66). During the Cold War era, the UN was seen as trying to gain international authority, which the U.S. Congress often interpreted as infringing upon American sovereignty (McDermott, 2000, 177).

The Congo crisis in the 1960s further defined the challenge of the Cold War to the UN. A civil war broke out in the Congo after it became independent in 1960, with one side supported by the Soviet Union, one side by Washington, and the third trying to

secede. A UN presence was sent to the Congo to try and restore order. The Soviet Union believed the UN was acting out of the wishes of the U.S. and, along with the French, refused to donate their assessment for the Congo operation, claiming it was illegal since the Security Council did not approve it. Their refusal to pay contributed to a financial crisis for the UN that would last for the rest of the century. Since the UN was not able to raise the funds through normal budgeting processes, it turned to unorthodox financing methods. The General Assembly permitted the sale of \$169 million in bonds, which in essence was borrowing against the future assessment income. The UN also postponed payment to countries that contributed troops and material to the Congo operations. In 1965 the assembly created a special account for sought after voluntary contributions as a cushion against future unplanned expenses (Moore, 2006, 67–70).

While the UN was involved in a number of areas around the globe, its relevance came into question from time to time, especially during the early 1960s. During the Cuban Missile Crisis of 1962, the most serious threat of possible nuclear exchange during the Cold War, the U.S. and Soviet Union resolved the issues with almost no UN participation. A major event that did involve the UN occurred in 1971 when the government in Beijing replaced the Republic of China in the UN, and became an official permanent Security Council member. The U.S. was able to use its great support in the General Assembly to keep the seat for the government in Taiwan at first, but as the assembly shifted in the 1960s, the U.S. used the strategy of making any effort to replace Taiwan with a delegation from the People's Republic of China (PRC) an "important question." Under the Charter, any important questions needed a two-thirds majority to pass in the assembly. The strategy failed when supporters of the PRC achieved the two-thirds needed, and the assembly seated Mao Zedong's government and humiliated the U.S. by removing Taiwan from the UN (Moore, 2006, 67–70).

3. Peacekeeping

UN peacekeeping missions were originally funded from the UN's regular budget, but in 1973 the costs of peacekeeping in the Israel—Egypt truce in Sinai became too erratic to predict. The U.S. agreed to pay 31 percent of the Sinai mission, and the rest of

the UN members would pay based on their ability to pay at that time. In later UN peacekeeping missions, the permanent members were asked to pay a premium for peacekeeping in addition to their fair share of costs based on their national economies. Poorer and smaller nations paid as little as 10 or 20 percent of what they would be charged if based on UN regular budget percentages. A complex formula of special discounts by many nations further biased the system (Crossette, 2000).

In May 2000, UN diplomats began discussing a revision to the peacekeeping budget for the first time in 27 years. The U.S. proposal did not place a ceiling on U.S. contributions, but reflected a country's capacity to pay by evaluating per capita income and other indicators every three years or so. The pay scale would be tied to a system similar to the way payments for the regular UN budget is made. Developing nations would not have to pay more than they currently did, while countries that had seen a large degree of economic growth over the last 30 years, such as Mexico, South Korea, and Oman, would pay more (Pisik, 2000).

While the U.S. often displayed animosity towards the UN during the 1980s, there were also some achievements. For example, the U.S. and Soviet Union worked together through UN channels to end the Iran—Iraq war, and, for the first time in history, the superpowers jointly sponsored a UN resolution on the Middle East. The Soviet Union became more supportive of the UN in the late 1980s, and, when it broke up in 1991, it led to an increase in UN membership. With the Cold War over, peacekeeping and peacemaking jumped to the forefront of UN concerns. In addition, arms control and weapons proliferation became significant issues with the Comprehensive Nuclear-Test-Ban Treaty in 1996 and the extension on the Non-Proliferation of Nuclear Weapons in 1995 (Moore, 2006, 66–92).

The Security Council unanimously passed tough resolutions following Iraq's invasion of Kuwait in 1990, demanding the withdrawal of Iraqi forces and later authorizing a coalition of forces under U.S. command to expel the invaders from Kuwait. In 1991, a large coalition launched the first UN-authorized military action since the Korean War and drove Iraq out of Kuwait. Following the 9/11 attacks, the Security Council on September 12, 2001 unanimously adopted Resolution 1368, denouncing the

assault. The council viewed combating terrorism as a primary responsibility under the UN Charter. On September 28, the Security Council passed Resolution 1373, calling on all states to prevent and suppress the financing of terrorist actions. While the UN supported ousting Iraq from Kuwait, the UN did not support the invasion of Iraq in 2003, but the U.S. decided to act without the UN's support and invaded Iraq to remove Saddam Hussein (Moore, 2006, 69–70).

Early in the UN's history, many thought the Security Council would have greater authority than any other international council before, but the availability of veto power among the 5 permanent members frustrated that idea. An exasperated General Assembly urged unanimity among the Big Five, and it even established its own interim committee to deal with sudden international crises if the Security Council was divided, but it lacked enforcement power and gradually faded away. A similar attempt to overcome the lack of a consensus among the Big Five was the Uniting for Peace resolution in 1950, in which the General Assembly would meet and discuss feasible actions, but it had no constitutional power and was ineffective. The paradox was that it was much easier to get consensus on less momentous regional issues than on the really serious matters, like Korea, Taiwan, the Arab—Israeli tensions, that could lead to a major war and the breakdown of the international security system (Sitkowski, 2006, 55–59).

Topics that have received ever-increasing attention over the years are the environment and peacekeeping. In December 1972 the General Assembly created the UN Environmental Program (UNEP), currently the lead agency for international efforts to protect the environment. The largest, most expensive, and most widely covered UN meeting occurred in Rio de Janeiro in 1992, the UN Conference on Environment and Development (UNCED), also known as the Earth Summit. The attendees tried to balance the desires of developed states for greater environmental protection with the developing countries' desires to protect their sovereignty and conduct unrestrained national economic policies. UNCED produced various documents, such as the Rio Declaration and the Statement of Forest Principles, that tried to balance the concerns of the developed states for greater environmental protection with the developing countries' goal to protect their sovereignty and pursue unrestrained national economic policies (Moore, 2006, 268–269).

The Department of Peacekeeping Operations (DPKO) was established in 1992 to handle the increased size of UN peacekeeping. The department has administrative, managerial, planning and preparation responsibilities for every peacekeeping mission. The General Assembly also established the Training and Evaluation Office to oversee training for all peacekeeping units (Moore, 2006, 204).

4. Achievements and Future

The UN has had many noteworthy achievements over the years. One important UN accomplishment was the Central American peace accords, especially the rescue of El Salvador from internal disorder. Another one was the UN Iran—Iraq Military Observer Group, UNIMOG, an international military observer group that helped put an end to the Iran—Iraq hostilities. The UN Good Offices Mission in Afghanistan and Pakistan, UNGOMAP, monitored the withdrawal of about 100,000 Soviet troops from Afghanistan. The ending of apartheid in South Africa and the holding of democratic elections with a return of the country to the General Assembly were significant as well. Also, a transition assistance group supervised Namibia's move to independence, all of this happening in the 1990s (Kennedy, 2006, 92–93).

The Gulf War was also a victory for the UN security system, for the image of the Security Council, for the creators of the Charter, and for the rule of law. Quickly following this success for the UN, however, was the explosion of civil wars, ethnic and religious violence, human rights violations, and humanitarian emergencies that occurred in the early 1990s. All these crises posed a serious threat to the UN system, because the internal chaos in places like Haiti and Somalia were not covered in the Charter at all, there were too many emergencies at one time, resources to carry out the Security Council's mandates were extremely inadequate, and costs were spiraling out of control for all these missions (Kennedy, 2006, 64–65).

Many would argue the UN is nowhere near the goals announced in the 1940s, and, with regard to issues like ethnic and religious tolerance, very little progress has been made. The numerous parts of the world organization often overlap and are top heavy and inefficient. It could be the case, however, that the global agenda in the UN Charter is too

ambitious. It is tempting to say that there is still much to be desired in the social, environmental, or cultural areas (Kennedy, 2006, 176). In the area of international human rights, however, in the fifty years that has transpired since the adoption of the Universal Declaration of Human Rights, the world has witnessed a veritable revolution in transforming visions of international human rights into reality. Never before have there been so many achievements in extending rights to former colonial peoples, setting standards through declarations and binding covenants, protecting rights through mechanisms of treaty implementation and non-treaty procedures, promoting rights through education and the media, and enhancing rights through such means as advisory services and technical assistance in the field where people actually suffer (Kennedy, 2006, 204–205).

International security can only be achieved in the post-Cold War era in a multi-layered method, involving several arrangements and actors. No firm basis can be applied to all events and a flexible approach is needed (Alagappa, 1999, 292). The UN, however, can play a legitimate role in achieving international peace. The UN is the only international organization formally entrusted with the legal authority to preserve peace in situations other than national or collective self-defense. It also has the authority to advance the expansive political, social, and economic conditions that are conducive to preventing conflict and handling its cause once it has started. The UN is thus the only institution with a truly global scope. As the organization of last resort for global conflict and difficult disputes, the UN promotes and expresses the rules that govern the increasing interdependence of countries (Doyle, 1999, ISM, 452–453). Enforceability is the Achilles heel though, and UN policies and resolutions depend on the degree of enforceability.

B. STRUCTURE OF UN

1. UN System Components

The UN system is comprised of the UN organizations, functions, programs and funds, specialized agencies, and international bodies related to the UN. Some groups in the UN system act on their own, but intrasystem UN communication is directed to six

principal organs of the UN. The six organs are: International Court of Justice, Security Council, General Assembly (GA), Economic and Social Council, Trusteeship Council, and Secretariat. Four of the six, the General Assembly, the Security Council, the Economic and Social Council, and Secretariat, provide guidance for the entire arrangement. The Secretary General manages this system with the Chief Executives Board (CEB) for Coordination. The CEB is made up of the heads of UN bodies and agencies, its 28 leaders meeting twice a year with the Secretary General.

The General Assembly is the legislative branch of the UN, comprised of 191 members, and meets in formal session every fall at UN headquarters in New York City. The General Assembly uses six standing committees to do specific initial steps of debating and voting on issues, and then presenting resolutions to the GA for consideration: The GA First Committee deals with disarmament and international security; the GA Second Committee is the Economic and Financial Committee; the GA Third Committee is the Social, Humanitarian and Cultural Committee; the GA Fourth Committee is the Special Political and Decolonization Committee; the GA Fifth Committee is the Administrative and Budgetary Committee; and the GA Sixth Committee is the Legal Committee. Every member state is represented on each committee. Since the end of the Cold War, more than 70 percent of all GA resolutions have been passed by unanimous consent, although a majority is all that is required to pass resolutions (Moore, 2006, 118–124).

The Secretariat works for the UN at the headquarters in New York City and around the world, and the international civil service staff administers the day-to-day operations of the UN. The Secretary General is the head of the Secretariat, appointed for a five-year term, with the possibility of reelection. The GA appoints the Secretary General on recommendation from the Security Council, where the Five Permanent members retain their veto power (Moore, 2006, 137).

According to Article 39 of the UN Charter, the Security Council is responsible for maintaining or restoring international peace and security. Comprised of 15 members, the Security Council has five permanent members, also called the P5, and ten nonpermanent members. An amendment to Article 23 of the Charter in 1965 enlarged the number of

nonpermanent members from the original six to ten. The nonpermanent members serve for two-year terms and are elected by the assembly based on an equitable geographic distribution: five from Africa and Asia, two each from Latin America and the Caribbean, Western Europe, Other States, and Eastern Europe, with non-permanent members unable to be reelected for a second continuous term. Each Security Council member has one vote, with nine votes needed for a proposal to pass.

There is a difference, however, between “procedural” and “substantive” matters. All the P5 have to support, or abstain, for a substantive resolution to pass—this is often referred to as veto power. Only the Security Council has the ability to execute its mandates and require all members to follow its directives when it imposes enforcement measures against a state. While GA resolutions are not legally binding, those passed by the council are binding under international law, giving the council greater power than any other UN organ or international body in history (Moore, 2006, 111–128).

The U.S., Great Britain, and France had all said they would support the addition of Germany and Japan as permanent members to the council, without veto power, numerous times over the years. Some observers thought the veto has limited the Security Council’s effectiveness and gave too much influence to just a few superpowers, and have suggested adding veto-laden permanent members to the council, while others have proposed getting rid of the privilege altogether or instituting a “weighted” veto, by allowing only two or three members in conjunction to veto a proposal (Moore, 2006, 129).

The UN Security Council has used a variety of methods to deal with problems, including economic and diplomatic sanctions, commissions and other organs with the ability to make binding decisions, prosecute individuals, dispose of assets of states and individuals, governance of territories, and armed force (Matheson, 2006, 233). The UN, though, is not well suited for involvement in areas involving coercive force. The UN’s traditional ideology has been towards protecting national sovereignty. Countries with battalions in UN peace operations are hesitant to see their troops engaged in combat under UN authority, worrying that a UN commander of any nationality other than their own will not take the appropriate care to minimize risks. In the past, countries that have

seats on the Security Council have been pressured from fellow member states to deal with a humanitarian crisis, and assigned missions to UN peace operations without the necessary means since they were reluctant to deal with the UN's financial resource crisis. In addition, action by the UN can lead to a nationalist opposition to the foreign forces (Doyle, 1999, ISM 450–451).

The ECOSOC supervises the economic and social sphere, including human rights, educational cooperation, employment, and other activities directed at raising the standard of living. Around 70 percent of the UN's budget went towards ECOSOC related activities in 2003. Membership size increased in 1965 from 18 member states to 27, and then to 54 in 1971. Nations represented on the ECOSOC have only one representative, serve a three-year term, and can be reelected for a continuous term (Moore, 2006, 133).

The International Court of Justice (ICJ), or World Court, was established in 1945 as an independent institution, and is the UN's principal judicial organ. The World Court is separate from the International Criminal Court (ICC). Fifteen judges make up the ICJ, elected by the General Assembly and Security Council for nine-year terms only to handle disputes between sovereign states (Moore, 2006, 139–140).

The ICC came into being on July 1, 2002 after 60 states ratified it. The ICC has jurisdiction over crimes such as genocide, war crimes, and crimes against humanity. The U.S. voted against the adoption of the ICC statute for a number of reasons. One primary reason was the potential negative effect on U.S. peace operation involvement abroad if U.S. military personnel and political leaders were held liable and subject to the possibility of prosecution for actions without authorization by the Security Council. In December 2000, President Clinton authorized signing the statute, but said he would not recommend U.S. ratification until these concerns were met. In May 2002, the Bush administration told the Secretary General that the U.S. was not going to become a party to the statute (Matheson, 2006, 209–210).

The final UN principal organ, the Trusteeship Council, which is responsible for overseeing the conversion of colonial status territories to self-government, accomplished

its goals and suspended operations on November 1, 1994 when Palau, the last remaining UN trust territory, gained independence (Moore, 2006, 136).

Specialized agencies are intergovernmental organizations made up of member states that have signed a treaty establishing the agency. They have their own hierarchy and their own separate budgets, which are funded through members' contributions. The contributions are frequently voluntary, but some organizations have their own ways of assessing their members, different from the UN regular budget methods. Nongovernmental organizations (NGOs) play a vital role in the UN system, as spelled out in Article 71 of the Charter. NGOs are nonprofit, voluntary citizens groups that are organized on a local, national, or international level. NGOs are usually organized with specific issues in mind, and often provide analysis and expertise and help monitor and implement international agreements (Moore, 2006, 61–62). The UN also has certain programs and funds, such as the UN Children's Fund (UNICEF), to supervise activities central to UN Charter mandates. Programs and funds also rely on members' voluntary contributions for the most part for funding. There are also related organizations, such as The IAEA, that are completely independent of the UN administrative requirements but are associated with the UN, usually through special agreements (Moore, 2006, 143). Independent organizations, such as the IAEA, typically are funded through their own budgets with assessments to UN members, and from voluntary contributions.

2. UN Charter

The founders of the UN wanted to avert any new armed conflict, and this is reflected in many provisions of the UN Charter (Matheson, 2006, 15). The UN Charter has all the necessary legal authority for substantial international action to handle armed conflict, including the means for the Council to take numerous steps to restore and keep the peace. The system, however, depends ultimately on the ability of the Council to act swiftly and decisively. The development of political consensus, especially with the permanent members, is the precondition for the exercise of this authority (Matheson, 2006, 39).

The UN's Charter is its "constitution." The Charter contains a preamble and 19 chapters containing 111 articles. Chapter I outlines the UN's purpose and principles; Chapter II deals with UN membership; Chapter III lists the five principal organs; Chapters IV and V detail provisions for the GA and Security Council; Chapters VI and VII are the core of the development of UN peacekeeping policies and outline the collective security measures the UN may use to restore peace; Chapters VIII and IX define and sanction regional organizations to keep the peace and promote economic and social cooperation; Chapter X defines and sets parameters for Economic and Social action; Chapters XI and XII deal with non-self-governing territories; Chapter XIII establishes the Trusteeship Council; Chapter XIV provides for the ICJ; Chapter XV creates the Secretariat; Chapter XVI establishes the priority of the Charter over other international agreements; Chapter XVII sorts out specific matters that concluded WWII; Chapter XVIII deal with the method for amending the Charter; and Chapter XIX describes the time line and process for Charter ratification (Moore, 2006, 78–79).

C. UN BUDGET

1. UN Budget Process

Article 17 of the UN Charter states that the General Assembly shall consider and approve the budget of the UN and expenses of the UN shall be borne by the members as apportioned by the General Assembly. Finances are the responsibility of the Fifth Committee of the General Assembly. All states may be represented on the Committee, so its views are governed more by partisanship than a level of expertise found on other financial committees.

Budgets started off as annual, but moved to being biennial starting in 1974–1975, giving the major contributors, such as the U.S., veto power. The purpose of moving to a biennial budget was to allow coordination and planning for medium and large programs and to synchronize all budgets within the entire UN system.

The system set up to fund the regular budget comes from assessed contributions from members based on a capacity to pay. Included in this calculation of capacity to pay is the GDP of a country, total national income, its population growth and external debts,

and other factors. This approach did not run into any major problems until peacekeeping operations became politically controversial in the late 1950s and 1960s (McDermott, 2000, 58). The Committee on Contributions, which consists of 18 members, is in charge of submitting the scales of assessments to the General Assembly (McDermott, 2000, 137). Starting with the 1987–88 UN budget, approval was changed from voting to approval done by consensus. Agreement is thus now achieved by informal meetings of which no records are kept.

Approximately 27 percent of the 2002–2003 UN budget went towards economic and social development, 23 percent to administration and support services, 17 percent to conference servicing, and 15 percent to overall policy making. The high cost of servicing conferences is due to the UN use of six official languages: Arabic, Chinese, English, French, Russian, and Spanish. All statements must be interpreted and all documentation translated from the original to the six languages (Ozmanczyk, 2003, 238–240).

The Secretary General’s program budget proposals are finalized about 10–12 months before the targeted biennium. They are then submitted to two subsidiary organs of the General Assembly, the Committee for Program and Coordination (CPC) that examines their programmatic content to make sure the proposed activities were mandated by the member states, and the Advisory Committee on Administrative and Budgetary Questions (ACABQ), that analyses the related resource requirements, cost assumptions, and other administrative aspects. The ACABQ provides budget analysis for the UN and specialized agencies, and advises the General Assembly on all administrative and financial questions. Its observations on the budgets of the specialized agencies, however, are not binding on their executive councils.

Tables 1 and 2 show the UN budget process for an off-budget and budget year:

First Year [Off-budget year]

	Regular Budget - First year (2008)											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2008-2009 BUDGET	First performance report											
2010-2011 PLAN				Proposed Strategic Framework issued	CPC reviews Strategic Framework				5th Comm. Reviews Strategic Framework	-----		
2010-2011 BUDGET OUTLINE											SG Issues Budget Outline + ACABQ Reviews	5th Comm. Reviews Budget Outline
2010-2011 BUDGET											Budget Instructions Issued	Deadline for Submissions

Table 1. UN Regular Budget Cycle, From Office of Programme Planning

Second Year [Budget year]

	Regular Budget - Second year (2009)											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2008-2009 BUDGET												Second performance report
2010-2011 BUDGET	Internal review of budget submissions	Joint review of individual proposals with programme managers	Review by SG and by designated committees	Proposed Programme Budget Fascicles Issued	ACABQ Review	CPC ²⁶ Review			5th Comm. Review			
2012-2013 PLAN									Strategic Framework Instructions Issued	Deadline for submission of Strategic Framework Proposals		

autumn of the year before the biennium to be covered by the proposed program budget. At that session, the Fifth Committee considers revisions to the initial estimates based upon updated currency exchange rates and inflation indicators and assumptions, and other requirements related to new decisions by organs such as ECOSOC and the assembly's own main committees. These add-ons undergo the same process of scrutiny as the Secretary General's initial proposals. Provisions for follow-on adjustment of approved appropriations are included given the difficulty of accurately predicting future inflation and exchange rate movements (Ozmanczyk, 2003, 238–240).

Through the use of “performance reports,” the Fifth Committee considers adjustments that the Secretary General submits at the end of each year of the biennium. The primary purpose of the second performance report is to ensure compliance with the requirement of the financial regulations that expenditures for the budget and for each appropriation line do not exceed the amounts appropriated. Each time a budget is approved, the General Assembly adopts a resolution on unforeseen and extraordinary expenses, which authorizes the Secretary General to enter into additional commitments relating to keeping the peace and security not greater than \$5 million in one year, and also commitments relating to expenses of the ICJ and to interorganizational security measures.

After the General Assembly approves the budget, the controller issues allotments to departments and offices. The Secretary General may transfer resources between objects of expenditure and from one activity to another within the same appropriation line, but transfers between appropriation lines need the prior concurrence of ACABQ. Each peacekeeping operation has its own budget that is considered separately and approved by the General Assembly. Each operation also has its own schedule of budget periods corresponding to the length of time for the operation. The Secretary General has wide flexibility in administering budgets for peacekeeping operations (Ozmanczyk, 2003, 238–240).

2. Improving the UN Budget

Various proposals have been made to improve the UN budget system. One idea has been a review of the UN's mandates. A review of the UN's mandates periodically makes sense, and will make sure the UN's financial resources are allocated in the most effective and efficient way. Getting rid of low-priority and redundant mandates will allow higher priority activities to get funding. A number of member states have been against a review in conjunction with other key reforms that will improve accountability and efficiency. The UN's regular budget has increased an average of 17 percent annually over the past five years, and has increased 193 percent since the 1998/1999 biennial budget. The U.S. budget has only grown an average of 7 percent over that period. The growth of the UN budget has been significantly larger than budget increases for all the major contributors. At different times in the past, many U.S. policymakers felt the U.S. should oppose any budget increase for the UN until it makes budgetary reforms. The policymakers felt that UN budget increases should not occur if corruption was still prevalent at the UN. Opposing the budget increase, the policymakers argue, will be beneficial to American taxpayers and all the other member states, since the UN will have more of an incentive to effectively prioritize its resources and reduce corruption (Schaefer, 2007).

UN budgets have grown over the years, but over the last 50 years the growth has been at a modest rather than alarming rate. The 1946 regular budget was about \$20 million, and by the late 1990s was about \$1.3 billion, which works out to around 65 times larger over those 50 years. The overall situation, however, has become more forbidding as the sizes of the budget and percentage of arrears have grown. The number of major contributors not paying their full amount also increased over the years. While some countries have not paid their dues on time, the pace of voluntary giving has increased substantially over the years. Voluntary contributions to the UN's specialized agencies, programs, funds and other organs rose from \$815 million in 1971 to \$6.9 billion in 1995 (McDermott, 2000, 49). The UN, however, has been consistently underfunded, requiring the movement of money between budgets to make payments (McDermott, 2000, 38).

The rules and regulations that have govern the UN's finances have never been entirely binding. The UN system is financed in multiple ways. The three primary mechanisms are percentage assessments on member states for the regular budget, peacekeeping budgets, and voluntary contributions from governments, organizations, and individuals to the UN special organs and programs. The financial operations of the regular budget and peacekeeping budget are under the direct control of the UN administration, while the specialized agencies are not under the UN's direct control. The costs of the peacekeeping and regular budget are small compared with total UN expenses.

In 1997, for example, the total cost for the entire UN system was about \$18 billion, of which the regular and peacekeeping budgets were about \$2.3 billion. The assessments for the leading contributors in 1946 and 1947 were the U.S. with around 50 percent, Britain with 10.5 percent, the Soviet Union with 6 percent, and France at 5.5 percent. In comparison, the leading UN contributors in 2006 were the U.S., Japan, and Germany, with 22 percent, 16 percent, and 8 percent of the UN budget, respectively. The regular and peacekeeping budgets are based on scales of assessments, differ between the two budgets, and are related to the ability of a UN member to pay. The U.S. has argued over the years that it is not healthy for the UN to be excessively dependent on one nation for the bulk of its funding (McDermott, 2000, 40–42).

3. Peacekeeping Budgets

The first few peacekeeping missions took place in the Middle East, involved Israel, Egypt, and Lebanon, and were financed out of the regular budget. Member states have been slow to pay their contributions for operations, as a result of which there has frequently been a shortage of money in the beginning. Some peacekeeping budgets, however, have been in surplus and have been used as emergency funding for the regular budget on occasion. Although peacekeeping mandates are renewed every six months, the flow of money may not be regular, and renewals may not correspond to a calendar or fiscal year. Arrears also mean delays in reimbursing states that contribute troops and equipment. In 1997, the UN owed over \$1 billion to member states in the form of reimbursement (McDermott, 2000, 81–83).

Operations in the mid 1950s were funded by assessments similar to the scale for the general budget. In the early 1970s, another form of assessment began that put a greater percentage on the five permanent members of the Security Council. The five permanent members were subject to a surcharge amounting to around 25 percent for their privileged position. Also, the member states were put into four groups: A, the permanent five; B, countries that pay their regular budget shares; C, countries paying at 20 percent; and D, countries paying at 10 percent.

During the 1970s, the UN, as William Durch observed

had increasingly come to be seen as a tool by which the new voting majority of the poor, 'Third World' or 'non-aligned' states, with the voting support of the socialist bloc, could press an agenda designed to redistribute wealth from North to South. UN bureaucracy grew as the General Assembly's majority established programs and agencies that the West was obliged to pay for, but over which the West maintained little political control and from which it saw little apparent return on investment. (McDermott, 2000, 97)

During the 1980s, the regular and peacekeeping budgets came under greater pressure due to political arguments over UN policy and non-payment by member states. When the U.S. started to withhold payments, the UN already was over \$100 million in arrears from other members. The U.S. made withholdings on specific programs based on legal and political decisions, disapproval of UN activities, and a feeling that the UN was a marginal player in international politics (McDermott, 2000, 99).

Attempts were made to make changes in the budget process in 2006, including removing the General Assembly's power to micromanage operations and budget functions, and moving that authority to the Secretary General's office. Another proposal would authorize long-range contracting authority in areas like peacekeeping that will allow smoother and more cost-efficient operations. The General Assembly is reluctant, however, to give up the power to spend money and hire and fire staff (Making the UN Work, 2006).

In March 2008, the UN presented its top donors with a request for nearly \$1.1 billion in additional funds over the next two years, increasing current UN expenses by 25 percent and putting in place the highest administrative budget ever. Since 2000, UN administrative costs have more than doubled, to about \$2.5 billion a year. Peacekeeping expenses have increased threefold—almost 110,000 peacekeepers were serving in 20 missions at a cost of around \$7 billion in 2008. Some of the additional funds would be used to renovate the UN headquarters in New York. The total cost of the renovation is estimated to be \$1.6 billion, covered by added dues assessments for the 191 member countries over 5 years. The U.S., the largest contributor, would pay 22 percent. The 57-year-old structures have below minimal safety standards, asbestos, lead paint, and leaking roofs (Hodge, 2006). Since the bulk of the money in the latest UN supplement request would fund missions and initiatives that the U.S. approved or assisted in creating, the U.S. has limited leverage in trying to slow the growth of UN expenses, which was a major goal throughout the 1990s (Lynch, 2008).

D. CHALLENGES AND REFORMS IN RECENT YEARS

1. Peacekeeping Challenges

Although the UN Charter contains no mention of the word peacekeeping and gives no guidelines to this form of collective action, peacekeeping actions have played a major UN role (Kennedy, 2006, 77). While the peacekeeping efforts have demanded a lot of the UN's attention and resources, some have been successful, while others have not gone well. The primary actors in the peacekeeping realm are the UN Security Council, the UN Secretariat, the governments contributing troops and the military personnel in the field. The UN Secretariat translates the UN mandates into directives for action by the military personnel in the field. Even though the UN set out to prevent further wars when it was established, approximately 150 conflicts have occurred since 1945 at the cost of 22 million lives. Since 1948, when the UN was started, there have been over 60 peacekeeping operations at a cost of over \$40 billion and 2,200 lives (Sitkowski, 2006, 143).

One UN operation that did not go as envisioned was in the former Yugoslavia during 1992 to 1995. The UN was not able to achieve any of its peacekeeping goals in the ex-Yugoslavia, with the exception of some humanitarian aid. The UN peacekeeping operation there was conducted under the most restrictive mandate and even more restrictive rules of engagement. The UN troops used the right of defense only when under attack, and rarely tried to defend their mandate established under the Charter. Most of the bloodshed in the ex-Yugoslavia might have been prevented had the UN identified the aggressor and applied sanctions allowed by its Charter (Sitkowski, 2006, 140–141).

A major issue the Security Council has dealt with over the years in the application of sanctions has been the difficulty of enforcing them against determined efforts by the sanctioned entities to sidestep them. This difficulty has been further hampered by the relative inexperience of most countries in enforcing sanctions and the indecisiveness of many governments and economic actors about the necessity of the sanctions. The Council has used legal tools and standards to deal with sanction evasions, such as allowing the use of force to limit violations and imposing secondary sanctions on states that aid such violations. The Council has had difficulty maintaining and enforcing sanctions, minimizing collateral effects of sanctions on unintended civilian populations, and avoiding fraud by the sanctioned country (Matheson, 2006, 83–96).

Local violence, while infrequently posing a threat to international peace and security, violates people's human rights and hampers the attainment of basic needs (Alger, 1998, 72). Violence in Rwanda in 1994 did not threaten international peace but the UN was aware of the mass killing that was occurring. The massacres in Rwanda and the unwillingness of the UN to intervene are viewed as the single worst decision the UN has ever made. The few, under-armed, under-funded UN observers were quickly defeated. The international observer troops under the Canadian general Dallaire repeatedly warned that exterminations was just ahead and asked repeatedly for more troops and a mandate to intervene, but nothing was forthcoming (Kennedy, 2006, 103). Issues such as delayed troop movements and logistic problems were offered as reasons for this failure. In Rwanda, the UN ignored the experience from Somalia in which the

peace agreements were ignored and the UN was overly overoptimistic. When the Rwanda disaster began the Secretariat and the Council did not work quickly enough to address the massacres (Sitkowski, 2006, 123).

The first combined UN–U.S. mission was in Somalia from 1992–1993, and was destined for failure due to a lack of a coherent political and military strategy to achieve its overambitious goals. Somalia provided a very valuable lesson for the U.S. and the UN in what is likely and unlikely to work in the type of complex political-humanitarian emergency that is becoming common (Sitkowski, 2006, 108). The U.S. government persuaded the Council to approve a large American-led peace enforcement operation, the United Task Force, UNITAF, in Somalia. A problem was that a mandate for strong military action now lay alongside previous Council authorizations for a humanitarian relief operation, and there was thus a possibility that the two would become entangled.

By the spring of 1993, however, the UNITAF operation was becoming unpopular with American politicians and the mission was given back to the UN. By this point the peacekeeping and peace enforcement missions were intertwined, with different ground troops pursuing different targets, and the lines of command were confusing. A raid to get Somali insurgents in 1993 went badly, resulting in 18 American casualties. The Clinton administration decided to withdraw its troops a few months later. The move towards a democratic Somalia ended in failure, and the UN suffered a heavy blow to its reputation (Kennedy, 2006, 94–96). A disheartening fact is that although there has been an increase in unrealistic mandates and ignoring disasters in the field, in the 60-year history of the UN there has not been a single case of the Council calling anyone to account for failures in the operations it mandated (Sitkowski, 2006, 21– 24).

2. Transitions in Peacekeeping

Post-1990 UN operations have included mandates exceeding traditional peacekeeping with respect to scope, purpose, and responsibilities; instead they have dealt with civil wars, which reflect a change in the nature of conflicts from inter-state conflict to intra-state conflict. The UN expected most of its operations would only call for lightly armed peacekeepers, with more robust operations the exception. The ability of rouge

forces to use highly destructive weapons, however, is turning this idea upside down (Hoagland, 2000). Thus there has been a shift from operations like monitoring cease-fires, demilitarized zones, and post-conflict security in UN peacekeeping operations to more complex military interventions, civilian police duties, human rights interventions, overseeing elections, and post-conflict reconstruction.

The Security Council has approved over 40 new peacekeeping operations since 1990. Half of all ongoing peacekeeping operations have been approved since 2000. Between 2000 and 2005, the number of peacekeepers under the UN jumped from 48,000 to 86,000 (Reforming, August 27, 2006). There were 17 active UN peacekeeping operations at the end of May 2008, in addition to three political or peace-building operations supported by the UN Department of Peacekeeping Operations (DPKO). These 17 missions involved around 88,000 uniformed personnel from 117 countries, including over 74,000 troops, 2,500 military observers, and 11,000 police.

With the increased peacekeeping missions came an increase in the budget. The DPKO's budget from July 2007 to June 30, 2008 was about \$6.8 billion. The estimated UN peacekeeping operations budget for July 2008 to June 30, 2009 is \$7.4 billion. This equates to a 10 percent increase over the previous budget and an almost threefold increase in budget and personnel since 2003 (Schaefer, 2008). The U.S. has approved of the increase in the peacekeeping budget for the most part. The U.S. sees it is in its best interest to support UN operations as a useful, cost-effective method of influencing situations that impact U.S. national interest without direct U.S. involvement.

All permanent members are charged a premium above their regular assessment rate for peacekeeping operations. For 2008–2009, the U.S. peacekeeping budget assessment is just under 26 percent; for China it is 3.15 percent; France 7.4 percent; Russia 1.4 percent; and UK 7.8 percent. The U.S. is charged more than all of the other permanent members combined. The U.S. will pay close to \$2 billion under the proposed 2008–2009 budget for peacekeeping, while the 30-plus countries assessed the lowest rate of 0.0001 percent of the peacekeeping budget will be assessed just over \$7,000 each. The

five permanent members contribute in sum less than 6 percent of the UN uniformed personnel, with the U.S. contributing a total of 14 troops, 16 military observers, and 259 police as of May 31, 2008.

Because costs are growing as the UN is expanding its peacekeeping role, some members of Congress are proposing some changes in the process of assessments for peacekeeping. Policymakers in the U.S. have also followed closely improper actions associated with peacekeeping missions. With the growth in UN peacekeeping have come investigations into procurement fraud and abuse, and also crimes from UN staff. An Office of Internal Oversight Services (OIOS) audit of \$1 billion in DPKO procurement contracts made in a six-year period discovered at least \$265 million of waste, fraud, or abuse. In a 2007 OIOS study, \$1.4 billion in peacekeeping contracts were investigated and more than \$600 million worth of contracts involved significant corruption. In the last few years there have been reports of crimes by UN personnel, including rape and forced prostitution of women and young girls (Schaefer, 2008).

The UN Secretariat agreed to implement stricter requirements for peacekeeping troops after pressure from the U.S. Department of State and the U.S. Mission to the UN. A memorandum of understanding between the UN and troop contributors grants troop-contributing countries jurisdiction over military members who are involved in UN peace operations; however, not much is done to countries that fail to investigate or punish personnel who commit such crimes. Some argue in favor of a reevaluation of all UN operations dating back to the early 1990s to find out if the UN is making any progress. Though the majority of those missions are smaller than more recent ones, it would send a message of accountability that has been absent in the rubber-stamp process of reauthorizing peacekeeping operations. A UN presence somewhere must be evaluated to see if it will likely improve or destabilize the situation, with clearly established and achievable operation objectives, carefully planned requirements for accomplishing them, securing pledges for what is needed to accomplish them before authorizing the operation, and establishing an exit strategy to avert perpetual mission creep. If a mission has not secured its objectives or made obvious progress toward those objectives, the Security Council should determine if it is serving a worthwhile function. The UN could build up a

peacekeeping capability around the world, and develop a UN database of qualified, trained, and pre-screened uniformed and civilian personnel available for UN operations (Schaefer, 2008).

In 2000, Secretary General Kofi Annan said the UN's peacekeeping efforts needed the kind of military help that the U.S. was then unwilling to provide. During the UN operation in Sierra Leone from 1998–1999, the U.S. was only willing to transport troops from other countries, not put U.S. troops on the ground abroad. The situation in Sierra Leone and other countries required sophisticated and experienced military teams to assess and handle problems, but such missions are being carried out with poorly equipped and lesser-trained troops in many countries. The U.S. changed its policy in 2000 and sent hundreds of American soldiers to Nigeria to train and equip West African battalions that went to Sierra Leone to support the hard-pressed government troops and UN peacekeepers (Perlez, 2000).

The UN doesn't have a standing armed force and must depend on member states to donate troops and other personnel for peace operations. The UN does have a Standby Arrangements System (UNSAS) where member states make conditional commitments to prepare and maintain resources such as specified personnel, material, and equipment on standby in their home countries to achieve specified tasks in support of UN peace missions. Some have proposed that the UN should also install mandatory, uniform standards of conduct for civilian and military personnel involved in UN peace operations. States that do not keep their commitments to discipline their troops should be prevented from providing troops for peace operations (Schaefer, 2008).

A shortage of managers for the operations has also been an issue. In 2000 there were just 32 military officers at the UN's headquarters to oversee 27,000 troops deployed in 14 operations around the world, and just 9 police specialists to supervise 9,000 police officers (Strengthening, September 7, 2000). Just 1.25 percent of the peacekeeping budget went to headquarters administration, thought to be too little to allow for sufficient planning (Crossette, 2000).

3. Peacekeeping Recommendations

In addition to instances of financial and other scandals, the UN peacekeeping bureaucracy is notoriously slow at rallying and deploying forces. Some would argue, though, that the UN's peacekeeping operations are only as good as the Security Council requires them to be, and as good as the forces they can amass (It's Not Easy, 2006). A panel of international experts in the late 1990s recommended that the UN peacekeeping department be enlarged and undergo more professionalization, including getting some intelligence gathering ability that was not allowed during the Cold War. The experts also suggested additional effort go into preventing situations from becoming more severe, and not wait on the Security Council for guidance.

Another recommendation was that peacekeeping officials not allow a lot of direction from larger countries on their day-to-day routines. Their suggestions also recommended a quicker response time for peacekeeping operations so they can be started in 30 days instead of several months, and the use of expert advance teams to regions with complex military and political situations (Crossette, 2000). Clearly, knowing what kind of operation the UN forces are expected to carry out is crucial before commencing any operation. Secretary General Kofi Annan said that war fighting and peacekeeping are separate activities, and peacekeepers should not be sent into an environment where no case-fire or peace agreement is in place.

4. Delinquent Dues

Throughout its history the UN has had to deal with countries not paying their assessments on time, and UN components often have to look at ways to cut operations due to limited funds. In 2000, the UN International Atomic Energy Agency, which is responsible for halting the proliferation of nuclear weapons, was facing a financial crisis and had to look at ceasing some operations due to countries refusing to pay their bills on time.

In addition to the problem of some countries accumulating arrears for the UN's regular budget there is the difference between UN budget cycles and the budget cycles of contributing countries. U.S. Congressional officials have said the U.S. is keeping to a

long-established schedule of paying its dues in the fourth quarter of the calendar year, after Congress passes the budget for the new fiscal year. The U.S. thinks the UN agencies should coordinate and manage their funding so their operations are not disrupted (Drozdiak, 2000).

The General Assembly began a new reform effort in 2005 in light of scandals like the “Oil for Food” program in Iraq. In September 2005, the heads of UN member states met for the World Summit at UN headquarters to discuss institutional reform. The Summit Outcome Document was a result of those discussions, and it listed a number of reforms, including replacing the Human Rights Commission with a new Human Rights Council and requesting the Secretary General suggest improvements in UN management, personnel, programs, oversight, and accountability (Blanchfield, 2008, 1).

A big issue over the years has been the micromanagement of the Secretariat by the General Assembly. Almost every proposal to improve UN management and accountability needs approval by the member states, many of which are opposed to reform. Also, the UN makes it difficult to track reform due to the large volume of documents it produces. No one would say there are no inefficiencies in the UN. In fact, some think the spreading structure of the UN makes it almost certain that inefficiencies approaching 20 percent are expected (McDermott, 2000, 176). The ECOSOC’s and UN Development Programme’s (UNDP) records show how inefficiency and duplication can exist in a bureaucracy. Their deficiencies have been one of the major targets of reform efforts as a result of confusion in carrying out the UN’s economic programs and agency coordination in the field when dealing with humanitarian intervention (McDermott, 2000, 51).

Another problem in the UN is that it is devoted to a balance in regional representation. One reason inefficiency and corruption exist in the UN is the attempt to balance UN Secretariat representation based on nationality, sex, and type of appointment, taking into account the UN Charter principles and the General Assembly guidelines (McDermott, 2000, 159). Attempting to appoint positions to satisfy geographical considerations can lead to more qualified individuals being passed over. Allegations of fraud can have lasting consequences for the UN. Following the December 2004

earthquake and killer waves in Indonesia, Sri Lanka, India, and other Asian countries, the UN did not have access to any relief money following accusations it was involved in the embezzlement of oil for food money (Sands, 2005).

The U.S. was at the forefront of a campaign to cap the UN assessed regular budget at \$950 million as an incentive for the General Assembly to approve the Secretary General's reform proposals, which were submitted in March 2006. The \$3.8 billion 2006–2007 UN budget included a \$950 million cap on the first half of 2006 and tied additional spending requests to the fulfillment of management changes (Hoge, 2005). The Secretariat and the Secretary General, though, are not the principal hurdle to the UN reform effort. The General Assembly is the primary hurdle.

5. UN Reform

The progress of reform has been a continuing issue for the UN throughout its existence. While some countries, such as the U.S., have been full proponents of reform efforts, for many countries UN reform has not been an important topic. The Group of 77 is seen by some countries as being a major hurdle to reform efforts. The Group of 77 (G–77) was established on 15 June 1964 by 77 developing countries, signatories of the “Joint Declaration of the Seventy-Seven Countries” issued at the end of the first session of the United Nations Conference on Trade and Development (UNCTAD) in Geneva. The largest intergovernmental organization of developing states in the UN, the G–77 provides the countries of the South a means of articulating and promoting their collective economic interests and enhancing their joint negotiating capacity on all major international economic issues within the United Nations system, and promoting South-South cooperation for development.

The U.S. and Japan, which combined contribute almost 42 percent of the UN budget, opposed approving the rest of the UN budget unless the General Assembly passed various UN management, personnel, and oversight reform proposals. Led by the G–77, the cap was removed in 2006 and the remainder of the UN budget was approved without the reforms desired by the U.S. and other major contributors. In fact, out of 23 key reform proposals, only one was not blocked by the G–77 (Schaefer, 2008).

Another reform involved decreasing the roughly 9,000 directives that have accumulated over the decades, many of which are outdated or redundant. The majority of UN members agreed to only a very small reduction between 2006 and 2008. An editorial in the New York Times in 2006 said that reforms are not a concession to Washington or other big donors, but are a necessity for all UN members. The UN cannot function effectively under budget and management rules that were devised for a much smaller organization. The UN cannot move forward unless both the big donor countries and less developed countries are satisfied (Crisis Postponed, 2006).

The disparity between what the major funding countries pay and the majority of other states' funding has been a source of contention for some countries, particularly the U.S. There has not been any shift toward moving portions of the UN regular budget from assessed funding toward voluntary funding, as some countries, particularly some of the larger UN contributors, would like. The major argument for more voluntary funding of UN programs is that it will enhance accountability and provide the incentive for efficiency in how the funds are spent. If donor countries do not feel their contributions are being spent effectively, they can decide to cut back their giving or not give anything at all. Nor has there been any movement toward balancing financial contributions and influence in the UN budgetary procedures by giving large contributors more say in budgetary matters.

Approximately 50 countries have the lowest UN assessment, just .001 percent of the regular budget, paying only about \$19,000 each per year. They still get one vote, the same as the U.S. The 128 lowest-paying countries, which are about two-thirds of the General Assembly, all together pay less than 1 percent of the UN budget. This imbalance makes reform difficult due to the lack of incentive for the lowest contributors. These countries are focused on enlarging the UN's power as a way of increasing their own influence and priorities and having the organization give out more international aid and transfers.

Thus, there are a large number of countries whose focus is not necessarily on efficiency, but on enlarging and strengthening the UN system. On the other hand, the major donors want their contributions to be spent effectively, and so are more interested

in reform. The efforts at reform, however, may be impeded by the major donors not sharing the same view as may smaller contributing countries when it comes to the size and strength of the UN.

According to Andrew Natsios, the major powers may prefer to keep the UN weak:

Perhaps the most closely held secret of the UN is that its country members, for widely divergent reasons, want the institution to remain weak. The great powers wish to avoid complications in the formulation of their foreign policy introduced by an institution that is at least partially managed by developing countries with bitter memories of their colonial past and unstable or unreliable political systems. The great powers have regarded the UN as an instrument to promote their foreign policy objectives; they have, to a limited degree, succeeded in using it for this purpose, especially when their objectives have broader international appeal. (McDermott, 2000, 182–183)

With the major powers only wishing the UN get bigger if it operates more efficiently, and in accord with its policy objectives, there seems to be a difference of opinion in where the UN should be headed in the future.

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III. U.S. BUDGET PROCESS

A. INTRODUCTION TO BUDGET PROCESS

The Constitution gives Congress the power to levy taxes and provides that money can be spent only according to appropriations made by law. It does not state how these powers are to be used, and it does not provide for a federal budget or for the president to have an important role in the nation's financial matters, other than signing and vetoing Congressional bills. The practice of budgeting was unknown when the Constitution was signed. In the early twentieth century, modern budgeting was imported to the U.S. from Europe (Schick, 2007, 10). Government budgeting is a process that attempts to conform resources and needs in an organized and recurring way to allow properly funded collective choices. There is no single budget document that encapsulates all the money that flows into and out of the federal government. Each government agency is a participant, estimating future income and operating expenses over a given time (Jones, 2008, 6). Congress plays a central role, responding to executive branch proposals with a series of budget documents.

1. Important Acts

An important budgetary milestone in the U.S. during the early twentieth century was the Budget and Accounting Act of 1921, which established a presidential budget system that has been in place for more than 80 years. This act gave the president a formal role in budgeting before Congress approved appropriation bills. The law mandated that the president give an annual budget to Congress and prevented agencies from giving their requests directly to Congress. The act created the Bureau of the Budget, which was renamed the Office of Management and Budget (OMB) in 1970, to assist the president in deciding on the amounts to be requested. The president's annual budget gives revenue and spending recommendations that influence Congress, but does not bind Congress to follow them (Schick, 2007, 14).

Congress felt the president had too much control in the budget process during the 1970s, and created the Congressional Budget and Impoundment Control Act (CBA) of 1974 to help level the playing field. The act requires Congress to adopt an annual budget resolution that sets revenue, spending, debt totals, and allocates spending across a series of categories called functions. The 1974 act enlarged Congress's budget responsibilities, but did not change the formal role of the president. The president still submits a budget each year, and Congress decides whether to accept his recommendations. Now, however, Congress has its own Congressional Budget Office (CBO), which helps devise its own budget blueprint, economic assumptions, and spending priorities, as well as Budget Committees charged with developing budget resolutions for consideration in the House and Senate. The president and Congress thus each have their own budgets, and neither one has a formal say in what the other decides. The two branches must, however, resolve their differences to make appropriations and changes to revenue and entitlement laws (Schick, 2007, 18–20).

2. Budget Overview

The budget consists of four primary funds: general, special, trust, and revolving. General funds, which account for around two-thirds of federal revenues and outlays, are not earmarked by law for specific purposes; hence, there is no direct link between taxes paid and services provided. Almost all individual and corporate income taxes are deposited into the general fund, and items such as national defense, interest on public debt, and operating expenses of most federal agencies are paid out of the general fund. Figure 1 shows the trend of sources of federal receipts over the last 40 years.

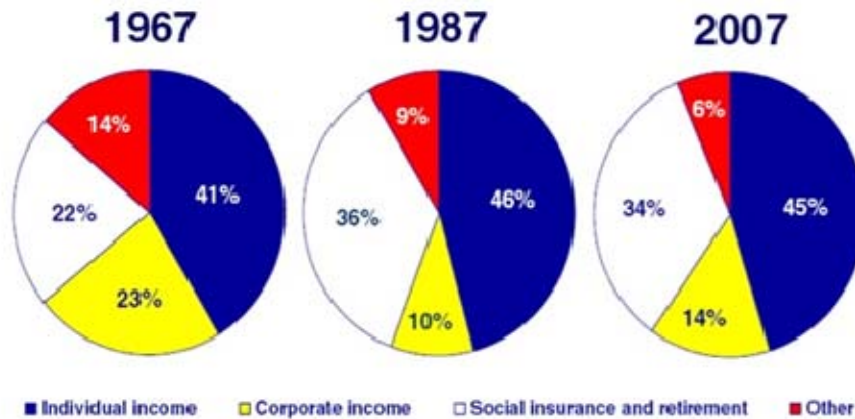


Figure 1. Composition of Federal Receipts by Source, From Walker.

Trust funds, on the other hand, are designated by law for certain purposes. Just as Congress creates the funds, it can erase them and change the amounts paid in or out of them, and even change the purposes for which the fund's assets are used. Social Security is an example of a trust fund. The government typically borrows all trust fund balances and pays the prevailing rate of interest on Treasury bonds of comparable interest to them.

Special funds, which share qualities of both the general fund and trust funds, are mostly financed by user fees and other earmarked revenues. The National Wildlife Refuge Fund is an example of a special fund. Revolving funds function like a business and sell goods and services, using the income to finance their operations (Schick, 2007, 43–45).

Figure 2 conveys the budget process, starting with the president's budget request, and ending with the president signing or vetoing budget legislation.

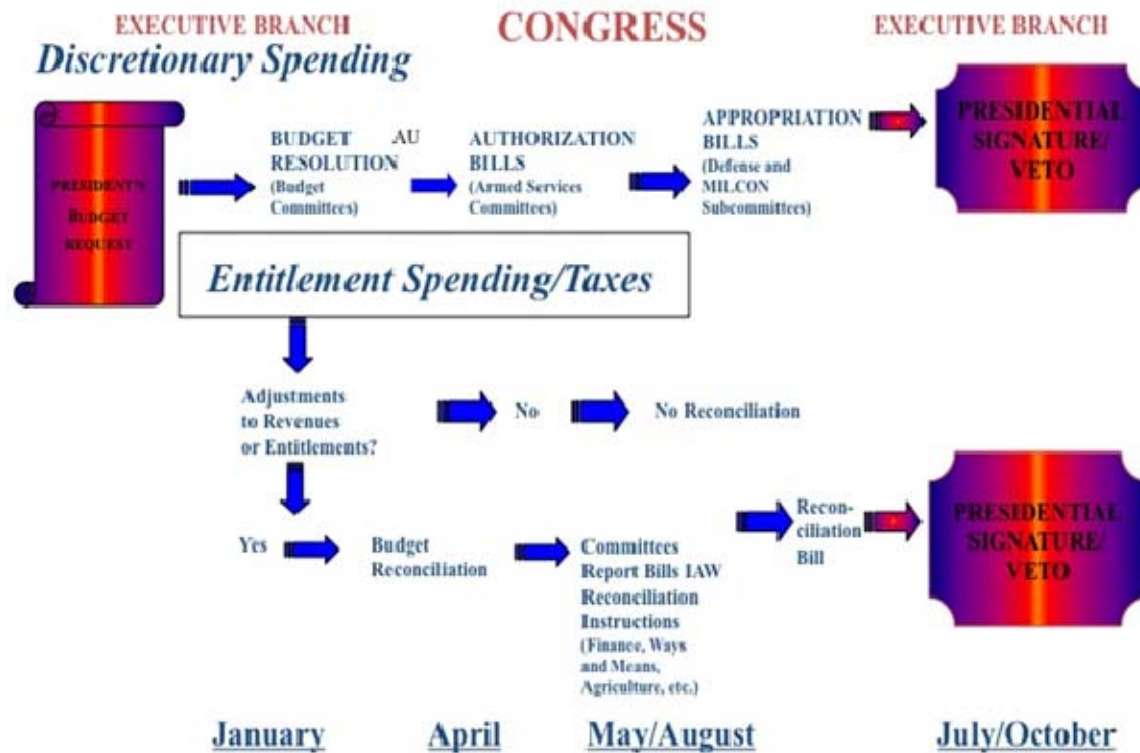


Figure 2. Congressional Budget Process, After Doyle.

Two centuries of practice has produced a complex budget process that has many players, defined rules, and layers of procedure. At any given time, the federal government is typically handling three fiscal years: the year in progress, or current year, the year Congress is considering, or the budget year, and the year after that for which agencies are preparing budget requests, or the first out year. This overlap of several fiscal years has turned budgeting into a year round activity. A key date on the budget calendar is October 1, when the new fiscal year begins. Each agency uses its own procedures and guidelines to prepare its request for inclusion in the president's budget, which usually takes around eight to ten months to completely assemble. The agencies prepare their budgets in the spring and summer of the calendar year before submission to Congress, and OMB reviews their requests in the fall, recommending program and spending amounts (Schick, 2007, 53–54).

OMB's review has several distinct stages: staff review, where OMB examiners review the requests, consult with agency officials, and make recommendations; director's review, where major issues are handled, OMB examiners defend their recommendations, and the OMB director makes budget decisions; passback, where agencies are told of these decisions and have an opportunity to appeal for reconsiderations; appeals, first taken to OMB, but to the president or aides if needed for resolution; and final decisions, where budget documents are printed. Once informed of final decisions, agencies amend their budgets to align them with the president's. Agencies have a short time period to ask for more funding than OMB recommended, and once all the issues have been resolved, the budget is printed and given to Congress. The president is required to submit his budget to Congress no later than the first Monday in February for the upcoming fiscal year (Schick, 2007, 53–54, 99).

The congressional budget process starts when the President's budget is submitted. The House and Senate Budget Committees are in charge of marking up and reporting the budget resolution. The Budget Committees hold hearings, get "views and estimates" reports from other committees, and receive information from CBO in developing the budget resolution. The House and Senate committees' reports give the Budget Committees information on the preferences and legislative plans of congressional committees regarding budgetary matters within their jurisdiction. The budget resolution is supposed to be adopted by April 15 (Keith, 2008, 12–15).

The House and Senate rules required that agencies and programs be authorized in law before an appropriation is made for them. An authorizing act is a law that establishes a program or agency and the terms and conditions under which it functions, and authorizes the enactment of appropriations for that program or agency. Either the House or Senate may originate authorizing legislation, and it can be considered at any point in the year. Many agencies and programs have temporary authorizations that must be renewed either annually or every few years (Keith, 2008, 20).

Once the president submits his budget to Congress, the appropriations subcommittees hold hearings where agency officials explain the amounts requested. The subcommittees are independent of each other, and most are limited by discretionary

spending caps set under the annual budget resolution. Agencies must get apportionment of funds from OMB before they can spend their appropriations. Many federal agencies also have an allotment process that apportions available funds to their individual units. Agencies must spend their funds based on the terms and conditions set by Congress, but they sometimes reprogram funds by shifting them from one purpose to another in the same account. Agencies may also transfer budget resources from one account to another, pursuant to statutory authorization. An agency can defy congressional intent if it impounds and refuses to use all or part of an appropriation. Every impoundment is either a deferral, which delays the use of funds, or a rescission, which cancels budget activity (Schick, 2007, 281–286).

OMB makes a single apportionment for each appropriation account or fund. Agencies make allotments to their divisions and other organizational subunits. After funds are allocated, they may make obligations, which are an agency's binding commitment to another party for goods or services to be provided. Once a good or service is received, a payment is made to liquidate the obligation, which is called an outlay (Schick, 2007, 49–57).

As opposed to state and local governments, the federal budget does not separate capital and operating expenses. Both expenditures for current operations and for the acquisition of buildings and other fixed assets are budgeted as outlays. The main reason for combining current and capital investment expenditures is to show the budget's total impact on economic activity (Schick, 2007, 49–57).

The spending process concludes when an appropriations account is closed, which means all remaining balances are canceled and are not available for expenditure. The account will be in an expired status for five years after the open period, where no new obligations can be made but old ones are paid off as they become due. At the end of five years the account is closed. The final phase of the budget cycle is review and audit (Schick, 2007, 276–280).

For a federal expenditure to be justified, it must bear a logical relationship to the appropriation charged, not be prohibited by law, and not otherwise be provided under another appropriation. Three important characteristics of appropriations are purpose, time, and amount. According to 31 U.S. Code Section 1301, appropriations shall be applied only to the objects for which they were made except as otherwise provided by law. A primary means of congressional control is placing time limits on the availability of appropriations. By imposing a time limit, Congress can periodically review a given program or agency's activities. The Antideficiency Act is the most significant statute that relates to the amount an agency can spend. The act prohibits making or authorizing an expenditure from, or creating or authorizing an obligation under, an appropriation or fund in excess of the amount available in the appropriation unless it is authorized by law (Potvin, 2007, 75–86).

3. President's Budget

No president can ignore the budget. Submitting the budget to Congress is one of the few tasks a president must complete each year, no matter the outlook of the economy, the origin of the problems, and the availability of a solution. The winner of interbranch disputes depends on the relative political strength and bargaining skills of the two sides. The president wins when he has a low number of attainable demands, does not allow the give and take of negotiations to deter him from his key objectives, does a good job at reading public opinion, and successfully threatens to veto congressional actions that lower his political standing. Figure 3 shows the executive budget process with times activities generally occur.

The long lead times and the fact that appropriations have not been made yet for the next fiscal year leads to agency budgets that are prepared with a large amount of uncertainty about economic conditions, presidential policies, and congressional actions. Agencies deal with this uncertainty by keeping options open until late in the process, basing future budgets on past ones, and asking for more than they expect to get (Schick, 2007, 90–95).

Date	Activities
Calendar Year Prior to the Year in Which Fiscal Year Begins	
Spring	OMB issues planning guidance to executive agencies for the budget beginning October 1 of the following year.
Spring and Summer	Agencies begin development of budget requests.
July	OMB issues annual update to Circular A-11, providing detailed instructions for submitting budget data and material for agency budget requests.
September	Agencies submit initial budget requests to OMB.
October-November	OMB staff review agency budget requests in relation to President's priorities, program performance, and budget constraints.
November-December	President, based on recommendations by the OMB director, makes decisions on agency requests. OMB informs agencies of decisions, commonly referred to as OMB "passback."
December	Agencies may appeal these decisions to the OMB director and in some cases directly to the President.
Calendar Year in Which Fiscal Year Begins	
By first Monday in February	President submits budget to Congress.
February-September	Congressional phase. Agencies interact with Congress, justifying and explaining President's budget.
By July 15	President submits mid-session review to Congress.
August 21 (or within 10 days after approval of a spending bill)	Agencies submit apportionment requests to OMB for each budget account.
September 10 (or within 30 days after approval of a spending bill)	OMB apportions available funds to agencies by time period, program, project, or activity.
October 1	Fiscal year begins.
Calendar Years in Which Fiscal Year Begins and Ends	
October-September	Agencies make allotments, obligate funds, conduct activities, and request supplemental appropriations, if necessary. President may propose supplemental appropriations and impoundments (i.e., deferrals or rescissions) to Congress.
September 30	Fiscal year ends.

Figure 3. Executive Budget Process Timetable, From Heniff.

The president is required to submit a midsession update by July 15, taking into account changes in economic conditions, congressional actions, and other developments. Also, the president may revise his budget at any point in the year. Changes that are given to Congress before it has acted on the original request are amendments; requests for more funds that are made after Congress has acted on the affected appropriations bill are submitted as supplementals (Schick, 2007, 101). The president must also know when to keep a safe distance and when to become involved in the budget process, when to threaten a veto and when to concede, when to delegate to others the job of reaching a agreement, and when to act as his own budget director (Schick, 2007, 108). If the president fails to pick his budget battles wisely with Congress, he will have more difficulty getting his priorities funded to the level he would like.

4. Authorizing and Appropriating

There are two separate ways Congress can establish and fund federal programs. Authorizing legislation establishes the legal basis for the operation of federal agencies, while appropriation of money allows agencies to incur obligations and expenditures. These two steps are routinely taken in separate measures, but may be combined in direct spending legislation. House and Senate rules prohibit unauthorized appropriations and putting legislation into appropriation bills, although the rules are sometimes waived or ignored. One reason for the separation of the two functions was the worry that argument over legislation would slow the flow of funds to federal agencies (Schick, 2007, 194–195).

According to House and Senate rules, before funds are appropriated, the program or agency budgets that get the funds must be authorized by law. Congress must first pass a law establishing the program and saying how it operates before it appropriates funds for that purpose. Most congressional committees are authorizing committees; there is not a set structure to authorize legislation, as each committee does it its own way (Schick, 2007, 56).

An authorization law applies to how Congress can consider appropriations, and also to allowing federal agencies to operate. Budget rules distinguish between discretionary authorizations, which provide authority to appropriate, and direct spending legislation, which provides authority to obligate. Therefore, appropriations committees have the advantage in controlling discretionary spending, while authorizing committees have the upper hand in determining direct spending amounts. Authorizing legislation is permanent unless the law specifically limits its length, with the permanent provisions continuing until they are repealed or changed by new authorizing legislation. Annual appropriations are for a single fiscal year and generally for a fixed amount of money, while multiyear authorizations are usually in effect for two to five years and have to be renewed when they expire. There is no set legislative path for authorizations, and they may start in the House or Senate. With the exception of the Budget and Appropriation Committees, the majority of a congressional committee's work involves its authorizing duties (Schick, 2007, 194–200).

The three primary factors that determine authorizing activity are: the degree to which the White House promotes new legislation; the extent to which funds are available to pay for new or expanded programs; and the House or Senate's ability to pass legislation its committees produce. Over the last three decades, the trend has been towards more specificity in authorizing legislation, stating specific amounts for certain projects. Both authorizing and appropriation committees often earmark funds, specifying how funds are to be spent (Schick, 2007, 200–203).

There are four types of appropriations. Twelve regular appropriations provide budget authority to enter into obligations for the upcoming fiscal year. Supplemental appropriations provide additional budget resources when the regular appropriation is not sufficient or for activities the regular appropriation did not fund. Continuing appropriations fund agencies that did not receive regular appropriations at the start of the fiscal year. Permanent appropriations are available without current Congressional action.

The House and Senate Committees on Appropriations have jurisdiction over the annual appropriations proceedings. Appropriations committees used to control just about all federal spending, but by 2008 control only one-third. Annual appropriations are found

in regular appropriation bills, each one within the jurisdiction of parallel House and Senate Appropriations subcommittees (Schick, 2007, 56). During the 110th Congress, both committees reorganized their subcommittees, and now each committee has 12 subcommittees. Each subcommittee has jurisdiction over an annual appropriations measure that gives funding for agencies within the subcommittee's jurisdiction (Streeter, 2003, 2).

An appropriation is a kind of budget authority that not only provides the authority to make obligations, but also gives the agency the legal authority to make follow-on payments from the Treasury. Appropriations have to be obligated in the fiscal year (or years, in the case of multi-year appropriations) for which they were intended. New budget authority, as opposed to previously enacted budget authority, is provided by appropriations measures (Streeter, 2003, 3). Figure 4 displays this distinction in budget authority, with some budget authority being spent in 2009 and the rest in future years, and previous years authority being spent along with new authority to produce total outlays for 2009.

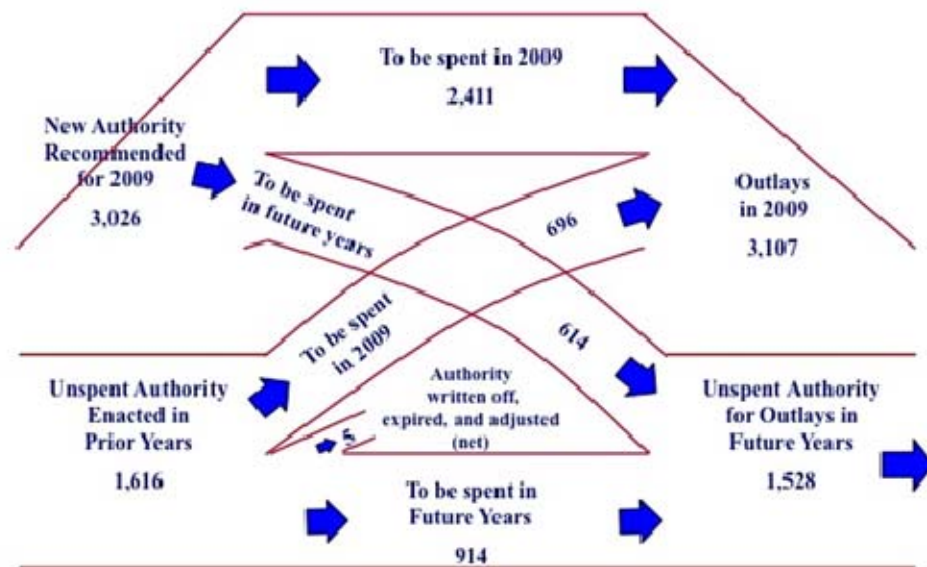


Figure 4. Relationship of Budget Authority to Outlays for 2009, Dollars in Billions, From GPO.

Characteristics that differentiate the Appropriations Committees from other congressional committees are the bounded jurisdiction of the appropriations committees, the near certainty of congressional action on their bills, and the importance of their subcommittees. The Appropriations Committees rarely make large revisions in the bills they receive from the subcommittees. Once both the House and Senate pass an appropriations bill, a conference committee is held to resolve differences between the two versions. Appropriations bills, like all legislation, can only become law if the House and Senate pass identical forms of the bills (Schick, 2007, 222–240).

5. Spending and Incrementalism

The budget process for discretionary spending is controlled by the appropriations process, while authorizing and tax legislation control direct spending. In 2009, approximately one third of federal expenditures come under discretionary spending, including almost all defense expenditures and operating costs of most federal agencies. Direct spending consists mostly of entitlement programs, which are provided for automatically by the permanent appropriations part of the law establishing the entitlement program. The largest and best-known U.S. entitlement programs are Social Security, Medicare, and Medicaid. These three programs, together with other retirement and disability programs, totaled more than 94 percent of all federal entitlement spending in 2007 (CBO, 2007). Figure 5 illustrates how mandatory programs have taken a larger part of federal spending over the last 40 years.

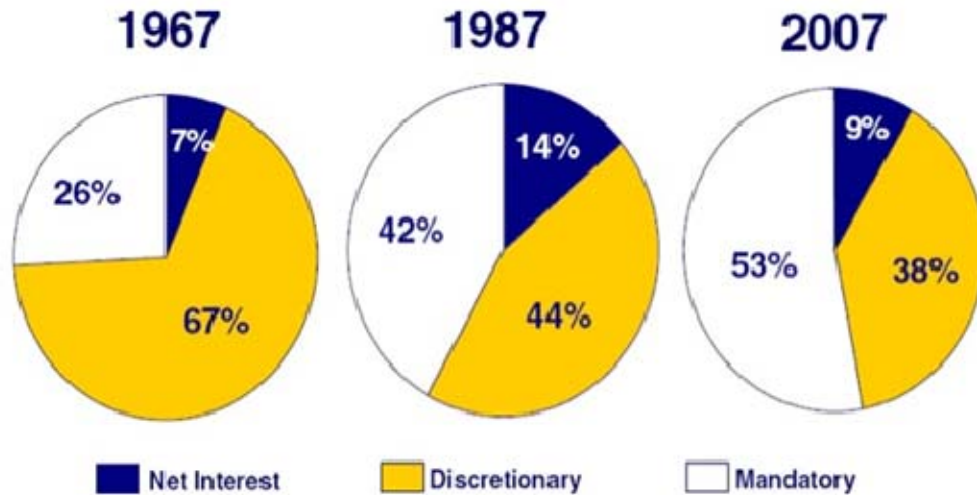


Figure 5. Federal Spending for Mandatory and Discretionary Programs, After Walker.

Most federal agencies budget on the idea that almost all activities funded in the current budget will be continued in the next and that program initiatives will be funded from incremental resources. This has led to incremental budgeting, with agencies concentrating on how much more to seek for new or expanded programs and how to handle changes in government priorities (Schick, 2007, 95). The 1980s and 1990s budget process contained improvisational budgeting routines that had a large number of Continuing Resolution Appropriations (CRAs), appropriations passed before authorizations, and a government shutdown (Jones, 2008, 221).

6. Earmarks, Supplementals, and CRAs

OMB defines earmarks as funds provided by Congress for projects or programs where the congressional direction, either in the bill or report language, circumvents the merit-based or competitive allocation process, or specifies the location or recipient, or otherwise curtails the ability of the Executive Branch to properly manage funds (OMB, Earmarks, 2009). Some types of earmarks are floors, which specify a certain minimum amount of money that is to be spent on a project or purpose, while others may be ceilings, which tell the agency the maximum that it will spend on something. Usually the specific purpose that Congress alludes to is labeled an earmark because it benefits a limited group of people in a congressional district or state. The standard practice is to earmark funds in

committee reports rather than in the authorization or appropriations bills. Agencies are generally expected to comply with earmarks, as well as any other guidance issued by the appropriations committees. Appropriations bills often contain funding for projects that are included at the request of lobbyists, state and local governments, and others who benefit from federal spending.

In the current era of large appropriation bills, earmark use has been prevalent (Jones, 2008, 244–55). The fiscal year (FY) 2008 appropriation bills had 11,620 earmarks worth \$17.2 billion. These totals represent the second highest amount spent on new earmarks since earmark spending reached its greatest amount in FY 2006 appropriations with 13,997 earmarks totaling \$29 billion (Lacefield, 2008, 109). Earmarks, however, only amount to about one percent of total spending, and are a very small part of the discretionary spending total, which is a declining share of total federal spending (Doyle, 1996, 91–92).

Supplementals can also carry earmarked funds. Supplemental appropriations are usually used for national defense contingencies and natural disasters and allow emergency adjustments in the current year. The executive branch decides when the supplemental goes to Congress and how big it is. Either the President or Congress can recommend a supplemental for dire emergencies, which means it does not need to be offset by reduced spending elsewhere. If a supplemental does not meet the dire emergency designation, an additional funding source must be found or funding must be taken from another program. Supplementals are normally passed quicker than normal appropriations, and with less scrutiny. While appropriation bills are a forecast of the future, supplementals are intended to address immediate problems (Jones, 2008, 285–291).

The amount of money provided in a continuing resolution might be the current rate or an amount established in a bill passed by one chamber or committee in one chamber. The likely rate chosen will be the lowest one possible during a CRA. When a CRA is passed, there is usually a restriction on hiring new personnel, starting new programs, and buying new equipment. Thus, a CRA is restrictive, with no or nominal new activities. Usually CRAs are not intended to be controversial. Congress will pick a

certain time period, whatever it thinks is necessary, when it votes for a CRA. The time period the CRA is chosen for corresponds to how long Congress thinks it will take to reach a compromise and pass the remaining appropriation bill or bills. There may be numerous successive CRAs passed until all the individual appropriation bills have been covered (Jones, 2008, 17–18).

B. CONGRESSIONAL BUDGET FORMULATION

1. Congressional Budget Resolution Overview

As entitlements gained importance in the 1970s, Congress realized it could not control total federal spending through annual appropriations bills as in the past. It needed a broader process that contained all expenditures and linked revenue and spending. The budget resolution, an innovation of the Congressional Budget Act of 1974, was to be that process. The budget resolution encompasses all federal spending, no matter what type, and requires Congress to make clear decisions on total revenue and spending, budget priorities, and the surplus or deficit. Each year the House and Senate budget committees prepare a resolution that covers the next five years, specifies budget totals and allocates spending among 20 functional categories. Figure 6 lists the traditional (plus a new function called Overseas Deployments and Other Activities to account for the GWOT supplementals) 20 functions, along with budget authority and outlays for the FY 2009 budget resolution. Significantly, the budget resolution shows a deficit of over \$300 billion for FY 2009.

<u>Function</u>				<u>Function</u>			
050:	Defense	BA	542.5	600:	Income Security	BA	415.5
		OT	573.4			OT	416.0
150:	International Affairs	BA	37.2	650:	Social Security	BA	654.3
		OT	35.7			OT	651.4
250:	Space and Science	BA	30.6	700:	Veterans Benefits	BA	93.3
		OT	29.1			OT	92.5
270:	Energy	BA	6.5	750:	Justice	BA	48.3
		OT	2.8			OT	48.1
300:	Natural Resources	BA	40.5	800:	General Government	BA	24.0
		OT	36.9			OT	24.4
350:	Agriculture	BA	22.6	900:	Net Interest	BA	217.0
		OT	22.3			OT	217.0
370:	Commerce & Housing Credit	BA	10.8	920:	Allowances	BA	-13.2
		OT	5.0			OT	-6.5
400:	Transportation	BA	74.7	950:	Undistributed Receipts	BA	-81.0
		OT	80.8			OT	-81.0
450:	Community Development	BA	15.2	970:	Overseas Deployments and	BA	70.0
		OT	24.4		Other Activities	OT	74.8
500:	Education and Training	BA	94.3				
		OT	91.4	Total Spending	BA	3033.6	
550:	Health	BA	310.3		OT	3065.9	
		OT	307.5	Revenues		2725.5	
570:	Medicare	BA	420.2				
		OT	420.0	Surplus/Deficit		-340.4	

Figure 6. Summary by Function of the Congressional Budget Resolution, FY 2009, Dollars in Billions, After Concurrent Resolution.

The budget resolution is not a statute; it is enforced by points of order. A member of Congress may raise a point of order on the floor if a bill exceeds its resolution limit; if the point of order is upheld, a 60 percent supermajority is needed to overturn it (Jones, 2008, 226). The resolution establishes the framework within which Congress considers revenue and spending measures, and varies from year to year. In some years the resolution has great influence, while in others it has almost no impact. When the budget resolution is influential, its targets become important guides for the budget process (Schick, 2007, 142–145).

The budget resolution is supposed to be adopted by April 15 of each year, but a check of history shows that it is often missed by a few weeks, a few months, and once in a while, not adopted at all. The delay in passing the resolution often is a measure of the amount of disagreement there is in Congress. Table 3 shows the key actions in the budget process, and when the actions are supposed to be completed.

Deadline	Action to be completed
First Monday in February	President submits budget to Congress
February 15	CBO submits report on economic and budget outlook to Budget committees.
Six weeks after President's budget is submitted	Committees submit reports on views and estimates to respective Budget Committee.
April 1	Senate Budget Committee reports budget resolution.
April 15	Congress completes action on budget resolution.
June 10	House Appropriations Committee reports last regular appropriations bill.
June 30	House completes action on regular appropriations bills and any required reconciliation legislation.
July 15	President submits mid-session review of his budget to Congress.
October 1	Fiscal year begins.

Table 3. Congressional Budget Process Timetable, From Keith.

All the revenue and spending that is set in the budget resolution is within the jurisdiction of other congressional spending and taxing committees, which complicates congressional budgeting. While the resolution deals with aggregates and a small number of prime spending categories, the other committees make the specific program and spending decisions. The resolution can play a leading role in establishing the legislative agenda in some years, and merely approve the status quo in other years. The process of passing budget resolutions has hardly ever been the same two years consecutively in the more than 30 years Congress has been producing them. Each year is unique due to the changes in budget and political conditions and in the relationships of party leaders, and other committees. Congress cannot produce major changes in policy every year due to the conflict and strain among committees that would result, but it cannot accept the status quo each year either (Schick, 2007, 119–122).

Four sets of committees in Congress handle the budget. The Budget Committees of the House and Senate develop and report the budget resolution and compile reconciliation bills when reconciliation is called for by the budget resolution. Authorizing Committees report authorizing and direct spending legislation, oversee

executive agencies and submit views and estimates to budget committees in areas of their jurisdiction. The Appropriations committees report regular and supplemental appropriations bills, submit views and estimates to budget committees, subdivide budget authority and outlays among their subcommittees, and establish account structures for federal agencies and rules for reprogramming. Revenue committees, using guidance in the budget resolution, report revenue legislation, recommend changes to laws according to reconciliation instructions, and report legislation adjusting the statutory limit on the public debt (Schick, 2007, 54–56).

Included in the budget resolution are baseline estimates of federal revenues based on the continuation of existing laws and any proposed changes in policy. The budget resolution can contain reconciliation instructions directing the House Ways and Means and Senate Finance Committees to report revenue legislation to satisfy the recommended level of federal government revenues. The House Ways and Means Committee and the Senate Finance Committee, two of the oldest and most powerful committees in Congress, have jurisdiction over revenues. The Ways and Means Committee usually acts first, since according to the Constitution, revenue measures must originate in the House (Schick, 2007, 56). Revenue legislation can also begin through normal legislative procedures, started by revenue committees or individual members (Heniff, 2003, 2). Figure 7 illustrates the sources and relative sizes of federal revenues for FY 2008.

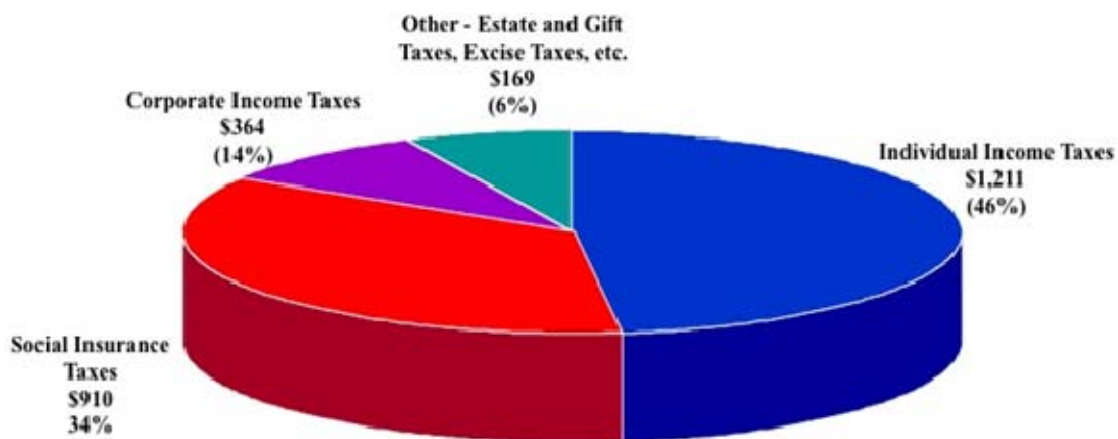


Figure 7. FY 2008 Federal Revenues, Dollars in Billions, After Congressional Budget Office.

The Budget Committees produce the budget resolution and compile reconciliation inputs and report them to the House and Senate. The budget committees are powerful since they can commence major changes in federal tax and spending policy, but also weak because they need other committees to move these changes through the legislative process. Party leaders play a major role in influencing the resolution's policy orientation. One reason for this is because party leaders often settle the inevitable differences between committees and arguments over budget aggregates and functional allocations. Another reason is that as one of the most partisan issues Congress tackles each year, only party leaders can represent the diverse views necessary to defend the party's stance on the budget. A final reason is that party leaders often make deals to get the resolution through the House and Senate, and in doing so have had a strong say in the content of the resolution (Schick, 2007, 132).

Various committees give their budgetary views and estimates to the budget committees by mid-March each year. The budget committee chairs usually convene their committees to mark up the resolution after reaching an agreement with the majority party. The markup is formulated around the "chairman's mark," a document that submits the aggregates, functional allocations, and other provisions included with the resolution (Schick, 2007, 66–70). In the House, the minority party never gets its way on the resolution; the Democrats and Republicans usually has the opposite way on the resolution, and the majority party usually has the votes to pass the resolution. In the Senate, partisanship has not always been as severe as in the House, but has become more so in recent years. A conference committee will resolve the differences between the House and Senate budget resolution versions in the last stages of the resolution process. The budget resolution deadline is frequently missed because members often have more reasons to vote against it than for it, and because nothing stops in Congress, if it is passed late or not at all (Schick, 2007, 137–138).

2. Reconciliation

Congress has used reconciliation legislation to implement many of its noteworthy budget policies since 1980. Reconciliation is the process Congress uses to bring revenue and direct spending under existing laws into agreement with the levels established in the budget resolution. Budget reconciliation bills are usually some of the most encompassing and controversial bills passed in Congress due to the multiple years they cover and revenue changes influencing a variety of programs (Doyle, 1998, 1910). Reconciliation was originally designed to cut the deficit by increasing revenues or reducing outlays, but was later converted into a means of cutting taxes. Congress tried to raise taxes with reconciliation between 1975 and 1995 in an attempt to decrease the deficit. Congress and the executive branch, however, agreed to tax cuts in opposition to this deficit reduction policy; so much so, that during the 1970s and 1980s, more money was removed from the Treasury through the tax cuts than was put in through the reconciliation tax increases (Doyle, 1996, 69–70).

While this is an optional process, Congress has used reconciliation more years than not. Between 1980 and 2007, 19 reconciliation measures were enacted into law and three were vetoed. At times reconciliation has been used on discretionary authorizations, which are funded in annual appropriations acts, but this practice has not been widely used. There is a very great chance that a reconciliation bill will pass once it is initiated, as they have been vetoed only three times in the past. The 110th Congress decided that reconciliation should be used for its original purpose and adopted rules requiring it be used only for deficit reduction (Keith, 2008, 25).

Reconciliation has two major phases. One phase of the process is the issuance of reconciliation instructions in the budget resolution; the second phase is the enactment of a reconciliation bill modifying revenue and spending laws. The instructions in the budget resolution to designated committees have three components: they name the committee directed to report legislation; they identify the amounts of funding to be changed; and they usually set a deadline for the committees to report legislation to be included in reconciliation. Even though the instructions do not mention the programs to be changed, members of Congress usually understand which programs will be affected. Once a

budget resolution with a reconciliation instruction is approved by Congress, the instruction has the status of an order by the House and Senate. Although the 1974 Congressional Budget Act does not specify any sanctions against committees that do not carry out the instructions, it is assumed that they will (Keith, 2008, 26).

When more than one House or Senate committee is subject to reconciliation, the legislative changes are given to the Budget Committee to compile the proposals into a single omnibus bill that is considered under special rules that accelerate its passage. Omnibus reconciliation bills simplify the job of coordinating the numerous pieces of legislation and assuring compliance with the instructions, and also structure the vote as one in favor of saving the surplus or lowering the deficit (with the noted exception of reconciliation bills used to cut taxes). Budget rules mandate that amendments to reconciliation bills be deficit neutral, neither increasing the deficit nor reducing the surplus (Schick, 2007, 138–147).

One method of trying to decrease the deficit has been to decrease entitlement spending. There are two problems Congress encounters in such efforts. One is inertia, and the other is co-optation. The inertia problem occurs due to the status quo protecting entitlements from spending cuts and supporting increased spending for them. Entitlements begin through statutes guaranteeing payments to certain individuals, and these payments will continue as long as Congress does not do anything. Some entitlement spending increases through periodic cost-of-living allowances that were written into the laws. Once the status quo is overcome, co-optation occurs when proposals that work against deficit reduction are attached to reconciliation bills. The Budget Committees have often been unable to stop the co-optation of reconciliation. Since the Budget Committees cannot substantively revise the language used by committees in an effort to cut entitlements or increase taxes, reconciliation bills may not meet their deficit reduction goals due to this limitation on the Budget Committees power over their content (Doyle, 1998, 71–74).

3. Provisions of Budget Resolutions

There are four types of provisions that may be found in a budget resolution: budget aggregates and functional allocations that are required by the CBA; reconciliation instructions; changes in House or Senate rules overseeing action on the budget; and “sense of the Congress” statements and other nonbinding provisions, giving members a chance to go on record about federal budget issues. The CBA requires four main aggregates: total revenue and the amount the total should be changed; total new budget authority and outlays; deficit or surplus estimates; and public debt. The 20 budget functions found in a resolution are divided into a number of subfunctions. Functional allocations have to add up to the corresponding budget aggregates. The budget resolution, however, does not distribute funds among specific programs or accounts, since it would trespass on the jurisdiction of the spending committees. While the functional allocations may reflect congressional majorities and influence the actions of the Appropriations Committees’ actions, it is unlikely that they implement the expectations of every single budget resolution (Schick, 2007, 124–129).

Actual revenues and spending often differ from the amounts set out in the resolution due to factors outside the control of Congress, such as the performance of the economy. Also, Congress sometimes fails to pass a budget resolution for the year, due to a variety of reasons; one is that it is not required by law, and another is Congress sometimes just runs out of time and does not get around to producing the resolution because it lacks a sufficient priority. The first time Congress failed to adopt the annual resolution was in 1998; it also failed to pass a budget resolution in 2002, 2004, and 2006. Congress still produced its other normal budget legislation during those years—funds were still appropriated to federal programs, and authorization bills were passed—and the lack of a budget resolution was hardly noticed.

The budget resolution is an advantageous method for the House and Senate to handle the budget for several reasons. For the House, it affords a politically easy means of increasing the debt limit, sparing House members a separate vote on that unpopular decision. Secondly, budget resolutions allow reconciliation bills to be used as vehicles for changes to entitlement or tax laws. Passing such laws without the protection offered

by reconciliation is difficult. Congress is not obligated to act if the actual budget outcomes are different from the amounts set in the resolution as a result of unanticipated changes in economic conditions or inaccurate estimates of future revenues under existing law (Schick, 2007, 130, 147).

4. Budget Support Agencies

The CBO, the Government Accountability Office (GAO), and the Congressional Research Service (CRS) are the primary congressional budget support agencies. CBO issues reports with ten-year projections on the budget and the economy, prepares baseline budget projections and maintains a database for scorekeeping, assists the budget, tax, and appropriations committees, and reviews the president's budget and other proposals. The baseline provided by CBO is a good starting point for drafting the annual budget resolution. It allows the budget committees to focus on policy changes instead of numerous budget line items. GAO issues accounting guidelines and reviews agency accounting systems, audits operations of certain federal agencies and evaluates programs and recommends improvements, issues legal opinions on use of funds, and investigates expenditures and agency operations as requested by congressional committees (Schick, 2007, 54–55).

CRS analyzes legislative issues and proposals affecting agencies and programs, compiles legislative histories on certain legislation and programs, issues reports on the status of legislation, analyzes proposals to change federal budget practices, and assists committees and members by providing data and analyses applicable to their legislative responsibilities (Schick, 2007, 55–56).

Over the last 30 years, the CBO has found a place as an objective, skilled, and relevant builder of budgetary information and policy analysis. The CBO's skill at scoring—measuring the budgetary impact of new legislation and other policy changes—is the primary reason for CBO's success. CBOs only rival in scoring is OMB, and the media often portray OMB's numbers as less reliable. CBO must be both independent and subservient of Congress if it is to succeed in its environment. Although the CBO was created to carry out its mission as a nonpartisan body indifferent to political issues, the

great gulf between Democrats and Republicans on major issues has complicated CBO's mission. The scoring of legislation is done while it is pending in Congress or just enacted. The score has a 10-year horizon, based on assumptions about future conditions, and is likely to be in error. CBO does not rescore previously enacted legislation, however, to correct for differences between projected and actual results (Schick, 2007, 135).

5. Enforcement

Various enforcement devices promote legislative compliance, including revenue floors and ceilings, spending allocations to committees, cost estimates and scorekeeping reports, and various points of order to block legislation that violates budget rules. The original resolution budget process implemented ceilings on total budget authority and outlays and established a floor for total revenue. Totals were eventually seen as ineffective due to the tension between them and the numerous budget pieces. Many people want more programs and less government, and the totals usually move upwards since program advocates are usually more powerful than budget defenders. While revenue and spending totals are still managed, Congress now relies primarily on allocations to legislative committees and appropriations subcommittees to enforce its budget decisions. These allocations acknowledge that Congress operates through its committee system, and are required by section 302 of the Congressional Budget Act.

Section 302 states that spending totals in each budget resolution are first allocated among the House and Senate committees, and then the appropriations committees subdivide the amounts allocated to them to their subcommittees (Schick, 2007, 147–151).

IV. U.S. FUNDING OF UN

A. INTRODUCTION TO HISTORY OF U.S. FUNDING FOR UN

1. Largest Contributor

Throughout the UN's history, the U.S. has been the largest financial contributor. The U.S. share of the regular budget has been lowered on three occasions, from a high of 39 percent in 1946. In 1954, the U.S. share of the regular budget went from 39 percent to 32 percent (Moore and Pubantz, 2002). In 1973, the U.S. contribution went from 32 to 25 percent. Starting January 1, 2001, the U.S. was assessed to pay 22 percent of the regular annual UN budget (Browne, 2008). Those changes, however, took place without violating the UN principle that UN members should be assessed on the basis of their capacity to pay, based on a nation's share of the global economy, including discounts for countries with large debt burdens, and countries such as China whose large populations lead to a low per-capita income.

In addition, the U.S.'s share of the peacekeeping budget decreased from 30.4 percent to 28 percent in 2001 and then to 26 percent by 2003 (Browne, 2008). The decision the General Assembly made on December 24th, 2000 to lower the rate was in response to U.S. efforts to meet the conditions set by Congress for release of funds appropriated for U.S. payment of its arrears to the UN regular budget and UN peacekeeping accounts (GAO, Regular Budget Contributions, 2001, 1). The amount the U.S. has been assessed by the UN, compared with the degree of influence the U.S. has on the UN's budget, has been a contentious issue. Approximately 50 percent of the total regular budget assessment is collected in the first and second quarters (GAO June 2001, 38). The U.S. does not pay its regular budget assessment until the last quarter of the calendar year

Arrears, or delinquent payments, occur whenever a member country has failed to pay all of its assessed dues to the UN. A member's entire regular budget assessment is due on January 31 of each year, and is in arrears if not paid by December 31. (GAO June

2001, 38). Arrears can arise for a number of reasons, but in the case of the U.S. it is often due to a disagreement with the UN on how much it should be assessed.

As the largest financial contributor to UN peacekeeping, the U.S. pays 25 percent or more of the annual peacekeeping budget and made payments in excess of \$1 billion in 2006. The UN assesses the U.S. around 26 percent of the total peacekeeping budget annually, but by law (PL 103–236) the U.S. capped payments in 1995 at 25 percent, leading to arrears. The cap was changed in 2001 and stayed at 27 percent from 2001 to 2005, and returned to 25 percent in 2006. As of April, 2009, the total U.S. peacekeeping arrears were \$635 million (Better World Campaign, 2009).

The disagreement over arrears has also been a major argument between the U.S. and UN. While simultaneously always being the largest contributor to the UN budget, the U.S. has also been the leader in arrears to the UN. Table 4 lists the U.S. regular UN assessment levels, with the actual payment and resultant arrears for the years 1989 through 2006.

YEAR	ASSESSMENT (%)	PAYMENT (ACTUAL, NOT ASSESSED)	CONTRIBUTIONS OUTSTANDING AS OF DEC. 31
1989	25	\$158,840,023	\$365,131,467
1990	25	\$302,615,852	\$296,169,865
1991	25	\$301,325,450	\$266,407,875
1992	25	\$325,495,230	\$239,531,646
1993	25	\$289,062,441	\$260,392,163
1994	25	\$310,800,851	\$247,851,724
1995	25	\$150,130,049	\$414,423,874
1996	25	\$359,040,601	\$376,775,346
1997	25	\$315,585,677	\$373,239,953
1998	25	\$355,262,548	\$315,704,661
1999	25	\$452,203,605	\$167,896,611
2000	25	\$303,576,746	\$164,629,456
2001	22	\$328,206,625	\$165,423,794
2002	22	\$258,168,464	\$190,331,651
2003	22	\$263,845,890	\$267,960,871
2004	22	\$390,292,007	\$240,520,860
2005	22	\$428,280,567	\$251,851,905
2006	22	\$383,908,137	\$291,408,623

Table 4. United States UN Regular Budget Contributions, After Brown and Blanchfield

While the UN budget has grown over the years when measured by current dollars, if one looks at constant dollars it has not grown appreciably over the last 30 years. Figure 8 lists regular UN budget expenditures in constant and current dollars from 1971 to 2005.

Since the U.S. represents about 26 percent of the world economy, many foreign diplomats say that the 22 percent contribution the U.S. pays is an unfair discount. The European Union nations paid close to 40 percent of the total cost of peacekeeping operations in 2000, much greater than their share of the global economy (CQ Weekly, September 2, 2000). The top five UN contributors contributed over 58 percent of the UN regular budget in 2008. Table 5 lists the top ten largest UN contributors for 2008.

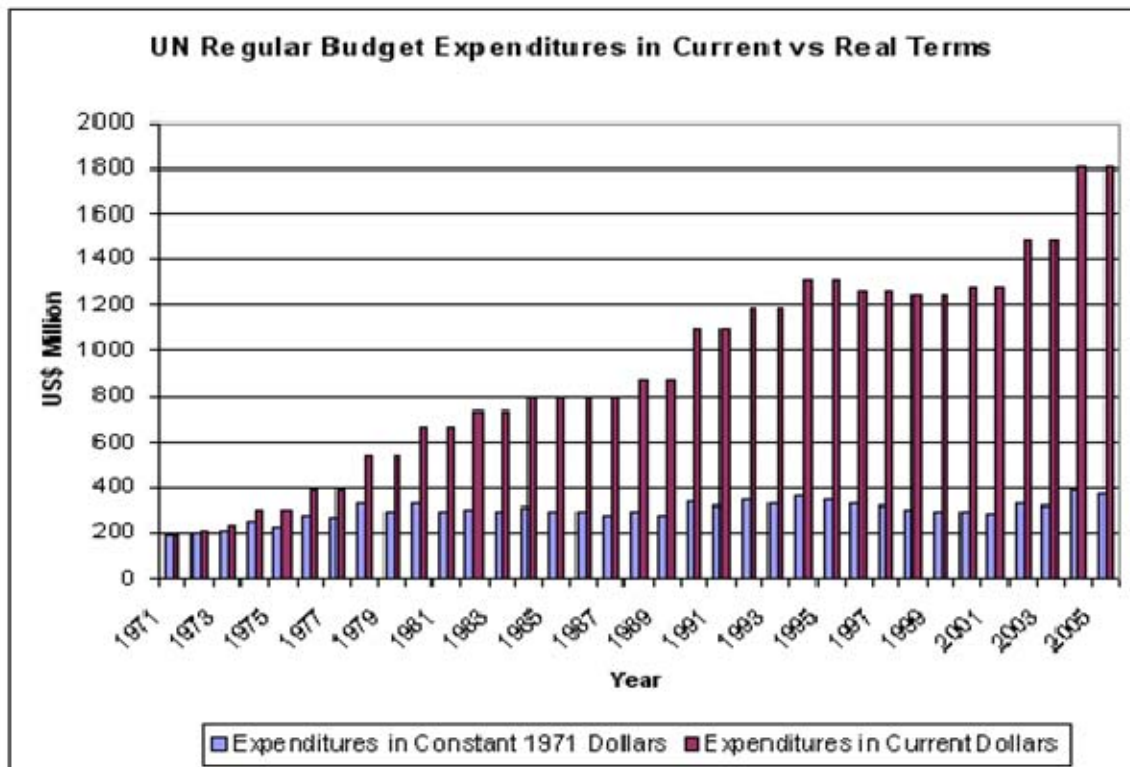


Figure 8. UN Regular Budget Expenditures, Current and Real Terms, in millions, From Renner

Member State	Percentage of Budget	Assessments for 2008 in U.S. \$
United States ^a	22.00	453,338,391
Japan	16.624	342,558,973
Germany	8.577	176,740,154
United Kingdom ^a	6.642	136,866,982
France ^a	6.301	129,840,236
Italy	5.079	104,659,349
Canada	2.977	61,344,927
Spain	2.968	61,159,470
China ^a	2.667	54,956,977
Mexico	2.257	46,508,398

a. Permanent members of the U.N. Security Council.

Table 5. Top Ten UN Regular Budget Contributors for 2008, From Browne and Nakamura

The UN has operated under a tradition of approving budgetary decisions only by consensus for the past 20 years. Recently, however, certain actions have violated this informal consensus budgetary approval process. In December 2007, despite strong resistance from the U.S., the UN's Administrative and Budgetary Committee recommended a \$4.17 billion biennial budget for 2008–2009. The U.S. was concerned that the final budget will be significantly higher than the proposed budget due to a number of projected expenses omitted in the budget. The overall budget is projected to be more than \$1 billion over the approved budget, making this the largest increase in UN history. The General Assembly adopted the budget by a vote of 142–1, indicating that the majority of UN states that contribute very little to the budget no longer feel the need to listen to what the U.S. has to say on the budget (Schaefer, January 29, 2008). This makes it difficult for the U.S. to achieve its proposed UN reforms, an issue that will be examined in chapter V.

2. Kassebaum–Solomon Amendment

Throughout the 1970s and 1980s, Congress became increasingly dissatisfied with the UN's spending habits. Under the Kassebaum–Solomon Amendment in 1985, Congress required the U.S. to reduce its regular budget payments from 25 to 20 percent. The goal of this withholding was to force the UN to adopt a system of reforms on

budgetary matters and give the major contributors to the UN regular budget an influence on budget questions proportionate to their rates of contribution. The U.S. did not wish to be subjected to budgetary decisions arrived at arbitrarily by the Third World majority of smaller contributors.

In December 1986, a UN resolution was passed that gave the major contributors more control in the early stages of budget formulation, but left the final decision for the budget to the General Assembly. The General Assembly thus changed its budget process with the 1986 resolution so that decisions would be made by consensus, giving the U.S. veto power. If the budget committee could not reach a decision, however, the General Assembly would decide. The U.S. was not satisfied with this measure and only appropriated two-thirds of its assessed contributions in 1988 and 1989 (McDermott, 2000, 68–69). The weighted voting proposed by the Kassebaum amendment, therefore, did not take effect (Krauthammer, 2004).

3. Addressing Arrears

In August 1999, the UN said the U.S. owed \$1.7 billion in unpaid dues and other assessments, while the U.S. believed it owed \$1 billion. The difference included around \$300 million affecting how the U.S. should be assessed for peacekeeping missions, around \$100 million the U.S. refused to pay for its own policy reasons, and another \$100 million for a dispute over double taxation for Americans employed by the UN (Wren, September 28, 1999). The U.S. accounted for 65 percent of all unpaid assessments owed by members and 81 percent of unpaid dues for the UN's regular budget (Wren, October 6, 1999). An American judge who served as president of the World Court said in a 1999 interview that the U.S. was legally obliged to pay the debt it owes (Crossette, October 31, 1999). Congress, however, disagreed with the judge.

Senator Jesse Helms and Senator Joseph Biden sponsored legislation in 1999, ultimately incorporated into P.L. 106–113, that authorized \$926 million in payment to the UN over three years. The law included a number of conditions. First, other member countries must accept the \$926 million as payment in full and agree not to keep billing for the remaining arrears; second, the U.S.'s share of the UN budget must be decreased

from 25 percent to 22 percent; third, the U.S.'s share of peacekeeping costs must be decreased from 31 percent to 25 percent; finally, the UN budget cannot include any growth in spending, even allowing for inflation (Wren, November 16, 1999). Of the total, \$819 million would be paid out over a three-year period—\$100 million in FY 1998, \$475 million in FY 1999, and \$244 million in FY 2000. Another \$107 million owed by the UN to the U.S. as reimbursable peacekeeping payments was authorized to be used to reduce U.S. arrears to the UN (Bite, 2001, 5).

The issue of abortion played a role in UN funding throughout President Clinton's administration, particularly his second term. When President Clinton issued an executive order in January 1993 ending the prohibition on U.S. aid to international family planning organizations that perform or actively promote abortion, Representative Chris Smith and other sympathetic members of Congress began trying to force a reversal. Representative Smith attached a rider limiting aid to the groups to the 1998 State Department authorization bill, HR 1757. Neither the Clinton administration nor GOP leaders could persuade Smith to change his mind. Senate Foreign Relations Committee Chairman Jesse Helms, R-N.C., desperate for an authorization bill with the State Department, couldn't persuade Smith to back off (Cassata, 1997).

House-Senate conferees eventually reached an agreement on a bill to authorize U.S. payments to the United Nations. But the bill, HR 1757, also contained modified abortion-related language that led to a Clinton veto. Before Clinton vetoed HR 1757, GOP leaders promised anti-abortion advocates such as Representative Smith that the provision would be attached to appropriation bills for UN funding (Taylor, 1998).

On October 21, 1998, Clinton vetoed the authorization bill, HR 1757 that would have paid off U.S. debts to the UN because it banned aid to international family planning groups that advocate abortion. HR 1757, the Foreign Relations Authorization bill for FY 1998–FY 1999, conditioned the release of \$901 million for contributions to International Organizations for FY 1998 and \$900 million for FY 1999 on a number of factors. They included: making \$80 million for the UN available only upon certification by the Secretary of State that during 1998 the UN has not increased funding for any program without offsets elsewhere and not exceeded its biennial budget; withholding 20 percent of

available funds until a certification is made about the UN inspector general or OIOS and withholding \$50 million of FY 1999 funds pending certification that the UN has reduced 1,000 personnel from the 1996–1997 UN level. Although the authorization bill did not pass during 1997, FY 1998 appropriations for U.S. contributions to the UN below Administration-requested levels were provided for in P.L. 105–119 (Bite, 2001, 4–7).

A State Department Authorization Act, HR 1777, PL 100–204, was eventually passed for FY 1998–1999. Title VII of the State Department Authorization Act, FY 1998–1999, established a new payment schedule that tied full funding of U.S. contributions to the UN regular budget to further progress toward reform. It stipulated that 40 percent of contributions could be paid on October 1 of each year and a second 40 percent could be paid when the President certified that progress was happening in implementing UN reform in three areas. The three areas were: consensus decision making on budget questions, reductions in UN secretariat staffing, and reductions in the number of Soviet UN employees on fixed-term contracts. The remaining 20 percent could be paid 30 days after Congress had received the certification, unless Congress passed a joint resolution prohibiting the payment (Browne and Nakamura, 2008, 32).

Among the benchmarks included in authorization bills for FY 2000 were that the World Health Organization (WHO), International Labour Organization (ILO), and FAO must have regular reports by independent inspectors general and the UN must have given GAO access to financial data for nationally mandated reviews (Bite, 2001, 4–7). As was the case with previous U.S. demands, the UN implemented the benchmarks and the U.S. released payment to the UN in late September 2001. Back payments to the UN and UN peacekeeping funds were contained in HR 2670, the fiscal 2000 Commerce, Justice, State appropriations bill. Clinton vetoed it on October 25, 1999 for reasons similar to those cited in opposition to H.R. 1757 (CQ Weekly, November 6, 1999).

According to the UN Charter, the U.S. could have been stripped of its vote in the General Assembly at the end of 1999 if it did not pay enough of its debts (NYT September 22, 1999). In December 1999, with just a week left until the U.S. would have lost its vote in the General Assembly for its debt, the Clinton administration cleared a \$51 million payment to the UN (Crossette, December 22, 1999).

A compromise was reached where his language was attached to some of the money, but not all of it, allowing the U.S. to keep its vote in the UN (Compromise, 1999). The White House accepted the language as part of spending legislation that would formally bar any non-U.S. agencies from either performing abortions or advocating liberalized abortion laws, but the president would have the option of waiving the law if he thought it necessary. The waiver, however, would result in a six percent cut in the \$385 million international family assistance funding provided by the U.S. (November 15, 1999). Some lawmakers think Clinton changed his mind on the anti-abortion restrictions in the language because he was facing two deadlines. The U.S. would have lost its seat in the General Assembly if Congress did not pay at least \$111 million of the money the U.S. owed. This was also the last year that spending like this could be written off as emergency spending without offsetting budget cuts, as spelled out in the 1997 balanced-budget law (CQ Weekly, November 20, 1999).

In 2000, the Senate voted 99 to 0 to release \$582 million in back dues in recognition of important efforts made by the UN toward improving its operations. A third installment of \$244 million was to be released in 2002 if some auditing procedures at the World Health Organization were made (Alvarez, February 8, 2001). A little later in 2001, however, some members of Congress threatened to withhold \$244 million in dues to the UN when the U.S. lost a seat on the Human Rights Commission during a secret ballot (Sanger, May 9, 2001).

On 25 September 2001, the House voted to release \$582 million that the U.S. owed to the UN in back dues. Representative Tom Lantos, the senior Democrat on the International Relations Committee, said that it was not time to argue with the UN over money and holding up the money was an irrelevant issue. With 9/11 occurring just a few weeks prior, and President Bush scheduled to speak at the UN, there were more than enough incentives to release the money (Alvarez, September 25, 2001).

4. Peacekeeping

UN peacekeeping operations are actions conducted as a result of mandates created by UN Security Council resolutions designed to further international peace and security

(GAO, UN Peacekeeping, 2007, 3). Some objectives of the peacekeeping funds are: to promote peace and regional security by supporting multilateral peacekeeping initiatives; to encourage fair share contributions to peacekeeping efforts from countries with increased potential to pay, and also to increase participation of poorer countries when resource constraints would otherwise prevent them from participating; and to encourage more participation of foreign forces in international peacekeeping activities (SOS, Congressional Presentation for Foreign Operations, 2000).

Since 1994, the number of new UN peacekeeping operations has fallen significantly. This decrease was due in part to the U.S. decision, in Presidential Decision Directive 25 (PDD 25), signed May 1994, to follow specific criteria for assessing its support of an operation. A Security Council statement adopting similar criteria soon followed the U.S. decision (Browne, 2008, Peacekeeping, 1). Between 1988 and 1995, however, appropriations for peacekeeping operations rose from close to \$600 million to almost \$3 billion (Browne, 2008, Peacekeeping, 1).

The U.S. provides peacekeeping funding through contributions to UN peace operations, providing funds to carry out international peace operations outside the scope of the UN, and by funding DoD to support the use of its forces in peace missions. The U.S. provides funding directly to the UN through the State Department's appropriation, under Contributions to International Peacekeeping Activities in the International Organizations and Conferences Account. U.S. payments to the UN for peace operations rose from less than \$40 million in 1988 to more than \$1 billion in 1994 (CBO Paper, December 1999).

Contributions to peacekeeping subsequently fell in the mid to late 1990s, then rose again in the first part of the 21st century. Figure 9 gives the amount of U.S. peacekeeping contributions to the UN from 1996 to 2007.

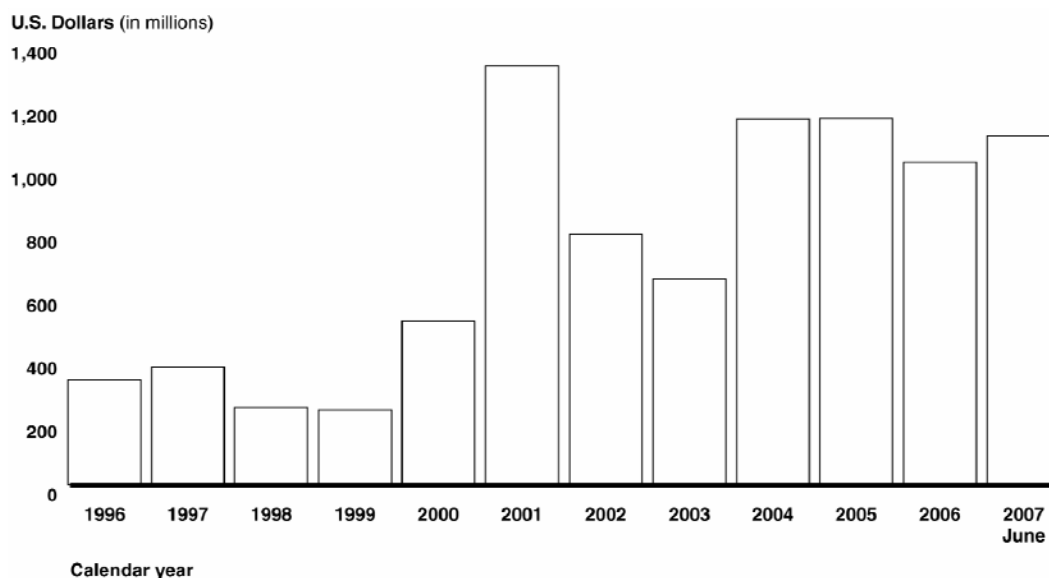


Figure 9. U.S. Payments for UN Peacekeeping, From GAO Peacekeeping Observations

Congress has at times approved both more and less than the amount requested by presidents for peacekeeping. In FY 2001, the Administration estimated \$739 for international peacekeeping, but the Senate and House committees only allocated \$500 and \$498 million respectively. In the middle of 2000 Congress denied a request for \$107 million in supplemental funds for peacekeeping in Kosovo and East Timor. Also, the Senate Appropriations Committee advocated rescinding up to 43 percent of the \$498 appropriated for FY 2000 due to “changing circumstances” (Smith, UN Peacekeeping, 2000). In early 2001, UN officials estimated peacekeeping expenses could jump by 50 percent or more in 2001, with four missions in Africa making up the majority of the increase. The UN peacekeeping budget was \$2.5 billion in 2001, and since Congress was recommending less than the Administration proposed, meeting this UN peacekeeping budget would be difficult (May 10, 2001).

Kofi Annan asked Lakhdar Brahimi, a former Algerian foreign minister and advisor, to do a high level review of peacekeeping in 2000. Some recommendations that Brahimi’s panel proposed included: allowing peacekeepers to defend themselves and the mission in a stronger manner; delaying a formal authorization of a mission from the Security Council until member states have confirmed enough troops to carry it out; making sure troop contributors have the right equipment and training to carry out UN

missions; create a list of 100 military officers who could be available on a week's notice to help start up a new mission (CQ Weekly, September 2, 2000). Mr. Brahimi also stated in his report that the "rules of engagement should be sufficiently robust and not force the UN contingents to cede the initiative to their attackers" (General Assembly, 2000, 10). Figure 10 lists the number of UN military and police deployed to missions from 1996 to 2007.

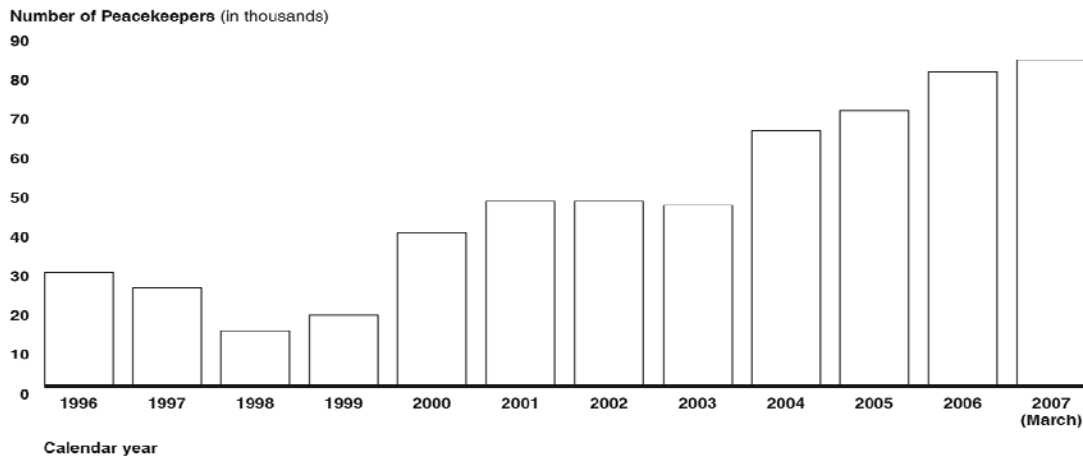


Figure 10. UN Military and Police Deployed to Peacekeeping Missions, From GAO

The French government objected to a U.S. proposal to create a new position, deputy undersecretary for peacekeeping, and put an American into the position. Kofi Annan subsequently denied the request. France controlled the top peacekeeping post and saw the proposal as a challenge to its influence at the UN. The U.S. was no longer providing peacekeeping troops for the UN's missions at the time of the French objection, but did have 700 police officers supporting NATO operations in the Balkans (Lynch, August 4, 2000).

Another example of Congress taking an active interest in peacekeeping operations occurred in 2000 when Senator Judd Gregg objected very strongly to the Sierra Leone agreement that let Foday Sankoh retain control over the diamond mines in Sierra Leone. Senator Judd used his power as the Chairman of the Senate appropriations subcommittee on State Department funding to block the transfer of \$368 million for four UN peacekeeping missions in 2000 (June 7, 2000). Representative Harold Rogers, Chairman

of the House Appropriations Committee with jurisdiction over UN funding in 2000 also placed holds on \$223 million for peacekeeping in Africa and East Timor because he wanted State Department assurance that peacekeeping funds committed to Kosovo would not be spent on other UN missions (Lynch, May 26, 2000).

The House of Representatives authorized funds to be appropriated for the Department of Defense for fiscal year 1999 for incremental costs of the Armed Forces for Bosnia peacekeeping operations in the amount of \$1.858 billion. In that same conference report the House put limitations on assignment of U.S. forces for certain UN purposes. No more than eight Armed Forces at any time could be assigned during fiscal year 1999 to the UN Rapidly Deployable Mission Headquarters. Also, no funds were made available to the Department of Defense for the establishment of a standing international force under the UN or the assignment and detail to duty with a UN Stand by Force (Making Appropriations Conference Report, 1999, 36–37).

The House didn't want to pay for African peacekeeping for FY 2001 because some members felt the missions were poorly managed and would most likely not be effective. The House also refused to allow disbursement of \$240 million of the \$500 million approved for FY 2000 due to concerns that UN missions in the Congo, Sierra Leone, and East Timor were not effective. The Senate made it known that they would only fund missions that are well managed, have shown success, and uphold U.S. priorities (Smith, D, 2000, 33).

UN peacekeeping mandates are approved for 6-month periods, with periodic assessments. Therefore, only half of a mission's annual cost can be assessed at one time, so the total 12 month cost to a member state can only be estimated. Since the UN budget begins in June, three months before the U.S. budget year ends, and peacekeeping costs are allocated on a percentage basis, the Administration does not have a reliable estimate of the peacekeeping cost for the July–September period when it prepares the U.S. budget. The Administration prepares budgets to be submitted to Congress well in advance of the start of the fiscal year. The underfunding caused by the uncertainty is made worse when

missions are started or expanded when re-authorized during the July–September time period, because assessments will be made for the missions when they are created or expanded (Smith, D, 2000, 33).

Since UN peacekeeping requirements may arise out of step with the U.S. budget planning cycle, the President and Congress have implemented creative methods for initial funding for U.S. contributions to these operations. Within the past several years, one method was to reprogram funds from other parts of the international affairs budget, such as Economic Support Fund money obligated in past years for specific countries but not disbursed. Another was the transfer of funds to the international affairs budget from the Department of Defense for funding UN peacekeeping operations.

In addition, the President has requested, and the Congress has appropriated, funding for U.S. assessed contributions for new operations by supplemental appropriations. In 1995, President Clinton suggested that U.S. assessed contributions for any UN peacekeeping operations where there is a large U.S. combat contingent present be financed from Defense Department money, but Congress did not agree with the idea (Browne, 2008, 19–20).

Since the 1997 State Department Appropriations Act, Congress has required the Secretary of State to notify it 15 days before U.S. support of a UN Security Council resolution regarding setting up a new or expanding an ongoing peacekeeping operation. The notification must include the estimated cost and length of the mission and a planned exit strategy. Also, the Committees on Appropriations and other appropriate committees are to be told that the UN has taken steps to prevent UN employees and peacekeeping forces from trafficking in persons or committing acts of illegal sexual exploitation (Browne, 2008, 12).

On February 5, 2007, the Bush Administration requested \$1.1 billion for the Contributions to International Peacekeeping Activities (CIPA) account as part of the FY 2008 budget. The House Appropriations Committee recommended \$1.3 billion and \$293 million for the CIPA and Peacekeeping Operations (PKO) accounts respectively, and the Senate Appropriations Committee \$1.3 billion and \$273 million for these accounts. The

CIPA account funds UN peacekeeping, and the PKO account non-UN peacekeeping missions. Thus, both the House and the Senate thought the Administration's requests were too low. The House Appropriations Committee was concerned that "peacekeeping missions could be adversely affected if the requested fiscal year 2008 funding level is enacted" (Browne, 2008, 4). The Senate Appropriations Committee said that they do "not support the administration's practice of under-funding peacekeeping activities and relying on limited supplemental funds" (Browne, 2008, 5). The President signed the Consolidated Appropriations Act, 2008, which provided \$1.7 billion for CIPA and \$263 million for the PKO account.

On June 27, 2007 the Senate approved a bill to increase the amount the U.S. pays for UN peacekeeping missions from 25 percent to 27 percent. It also stipulated that the U.S. pay some of its peacekeeping back dues, which the UN estimated at \$677 million for the missions as of Jan 1 2007 (Pomper, September, 2000). The Act that was signed by the President included language setting the peacekeeping assessment cap at 27.1 percent for calendar year 2008 (Browne, 2008, 4–5).

On February 4, 2008, the President requested \$1,497,000,000 for U.S. contributions to UN peacekeeping operations assessed accounts in the CIPA account. Bush also requested \$247,200,000 in voluntary contributions for the FY 2009 PKO account. In addition, the President requested authority to pay up to 27.1 percent of the cost of any UN peacekeeping operation assessments received from calendar year 2005 through 2009, in order to pay the assessments withheld due to the 25 percent statutory cap through those years (Browne, 2008, 3).

President Bush signed into law a \$186.5 billion supplemental appropriations bill in June 2008 that provided more than \$10 billion in non-Defense Department international affairs spending, including \$373,708,000 for the CIPA account and \$95,000,000 for the PKO account (Browne, 2008, 3–4). Also attached was an additional \$524 million for UN peacekeeping and \$141 million for U.S. membership dues to 47 international organizations, including the UN. The bill provided \$20 million more for a U.S. voluntary contribution to the UN World Food Program to help farmers in countries dealing with food shortages (UNA–USA, Supplemental, 2009). Table 6 gives the

amount the U.S. gave to individual UN peacekeeping missions in 2007, an estimated amount for 2008, and the requested amount for 2009.

The U.S. gave close to \$3.45 billion to support UN peacekeeping from 1996 through 2001. Around \$3.2 billion of that was from the Department of State for current and past due peacekeeping assessments. In addition, nearly \$250 million were voluntarily given by the State Department and the Department of Defense to support U.S. civilian police, military units, and military observers to serve as part of a UN peacekeeping operation. The annual assessed cost of UN peacekeeping operations fell from more than \$3 billion in 1995 to less than \$1 billion in 1999. This was due partly to the Security Council's reluctance to begin new operations or expand existing ones because of member state concerns over the failure of UN operations in Somalia, Bosnia, and Rwanda. Table 7 depicts the expenditures associated with UN peacekeeping operations from 1995 to 2002. The total cost of peacekeeping operations was about \$16.3 billion in constant 2001 dollars (GAO UN Peacekeeping, 2007, 5).

GAO estimated that the U.S. gave close to \$24.2 billion in both direct and indirect support to UN peacekeeping over the period 1995–2002. GAO defined indirect support as U.S. programs that are not part of an official UN operation, but that have objectives that assist an ongoing UN peacekeeping operation in the same area. Approximately 90 percent, or \$21.8 billion, of the indirect contribution was due to U.S. military operations and services that helped provide a secure environment for UN operations. Around six percent was from USAID and around four percent from the Department of State. The largest contribution was for assistance in the UN Iraq–Kuwait Observation Mission, which involved monitoring the demilitarized zone between Iraq and Kuwait. GAO remarked that their report should not be used to argue for offsetting UN assessments. GAO does not believe indirect contributions should be seen as something for which the UN should reimburse the U.S. The U.S. does not methodically define indirect contributions to peacekeeping and does not collect cost and other data on these indirect contributions (GAO UN Peacekeeping, 2007, 2–19).

Activities	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request	Increase/ Decrease
UN Disengagement Observer Force (UNDOF)	9,353	10,790	7,660	(3,130)
UN Interim Force in Lebanon (UNIFIL) (1)	309,266	243,972	186,400	(57,572)
UN Mission for the Referendum in Western Sahara (MINURSO)	8,924	12,047	8,400	(3,647)
UN Interim Administration Mission in Kosovo (UNMIK)	83,778	26,855	0	(26,855)
UN Peacekeeping Force in Cyprus (UNFICYP)	6,482	6,416	4,540	(1,876)
UN Observer Mission in Georgia (UNOMIG)	7,995	10,082	7,400	(2,682)
War Crimes Tribunal - Yugoslavia (UNICTY)	22,680	25,356	17,000	(8,356)
War Crimes Tribunal - Rwanda (UNICTR)	18,554	17,563	14,000	(3,562)
UN Integrated Mission in Timor-Leste (UNMIT) (2)	76,389	46,876	34,500	(12,376)
UN Organization Mission in the Democratic Republic of the Congo (MONUC)	317,834	284,661	210,000	(74,661)
UN Mission in Ethiopia/Eritrea (UNMEE)	30,020	34,424	26,000	(8,424)
UN Mission in Liberia (UNMIL)	177,214	179,700	123,400	(56,300)
UN Mission in Sudan (UNMIS) (3)	252,136	241,638	208,900	(32,738)
UN Operation in Burundi (ONUB)	15,588	0	0	0
UN Operation in Cote d'Ivoire (UNOCI)	158,809	120,007	81,000	(39,007)
UN Stabilization Mission in Haiti (MINUSTAH)	86,530	145,822	114,400	(31,422)
UN-AU Hybrid Mission in Darfur (UNAMID)	0	884,000	414,000	(470,000)
UN Mission to Chad/Central African Republic (MINURCAT)	0	83,000	39,400	(43,600)
Unpaid FY 2006 Assessments (4)	65,174	0	0	0
Annual Requirements	1,646,726	2,373,209	1,497,000	(876,209)
Enacted Emergency Requirements	(283,000)	(468,000)	0	468,000
Pending Emergency Requirements - UNAMID	0	(333,600)	0	333,600
Total, Non-Emergency Requirements	1,363,726	1,571,609	1,497,000	(74,049)
Resource Adjustments				
FY 2006 Supplemental - UNMIS	(129,800)	0	0	0
FY 2007 Supplemental - MINURCAT	83,000	(83,000)	0	83,000
FY 2006 Adjustment	(65,174)	0	0	0
FY 2007 Adjustment	(116,477)	0	0	0
FY 2008 Adjustment	0	(266,092)	0	266,092
Subtotal, Resource Adjustments	(228,451)	(349,092)	0	349,092
Total, Non-Emergency Appropriations	1,135,275	1,222,517	1,497,000	274,483
Total, Enacted Emergency Appropriations	283,000	468,000	0	(468,000)
Total, Contributions for International Peacekeeping Activities	1,418,275	1,690,517	1,497,000	(193,517)

Table 6. Peacekeeping Contributions, \$ in thousands, From 2009 State Budget

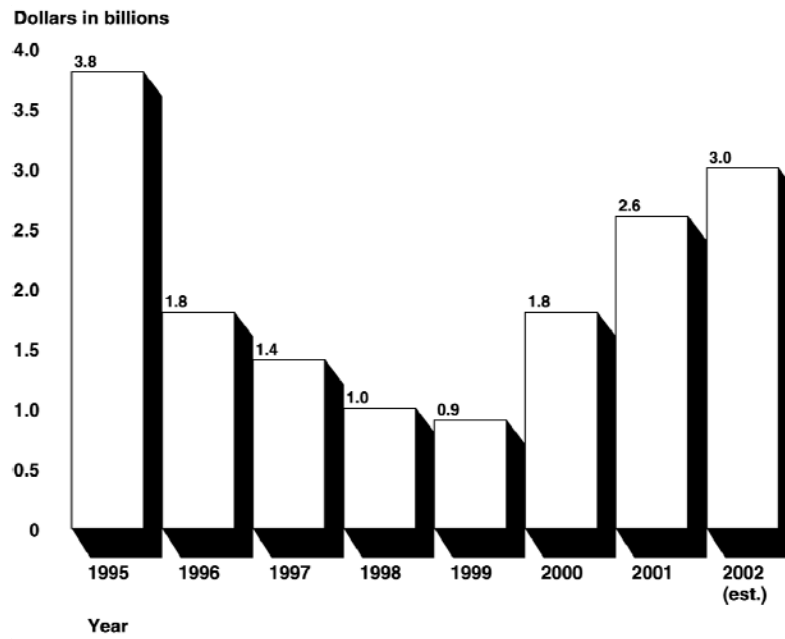


Table 7. Total UN Peacekeeping Costs, Fiscal Years 1995–2002, Constant 2001 dollars in billions, From GAO UN Peacekeeping

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V. DISTRIBUTION OF FUNDING FOR UN IN U.S. BUDGET

A. BUDGET FUNCTION 150

The foreign policy budget, known as the International Affairs Budget Function, or Function 150, comprises a variety of U.S. government programs and activities. Included in Budget Function 150 are foreign economic and military assistance, contributions to international organizations and multilateral financial institutions, State Department, and the United States Agency for International Development (USAID). Budget Function 150 can be divided into two components: State Department/Diplomacy/Broadcasting and Foreign Operations (Veillette & Epstein, 2007, 1–4). As the next section will show, the majority of U.S. funds designated for the UN, including dues and peacekeeping funds, flow through the State Department and Budget Function 150. While some UN funding originates in other U.S. departments besides State, the funding is contained in Budget Function 150. In addition to the State Department, Budget Function 150 encompasses some funding to the Departments of Agriculture, Treasury, Defense, and the Agency for International Development for the UN (Collender, 1999, 183).

The International Affairs budget was between 3.6–4.7 percent of the total Discretionary Budget Authority between 1980 and 2000 (Nowels, 2000, 11). Figure 11 shows the composition of the Foreign Affairs budget for FY 2008. The largest single part of the foreign policy budget supports a broad range of development, humanitarian, security/economic, and military assistance programs. In most years, around two-thirds of Budget Function 150 is comprised of foreign aid (Nowels, 2000, 10). Table 8 shows how the budget authority for Function 150 has grown from 1977 to 2006 in both current and constant dollars.

The Senate Foreign Relations, the House International Relations Committees, and the Senate and House Appropriations Committees play a large role in UN funding, especially in the subcommittees that address Department of State funding, such as the House Subcommittee on Appropriations for Commerce, Justice, and State and Senate State and Foreign Operations Subcommittee, Committee on Appropriations (Bite, 2001,

2). The regular assessed budgets of the UN system organizations are included in the Contributions to International Organizations (CIO) account, and peacekeeping is funded from the CIPA account (Bite, 2001, 2). The CIO account funds the U.S. assessed dues to 47 international organizations, including the UN. Prior to 2008, assessed contributions to the UN, autonomous UN agencies and peacekeeping funding were provided in the State, Justice, Commerce, and Judiciary Appropriation bill. In 2008, however, the State, Justice, Commerce, and Judiciary Appropriation bill was separated into two appropriation bills, a Commerce, Justice, and Science Appropriation bill and a State and Foreign Operations Appropriation Bill. Funding for the UN was included in the State and Foreign Operations Appropriation legislation (Senate Committee on Appropriations, 2008). Included in the State, Justice, Commerce, and Judiciary Appropriation bills, and subsequent State and Foreign Operations Appropriation bills, are assessed dues to the UN and UN affiliated agencies, peacekeeping funding and foreign aid.

Assessed UN dues and peacekeeping funding are authorized through the Foreign Relations Authorization Act. Included in this act is the State Department Authorization Act. The House Committee on International Relations and the Senate Committee on Foreign Relations have jurisdiction over this legislation, which includes the majority of UN funding.

The UN receives funds from the U.S. designated for foreign aid. The five major categories of foreign assistance are: bilateral development aid, economic assistance supporting U.S. political and security goals, humanitarian aid, multilateral economic contributions, and military aid (Tarnoff and Nowels, 2005, 1). The Foreign Operations budget contains the majority of U.S. foreign assistance programs, both bilateral and multilateral. A portion of humanitarian aid and multilateral economic contributions go to UN affiliated organizations (Tarnoff and Nowels, 2005, 6–7). The annual State and Foreign Operations Appropriations bill funds the majority of U.S. assistance programs, which are overwhelmingly managed by USAID and the State Department (Veillette & Epstein, 2007, 12). The majority of humanitarian aid goes to refugee programs

administered by the State Department, such as the UN High Commission for Refugees. Multilateral assistance funds activities implemented by international organizations, including UNICEF and the UNDP (Tarnoff and Nowels, 2005, 6–7).

The House International Relations and Senate Foreign Relations Committees have the main congressional responsibility for authorizing UN foreign aid programs. The House and Senate Appropriations Foreign Operations Subcommittees handle bills appropriating most foreign assistance funds, including funds designated to UN affiliated agencies (Tarnoff and Nowels, 2005, 1). Food assistance is appropriated by the Agriculture Subcommittees (Tarnoff and Nowels, 2005, 29). The Senate Subcommittee on Labor, Health and Human Services, Committee on Appropriations, provides funds for global health programs, some of which are affiliated with the UN, such as the UN Population Fund (UNFPA) (Senate Committee on Appropriations, 2008).

Congress has not enacted a major foreign assistance authorization measure since 1985. Congress has instead authorized foreign assistance initiatives for specific regions or aid sectors. As a consequence, appropriation bills have played a large role in influencing U.S. foreign aid policy. The Foreign Operations spending bill sets spending levels each year for nearly ever foreign assistance account and also incorporates new policy measures that would normally be enacted as part of authorizing legislation (Tarnoff and Nowels, 2005, 29–30).

The congressional Budget Committees, in setting overall spending levels for broad U.S. government activities, including international affairs, also has an important role, but their interest is more focused on domestic economic conditions than on the UN. The 1997 Budget Resolution, for example, provided for payment of arrears to the UN agencies at the level requested by the Administration. The resolution left the decisions about the amount and conditions of repayment, however, to the authorizing and appropriating committees (Bite, 1998, 11).

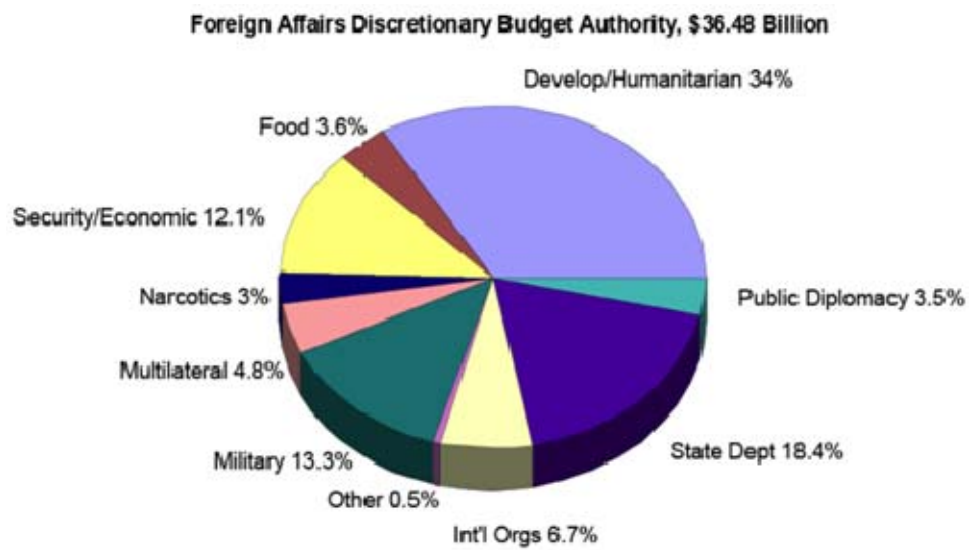


Figure 11. Composition of Foreign Affairs Budget, FY 2008, From Veillette and Epstein, State FY 2008 Appropriations

Fiscal Year	Function 150 Current \$s	Function 150 Constant FY2006 \$s
1977	9.318	27.414
1978	10.780	29.807
1979	14.504	36.964
1980	11.619	26.835
1981	12.235	25.597
1982	14.383	28.184
1983	16.396	30.690
1984	18.294	32.882
1985	22.374	38.957
1986	20.279	34.357
1987	18.800	30.822
1988	18.079	28.596
1989	18.537	28.207
1990	20.027	29.460
1991	21.321	30.092
1992	20.927	28.514
1993	21.194	28.091
1994	20.854	27.097
1995	20.166	25.560
1996	18.237	22.658
1997	18.333	22.352
1998	19.289	23.300
1999	23.824	28.377
2000	23.871	27.748
2001	24.660	28.023
2002	25.685	28.727
2003	34.141	37.414
2004	50.312	53.832
2005	35.663	36.843
2006 (est)	36.961	36.961

Table 8. International Affairs Discretionary Budget Authority, \$ in billions, From Nowels

The costs of membership in the UN and other international organizations, and assessed contributions to UN peacekeeping operations, are part of the State Department and Public Diplomacy section of the budget. Also included in this section are the

construction, maintenance, and security of American embassies around the world. Table 9 shows how the State Department and Public Diplomacy Budget Authority has grown from 1977 to 2006.

Fiscal Year	State/Public Diplomacy Current \$s	State/Public Diplomacy Constant FY2006 \$s
1977	1.443	4.245
1978	1.679	4.642
1979	1.810	4.613
1980	1.842	4.254
1981	2.018	4.222
1982	2.273	4.454
1983	2.513	4.704
1984	2.816	5.062
1985	3.443	5.995
1986	3.957	6.704
1987	3.610	5.919
1988	3.682	5.824
1989	3.898	5.931
1990	4.243	6.242
1991	4.478	6.320
1992	5.354	7.295
1993	5.547	7.352
1994	6.111	7.940
1995	5.482	6.948
1996	5.070	6.299
1997	5.189	6.327
1998	5.364	6.479
1999	7.509	8.944
2000	6.700	7.788
2001	7.651	8.694
2002	8.862	9.912
2003	8.709	9.544
2004	10.350	11.074
2005	11.615	12.014
2006 (est)	12.202	12.202

Table 9. State Department and Public Diplomacy Budget Authority, \$ in billions, from Nowels, 2006

1. Sources of UN Contributions

A request was made in 2006 to OMB for the total U.S. contributions to the UN by Tom Coburn, the Chairman of the Subcommittee on Federal Financial Management, Government Information, and International Security (OMB, 2006). In response to Senator Coburn's request, OMB sent requests to all federal agencies for any contributions they made to the UN. OMB compiled and published all the U.S. government agency responses. Table 7 lists the various U.S. Departments that made contributions to the UN from FY 2001 to FY 2005. The Department of State is by far the largest contributor to the UN compared to all the other Departments, contributing over 96 percent of the U.S. total contribution in FY 2005 (OMB, 2006).

The amounts the departments contributed to the UN sometimes varied significantly from year to year. For example, the Foreign Agricultural Service contributed over \$746 million to the World Food Program in FY 2001, but only \$54 million in FY 2005 for humanitarian assistance and school feeding through the Department of Agriculture (OMB, 2006, 2). Some of the larger contributions from the Departments include:

- The main contributor through the Department of Commerce was the National Oceanic and Atmospheric Administration (NOAA), which gave around \$500,000 to the Intergovernmental Oceanographic Commission in FY 2005 to support the Global Ocean Observing System (OMB, 2006, 5).
- The largest UN contributor for FY 2001 to FY 2005 from the Department of Defense was the Air Force, which gave \$48 million in FY 2002 to the UN Office of the Coordinator of Humanitarian Affairs for Bosnia–Herzegovina (OMB, 2006, 8).
- The Department of Energy gave most of its UN funding to the International Atomic Energy Agency to prevent the proliferation of Nuclear Materials, giving over \$2.4 million in FY 2005 (OMB, 2006, 10).
- The Department of Homeland Security's \$33,000 went to the UN multinational force UN Stabilization Mission in Haiti, MINUSTAH, for a Coast Guard Liaison Staff Officer (OMB, 2006, 11).
- The U.S. Marshals Service gave \$282,000 in FY 2005 to the UN General Assembly through the Department of Justice for salary and benefits of deputy U.S. Marshals on security details (OMB, 2006, 15).

- The Bureau of International Labor Affairs, part of the Department of Labor, gave over \$80 million in FY 2005 to the International Program on the Elimination of Child Labor for the elimination of the worst forms of child labor (OMB, 2006, 16).
- The Department of Transportation gave \$50,000 to the World Health Organization to develop a report on road traffic injury prevention (OMB, 2006, 52).
- The U.S. Treasury Department's Foreign Operations account contributed over \$14 million between FY 2003–FY 2005 to the International Fund for Agricultural Development for development assistance (OMB, 2006, 53).
- The UN Environment Program, part of the Environmental Protection Agency, contributed close to \$10 million to the Multilateral Fund under the Montreal Protocol to help eliminate ozone depleting substances (OMB, 2006, 55).
- The National Aeronautics and Space Administration gave \$600,000 to the Intergovernmental Panel on Climate Change for climate science assessment (OMB, 2006, 57).
- The National Science Foundation gave the bulk of its contribution, around \$360,000, to UNESCO for various conference support (OMB, 2006, 58).
- Other organizations that gave to the UN included the Inter-American Foundation and U.S. Postal Service, giving \$160,000 to the International Labour Organization and \$183,000 to the Postal Union for the Americas, Spain, and Portugal, respectively, in FY 2005 (OMB, 2006, 60).

Contributing Bureau / Account	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Department of Agriculture	747,319	341,937	122,096	29,139	55,824
Department of Commerce	1,005	1,492	1,707	1,494	1,971
Department of Defense	65,016	73,918	25,916	19,826	11,708
Department of Energy	0	4,763	4,611	6,572	2,613
Department of Homeland Security	0	0	0	33	133
Department of Interior	255	649	816	726	672
Department of Justice	0	279	134	210	282
Department of Labor	118,800	112,868	108,357	98,930	81,217
Department of State and Other International Programs	2,228,265	3,362,673	3,544,914	3,923,516	5,139,721
Department of Transportation	0	0	50	0	0
Department of Treasury	4,989	20,000	14,906	14,916	14,880
Environmental Protection Agency	17,061	15,785	16,611	18,388	16,817
National Aeronautics and Space Administration	150	150	640	650	600
National Science Foundation	120	120	227	575	495
Other Organizations	186	180	340	180	343
Total	3,183,166	3,934,814	3,841,323	4,115,155	5,327,276

Table 10. U.S. Contributions to the United Nations System, \$ Obligations in thousands, OMB, From Report on U.S. Contributions.

As the largest contributor to the UN among the various departments, the Department of State and USAID's total UN contribution were \$5.139 billion in FY 2005, with USAID's portion being \$1.991 billion. Among the largest USAID contribution was to the World Food Program, which received \$995 million for food aid, while UNICEF received \$400 million for polio immunization, and the Joint UN Program on HIV/AIDS received \$27 million (OMB, 2006, 27).

Some of the State Department's larger contributions included:

- UN Drug Control Program receiving over \$10 million to combat illegal drugs in FY 2004.
- International Atomic Energy Agency received over \$52 million for nuclear energy, safety, and security in FY 2004.
- UN Fund for Montreal Protocol was given \$18 million for environmental conservation in FY 2005.
- UN Children's Fund received \$124 million in FY 2005 from the State Department for child health and education.
- UN Development Program received \$96 million for humanitarian assistance (OMB, 2006, 18–19).

Three of the most expensive peacekeeping assessments in FY 2005 were the UN mission to Liberia, with a \$312 million contribution, the UN Operations in the Democratic Republic of Congo with a \$284 million contribution, and the UN Stabilization in Haiti with a \$192 million contribution (OMB, 2006, 21).

Payments for the portion of the assessed budget included, in FY 2005, \$362 million for the UN regular budget, \$96 million to the World Health Organization, \$89 million to the IAEA, \$71 million to the Food and Agriculture Organization, and \$65 million to the International Labor Organization. \$351 million was contributed to the UN High Commissioner for Refugees for humanitarian assistance, and \$108 million was given to the UN Relief and Works Agency for Palestine Refugees in the Near East, also for humanitarian purposes (OMB, 2006, 22–23). Table 11 lists the State Department's UN contributions to the UN and various UN agencies for FY 2007 and 2008, and the request for FY 2009. Table 12 shows the U.S. assessment levels for various UN agencies from 2005 to 2008.

Activities	FY 2007 Actual	FY 2008 Estimate	FY 2009 Request	Increase/ Decrease
United Nations and Affiliated Agencies				
United Nations Regular Budget	422,699	495,704	452,560	(43,144)
United Nations Capital Master Plan	22,110	85,435	75,535	(9,900)
United Nations War Crimes Tribunal -Yugoslavia	17,476	19,860	21,571	1,711
United Nations War Crimes Tribunal - Rwanda	15,080	15,443	14,967	(476)
Food and Agriculture Organization	93,382	98,713	113,345	14,632
International Atomic Energy Agency	84,753	96,476	101,784	5,308
International Civil Aviation Organization	15,149	16,872	18,530	1,658
International Labor Organization	67,743	72,368	77,166	4,798
International Maritime Organization	1,630	1,574	1,641	67
International Telecommunication Union	8,083	8,457	8,428	(29)
UN Educational, Scientific and Cultural Organization	73,479	77,285	80,184	2,899
Universal Postal Union	1,736	1,815	1,862	47
World Health Organization	101,421	101,421	106,573	5,152
World Intellectual Property Organization	944	1,010	1,006	(4)
World Meteorological Organization	11,236	12,083	11,938	(145)
Subtotal, United Nations and Affiliated Agencies	936,921	1,104,516	1,087,090	(17,426)

Table 11. U.S. Department of State UN contributions, \$ in thousands, From 2009 State Budget

Agency	CY2005	CY2006	CY2007	CY2008
International Labor Organization (ILO)	22 %	22 %	22 %	22 %
Food and Agriculture Organization of the United Nations (FAO)	22 %	22 %	22 %	22 %
U.N. Educational, Scientific, and Cultural Organization (UNESCO)	22 %	22 %	22 %	22 %
International Civil Aviation Organization (ICAO)	25 %	25 %	25 %	25 %
World Health Organization (WHO)	22 %	22 %	22 %	22 %
Universal Postal Union (UPU)	5.69 %	5.69 %	5.69 %	5.87 %
International Telecommunication Union (ITU)	8.88 %	8.759 %	8.809 %	8.759 %
World Meteorological Organization (WMO)	21.64 %	21.64 %	21.64 %	21.64 %
International Maritime Organization (IMO)	3.48 %	3.44 %	3.4 %	3.24 %
World Intellectual Property Organization (WIPO)	6.6 %	6.59 %	6.608 %	6.608 %
International Atomic Energy Agency (IAEA)	25.88 %	25.95 %	25.95 %	25.72 %

Table 12. U.S. Assessment Levels: UN Specialized Agencies and IAEA, From Browne and Nakamura

2. Voluntary Contributions

Each year the U.S. provides a large amount in voluntary contributions to the UN and UN-affiliated organizations and activities, mainly for humanitarian and development programs. In 2004, the U.S. contributed 48 percent of the World Food Program budget, helping to feed 104 million people in 81 countries; 17 percent of UNICEF to feed and educate children in 157 countries; and 31 percent of the UN High Commissioner for Refugees budget to safeguard the rights of 19 million refugees in 116 countries (U.S. Department of State, Bureau of Public Affairs, 2005). Table 13 gives the U.S. voluntary contributions to UN programs from 2004 to 2006, with the requested amounts for 2007 and 2008.

	FY2004 Actual	FY2005 Actual	FY2006 Actual	FY2007 Request ^a	FY2008 Request
U.N. Development Program (UNDP)	101.398	108.128	108.900	94.500	75.300
U.N. Children's Fund (UNICEF)	119.292	124.000	125.730	123.000	123.000
U.N. Development Fund for Women (UNIFEM)	0.994	1.984	3.218	0.950	0.950
UNIFEM Trust Fund	—	0.992	1.485	—	—
UNESCO Intl. Contributions for Scientific, Educational, & Cultural Activities	1.889	0.837	0.990	1.000	1.000
WMO Voluntary Coop. Program	1.988	1.984	1.881	1.900	1.900
U.N. Environment Program (UNEP)	10.935	10.912	10.159	9.524	9.524
Montreal Protocol Multilateral Fund	20.876	21.328	21.285	19.000	19.000
International Conservation Programs ^b (CITES, ITO, IUCN, Ramsar, CCD)	6.362	6.349	5.890	5.906	5.906
U.N. [Voluntary] Fund for Victims of Torture	5.468	6.944	6.517	4.750	4.750
Climate Change Fund for IPCC and UNFCCC	5.567	5.952	5.940	5.320	5.320
ICAO Aviation Security Fund	0.994	0.992	0.941	0.950	0.950
U.N. Voluntary Fund for Advisory Services & Technical Cooperation	1.491	1.488	1.485	1.425	1.425
IAEA Voluntary Programs ^c	52.687	52.576	49.500	50.000	50.000
U.N. Center for Human Settlements (UN-HABITAT)	0.746	0.149	0.149	0.400	1.000
IMO Maritime Security Programs	—	0.099	0.396	0.400	0.400
U.N. International Democracy Fund ^d (UNIDF) now U.N. Democracy Fund (UNDEF)	—	[10.000]	10.000	10.000	14.000
U.N. Office of the Coordinator for Humanitarian Affairs (UN OCHA)	—	—	0.805	1.000	2.000
Total	355.540	344.714	367.546	330.025	316.425

Table 13. U.S. Voluntary Contributions to UN Programs, \$ in millions, from Browne and Nakamura, 2008

3. Withholding and Reform Efforts

The Senate Foreign Relations Committee has held numerous hearings on the UN. On July 21, 2005, the Committee held a hearing on UN reform. Richard G. Lugar, then chairman, was a cosponsor of a S. 1383 bill on UN management personnel and policy reform. Sen. Lugar said that this legislation:

provides President Bush with the flexibility and tools he needs to achieve the objective of a reformed UN. Should the President believe that, in spite of his best efforts, the other member states of the UN do not share our conviction regarding these reforms, our bill grants him authority to withhold up to 50 percent of our UN dues until such time as reform has taken hold. On the other side of the equation, some Senators may oppose the Coleman–Lugar bill because it does allow the President to cut U.S. contributions to the UN by up to 50 percent. Senators may contend that the U.S. contributions should be predictable and off the table in negotiations on reform. But the UN reform is urgent and is not likely to happen if Presidential initiatives are backed up by a full range of options, including withholding funds. (United Nations Reform Hearing, 2005, 2)

Though his views were not shared by all members of Congress, Sen. Lugar was clearly a proponent of withholding funds to enact reform, which is a tool Congress has used for this purpose in the past.

In a briefing and hearing on reforming the UN before the House International Relations Committee on May 19, 2005, Representative Tom Lantos expressed the frustration many congressional members felt over the inability of the U.S. to influence the UN, despite its role as the largest contributor. Rep. Lantos asked Mr. Mark Mallock Brown, former Chief of Staff to the UN Secretary General Kofi Annan:

to what extent Secretary General Annan and you and your team have focused on the inherent structural problem of the UN wherein tiny destitute dictatorships have the same vote in the General Assembly that the United Kingdom or the U.S. have. It has created over the years an untold series of problems, making the UN irrelevant in the eyes of many, a worthless debating society. ...we constantly see attempts to equate the General Assembly to a parliamentary body. Well, it clearly is not a parliamentary body. A tiny dictatorship, destitute in its economy, is not the equivalent of the U.S. of America in either voting strength or the weight that its views ought to carry. (Reforming the United Nations Hearing, 2005, 79)

Testifying at this same hearing, Mr. Brown shed some light on the struggle that occurs in the UN and why reform efforts face difficulties. According to Mr. Brown,

At the moment, we have the very powerful but very exclusive Security Council and the relatively unpowerful but very noisy General Assembly. It is not a terribly functional arrangement. It is a club of the included and the excluded in terms of the culture of the UN. Those who are in the General Assembly, for from feeling it to be very powerful, are frustrated by its lack of relevance to real decisions. (Reforming the United Nations Hearing, 2005, 79)

Representative Grace Napolitano stated that some of the Members of Congress would like to force the UN to agree to remove programs that they do not see as part of the organization's core mission out of the portion of the UN budget that is assessed as dues. This would theoretically free up a large portion of the U.S. contribution to be redirected toward U.S. policy priorities. She asked how realistic this idea was and would a threat by the U.S. to withhold a portion of our dues be likely to leverage this change in the budgeting process (Reforming the United Nations Hearing, 2005, 94). Mr. Brown responded to the difficulty of redirecting money, and also cautioned against withholding dues:

On the first point, the Secretary General also has proposed that there be a sunset of old programs which are no longer high priority. One has to, however, be aware that a lot of the programs all of us in this room do not like are relatively cheap, whereas the programs we want to build up, like peacekeeping, are very expensive. The non-peacekeeping budget of the UN is \$2 billion a year. The peacekeeping budget is \$4 billion. So you would have to make a lot of savings in the first to provide more money for the second. Similarly, UNDP, which you all like, or I hope like, is \$4 billion a year. So the good things are more expensive than the bad things, which makes the complete trade off of old priorities for new ones not dollar neutral. The second issue, I would just say, on the withholding is, you know, we feel very strongly that your reform ideas, what we know of them, are very good, very strong and very consistent with what other reforming countries want at the UN and that you need to work with them to achieve them. And that the option of withholding immediately separates you from your allies, because it is seen as America acting alone rather than in partnership with reform-minded allies. (Reforming the United Nations Hearing, 2005, 95)

The idea that withholding dues would further alienate the U.S. from other UN members is a common argument against using withholding as a tool to effect UN reform. The U.S. Ambassador to the UN for Management and Reform, Richard Sklar, stated before Congress that there is a great fear among UN members that the current reform efforts are part of a U.S. attempt to downsize the UN and decrease the power and influence of the General Assembly (Bite, 2001, 13).

Representative Dana Rohrabacher felt that withholding funds had been successful in the past, and asked Timothy Wirth, President of the UN Foundation the following:

Isn't being unwilling to withhold funds to the UN not just giving away all the leverage you have with someone who will not act? I mean, do people not act when you have leverage? Did we not bring about UNESCO's reform by withholding our funds from UNESCO for a number of years? (Reforming the United Nations Hearing, 2005, 95)

Mr. Wirth did not seem to agree with Representative Rohrabacher and responded that the U.S. should pay its dues on time:

UNESCO was a very specific and targeted effort. I think the lesson overall is a more profound one and a more complicated one. If we look at the time when we withheld funds before, Congressman, in the 1990s, and we would say the withholding of funds accomplished certain goals. Well, actually, it made it much harder for the U.S. to reach its broader goal, which was a reduction in our dues, which as a reduction in our share of peacekeeping. That was the central set of issues that we were trying to pursue at that time. It was very, very hard to get done because other countries were looking at us and saying, "Hey, you are the biggest scofflaw in the world. You owe more than \$1 billion dues." You have peacekeeping well over \$1 billion in arrears and it was extremely difficult. It took the jujitsu of Helms-Biden and then just endless amounts of diplomacy at the UN to bring people on board and then finally to bridge this gap. Now that is not a very sound way of doing business. It is a much sounder way of doing business, let us pay our dues in full, let us pay them on time. Let us be a good, upstanding citizen and with our own backyard cleaned up, then let us go and try to help the UN make the changes that ought to be made. (Reforming the United Nations Hearing, 2005, 172)

Overdue U.S. payments have been the subject of political disputes on multiple occasions (Mufson and Sipress, August 16, 2001). Representative Rohrabacher was referring to events in 1994 when Congress used the power of the purse to influence UN

policy. Congress withheld 10 percent of U.S. contributions to the UN regular budget in FY 1994 until the Secretary of State certified that the UN had appointed an independent inspector general. On July 29, 1994, the General Assembly created the OIOS (Bite, 2001, 4).

More examples of withholding, this time due to poor performance at peacekeeping, took place in 1999 and 2000. Chris Smith, a Republican representative from New Jersey, and Chairman of the Subcommittee on International Operations and Human Rights of the House Foreign Affairs Committee, said in 1999 that the U.S. Congress was upset at the expensive and unsuccessful UN operation in Bosnia, and refused to pay a \$504 million supplemental bill for the operation. The U.S., Smith argued, paid even more for a NATO force that did the job the UN failed to do, showing it was the principle, not the money that was important (Smith, November 3, 1999).

Congress used the threat of withholding payment again in 2001 for another issue. Conservative lawmakers threatened to stall the \$582 million payment for back dues unless Congress approved the American Service Members' Protection Act (ASMP). This legislation was designed to exclude U.S. personnel from the International Criminal Court (ICC), a tribunal being established in The Hague to handle war crimes, genocide, and crimes against humanity. The ASMP Act was attached to the House version of a State Department authorization bill that included UN money, and would cut off U.S. military assistance to any non-NATO country that ratified the ICC treaty. It would also have excluded U.S. troops from being a part of any UN peacekeeping force unless the UN Security Council gave American soldiers immunity from ICC jurisdiction (Mufson and Sipress, August 16, 2001).

The administration wanted a Senate bill that would separate the UN debt from the State Department authorization, but some House members opposed that suggestion, including Speaker J. Dennis Hastert, International Relations Committee Chairman Henry Hyde and Majority Whip Tom DeLay.

While Congress has stressed the need for UN reform, certain members have defended the UN and acknowledged the service it provides. In a hearing on the future of the UN in 2007, Tom Lantos, Chairman of the House of Representatives Committee on Foreign Affairs, said that the UN plays a vital role:

[w]e now have two ways to proceed in New York: Write the UN off as a lost cause, or ratchet up our diplomacy to bring about much-needed reforms. And the choice is simple. As tempting as some might find it to contemplate, we cannot abandon the UN. The UN provides vital support to core U.S. foreign policy initiatives in Iraq, Iran, Afghanistan, North Korea, Sudan and a dozen other places. It manages response to transnational threats such as AIDS, avian flu, famine and refugee crisis that no nation, not even one as powerful as the U.S., can tackle alone....It is tempting to avoid the messy and tedious, behind-the-scenes work so essential to the UN's efficient operation. It is tempting to threaten to cut off a share of our UN dues until the management in Turtle Bay and each and every one of the 191 other states does exactly what we tell them to do. But this approach is wrong-headed. Instead of playing to the crowd, we need to ratchet up a level of diplomacy there. (Future of the UN Hearing, 2007, 1-2)

Representative Bill Delahunt added that having the UN also saves the U.S. money it would have to spend if it were to go it alone. He stated that, according to a GAO report, if the U.S. replaced the current UN peacekeeping mission in Haiti with a U.S. force, it would cost the American taxpayers eight times as much as it costs the UN to do the job (Future of the UN Hearing, 2007, 5).

John Bolton, former U.S. Permanent Representative to the UN, is in favor of more voluntary funding of the UN to achieve reform. He quoted Catherine Bertini, who served as Executive Director of the World Food Programme:

Voluntary funding creates an entirely different atmosphere at the World Food Programme than at the UN. The World Food Programme, every staff member knows that we have to be as efficient, accountable, transparent and results-oriented as possible. If we are not, donor governments can take their funding elsewhere in a very competitive world among UN agencies, NGOs and bilateral governments. (Future of the UN Hearing, 2007, 25)

Bolton said that after two years of intense effort to bring about reform at the UN, there is precious little to show for it. He noted that the Fifth Committee of the General Assembly voted against Secretary Annan's system reforms by a vote of 108–50–3. The fifty countries that supported reform contribute around 90 percent of the assessed contributions to the UN, while the over 100 against the reform proposals contribute around 10 percent (Future of the UN Hearing, 2007, 27).

The UN is one of many competitors in a marketplace of global problem solving. That realization should be an incentive to reform, Ambassador Bolton said a few years earlier. One alternative is for regional organizations to play a role. The U.S. pays 22 percent of the UN regular budget, yet has only one vote out of 191 cast, meaning that the U.S., with one half of one percent of the total votes, pays 44 times more than its voting power (Pianin and Harris, November 15, 2005).

Senator Tim Wirth, director of the UN Foundation, the leading NGO supporting a revitalized UN, noted at a hearing that U.S. actions with respect to peacekeeping do not seem to align with what it is saying:

We are currently withholding on peacekeeping by ourselves. We dropped out assessment on peacekeeping from 31 percent down to 27 percent, but the Congress has put a lid of 25 percent on peacekeeping despite the fact that the U.S. votes for all of these peacekeeping expeditions. So we say we are going to support all these, but, by the way, we are not going to put our money where our votes are, in support of these peacekeeping efforts...makes the UN less and less capable of carrying this peacekeeping out, and is extremely dysfunctional and the 25 percent cap should be gotten rid of. (Future of the UN Hearing, 2007, 33)

During a Hearing before the House International Relations Committee on improving internal oversight within the UN in 2006, Chairman Henry Hyde quoted a GAO report:

UN funds are unnecessarily vulnerable to waste, fraud, and abuse because the UN lacks an effective organizational structure for managing procurement, has not demonstrated a commitment to a professional procurement workforce, and has failed to adopt specific guarantees for procurement officials. (UN Reform Internal Oversight Hearing, 2006, 2)

Representative Hyde also quoted an OIOS report that said “despite numerous recommendations by OIOS in past audit reports; management has failed to establish accountability where irregularities occurred” (UN Reform Internal Oversight Hearing, 2006, 2).

Representative Eni Faleomavaega, a member of the committee, commented on the corruption within the UN and the need for the U.S. to address it:

Unfortunately, the millions in United Nations funds that were apparently stolen by Mr. Yakovlev, an employee of the United Nations procurement office, and his cronies in the service of the most base form of personal greed, have unfairly cast a black cloud over thousands of hard-working UN employees. Many of these international civil servants selflessly sacrifice comfort and safety to advance humanitarian interests and security in all of the world’s hot spots. It is absolutely critical to the U.S. and global interests that critical controls be established so that the black cloud that is hanging over the UN can be lifted and confidence in the UN and its thousands of hard-working officers can be restored. (UN Reform Internal Oversight Hearing, 2006, 3)

David M. Walker, then Comptroller General, commented on the abuse in the UN, particularly with respect to the OIOS at the hearing:

The UN is vulnerable to fraud, waste, abuse, and mismanagement due to a range of weaknesses in existing management and oversight practices. In particular, current funding arrangements adversely affect OIOS’s budgetary independence and serve to compromise its ability to investigate high-risk areas. OIOS’s independence is impaired for two primary reasons. First, while OIOS is funded by the UN’s regular budget and 12 other extra-budgetary revenue streams, UN financial regulations and rules severely limit OIOS’s ability to respond to changing circumstances and to reallocate resources among revenue streams, locations, and operating divisions. As a result, OIOS cannot always deploy the resources necessary to address current and emerging high-risk areas that may emerge after its budget is approved. Secondly, OIOS is dependent upon UN funds and programs for resources for the services that it provides. OIOS must obtain permission to perform audits or investigations from managers of funds and programs, and they must negotiate the terms of work and payments for those services that are provided. Moreover, these entities have the right to deny funding for the work that OIOS proposes. By denying OIOS funding, UN entities can avoid any oversight by OIOS and high-risk areas can be excluded from timely examination. (UN Reform Internal Oversight Hearing, 2006, 8–9)

GAO found that in late 2007 some member states had still not yet agreed on whether to grant OIOS financial and operational independence (GAO, Progress on Management Reform, 2007, 6).

Representative Henry Hyde, then Chairman of the Committee, was a strong proponent of withholding of UN funds, saying “there will be no reform at the UN of the slightest kind even if it involves accounting for paper clips until funding is withheld from the UN as a penalty for failing to adopt reform.” (UN Reform Internal Oversight Hearing, 2006, 33).

Senator Lugar, then Chairman of the Senate Foreign Relations Committee, said at a Hearing on UN reform in 2006 that while progress had been made, there was still some reform to take place at the UN:

I wrote to Secretary General Kofi Annan advocating the resolute and timely implementation of 10 reforms that would go far to build confidence in the United Nations. These 10 reforms do not conflict with the U.N. Charter or its mission. They would improve management practices and morale. They would enhance the U.N.’s global standing. Several of the 10 reforms have already been initiated, including the funding of an ethics office that will enforce lower gift limits, the establishment of a zero-tolerance policy regarding sexual exploitation by U.N. personnel, the strengthening of the Office of Internal Oversight Services, the launching of a review of U.N. mandates that are more than 5 years old, and the creation of a whistleblower protection policy. A number of the reforms, however, are still being discussed, including an overhaul of the U.N. procurement system to prevent bribes and kickbacks, the establishment of an oversight body that will be able to review the results of investigations, a one-time staff buyout to allow for a more efficient use of personnel, and improvements in external access to all U.N. documents. The adoption of these reforms would not end the reform debate, nor should it. Reform cannot be treated like a one-time event. Rather, it should be an inherent part of the U.N. operating culture. (A Status Report on UN Reform Hearing, 2006, 2)

Senator Norm Coleman expressed frustration the same Hearing at the pace of UN reform:

We fund the voluntary budget, and we are not talking about \$430 million, we are talking over \$3 billion of U.S. taxpayer money that goes to the United Nations. The sense I have among my colleagues is we really want

to see reform. We are not going to continue throwing money at an organization if, in fact, it is not credible, it is not transparent, it has not dealt with the corruption. (A Status Report on UN Reform Hearing, 2006, 23)

Ambassador Bolton's response to a question on withholding U.S. funding from the regular UN assessed budget as a means of promoting UN reform efforts showed that while he thought the UN had much reform still to do, withholding dues would not be a good idea at this time:

We do not believe that this is the appropriate time to withhold dues from the UN. Although much work remains to be done, we have made some progress on reform. The U.S. is still actively negotiating many additional reforms proposed by the Secretary General, though we must acknowledge it will be an uphill battle. Although far more progress is needed, the General Assembly has now enacted some important steps: Establishment of an Ethics Office; strengthened financial disclosure requirements; increased protection from retaliation for reporting misconduct; increased resources for oversight; a commitment to modernize the information technology infrastructure; some limited authority for the Secretary General to redeploy staff and resources; improved financial management practices; and adoption of the International Public Sector Accounting Standards." (A Status Report on UN Reform Hearing, 2006, 51–52)

Actions by Congress in 2001 show that it was willing to use U.S. payments to the UN as leverage to get what it wants, but also that it will give the UN credit when they do make progress with reform. The House reluctantly agreed to authorize the installments due for 2001 on U.S. debts to the United Nations. The House did, however, vote 252–165 on May 10, 2001 to block the final payment due in October 2002 unless the U.S. gets its Human Rights Commission seat. House members voted 193–225 to reject an amendment that would have removed the \$67 million for the U.S. to rejoin the United Nations Educational Scientific, and Cultural Organization (UNESCO). The Reagan administration pulled the U.S. out of UNESCO in 1984 because it thought it was poorly managed and biased against Western institutions and Israel. The organization has improved according to critics, including Senator Jesse Helms, the Foreign Relations Chairman, who was one of the UN's staunchest critics. Then acting U.S. UN Representative James Cunningham ascribed the UN vote on the Human Rights

Commission seat to an increasing perception among some countries that the U.S. wants to take more unilateral action on arms control and environmental issues instead of using multilateral cooperation (CQ Weekly, May 12, 2001).

In May 2001, the Bush Administration urged lawmakers to not withhold dues from the UN in response to the lost U.S. seat on the human rights panel, saying it could undo a deal struck last year to settle U.S. debts to the UN. “I think it would be absurd to expect Congress to merely absorb without reaction this outrageous and unwarranted act,” said Rep. Tom Lantos (Pisik, 2005). “This will teach irresponsible members a lesson, that actions mean consequences,” he added (Pisik, 2005). Lantos joined Rep. Henry Hyde, chairman of the International Relations Committee, in amending the State Department’s annual budget reauthorization bill to halt the \$244 million payment in 2002 (Pisik, 2005).

a. United Institute of Peace Report

In December 2004, the U.S. Congress, at the behest of Representative Frank Wolf, chairman of the House Subcommittee on Appropriations for Commerce, Justice, and State, mandated the establishment of a bipartisan Task Force on the United Nations. The legislation stipulated that the Task Force, to be organized by the United States Institute of Peace (USIP), should report to Congress within six months with its conclusions and recommendations on how to make the United Nations more effective in realizing the goals of its Charter (USIP, 2005).

George Mitchell, Cochairman of the task force, noted that it undertook this effort at a time of growing consensus on the imperative for reform at the UN, and in light of the Secretary General report, entitled *In Larger Freedom*, that covered UN reform efforts. The task force found that management systems common in other public and private institutions were lacking in a number of UN agencies and bodies that were reviewed (United Nations Reform Hearing, 2005, 6). Newt Gingrich, Co-Chairman of task force, had this advice for Congress on the appropriateness of withholding dues and the U.S. desires for UN reform:

I do think there is a middle ground between compulsory withholding of the U.S. dues and automatically accepting whatever happens in New York or Geneva, and I would commend this committee, as you've already begun with the Lugar-Coleman bill, to look for common ground which, frankly, should be one I would hope that would make the executive branch a little uncomfortable by requiring a level of annual reporting and a level of certification in order to get the money. And I would also remind the executive branch that the Congress always has the legitimate right, every year, to reconsider appropriate appropriation levels. And I say that because I think the UN bureaucracy and the 120-some countries who collectively pay less than 1 percent of all UN dues have to be reminded that a free people do reserve some standards to set on whether or not reforms have occurred. (United Nations Reform Hearing, 2005, 11)

Gingrich also said in his prepared statement that Congress can be a significant force in UN reform:

Congress needs to get its act together for UN reform to happen. When the Congress of the U.S., which has the power of the purse, the power of law, and the power of investigation, takes UN reform seriously and sticks to it year after year, it will surely have a significant impact. (United Nations Reform Hearing, 2005, 20)

Senator Mitchell was not in favor of withholding of UN dues. Mitchell said:

[T]here is obviously an inevitable tension between the legislature and executive branches that was intended by the Framers as a way of distributing power. I think that it is possible to achieve a constructive tension, preserving an important role for the legislative branch while not tying the hands of a President and Secretary of State. And I believe that the mandatory withholding would effectively tie a President's hands in a way that would be counterproductive for U.S. policy. (United Nations Reform Hearing, 2005, 28)

R. Nicholas Burns, Under Secretary of State for Political Affairs, said at the same hearing that a lot of diplomatic time was being spent on suggestions for Security Council reform.

Germany, Brazil, Japan, and India have a proposal that the four of them should come onto the Security Council as permanent members. And we've had to, very reluctantly, say that we would vote against that proposal. So we've taken the tactic of standing back and saying, "The Security Council is actually one of the strongest features of the UN. It's

not most badly in need of reform. What needs reform is the management, budget, human rights, peacekeeping. And so we prefer to see all of these reforms pushed forward, and then we'll be happy to look at Security Council reform. (United Nations Reform Hearing, 2005, 64)

As was seen earlier, this illustrates the tension in the UN between those countries that are part of the Security Council, and those members of the General Assembly who feel the Council has too much power.

b. Restrictions Related to Peacekeeping

Congress frequently restricts the use of funds it provides to the UN. In Conference Report 105–825, Congress said that \$100 million may be made available on a semi-annual basis to the UN. The Secretary of State had to certify, however, that the UN took no action during the past six months to increase funding for any UN program without first identifying an offsetting decrease elsewhere in the UN budget. The committee further authorized \$231 million for international peacekeeping expenses, provided that none of the funds

shall be obligated or expended for any new or expanded UN peacekeeping mission unless, at least 15 days in advance of voting for the new or expanded mission in the UN Security Council: (1) the Committees on Appropriations or the House of Representatives and the Senate and other appropriate committees of the Congress are notified of the estimated cost and length of the mission, the vital national interest that will be served, and the planned exit strategy; and (2) a reprogramming of funds pursuant to section 605 of this Act is submitted, and the procedures therein followed, setting forth the source of funds that will be used to pay for the cost of the new or expanded mission: Provided further, That funds shall be available for peacekeeping expenses only upon a certification by the Secretary of State to the appropriate committees of the Congress that American manufacturers and suppliers are being given opportunities to provide equipment, services, and material for UN peacekeeping activities, equal to those being given to foreign manufacturers and suppliers: Provided further, That none of the funds available under this heading are available to pay the U.S. share of the cost of court monitoring that is part of any UN peacekeeping mission. (Making Omnibus, 1998, 100)

Congress also commented on the link between DoD and peacekeeping efforts in the report, noting that loan guarantees in support of U.S. defense exports for UN peacekeeping operations or any other humanitarian assistance operations could be

made, not to exceed \$15 billion. None of the funds available to DoD could be obligated to make a financial contribution to the UN for the cost of a UN peacekeeping activity. The Secretary of Defense was also told to submit on a quarterly basis a report to the Congressional Defense Committees, the Committee on International Relations of the House and the Committee on Foreign Relations of the Senate on all costs incurred by DoD in the preceding quarter supporting UN Security Council resolutions, such as peacekeeping and humanitarian missions by DoD. Also, all efforts to seek credit against past UN costs and compensation from the UN for costs incurred by DoD in supporting UN activities were to be included in the report (House of Representatives, Making Omnibus, 1998, 174–175).

VI. FACTORS AFFECTING U.S. SUPPORT FOR THE UN BUDGET

A. INTRODUCTION TO MAJOR THEMES AFFECTING UN BUDGET

U.S. contributions to the UN have been affected by a number of issues including international foreign family planning policies, issues related to the implementation of the Iraq Oil for Food Program, and findings of the Volcker Committee Inquiry into that program, findings of sexual exploitation and abuse by UN peacekeeping operations personnel, other misconduct by UN officials at UN headquarters in New York, and efforts to bring about substantial reform of the UN organization (Veillette & Epstein, 2007, 7).

Some members of Congress have expressed concern that fiscal mismanagement, lax personnel policies, and extravagant spending at the UN have misused U.S. contributions. As the largest UN contributor, the U.S. has had an interest in the UN, including how efficiently it operates, since its inception. While some members of Congress have been more critical of the UN than others, Congress has in the past voted to reduce U.S. contributions to the UN in order to bring about reforms designed to reduce waste. Some believe that continuing to withhold money to the UN is making efforts to reform the UN more difficult (Bite, 1998, 1).

1. Peacekeeping Issues

Congress has taken a lot of interest in UN peacekeeping operations and has closely scrutinized the amount the U.S. spends on peacekeeping. Peacekeeping expenditures account for a significant amount of the total UN budget. Table 14 lists total UN peacekeeping expenditures from 1947 until 2005. A large increase in peacekeeping expenditures occurred in 1992 and then again in 1993. Costs decreased significantly in the later 1990s, but have increased every year from 1999 onwards. As of December 31, 2007 there were 84,309 uniformed peacekeepers in UN operations, of which 316 were U.S. personnel (GAO June 2007, 2). The percentage the U.S. has been assessed for peacekeeping over the years has changed, in addition to the amount the U.S. has actually

recognized. Table 15 lists the UN assessment rate and the amount recognized by the U.S. from 1992 to 2009. In 2001 the U.S. passed S. 248 which authorized payment of U.S. peacekeeping arrears to the UN, increasing the level recognized by the U.S. to 28.15 percent (Brown, 2008, 10).

Year	Total PKO Expenditures	Year	Total PKO Expenditures	Year	Total PKO Expenditures	Year	Total PKO Expenditures
1947	0	1962	126	1977	153	1992	1,767
1948	4	1963	127	1978	202	1993	3,059
1949	7	1964	91	1979	186	1994	3,342
1950	7	1965	45	1980	141	1995	3,364
1951	6	1966	45	1981	141	1996	1,405
1952	6	1967	37	1982	141	1997	1,160
1953	6	1968	24	1983	141	1998	995
1954	6	1969	24	1984	141	1999	1,324
1955	6	1970	24	1985	141	2000	2,139
1956	9	1971	24	1986	242	2001	2,700
1957	26	1972	24	1987	240	2002	2,702
1958	30	1973	37	1988	266	2003	2,727
1959	26	1974	131	1989	635	2004	3,645
1960	76	1975	153	1990	464	2005	4,737
1961	126	1976	153	1991	490	2006	

Table 14. Peacekeeping Operations Expenditures, in millions, From Renner

Year	U.N. Assessment	Recognized by U.S.	Year	U.N. Assessment	Recognized by U.S.
1992	30.387% (30.4%)	30.4%	2001	28.134% (28.13%)	25% // 28.15% ^a
1993	31.739% (31.7%)	30.4%	2002	27.3477% (27.35%)	27.90%
1994	31.735% (31.7%)	30.4%	2003	26.927% (26.93%)	27.40%
1995	31.151% (31.2%)	30.4%; Oct. 1: 25%	2004	26.690% (26.69%)	27.40%
1996	30.965% (30.9%)	25%	2005	26.4987% (26.5%)	27.1%
1997	30.862% (30.9%)	25%	2006	26.6901% (26.7%)	25%
1998	30.5324% (30.5%)	25%	2007	26.0864% (26.08%)	25%
1999	30.3648% (30.4%)	25%	2008	25.9624% (25.9%)	27.1%
2000	30.2816% (30.3%)	25%	2009	25.9624% (25.9%)	TBD

Table 15. UN Peacekeeping Assessment Levels for the U.S., From Browne

Lawmakers are inclined to have a narrower view than UN officials concerning UN peacekeepers deployment, maintaining that peacekeepers should be restricted to more traditional peacekeeping operations. Lawmakers have also been uncomfortable with operations that are seen as peacemaking instead of peacekeeping. For example, in 2000, no U.S. soldiers were serving in UN peacekeeping operations, but several hundred civilian police officers were serving in the Balkans, and a few dozen military observers were spread around the world (CQ Weekly, September 2, 2000).

For FY 2000, the conference report (H.R. 2561) on defense appropriations required the Department of Defense, if engaged in peacekeeping or humanitarian operations with the UN, to provide a description and value of any equipment, supplies, or services transferred to the operations. In addition, in the case of a proposed transfer of equipment or supplies, DoD must indicate if inventory requirements of the Armed Forces

have been met, and if they will have to be replaced, how the President proposes to provide funds for the replacement (House of Representatives, Making Appropriations, 1999, 100).

For the 2001 Commerce, Justice, and State Appropriations bill (HR 4690), the House and Senate Appropriations Committees cut Clinton's budget request for peacekeeping by almost one-third, and Clinton threatened to veto the bill unless his budget request was met. Senator Rod Grams, who chaired the Foreign Relations subcommittee that monitors the UN (now called the Subcommittee on International Operations and Organizations, Human Rights, Democracy, and Global Women's Issues) said, "What they're talking about without saying it is establishing a standing UN army. They're moving in the wrong direction" (Pomper, September 2000). Despite Congress' objections to an increasing peacekeeping budget, Clinton vetoed HR 4690 and his budget request for peacekeeping was met in 2001.

Lawmakers also denied Clinton's request to have \$107 million for UN peacekeeping operations in Kosovo and East Timor in a fiscal year 2000 supplemental spending bill (PL 106-246). The Clinton administration then tried to get congressional approval to redirect some peacekeeping funds to missions in Kosovo and East Timor, in addition to some new missions in Africa. Congress gets notification of all peacekeeping missions and can block the use of those funds to carry them out under U.S. law. The reprogramming undertakings were blocked by Senator Judd Gregg and Representative Harold Rogers, who were chairmen of the Appropriations Subcommittee State, Foreign Operations, and Related Programs in the Senate and House, respectively, subcommittees with jurisdiction over funds for peacekeeping operations (Pomper, September 2000).

Joseph Christoff, Director International Affairs and Trade, gave testimony in 2007 to the Subcommittee on International Organizations, Human Rights, and Oversight, House Committee on Foreign Affairs, on a GAO report on the costs, strengths, and limitations of U.S. and UN operations. He told Congress that the UN is able to carry out missions at a fraction of what it would cost the U.S. He estimated that it would cost the U.S. about twice as much as it would the UN to conduct a peacekeeping operation similar to the UN mission in Haiti. The UN budgeted \$428 million for the first 14 months of the

mission—the U.S. was responsible for \$116 million. A similar U.S. operation would have cost around \$876 million (GAO June 2007, 2). Some members of Congress may not want a standing army, but they see that the UN fulfills a role at a fraction of what it would cost the U.S. to do on its own.

Cost is not the only factor in deciding whether the U.S. or the UN should lead a peacekeeping operation. Each has its strengths and limitations. The U.S. strengths are rapid deployment, strong command and control, and well-trained and equipped personnel. The operations in Iraq and Afghanistan have, however, reduced personnel and equipment readiness levels and led to shortfalls for military police, engineers and civil affairs experts. The UN lends broad multinational support for its missions, with a UN Security Council mandate and direction for its operations. In addition, the UN can access international civil servants, police, and senior officials with nation-building experience and various language skills. Historically, though, the UN has trouble in quickly deploying its forces and ensuring unified command and control over its peacekeeping forces (GAO June 2007, 3).

GAO also stated that in some areas, a U.S. led force may not be seen by the local population and neighboring countries as an impartial and fair force. These two qualities, according to UN and U.S. officials, are integral in attaining the confidence and trust of the people (GAO June 2007, 13).

The UN conducted a major review of peacekeeping in 2000. From that review came a number of recommendations. One area that received a lot of attention was to the use of force. The review stated that mandates must provide authority to use force, concluding that “UN peacekeepers who see violence against civilians should be presumed to be authorized to stop it, within their means, to support UN principles” (General Assembly Security Council, 2000, 10).

The panel that conducted the review said it was necessary to gather the leadership of a new mission as soon as possible at UN Headquarters to shape the mission’s concept of operations, support plan, budget, staffing and Headquarters mission guidance (General Assembly Security Council, 2000, 11).

It was further recommended that a revolving “on-call list” of around 100 experienced, well-qualified military officers, be created. Teams drawn from the list would translate strategic level mission concepts into operational and tactical plans before the deployment of troops. There should also be, according to the panel’s report, on call lists of civilian police, international judicial experts, penal experts and human rights specialists to bolster rule of law institutions. The panel also recommended the development of new and streamlined procurement policies and procedures, increased delegation of procurement authority to the field, greater flexibility for field missions in the management of budgets, the creation of a global logistics support strategy that would oversee the stockpiling of equipment reserves and standing contracts with the private sector for common goods and services (General Assembly Security Council, 2000, 12).

GAO found that the UN was better able to unify policy and integrate planning for peace operations with the creation of the Senior Management Group and Executive Committee on Peace and Security. Leadership by the Senior Management Group allowed various UN units to integrate their peacekeeping efforts and led to improved operational plans for new missions. These reform initiatives, however, did not address the overall ability of the UN to manage, logistically support, and respond to rapid changes in the demand for and scope of peace operations needed by member states. Numerous UN officials who had worked in both UN headquarters and in field peacekeeping operations told GAO that there was a need for increased interdepartmental coordination and cooperation on day-to-day policy and operational matters (GAO June 2007, 31–33). The Secretariat uses over 20 UN units to conduct evaluations and therefore lacks a centralized organizational strategy to monitor and evaluate program results and impact (GAO June 2007, 69).

2. Reform Efforts

In July 1997, the Secretary General of the UN stated that the organization had become fragmented, duplicative, and ineffective in some areas, and that it could become irrelevant if it did not conduct its missions more efficiently. He drafted a reform program with three main elements: restructuring UN leadership and operations to unify

organizational efforts to accomplish core missions; developing a performance based human capital system; and developing programming and budgeting processes focused on managing program performance (GAO Reform Initiatives, 2000, 6).

The Subcommittee on International Operations, Senate Committee on Foreign Relations, requested a GAO report on UN reform initiatives in 2000. The GAO assessed whether the UN had put into place the three main elements of its reform and whether UN management and performance were improving as planned (GAO Reform Initiatives, 2000, 6).

GAO found that the UN had considerably restructured its leadership and operations and partly implemented a performance oriented human capital system. The UN, however, had not accomplished its goal of creating an organization with an orientation towards results and continuous improvement. The UN has taken steps to create a more cohesive leadership structure, such as the creation of a senior management group, composed of the Secretary General, under secretaries general, and the heads of programs. The UN has also established executive committees on peace and security, development assistance, humanitarian relief, and economic and social affairs.

GAO concluded that while these actions have helped unify policy and integrate planning, they do not address the overall capacity of the UN to manage, logistically support, and finance changing demands to the number and scope of peace operations it is conducting. GAO found barriers to effective cooperation at the working level on peace and security issues and with UN agencies involved in humanitarian actions in the field. Around one-third of the UN officials interviewed in the field did not have a job expectation of cooperation with other agencies. These officials said their careers would not be advanced by working on cooperative development assistance with other UN partners (GAO Reform Initiatives, 2000, 7–10).

While the UN Secretariat had a computerized data system on its staff, a merit based appraisal system, and a code of conduct in 2000, some fundamental tasks were still not completed in 2000. Some of things not accomplished included: strengthening the

UN's capacity to plan for long term human capital needs; developing an efficient recruitment and placement system; and making sure managers have authority to implement their programs and are held accountable (GAO Reform Initiatives, 2000, 10).

The Secretary General tried to limit the number of work requirements or mandates that were passed each year by the General Assembly and what the Secretariat was expected to do, but these initiatives were not adopted. For 1997 and 1998 the GAO discovered the number of new tasks mandated by the General Assembly increased from 246 to 587 and that 20 percent of these mandates had vague or open-ended expectations (GAO Reform Initiatives, 2000, 11). In September 2007, member states agreed to continue reviewing mandates in the 62nd session of the General Assembly, but they did not determine how the review would progress (GAO Progress on Management, 2007, 7).

The Secretary General also proposed that budgets specify not only program costs, but also expected program results and performance indicators, which would allow member states to hold the Secretariat accountable for results. The General Assembly, however, did not approve them; some member states feared that performance oriented budgeting was a tactic to cut the UN budget. There was no centralized strategy that pointed out limitations in existing efforts, used guides to help provide some consistency and reliability in evaluation, or created an approach to join monitoring and evaluation functions to support performance oriented budgeting (GAO Reform Initiatives, 2000, 12).

The position of Deputy Secretary General was created in December 1997 as part of the new leadership structure. Prior to creating this post, the Secretary General was the only official with the authority to coordinate activities among UN agencies. According to U.S. and UN officials, the Secretary General was not able to fully handle this task in addition to the task of dealing with pressing world issues (GAO Reform Initiatives, 2000, 28).

The 2005 World Summit convened in New York to review the progress made in achieving the 2000 Millennium Summit goals and commitments made in other major UN conferences. While UN members acknowledged the progress that has been made with the reform, there were also numerous new proposals. The resulting documents from the

Summit contained the groundwork for achieving significant change in the UN system through numerous reforms. Some of these reforms included creating a Peacebuilding Commission; establishing a Democracy Fund; strengthening the Security Council; improving UN system coordination; and creating a new Human Rights Council. Member states also agreed to Secretariat and management reforms, including the creation of an ethics office; more whistle-blower protection; strengthening oversight capacity; review of all General Assembly mandates over five years old; and complete financial disclosure by UN staff (Blanchfield, 2007, 4).

Many of these reforms have been implemented, including the creation of an Ethics Office, whistle-blower protection, creation of a Human Rights Council and Peacebuilding Commission, and improved financial disclosure policies for UN staff. The current Secretary General, Ban Ki-moon, has stated that reform is a pressing issue and would be a top priority during his tenure (Blanchfield, 2007, 4–6).

Some challenges to reform include national self-interest and differing reform perspectives among UN member states resulting in a failure to reach a consensus and implement the reform. Also, the inability to effectively prioritize reform initiatives may slow UN reform. The highly decentralized and complex UN organization itself is a potential roadblock to reform efforts. Limited resources are another challenge in trying to implement reforms under current UN budgets (Blanchfield, 2007, 23–24). Assistant Secretary General John Ruggie said the chief problem at the UN was its high degree of fragmentation (CQ Weekly, January 16, 1999).

GAO believes the UN must show improved results at the point of delivery—the country level—for reform efforts to succeed. Individual UN agencies with different priorities and administrative procedures that preclude more integrated UN programming and coordination of UN humanitarian relief still was a problem as of 2000. UN agencies have a tendency to put their individual organizational interests before the broader UN interests. Another major obstacle to reform efforts is that some agency officials have not supported the framework process of UN reform. Around 33 percent of UN officials GAO interviewed had no requirement to participate in the framework (GAO Reform Initiatives, 2000, 36–40).

The Secretariat, according to the Assistant Secretary General for Human Resources, does not have mechanisms to deal with poor performance. Managers who often make poor judgments are not disciplined, primarily because there were no mechanisms in place to do so in 2000 (GAO Reform Initiatives, 2000, 57).

A 1999 study by the UN Joint Inspection Unit found that 11 or 12 UN specialized agencies were using results-based budgeting or some of its techniques. None used it as a means to cut funding or reduce staff. Some UN specialized agencies said that results-based budgeting helped demonstrate the potential consequences of cutting programs and assisted member states in choosing priorities (GAO Reform Initiatives, 2000, 66).

In 2007, GAO conducted another report on the progress on management reform efforts and submitted it to the Permanent Subcommittee on Investigations, Committee on Homeland Security and Government Affairs, U.S. Senate. GAO looked at five areas—ethics, oversight, procurement, management operations of the Secretariat, and review of programs and mandates—and found reform efforts varied. GAO also found that disagreements between member states have slowed the pace of reform efforts. The UN ethics office has improved organizational ethics by implementing a whistleblower protection policy, but GAO found issues that may hinder its impact. Organizational ethics have also increased ethics office staff, developed ethical standards, and enforced financial disclosure policy.

The UN established an Independent Audit Advisory Committee (IAAC) in June 2007, improving oversight, but UN funding arrangements impede the independence of the Secretariat's internal audit office and its ability to audit high-risk areas. The UN has also improved procurement practices, but has not undertaken an independent bid protest system or approved a lead agency concept, which would enhance division of labor, reduce duplication, and reduce costs. Steps have been taken by the UN to improve certain management operations of the Secretariat, but almost no progress has been made in others, such as budgetary, financial management, and administrative functions. The pace of UN management efforts has been slowed by member states' arguments on

reform, the absence of comprehensive implementation plans, internal processes issues, and competing UN priorities, such as the proposal to reorganize the Department of Peacekeeping Operations (GAO Progress on Management Reform, 2007, 1).

None of the six UN organizations the GAO examined required their internal oversight staff to disclose their financial interests, which could ensure that employees do not have conflicts of interest. In addition, the governing bodies responsible for oversight in the six organizations the GAO examined lacked full access to internal audit reports, which could give greater insight into the organizations' operations and identify critical weaknesses. Four of the six audit committees examined did not adhere to international best practices, and one of the entities did have an audit committee (GAO Progress on Management Reform, 2007, 3).

Since the October 2006 report, the UN has made progress in improving ethics. The whistleblower protection policy, however, is dependent on reforms in the UN internal justice system that is not expected to be completed until 2009. Also, the policy is potentially limited by the ethics office's lack of jurisdiction over UN funds and programs (GAO Progress on Management Reform, 2007, 5).

The UN has made progress in procurement reform by strengthening procedures for UN procurement staff and suppliers, developing a comprehensive training program for procurement staff, and developing a risk management framework (GAO Progress on Management Reform, 2007, 6).

Some management reform proposals, however, were missing comprehensive implementation dates, including time frames, completion dates, and cost and savings estimates for completing certain management reforms (GAO Progress on Management Reform, 2007, 7).

Only three of the six audit offices told GAO that they had enough resources to complete their audit work plans, which include high-risk areas. The World Food Programme's (WFP) audit chief told GAO the audit office did not have sufficient resources to conduct its planned work for 2007 and so it was deferring audits to future years (GAO Progress on Management Reform, 2007, 9).

Delegates from 15 of the 17 member states the GAO met with, indicated the number one challenge to continued progress on management reform efforts is member state disagreements on the priorities and importance of the remaining reform efforts (GAO Progress on Management Reform, 2007, 7). As long as these disagreements remain, the U.S. faces a slow uphill battle to continue to implement UN reform.

3. UN Employment

GAO conducted a study in 2001 to see whether UN organizations have increased employment of Americans. The report looked at data from 1992 through 2000 from seven UN organizations, including the UN Secretariat and UNDP. GAO found that, while some UN organizations have increased the number of Americans employed, most organizations have fallen short of their own targets. In addition, GAO found that American representation in senior level and policymaking positions is less than several major contributors in a number of UN organizations. Out of the six UN organizations in the study with either formal or informal geographic targets, only the Secretariat employed Americans in sufficient numbers to regularly meet its goal for equitable representation of Americans from 1992 through 2000. Also, of the four organizations that were examined with formal geographical targets, only the Secretariat employed Americans in senior and policymaking positions at levels equivalent with those of selected major contributors relative to their contribution levels (GAO Targeted Strategies, 2001, 8–9).

Although UN officials argue that merit is the overriding criterion used for appointing staff, the policies of UN organizations mandate that priority considerations be given to qualified applicants from unrepresented and underrepresented countries. Article 101 of the UN Charter states that staff be hired on the basis of “the highest standards of efficiency, competence, and integrity” as well as from “as wide a geographical basis as possible.” Geographical representation targets do not apply to every staff position in the organizations that have established them. Hiring data from the 1990s, however, shows that new hires from equitably represented or overrepresented countries outnumber those from unrepresented and underrepresented countries (GAO Targeted Strategies, 2001, 9–11).

The State Department is primarily responsible for recruiting Americans for work at UN organizations and identified participation of Americans on UN staff as a “high priority” (GAO Targeted Strategies, 2001, 9). According to GAO, however, the State Department’s efforts to recruit qualified Americans for UN positions do not reflect this priority, as it does not have recruiting and hiring strategies or action plans in place to support UN employment of Americans. Some U.S. officials told the GAO that while U.S. representation may seem to be less than ideal, U.S. influence in certain organizations is not lacking given its voice and leadership in the governing bodies and size of U.S. contributions (GAO Targeted Strategies, 2001, 9, 20).

GAO found that U.S. government wide efforts to hire Americans in specific areas that are important to U.S. interests within the UN system are done principally on an ad hoc, case-by-case basis when a key post critical to the U.S. needs to be filled. There does not appear to be a formal mechanism to organize U.S. government efforts, and in the past it took high-level management support and attention for the recruiting to occur (GAO Targeted Strategies, 2001, 9, 20).

Among the larger UN contributors, Japan and Germany were underrepresented in each of the UN organizations the GAO examined, while France and the United Kingdom were well represented. GAO also concluded that, as the largest contributor to the UN, the U.S. has higher representation targets to fill than Japan or Germany, but it takes a less active approach in helping its citizens get hired by the UN (GAO Targeted Strategies, 2001, 35–37).

In 1999, there was not a single American in the top UN decision-making posts involving peacekeeping, economic or social programs, even though the U.S. was paying one-fourth of all UN costs. Just one American, an accountant, was a substantive decision maker in the Secretary General’s Cabinet. The relative absence of U.S. representation at the highest policy making levels of the UN was noticed during disagreement over U.S. bills. There were no top decision makers in the UN’s Department of Economic and Social Affairs from the U.S. either. In addition, the U.S. lost its seat on the powerful financing panel, the Advisory Committee on Administrative and Budgetary Questions in 1996, and the U.S. had no representatives on the UN Board of Auditors, which looks for

fraud in the UN's yearly operations (Archibald, January 4, 1999). The absence of U.S. officials in the top UN positions may increase the challenge of getting any desired reform efforts passed.

B. DISCUSSION OF PRESENT FACTORS INFLUENCING U.S. SUPPORT FOR THE UN BUDGET

1. UN Headquarters

The UN headquarters complex in New York City was constructed from 1949 to 1952, but the buildings have exceeded their economic life expectancy, a GAO report concluded in 2001. They do not conform to current safety, fire, and building codes nor to UN technologic or security requirements. A Capital Master Plan was given to the General Assembly in June 2000 by the Secretary General with options for headquarters renovation. The Secretary predicted the renovations would take six years to complete and cost around \$1 billion (GAO June 2001, 3). As the largest contributor to the UN, the U.S. is concerned over the potential cost and reasonableness of the planning for this work. GAO was asked to assess the reasonableness of the renovation planning and comment on the potential cost to the U.S., including financing issues and options (GAO June 2001, 3).

The Capital Master Plan listed three financing options: cash payments by member states; interest-free loans by members; and bond financing in commercial capital markets (GAO June 2001, 6–7). In 1948, the U.S. gave the UN an interest free loan to build the headquarters and was repaid from the regular UN budget over a 31-year period. Special assessments would be used with the cash payment method, and the Secretariat believed it would be challenging for members to agree on a scale within the time frame to begin renovation work proposed by the Capital Master Plan. With the bond offering, even though there would be interest costs, it would allow member states to pay for the cost of the renovation over the life of financing instead of a large outlay of funding upfront, as would be needed if it were provided with cash payments or interest-free loans. Another

potential problem with the bond offering was that some member states do not pay their regular budget assessments until the second half of the calendar year. The regular budget assessment would thus be used to secure the debt service payments on the bonds.

GAO concluded by saying the headquarters complex definitely needs to be renovated, and as the host country the U.S. needs to play a major role in making decisions for the renovation to proceed. Some member states feel the U.S., New York State, and New York City get economic benefits due to the UN headquarters being in New York, and thus should pay more of the renovation costs than the U.S. share of the regular UN budget. The administration and State had not, however, by GAO's 2001 report, created a comprehensive U.S. position on the renovation (GAO June 2001, 8–10).

Discussions within the UN and with New York City continued, and in 2007 a plan was finally established for UN headquarters renovations. Renovation is now scheduled to begin in mid-2009. The projected cost to complete the renovations is now estimated at \$1.974 billion as of September 2008. The General Assembly agreed on two different options for renovation financing. Twelve member states selected the one-time payment option and 180 states, including the U.S., selected the equal multi-year assessment of five years (General Assembly Sixth Annual Progress Report, 2008, 4–11). The U.S. is expected to pay its assessment of \$377 million over 5 years, for a total of \$1.89 billion per year (GAO February 2007, 2).

2. UN Population Fund

The UN Population Fund (UNFPA) has proved controversial in U.S. politics, which has impacted funding. Established in 1969, the UNFPA is the world's largest source of population and reproductive health programs and the main unit in the UN for global population issues. In 2006 UNFPA had \$605.5 million in funds from voluntary contributions from 180 nations and some foundations. During its first 25 years, the UNFPA transitioned from an agency centered on collection and analysis to an agency providing maternal and child health/family planning assistance.

There has been a lot of debate over the last 20 years in Congress on whether the U.S. should financially support the UNFPA. The issue has focused on the amount, if any, that UNFPA provides to China's coercive family planning programs and policies such as abortion or involuntary sterilization. In 15 of the last 24 years the U.S. has not given any money to the organization due to the Kemp–Kasten amendment of 1985, which bans all U.S. aid to organizations involved in the management of coercive family planning programs. When the U.S. has contributed to the UNFPA, its contributions have covered around 8 percent of UNFPA's regular budget. For FY 2009, the Bush Administration requested that \$25 million go to UNFPA if it was deemed eligible under the Kemp–Kasten amendment. Congress approved funds for UNFPA in the 2009 state and foreign operations appropriations bill. The appropriated funds would come from the Child Survival and Health Programs account (Blanchfield UN population, 2008, 1).

From 1986 to 1992, USAID requested funds for UNFPA with the understanding that a decision to transfer the money would be reviewed under the terms of the Kemp–Kasten amendment, which Congress also continued to enact each year as part of the foreign assistance appropriation bill. Throughout those years, UNFPA was ineligible for U.S. support.

President Clinton thought the Kemp–Kasten amendment was ambiguous and said it could be interpreted differently. The Clinton administration thought that the UNFPA did not knowingly or intentionally support abortion or involuntary sterilization. Congress continued to keep Kemp–Kasten language in the Foreign Operations Appropriations acts, and from 1994 to 1998 and 2000–2001, attached conditions on UNFPA contributions that required the organization to keep U.S. funds in a separate account and forego transfers from the U.S. equal to the amount UNFPA allocated to its China program (Blanchfield UN population, 2008, 12).

In 2002 the State Department announced the UNFPA remained in violation of the Kemp–Kasten amendment and was ineligible for funding. From FY 2002 through FY 2008, a \$25 million reserve was available in the Administration budget request for UNFPA, subject to Kemp–Kasten conditions, and each year the UNFPA received no funding from the U.S. based on the State Department findings that it was not eligible

under Kemp–Kasten conditions. From 2002 to 2008, Congress continued to stipulate that no UNFPA funds be available for programs in China and that money available to UNFPA be subject to Kemp–Kasten conditions. Congress would also say in the legislation that if no funds were made available to UNFPA in that year that they be transferred to other family planning and maternal health services (Blanchfield UN population, 2008, 25–28).

3. Human Rights

On March 15, 2006, the UN General Assembly passed a resolution replacing the Commission on Human Rights with a new Human Rights Council. The Council is supposed to be an improvement over the Commission, which was controversial because of some of its members' human rights policies. For example, in 2001 Sudan, which was criticized by governments and human rights organizations for its ethnic cleansing in the Darfur region, was elected to the Commission. Although the U.S. was one of four members to vote against the resolution establishing the Council, stating the Council was no better than the Commission, the Administration said it would continue to fund and support the work of the Council (Blanchfield human rights, 2008, 1–2).

The U.S., while supporting the mission of the Council, does not feel it goes far enough to maintain credible membership. On March 6, 2007, the Administration said the U.S. would not run for a Council seat in the May 2007 elections. A State Department spokesperson said the Council had not proved itself a credible body, showing a nearly singular focus on Israel, while not addressing human rights abuses in Cuba, Burma, or North Korea. The opinion in Congress on refusing a seat on the Council was mixed, with some members supporting it and some not (Blanchfield human rights, 2008, 18).

On April 8, 2008, the U.S. Permanent Representative to the UN, Zalmay Khalilzad, stated the U.S. would withhold a portion of the U.S. contributions to the 2008 UN regular budget equivalent to the U.S. share of the Human Rights Council budget. Khalilzad said the Council “is less willing to take affirmative action, but is more willing to focus on Israel-bashing exercises” (U.S. Mission to the UN, 2008). In the future, U.S.

policy toward the Council may depend on whether Congress and the Administration see the Council's future work as effective and credible (Blanchfield human rights, 2008, 20–22).

4. Withholding Dues

According to Brett Schaefer and Steven Groves of the Heritage Foundation, history shows that the U.S. needs to use financial leverage if it wants to advance UN reform. In 2008 the UN, against U.S. objections, passed the largest budget increase in its history without, according to Schaefer and Groves, adopting needed reforms, breaking a 20-year tradition of consensus-based budget decisions. The decision to overrule the U.S. was met with a standing ovation by the other UN member states (Schaefer & Groves, 2009, 3).

Schaefer says that informal, consensus-based budgeting, while successful in blocking initiatives that could cause large budget increases by allowing a single state to veto the budget, also made it difficult to eliminate ineffective UN activities as long as one nation supported the ineffective UN activity. Because the consensus-based budgeting is an informal agreement compared to a hard rule, it has allowed many member states to override the U.S. and other major contributors without consequences. According to Brett Schaefer, Congress should withhold the U.S. contribution to the UN regular budget if the UN adopts a budget over the objections of the U.S. Congress could release those funds if the UN either reinstated the consensus-based budget process as a hard rule, or adopted weighted voting for budgetary voting. Schaefer believes financial leverage has been effective in the past, and Congress should withhold funds again to force the UN to institute reforms (Schaefer, January 29, 2008).

The total impact of withholding a proportionate share of assessed payments may depend on the source of the program's funding. If a program is funded by the UN regular budget, and the U.S. withholds a proportionate share of its normal contribution, the cost of the program will probably be supplemented by surplus regular budget funds. If a UN program's funding comes from multiple sources, as some do, it may be difficult for U.S. proportionate withholdings to have a major impact. In those cases, a U.S. withholding

may be primarily a symbolic gesture. If the U.S. withholds funds from a program funded primarily by member state contributions, however, the impact of a withdrawal could be more significant. Presently, the only proportionate U.S. withholding from the regular UN budget is for some programs associated with the Palestine Liberation Organization (Blanchfield, 2007, 8).

An alternate strategy for Congress to use in its reform policy is a resolution. Members of Congress may propose resolutions in one or both chambers of Congress. Based on the little evidence of resolutions being passed by Congress, they do not appear to be very useful. In addition, as some members of Congress have done in the past, working with the UN Secretary General to earn his support can be valuable. Having the chief administrative officer of the UN as an advocate can help if there is disagreement among member states on certain issues. Also, building consensus with other UN member states on reform issues can help to decrease the tendency for some states to view U.S. support of certain reform initiatives as self-serving (Blanchfield, 2007, 10).

In 2005, the House of Representatives passed, but Congress did not enact, H.R. 2745, The Henry J. Hyde UN Reform Act. The act would have required the U.S. to withhold 50 percent of its assessed payments in 2007 if the UN did not implement 32 of 40 changes, with 15 mandatory reforms. The proposed changes included: establishing an internal oversight board and a position of UN Chief Operating Officer; transferring 18 UN programs from mandatory to voluntary funding; and banning countries under investigation for human rights violations from membership in UN human rights bodies (Blanchfield, 2007, 26).

Some foreign diplomats have grown tired of the repeated pattern of the U.S. threatening to withhold dues unless a change is made at the UN. Although the UN did not always make changes requested by member states, each time it did make the change, the U.S. would come up with a new demand and a threat to withhold all of its dues. Secretary General Annan spent a good deal of his time the first two years as secretary-general implementing numerous changes, many at the request of the U.S. Annan held the budget steady at around \$2.5 billion for a two-year cycle, even with inflation and pressures for growth, and reduced the secretariat's work force from 10,000 to about 9,000

(Pomper, January 16, 1999, 124). The secretariat has almost no impact on the specialized agencies, since they receive their own budgets and contributions from member states. The UN organization cannot run a deficit according to its own rules, and it did not reimburse some countries for peacekeeping operations to make up for the shortfall in payments during the 1990s. Popular UN programs were eliminated, cut back, or not begun at all due to the shortfalls. Due to the failure of the U.S. to pay its debts, UN members in the late 1990s rejected the bid of Susan Shearouse, a U.S. diplomat specializing in budget issues, to be a member of the Advisory Committee on Administrative and Budgetary Questions, which is the UN equivalent of an Appropriations Committee. Therefore, the U.S. lost the ability to look over the UN spending reports in their entirety (Pomper, January 16, 1999, 127).

5. The Oil for Food Program

In 1996, the UN Security Council and Iraq began the Oil for Food program to address Iraq's humanitarian situation after sanctions were imposed in 1990. More than \$67 billion in oil revenue was generated through the program, with \$31 billion in humanitarian assistance given to Iraq. GAO said it would have been beneficial for the UN Oil for Food program to have an internationally accepted internal control framework to provide reasonable assurance in protecting assets and meeting program objectives. Internal control problems allowed the former Iraqi government to get billions of dollars in illicit payments through surcharges and kickbacks that ranged from \$7.4 billion to \$12.8 billion. The Oil for Food Program also had a very complex organizational structure with unclear lines of responsibility and authority, which helped lead to an ineffective control environment (GAO April 2006, 1–3).

The GAO found that the Oil of Food program had key weaknesses in four key internal control standards: risk assessment, control activities, information and communications, and monitoring. The UN did not do any timely assessments to identify high-risk areas and prevent fraud. None of the Secretariat's 90 or 180-day reports to the Security Council noted illicit payment demands tied to oil or commodity contracts (GAO April 2006, 3). There were not enough oil experts reviewing contracts, leading to Iraq

smuggling oil and charging kickbacks on its contracts. OIOS noted more than 700 problems with the Oil for Food program and compensation fund, but the recurring nature of these problems over time showed that systemic weaknesses were not fully addressed (GAO April 2006, 4–5).

Even though many blamed the UN for the majority of the failures in the Oil for Food Program, the U.S. and other Security Council were not immune from criticisms. Successive U.S. administrations issued annual waivers to Congress exempting Turkey and Jordan from unilateral U.S. sanctions for transgressing the UN sanctions against Iraq. In addition, the Security Council was aware of the Iraqi smuggling of oil but took no actions to prevent it (GAO April 2006, 3, 14).

The lessons learned from the internal control weaknesses in the Oil for Food program, the GAO said, could prove helpful as the U.S. presses the UN to conduct fundamental reforms to address its key efficiency, management, and accountability challenges (GAO April 2006, 36).

6. Procurement Reform

GAO issued a report in 2006 on UN internal controls on procurement from a request by the Permanent Subcommittee on Investigations, Committee on Homeland Security and Governmental Affairs, U.S. Senate, and Committee on International Relations, House of Representatives. The UN Secretariat procured more than \$1.6 billion in goods and services in 2005, mostly in support of peacekeeping programs. GAO concluded that UN resources are extremely vulnerable to mismanagement, fraud, waste, and abuse. It concluded that the UN lacks an effective organizational structure for managing procurement, has not shown a commitment to maintaining a professional, trained procurement workforce, and has not adopted the full range of ethics guidance for procurement officials. The UN has no single organizational entity able to comprehensively manage procurement. Also, the UN has not exhibited a commitment to improving the professionalism of its procurement staff by way of training, a career development path, or other key human capital practices important to attracting and

retaining a qualified professional workforce. In addition, the UN has not adopted a full range of ethics guidance for procurement officials, despite directives from the General Assembly in 1998 and 2005 (GAO April 2006, 1–4).

Weaknesses were found in key procurement control activities designed to give assurance that management directives are followed. These activities include processes for reviewing high-value procurement contracts, considering vendor protests, revising the procurement manual, and keeping qualified vendor rosters. While UN procurement has tripled over the past seven years, the size of the UN's principal contract review committee and its support staff remained relatively stable. The UN has not created an independent process to consider vendor protests despite a 1994 recommendation by a high-level panel of international procurement experts to do so immediately. This deficiency may prevent senior UN management from being alerted to compliance problems affecting procurement regulations (GAO April 2006, 4).

GAO recommended that member states encourage the UN Secretary General to take steps to address these problems, including creating clear and effective lines of authority and responsibility between headquarters and the field over UN procurement; establishing an exhaustive training program and formal career path for procurement staff; providing the Headquarters Committee on Contracts with enough structure and manageable workload; and creating an independent bid protest process. A procurement career path would also recognize procurement as a specialized profession in the UN. This would help give procurement more qualified personnel and aid reforms (GAO April 2006, 6, 17).

The UN does not uniformly implement its process for helping to ensure that it is conducting business with qualified vendors. The UN may thus be susceptible to favoring certain vendors or dealing with unqualified vendors, according to the GAO (GAO April 2006, 24). Also, with the lack of a comprehensive risk assessment framework, the UN cannot have reasonable assurance that it allocates sufficient attention to procurement activities that could be most prone to fraud, waste, and abuse (GAO April 2006, 26). Field procurement managers do not have a standardized and systematic approach for monitoring procurement activity to provide adequate assurance that the Financial

Regulations and Rules of the UN are followed (GAO April 2006, 29). With no single organizational entity capable of comprehensively managing procurement, it is unclear which department is responsible for addressing problems in the UN's field procurement process (GAO April 2006, 12).

The UN has conducted piecemeal reforms while failing to clearly establish management accountability for correcting procurement weaknesses. The harmful effects of this lack of UN leadership in procurement has been manifested further by a peacekeeping program that has more than quadrupled in size since 1999 and could expand even further (GAO April 2006, 34). With peacekeeping expenditures continuing to rise each year, the U.S. is sure to pay attention to instances of procurement fraud and corruption and push for procurement reforms.

7. Auditing Standards

The Permanent Subcommittee on Investigations, of the Committee on Homeland Security and Governmental Affairs, U.S. Senate, and the Committee on Foreign Affairs, House of Representatives, asked GAO to investigate oversight and accountability in the UN in 2007. The GAO report reviewed six UN internal audit offices—FAO, ILO, UNDP, UNICEF, WFP, and WHO. GAO found that these organizations have made progress in implementing international auditing standards, but they have not fully implemented key components of the standards. Examples of the standards include basing annual work plans on organization wide risk-management frameworks and obtaining the necessary resources to conduct their work. Although the audit offices are at different stages of developing and implementing their own risk-based work plans, the offices are doing so without the benefit of completed organization wide risk-management frameworks, which are necessary to identify areas with the greatest vulnerability to fraud, waste, and abuse. Three of the six UN audit offices did not have sufficient staff to cover high-risk areas of the organizations. In addition, three of the audit offices had not fully implemented quality assurance processes, such as internal and external peer reviews. Three of the organizations did not have professional investigators and depended mostly on auditors to probe allegations of wrongdoing, a practice that could affect the

organizations' ability to provide adequate audit coverage and ensure that investigations are fully carried out. None of the organizations had adopted financial disclosure requirements for their oversight staff to monitor potential conflicts of interest (GAO June 2007, 4–21).

GAO said that establishing an independent audit committee, composed of members external to the management of the organization and reporting to the governing body on the effectiveness of the audit office and on the adequacy of its resources, as part of the governance structure of each of the UN governing bodies could strengthen oversight. GAO also recommended that audit reports should be available to the governing bodies in the UN to provide further insight into the operations of the UN organizations and point out critical systemic weaknesses (GAO June 2007, 5–6).

The UN's OIOS conducts internal audits of the UN Secretariat and other UN organizations, including several funds and programs, under the authority of the UN Secretary General. The specialized agencies, e.g., the FAO, ILO, and WHO, do not fall under the OIOS's authority. The Joint Inspection Unit (JIU), which is the only independent system-wide external oversight body, has the authority to perform inspections, evaluations, and investigations in the UN system, including specialized agencies. According the JIU, however, it does not have the resources to carry out its mandate to investigate wrongdoing. Senior audit officials of FAO, UNICEF, and WFP also stated that they do not have enough resources to conduct their audit work plans (GAO June 2007, 9–10, 18).

Although most of the organizations have audit committees that review internal audit activities and report to heads of the organizations, only WHO has a committee that is independent of senior management and is part of its governing body. GAO concluded that without the insights given by access to internal audit reports, an independent audit committee, and an internal audit activity with a high level of independence, the governing bodies could face challenges in fully carrying out their responsibilities of monitoring the effective and efficient use of resources, senior management actions, and the organization's operations (GAO June 2007, 39, 50).

FAO, UNDP, WFP, and WHO officials said they have hired consultants to conduct investigative work due to the lack on in-house resources. FAO, UNDP, UNICEF, and WFP had a backlog of cases in 2007 that not have been resolved due to the shortfalls in resources (GAO June 2007, 26).

On January 24, 2008 the Permanent Subcommittee on Investigations of the U.S. Senate Committee on Homeland Security and Governmental Affairs issued a report confirming findings by prior inquiries and audits that deficiencies in UNDP rules, procedures, and management allowed North Korea to dictate the makeup of UNDP staff, access hard currency, and avoid standard monitoring procedures for projects and financial transactions. The report also concluded that North Korea used a bank account reserved for UN activities to secretly transfer funds to North Korean bank accounts in the U.S. and Europe, and that the UNDP was used to facilitate payments to a company with links to arms dealing. Brett Schaefer and Steven Groves think that these issues are serious and should lead Congress to reconsider its willingness to fund UNDP activities without improvements in transparency and accountability (Schaefer and Groves, 2009, 1).

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VII. CONCLUSION AND RECOMMENDATION

A. CONCLUSION

The primary question this study tried to answer was: how does the U.S. budget for the UN and what are the primary policy issues affecting that budget? The majority of U.S. funds designated for the UN, including dues and peacekeeping funds, flow through the State Department and Budget Function 150. The Department of State is by far the largest contributor to the UN compared to all the other Departments, contributing over 96 percent of the \$5.3 billion the U.S. contributed in FY 2005 (OMB, 2006).

U.S. funding for the UN includes contributions to the general UN budget, peacekeeping, and voluntary contributions. The regular assessed budgets of the UN system organizations are included in the Contributions to International Organizations account, and peacekeeping is funded in the Contributions to International Peacekeeping Activities account (Bite, 2001, 2).

Several authorizing and appropriation committees and subcommittees play key roles in determining the budget outcome for the U.S. contribution to the UN. The Senate Foreign Relations Committee and the House International Relations Committee develop legislation authorizing funds for the UN, while the Senate and House Appropriations Committees provide appropriations legislation for these funds. Key subcommittees are the House and Senate Subcommittees on Appropriations for State, Foreign Operations, and Related Programs. Assessed UN dues and peacekeeping funding are authorized through the Foreign Relations Authorization Act. Included in this act is the State Department Authorization Act. The House Committee on International Relations and the Senate Committee on Foreign Relations have jurisdiction over this legislation, which includes the majority of UN funding. Included in the State, Justice, Commerce, and Judiciary Appropriation bills, and State and Foreign Operations Appropriation bills are assessed dues to the UN and UN affiliated agencies, peacekeeping funding and foreign aid.

While the focus of UN funding is often centered on the dues for the regular UN budget and peacekeeping, voluntary contributions encompass approximately 30 percent of total UN funding as well. From the voluntary contributions the U.S. makes to the UN, the two receiving the largest amounts are the UN Development Fund and the UN Children's Fund, which are funded in the State and Foreign Operations Appropriations bill.

The annual State and Foreign Operations Appropriations bill funds the majority of U.S. assistance programs, which are overwhelmingly managed by USAID and the State Department (Veillette & Epstein, 2007, 12). The majority of humanitarian aid goes to refugee programs administered by the State Department, such as the UN High Commission for Refugees. Multilateral assistance funds activities implemented by international organizations, including UNICEF and the UNDP (Tarnoff and Nowels, 2005, 6–7).

The House International Relations and Senate Foreign Relations Committees have the main congressional responsibility for authorizing UN foreign aid programs. The House and Senate Appropriations Foreign Operations Subcommittees handle bills appropriating most foreign assistance funds, including funds designated to UN affiliated agencies (Tarnoff and Nowels, 2005, 1). Food assistance is appropriated by the Agriculture Subcommittees (Tarnoff and Nowels, 2005, 29). The Senate Subcommittee on Labor, Health and Human Services, Committee on Appropriations, provides funds for global health programs, some of which are affiliated with the UN, such as the UN Population Fund (Senate Committee on Appropriations, 2008).

The U.S. share of the regular budget has been lowered on three occasions, from a high of 39 percent in 1946. In 1954, the U.S. share of the regular budget went from 39 percent to 32 percent (Moore and Pubantz, 2002). In 1973, the U.S. contribution went from 32 to 25 percent. Starting January 1, 2001, the U.S. was assessed to pay 22 percent of the regular annual UN budget (Browne, 2008, 1). Of the \$930 million the U.S. contributed in dues in 2007 to the UN and UN affiliated agencies, \$423 million went towards the UN regular budget. The World Health Organization, the Food and Agriculture Organization, and the International Atomic Energy Agency were the next

three organizations receiving the highest dues. Approximately 50 countries have the lowest UN assessment, just .001 percent of the regular budget, paying only about \$19,000 each per year. They still get one vote, the same as the U.S. The 128 lowest-paying countries, which are about two-thirds of the General Assembly, all together pay less than 1 percent of the UN budget. This imbalance makes reform difficult due to the lack of incentive for the lowest contributors and has been the subject of numerous hearings in Congress. These countries are focused on enlarging the UN's power as a way of increasing their own influence and priorities and having the organization give out more international aid and transfers. The largest intergovernmental organization of developing states in the UN, the G-77, has effectively promoted their collective economic interests and enhanced their joint negotiating capacity on all major international economic issues within the United Nations system, and resisted at times efforts to reform the UN.

As of 1992, the U.S. was contributing more money to UN peacekeeping each year than it paid in assessed regular UN budget dues. The U.S.'s share of the peacekeeping budget was between 30 and 32 percent since the first UN peacekeeping mission in 1948, and decreased from 30.4 percent to 28 percent in 2001 and then to 26 percent by 2003 (Browne, 2008). U.S. payments to the UN for peace operations rose from less than \$40 million in 1988 to more than \$1 billion in 1994 (CBO Paper, December 1999). Contributions to peacekeeping subsequently fell in the mid to late 1990s, then rose again in the first part of the 21st century. In 2007, the U.S. contributed \$1.4 billion to the UN for peacekeeping.

The rapid growth of UN peace operations and costs in the early 1990s and 2000s is evidence of their utility and importance to the U.S., as it could have forestalled any such increase by using its veto power to prevent the creation or expansion of a mission. The UN has had some successful peacekeeping missions, but it has often failed in its peacekeeping role, and in some ways may have made the conflicts it has attempted to settle worse (Krauthammer, 1987, 11). While peacekeeping missions such as in Rwanda and Somalia have gone horribly wrong, the current world situation seems to provide plenty of need for peacekeeping missions, and the UN is sometimes the best and frequently the only organization to undertake them.

Peacekeeping expenditures have grown at a faster rate than the UN's regular budget. From 1948 to 2008, the UN's regular budget increased from \$5 million to \$4.17 billion for the 2008–2009 budget. The peacekeeping budget expanded from \$4 million in 1948 to \$7.4 billion for the 2008–2009 budget. While the UN budget has grown over the years when measured by current dollars, if one looks at constant dollars, it has not grown appreciably over the last 30 years. The UN has operated under a tradition of approving budgetary decisions by consensus for the past 20 years. This tradition was broken in December 2007 when, despite strong resistance from the U.S., the UN's Administrative and Budgetary Committee recommended a \$4.17 billion biennial budget for 2008–2009.

The UN has been a constantly evolving and expanding organization since its inception. It survived the Cold War, where its relevance and effectiveness was frequently questioned. Even though some may question its effectiveness today, it appears to have a place in international affairs in the foreseeable future. The UN Association of the U.S.A thinks the UN has an important role to play. They say that UN programs allow the U.S. to share with other countries the costs of meeting transnational challenges that no one nation can solve on its own. The U.S. annual contributions to the UN and its affiliated agencies, which are about one-tenth of one percent of the federal budget, provide a cost-effective means of resolving global problems such as terrorism, weapons proliferation, poverty, and environmental degradation (UNA–USA, Talking Points, 2009).

The U.S. has been the largest contributor, and also largest debtor to the UN throughout the UN's history. The U.S. accounted for around 80 percent of unpaid dues for the UN's regular budget throughout the 1990s and early 2000s. While the UN could not survive in its current state without the U.S., some argue that the U.S. would have a hard time asserting its role as a world leader if it does not support the UN (Center for Defense Information, August 17, 2000).

The argument can also be made that the U.S. gets a bargain with its UN dues. In 2008 the U.S. economy accounted for around 27 percent of the global GDP, but has been assessed only 22 percent for the regular UN budget since 2001. Since 2003, the U.S. has been assessed 26 percent for the UN peacekeeping budget. Other member states are assessed more than their share of the global economy to make up for the reduction given

to the U.S. (UNA–USA, Talking Points, 2009). The European Union nations paid close to 40 percent of the total cost of peacekeeping operations in 2000, much greater than their share of the global economy (CQ Weekly, September 2, 2000). The top five UN contributors—U.S., Japan, Germany, United Kingdom, France—contributed over 58 percent of the UN regular budget in 2008 (Renner, 2005).

Numerous U.S. companies are also direct beneficiaries of some UN spending. In 2004, U.S. companies received \$637 million of the \$6.4 billion the UN spent on goods and services, which is more than twice as much as the next largest provider (UNA–USA, Talking Points, 2009).

While there are benefits of having an organization such as the UN, the U.S. has often been very critical of the way the UN operates. Joseph Conner, former UN Undersecretary for Management, said, “The UN is a collection of funds and programs pretending to be an organization” (CQ Weekly, January 16, 1999). Some U.S. elected officials have felt the same way, and their perception of the UN has influenced how the U.S. funds the UN.

One policy issue that has significantly affected many individuals’ perception of the UN, and affected the U.S. budget for the UN, has been UN reform. Although the UN implemented numerous reform efforts in the 1990s and 2000s, many of which were proposed by the U.S., there are other areas where progress has been slow.

On March 15, 2006, the UN General Assembly passed a resolution replacing the Commission on Human Rights with a new Human Rights Council. The Council is supposed to be an improvement over the Commission, which was controversial due to the human rights policies of some of its members. For example, in 2001 Sudan, which was criticized by human rights organizations for its ethnic cleansing in the Darfur region, was elected to the Commission. Although the U.S. was one of four members to vote against the resolution establishing the Council, stating the Council was no better than the Commission, the Administration said it would continue to fund and support the work of the Council (Blanchfield human rights, 2008, 1–2).

The verdict on the effectiveness of withholding payment to stimulate UN reform has been mixed. Since the UN receives funds from assessment and voluntary contributions, some argue that withholding funding is more effective with voluntary funding than with dues assessments. If a country were to withhold voluntary funding to a particular UN agency, and another country did not make up the difference, that agency would feel a definite financial impact, while if a country withheld a portion of their dues in protest to a certain agency policy, the agency may still be able to fund the protested policy in full by using money that would have gone to another function in the agency. The U.S. has disagreed with the UN on the amount of dues it should be assessed and has withheld funding. Whether the withholding of UN funding to encourage the UN to implement reform measures has been helpful or hurtful is unclear.

UN procurement fraud cases and the “Oil for Food” program in the 1990s indicate that the UN is prone to waste and fraud. UN procurement has been one of the problems most targeted by Congress. The changes and lessons the UN incorporates within itself as a result of these reform efforts will affect how countries view the UN, and perhaps their financial support as well. The U.S. will undoubtedly continue to monitor reform efforts by the UN in the years to come, and new instances of waste and abuse at the UN will give ammunition to those that want to reduce UN funding.

The ability of the UN to audit itself and implement management controls is another reform area that Congress has concentrated on. The UN established an Independent Audit Advisory Committee in June 2007 and improved procurement practices, but has not undertaken an independent bid protest system or approved a lead agency concept, which would enhance division of labor, reduce duplication, and reduce costs in procurement. GAO found that steps have been taken by the UN to improve certain management operations of the Secretariat, but almost no progress has been made in others, such as budgetary, financial management, and administrative functions. The pace of UN management efforts has been slowed by member states’ arguments on reform, the absence of comprehensive implementation plans, internal process issues, and competing UN priorities, such as the proposal to reorganize the Department of Peacekeeping Operations (GAO Progress on Management Reform, 2007, 1).

While U.S. personnel do hold a number of key, high-level UN posts, it seems that the U.S. has not done everything it can to push for recruiting and filling as many UN positions as possible, compared to other countries. Having as many U.S. personnel in the UN as possible would help the U.S. to implement reform proposals it feels are important. The UN, in turn, needs to hire the most qualified personnel, not just strive for regional representation, although that is important and should be pursued whenever possible.

The issue of abortion became a major factor in UN funding during the 1980s and up until the present. From 1986 to 1992, USAID requested funds for UN Population Fund with the understanding that a decision to transfer the money would be reviewed under the terms of the Kemp–Kasten amendment, which Congress also continued to enact each year as part of the foreign assistance appropriation bill. Throughout those years, UNFPA was ineligible for U.S. support. President Clinton thought the Kemp–Kasten amendment was ambiguous and said it could be interpreted differently. The Clinton administration thought that the UNFPA did not knowingly or intentionally support abortion or involuntary sterilization. Congress retained Kemp–Kasten language in the Foreign Operations Appropriations acts, and from 1994 to 1998 and 2000–2001, attached conditions on UNFPA contributions that required the organization to keep U.S. funds in a separate account and forego transfers from the U.S. equal to the amount UNFPA allocated to its China program (Blanchfield UN population, 2008, 12). The White House accepted language as part of spending legislation that would formally bar any non-U.S. agencies from either performing abortions or advocating liberalized abortion laws, but the president would have the option of waiving the law if he thought it necessary. From FY 2002 through FY 2008, a \$25 million reserve was available in the Administration budget request for UNFPA, subject to Kemp–Kasten conditions, and each year the UNFPA received no funding from the U.S. based on the State Department findings that it was not eligible under Kemp–Kasten conditions.

Both the Senate and House have members who have been very critical of the UN. The Senate Foreign Relations Committee has held numerous hearings on the UN, particularly on the issue of UN reform. In the Committee's July 21, 2005 hearing on UN

reform, Richard G. Lugar, then chairman, advocated that the U.S. withhold UN funds to try and affect UN reforms. Congress tended to focus on procurement reform, internal management reform, and an effective Human Rights Council.

On the House International Relations Committee, Chairman Henry Hyde has expressed unfavorable opinions about the UN. In a hearing on improving internal oversight within the UN in 2006, Hyde said that UN funds are unnecessarily vulnerable to waste, fraud, and abuse. Lugar and Hyde were Republicans, as was the majority of the members of Congress who were critical of the UN.

In a briefing and hearing on reforming the UN before the House International Relations Committee on May 19, 2005, Representative Tom Lantos expressed the frustration many congressional members felt over the inability of the U.S. to influence the UN, despite its role as the largest contributor. He also, however, has defended the UN and acknowledged the service it provides. In a hearing on the future of the UN in 2007, Lantos said that the UN plays a vital role in the world. Other members of Congress were also supportive of the UN as a whole, including Senator Joseph Biden.

The large UN system, coupled with the complex U.S. budget system, makes it challenging to get a complete picture of all the U.S. funding to the UN. To have meaningful discussions on UN funding, however, it is imperative to be able to state how much funding the UN is receiving, and what from which part of the U.S. budget.

B. RECOMMENDATIONS FOR FURTHER RESEARCH

This study of U.S. funding of the UN suggests areas of further research. There have been numerous CRS and GAO reports on various aspects of U.S. funding of the UN. A number of the reports focused on reform at the UN. One area that could be further investigated would be a comparison between non-UN international organizations to which the U.S. contributes and evaluate factors that influence the U.S. funding of those institutions. A study could be conducted of why certain factors, such as reform progress, play a major role in UN funding and if those same factors influence U.S. funding of any non-UN institutions.

With the expanding UN peacekeeping budget, there are topics that could be investigated further. Some topics that could be investigated are: will the U.S. likely continue to support an expanding UN peacekeeping role? How can the UN peacekeeping structure be improved to address the complex issues the UN has faced and will likely face in the future? Is there a better alternative to the present peacekeeping model, such as regional international organizations like NATO?

The topic of Security Council reform has been an ongoing issue at the UN for many years. Some countries feel that Security Council reform should occur before any other types of reform at the UN, while other countries, such as the U.S., believe general reform should occur before the issue of Security Council reform is addressed. Further study of the issue of Security Council reform could be conducted, investigating whether conducting Security Council reform would improve the pace of general UN reform.

With the difficulty in identifying and totaling all the funding the UN receives in a given year, another area of further research would be to look at the feasibility of developing a single funding line item for the UN that would be broken down into the different ultimate UN organization destinations of the funds. Just as budget function 150 comprises State Department, diplomacy, and foreign operations, there could be a budget function that captures the entire amount of UN funding. Alternatively, OMB could conduct yearly reports as it did in 2006 to capture, however imperfectly, the amounts each department contributed to the UN in that year by compiling each department's input.

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