

U.N. WATCH

Where Money Counts

There is an aura of mystery to United Nations finances. The biennial budget approved by the General Assembly, currently about \$1.5 billion, covers only the Secretariat, with headquarters in New York and seven regional offices around the world. The Specialized Agencies, such as the World Health and International Labor organizations, as well as some commissions and committees have budgets of their own. UNICEF, for example, makes up its own budget, subject to the approval of its board, and meets its expenses with voluntary contributions from governmental and other sources.

The International Monetary Fund (IMF) and the Bank for Reconstruction and Development (World Bank), although affiliated with the U.N., raise and dispense billions of dollars annually outside the U.N. budget. The peace-keeping forces, such as those currently serving in the Middle East and Cyprus, are maintained through a combination of assessments and voluntary contributions.

There are unique features to U.N. financing. For example, Article 19 of the U.N. Charter states: "A member of the United Nations which is in arrears in the payment of its financial obligations to the Organization shall have no vote in the General Assembly if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two years...."

In two separate cases, the USSR and France refused to pay assessments for "peacekeeping" forces of which they did not approve: The Russians protested U.N. action in the Congo and the French the U.N. moves in the Suez Canal fracas. The United Nations went into debt as a result, but neither country was threatened with the loss of its General Assembly vote. Does a golf club throw out a powerful board member because he refuses to pay his assessment on a swimming pool he doesn't want?

Increasingly now, money is being used by member nations themselves to bring the U.N. and its agencies into line. Tired of being maligned in the International Labor Organization for antilabor practices while Soviet bloc transgressions went ignored—or even praised—the United States withdrew for three years, removing a major source of funding. Seeing the light, ILO members tamed their rhetoric for a couple of years and the U.S. rejoined. Now the Soviets are threatening to leave the agency because *they* are being criticized. Poland and Czechoslovakia also seem to be withholding payment.

There are additional problem areas for the U.S. and other Western governments. For instance, the Palestine Liberation Organization receives direct and indirect support from the United Nations. The Soviet bloc, the Arab countries, and some Third World nations make considerable use of the Palestinian cause in U.N. forums to condemn the U.S. and Israel. This is tweaking the lion's tail. Should American dollars be used to play the game?

The United States is also reviewing its \$50 million contribution to UNESCO, whose annual budget is \$179 million. In its early years UNESCO directed its efforts at providing fundamental education to eliminate illiteracy. Illiteracy is still with us, but the agency has shifted its

focus from education to communications. The concept of a new worldwide information service, independent of the Western-controlled international media, has been the dominant theme at recent meetings. Plans for licensing journalists and the like are seen by the U.S. and other Western powers as an attempt to control the press and inhibit free enquiry. As they look around at the overwhelming number of repressive governments represented at the U.N., the relatively free, industrialized Western nations find good reason to be apprehensive about UNESCO's project.

The Reagan administration came into office questioning the value of the United Nations and its cost to the American taxpayer. Although the questioning goes on, the U.S. has, if anything, taken an even more forceful role in U.N. negotiations and continues its contributions at the same level. What is the cost to Americans? In the early years, when the United Nations had some fifty members, the U.S. underwrote a third of the budget. With Europe in ruins and the rest of the world struggling to survive, only the U.S. had the resources to support such a world organization. The headquarters site itself was a donation—from the Rockefellers. Today, with the U.N. membership at 157, the United States contribution has declined to 25 per cent of the annual budget.

During the last General Assembly session there was pressure from the major donors for a zero-growth budget. The budget approved for 1982-83 was \$1,472,961,700, a reduction of the just over \$1.5 billion proposed by the secretary-general. Even with the reduction, 14 countries voted against acceptance, including the USSR, the U.S., United Kingdom, Japan, and the two Germanys.

In 1983, according to the scale of assessments issued by the Secretariat, 80 countries pay the minimum, a tenth of 1 per cent (.1 per cent); 65 pay more than the minimum but less than 1 per cent. The USSR contributes 10.54 per cent; Japan 10.32; West Germany 8.54; France 6.51; United Kingdom 4.67; Canada 3.8; Italy 3.74; and Sweden and the Ukrainian SSR each 1.32.

The most recent figures on U.S. contributions published by the State Department are for fiscal year 1981. The U.S. gave \$262.8 million to finance the regular activities of the U.N., the Specialized Agencies, and the International Atomic Energy Agency. In addition, \$153 million in cash, commodities, and services went to the UN/FAO World Food program; \$138.7 million to the U.N. High Commissioner for Refugees; \$125.8 million to the U.N. Development Program. Smaller but nonetheless substantial grants were made to UNRWA, the Palestinian relief program; UNICEF; and the U.N. Fund for Population Activities. The total U.S. contribution to the United Nations for 1981, including \$69 million for peacekeeping forces, was \$1.413 billion.

The State Department report, signed by Alexander M. Haig, Jr., then secretary of state, and George Bush, president of the Senate, says by way of introduction: "U.S. participation in the United Nations and other international organizations is an expression of American commitment to the ideals of peace, security, freedom, and global cooperation, and the rule of law.... The United Nations, foremost among the international organizations, remains a principal venue for exercising U.S. leadership in world affairs...."

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