

**Statement of the Honorable John R. Bolton
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Challenges and Opportunities in Moving Ahead on UN Reform

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Introduction

Chairman Lugar and distinguished members of this Committee, thank you for the invitation to testify today. This is an opportune time to discuss how to build on what we accomplished last month with the successful conclusion of the High-Level Event and negotiation of the Outcome Document at the 60th meeting of the United Nations General Assembly. It is critical that we maintain momentum and begin taking tangible steps to realize the goals outlined last month if we are to achieve our shared objective of reforming the United Nations into a more transparent, efficient institution accountable to member states.

At the outset, I would like to take this opportunity to thank my fellow panel member, Paul Volcker, and his entire team for their service and diligent work in helping to uncover and expose what led to the Oil for Food scandal that allowed Saddam Hussein to exploit the good will of the entire international community. I know we are all studying closely the findings and recommendations of his Commission with a view to considering the shortcomings of the Oil for Food Program as a catalyst for positive change at the United Nations. In particular, we note the call by the Volcker Commission for better auditing and management controls – including an independent audit board – stronger organizational ethics, and more active management of the UN and its programs by the Secretariat. Fortunately, Mr. Chairman, I am pleased to tell you here today that we have already begun taking the initial steps to change the culture at the UN that allowed a scandal like Oil for Food to occur in the first place.

To be sure, these are only initial steps and much more remains to be done, but they are important nonetheless. In so doing, we are not talking about band-aid solutions applied to particular problems; rather, we mean to “launch a lasting revolution of reform” as Secretary Rice put it. And the time for that revolution is now. We are promoting reforms that will instill a sense of responsibility and affect a wholesale cultural shift in the way that many UN entities conceive of their plans and operate. We must look at which UN agencies are most effective in fulfilling their missions, and why it is that others fail.

In the short time I have, I would like to discuss some of the ideas being considered to reform the United Nations to fulfill the purpose of its Charter. I would also like to provide a status report on where we stand on our most important priorities. I look forward to answering your questions and hearing your views here today and any time you or your staff wishes to come to New York. The U.S. Mission in New York has an open door policy because we realize how critical it is to work with you in achieving our shared goals.

U.S. Priorities in Reforming the United Nations

During the past nine months, we have made clear that the number one objective of President Bush and Secretary Rice and our government has been to aggressively promote and push for management reform, budget reform and reform of the function of the UN Secretariat. We also strongly support creation of a Human Rights Council, one that both replaces and fully addresses the inadequacy of the current Commission on Human Rights.

Another key priority is the establishment of a Peacebuilding Commission. While significant progress has been made in establishing a new Peacebuilding Commission that would advise on post-conflict reconstruction and stabilization, we must view it as part of a package of comprehensive reforms. There is no question that the U.S. fully supports a Peacebuilding Commission which advises the Security Council on post-conflict resolution and reconciliation.

There must be progress on these reforms simultaneously if we are to achieve meaningful, lasting change. A strong Human Rights Council would unquestionably benefit from the work of the Peacebuilding Commission and vice-versa, and both would undoubtedly benefit from a more streamlined, transparent and accountable management structure.

While there are other key priorities I will discuss, I would first like to address these three issues before discussing some of our other priorities at the United Nations.

Management Reform

Underpinning all of the reforms we propose, and the important new institutions we are calling for is the need for a revolution in the way the United Nations operates. This will be critical to avoid the need to ever have another independent inquiry investigate a scandal of the scope and size of Oil for Food. This is why Secretary Rice speaks of a “launching a lasting revolution of reform” and why it is so important for delegations to be so vocal in their condemnation of these activities. This is not so much a criticism of the Secretariat, but rather, of ourselves and other member states, for ultimately the UN Secretariat works for member governments, a fact we must leverage in the future as we chart a course for reform. As President Bush remarked, “the process of reform begins with members taking our responsibilities seriously.”

Fortunately, significant positive steps have been taken. The Outcome Document successfully negotiated last month took some important first steps in approving concrete reforms. The Document calls on the Secretary-General to put forward specific proposals on reforms, including a UN system-wide code of ethics, stronger whistleblower protection, more extensive financial disclosure for UN officials, creation of an independent ethics office, review of mandates that are more than five years old, and independent oversight of internal UN operations. We have also seen positive steps taken with regard to improving the UN’s technology infrastructure, which will facilitate communication and potentially save millions of dollars by cutting waste and inefficiency.

Further steps are needed, however, and we will work diligently to ensure that the institution follows through on these important reforms. No doubt we and many like-minded countries wish the Outcome Document had gone further. Broadly speaking, the negotiations dealing with management reform were hampered because different delegations interpret the term “UN reform” to mean different things. It is difficult to negotiate meaningful reform if the negotiators cannot agree what steps constitute reform. The U.S. has a clear vision, though, of the specific reforms we would like to see and have developed.

To be sure, there were elements we wished had been preserved in the final text, but it is a good start. We have developed a specific check-list which we will use as a marker to measure UN Secretariat progress. I have attached that list as an appendix to this testimony. We will continue to seek the authority to adopt more flexible policies regarding the deployment and hiring of personnel, even though the language was not included in the Outcome Document. Too many countries have personnel in cherished positions that they are desperate to hold on to, regardless of qualifications. Some delegations insisted that language be inserted on “equitable geographic distribution” with regard to hiring conditions, as opposed to the language of the Charter we insisted on, which emphasizes efficiency, competence and integrity as the “paramount consideration.” In granting the Secretary-General a broad mandate for reform, some delegations attempted to hamper his review by calling on him to be restrained by “existing mandates and ongoing endeavors.” That would have simply been a prescription for “business as usual” and was excised.

Part of our responsibility is to identify what is working well within the panoply of institutions and agencies within the United Nations, and what is not. The key of course is what steps need to be taken to see that these goals are fulfilled. It was for this reason that President Bush applauded the initial effort but emphasized that these are the “first steps.” In his own words, “The United Nations has taken the first steps toward reform. The process will continue in the General Assembly this fall, and the United States will join with others to lead the effort.”

One key task is to identify those programs that we consider to be the best run in terms of efficiency, accountability, transparency, and, of course, performance. As has been discussed before by many officials, both within the UN system and in member state governments, there are several identifiable factors that seem to account for the variation in performance of UN agencies.

One factor appears to be the size of the management structure. Simply put, more is not necessarily better and, in fact, can make a body unwieldy. The logic here is not complicated and is, in fact, the very reason I speak today before a Committee and not the Senate as a whole. The problem, of course, comes with changing structures where countries, or sometimes individuals themselves, have vested interests in remaining part of a particular UN agency. The consequence, of course, is a myriad, almost bewildering range of UN governing councils, executive boards, assemblies, commissions, committees, conferences, ‘open-ended working groups,’ panels of ‘independent’ experts, and subsidiary bodies, not to mention the proliferation of agencies, programs, funds, organizations, missions, secretariats, offices, tribunals, facilities, institutes, representatives, envoys and observers. There is continuing pressure for high level conferences due in part to the plethora of UN bodies and mandates, all of which at some point seek high level affirmation through a conference. Another factor is that most member states, as well as the UN Secretariat, bear little or no financial cost for staging conferences. None of this is to deny that it is sometimes necessary to hold high-level conferences when transnational problems require us to push the frontiers of cooperation. Where conference agendas conflict or overlap with the mandates of other institutions or simply review outcomes of earlier conferences, however, their costs – both financial and political in terms of re-opening issues – far outweigh the benefits.

There is no doubt that the activities of many of these institutions can be rationalized, and that some of them can be merged or eliminated, having outlived whatever usefulness they might

once have had. One might go further and ask what the clear distinction is between the Second and Third Committees, -- and they with the Economic and Social Council (ECOSOC) -- for which there seems to be considerable overlap. Moreover, all of the Committees are committees of the whole, which leads again to the problem of unwieldy bodies forced to accept the lowest common denominator in terms of outcomes.

Reform of Financing

Many UN agencies are, in fact, well run and do work which serves the international community and member states well. In looking at some of the best-run agencies within the UN system, there appears to be another factor at play in determining the level of performance that we should explore – the funding mechanism. Just as the management of the UN Democracy Fund will be held to high performance standards because contributions to it are entirely voluntary, the same seems to be the case for other UN activities.

The United Nations Development Fund for Women (UNIFEM) played a positive and important role to ensure women's strong participation in the democratic elections in Iraq last January, and have even help set up Iraq's first independent women's radio station. In addition, there is a reason why eighty-three public, community and independent foundations chose the U.S. Fund for UNICEF as the beneficiary of the grantmaking last year. As William Brisben, U.S. Representative to UNICEF noted to the Executive Board just three weeks ago, one of the keys to UNICEF's success is its emphasis on measurable results, which document and prove to existing and potential contributors that their money is being well-spent. Many NGOs, including the Kiwanis and Lions Club, are now partnering with UNICEF because they recognize that it is a well-run organization.

Catherine Bertini, former UN Under Secretary-General for Management and former head of the World Food Programme (WFP), noted that, "Voluntary funding creates an entirely different atmosphere at WFP than at the UN. At WFP, every staff member knows that we have to be as efficient, accountable, transparent, and results-oriented as is possible. If we are not, donor governments can take their funding elsewhere in a very competitive world among UN agencies, NGOs, and bilateral governments."

As the UN's largest financial contributor, with our annual assessment constituting 22 percent of the regular budget, the United States bears special responsibility because we are in the position best suited to advance reform. This is not necessarily to suggest that voluntary contributions are the proper model for all operations at the United Nations; other options are available and, in fact, utilized. It is noteworthy that many member governments, including the United States, already make voluntary contributions to particular specialized agencies or programs in addition to their assessed contribution.

Human Rights Council

We were pleased that member states agreed to language in the Outcome Document last month on the need to establish a new Human Rights Council, which is indeed progress, and a mandate making it poised year-round to focusing on "grave" situations in specific countries.

Some of the thorniest details, though, have not yet been clarified. We should bear in mind that some delegations, not surprisingly a group comprising some of the world's most notorious human rights abusers, fought to delete this section in its entirety. Given the importance and difficulty of negotiating the details of how the Council will function, we are pleased that the Secretariat has already scheduled informal consultations on this crucial issue for this month. An immediate priority for the United States during the 60th UNGA session will be passing a detailed resolution establishing the new Council. Rest assured that the U.S. position remains unchanged. As Secretary Rice noted in her remarks to the General Assembly last month, the new Human Rights Council "must have fewer members, less politics, and more credibility.... It must have the moral authority to condemn all violators of human rights – even those that sit among us in the hall.... And it should never – never empower brutal dictatorships to sit in judgment of responsible democracies."

Peacebuilding Commission

We were pleased with the progress made last month toward the establishment of a new Peacebuilding Commission. In particular, we were pleased that the Outcome Document specified that members of the Commission should include major contributors – of funds and troops for peacekeeping operations. One of the flaws and inequities of the UN is the weak correlation between member states' contributions, broadly speaking, and their voice in the Organization. The agreed membership standards for the Peacebuilding Commission represent a small but positive step toward redressing this problem.

In advising on stabilization and reconstruction in the immediate aftermath of a conflict, we must be certain that the Commission functions in an accountable and transparent manner. The work ahead in the upcoming months is to define how the Commission will provide its advice and, more importantly, how to ensure that creation of this Commission ensures Security Council oversight, guidance, and control of this intergovernmental advisory body. We believe it should be an intergovernmental advisory body under the direct supervision of the Security Council because the mission of the Peacebuilding Commission is to improve the timeliness and effectiveness on the ground of UN and bilateral donor activities during critical periods in a political transition so that countries do not relapse into conflict.

Other member states have argued for granting control to the General Assembly or the Economic and Social Council (ECOSOC). Some member states are attempting to engage in "mission creep" by redefining the scope of the Peacebuilding Commission and attempting to involve it in pre-conflict situations or long-term development. We do not believe this should fall under the purview of the Peacebuilding Commission, which needs to have a clearly defined and specific mission and mandate in order to maximize its effectiveness. There are existing mechanisms for managing UN activities in the development, humanitarian and social arenas under normal circumstances. The Peacebuilding Commission should not duplicate those. To do so would make UN operational activities less effective and more bureaucratic. The attempt by some to expand the mandate of the Peacebuilding Commission highlights the singular and primary reason we must view reform in a comprehensive light, not a piecemeal one.

Terrorism

The Charter specifically calls upon the Security Council to consider threats to international and peace security and take appropriate action as necessary. We believe that the best way to prevent conflict in the first place is through the active promotion of democratic institutions and economic development. The promotion of freedom through democracy and the protection of human rights and human dignity is a high priority for the President and all of us in the Administration because it is a key component to winning the global war on terrorism. It was with this in mind that President Bush emphasized the point last month that, “We must change the conditions that allow terrorists to flourish and recruit, by spreading the hope of freedom to millions who’ve never known it. We must help raise up the failing states and stagnant societies that provide fertile ground for the terrorists.”

The key, of course, is to tailor policies and UN activities to particular problems in the most efficient and effective way possible. In the case of terrorism, for example, we are actively working with other member states to conclude the Comprehensive Convention on International Terrorism (CCIT). As President Bush noted, “We must complete the Comprehensive Convention on International Terrorism that will put every nation on record: the targeting and deliberate killing by terrorists of civilians and non-combatants cannot be justified or legitimized by any cause or grievance.” We are also strongly supportive of Security Council Resolution 1624, initiated by the United Kingdom, which condemns the incitement of terrorist acts and calls on states to take appropriate steps to end such incitement.

Democracy Fund

It is also necessary to sow the long-term seeds of peace through the promotion of liberty and democracy. The United States has been a champion in this regard. Just last year, for example, President Bush called for the establishment of the UN Democracy Fund. The Fund was opened on July 4 of this year, and launched by President Bush, together with Indian Prime Minister Singh and Secretary-General Annan this fall. Countries such as India, the world’s largest democracy, with its pledge of \$10 million, have taken a leadership role to help promote the view that every free nation has a responsibility in advancing the cause of liberty. We were pleased that the Outcome Document contained explicit language endorsing this Fund that President Bush called for at the last UNGA in 2004. It is the first UN entity or program explicitly labeled for “democracy,” in itself a seed of UN reform.

So far, fifteen countries have voluntarily pledged \$43 million to this fund. What initiatives such as the Democracy Fund highlight is that the international community and many individual states are generous in their giving, but they want to know that their donations are being well spent. The funding mechanism for the UN Democracy Fund is entirely voluntary, and member states can cut off their contributions at any time should they find it does not meet their standards of accountability and effectiveness. This will serve as a powerful incentive for the Fund to utilize its resources wisely. We look forward to working to ensure its success.

Peacekeeping Operations

Sometimes it is necessary for the international community to rally together to prevent conflict, ethnic cleansing, genocide and warfare through direct intervention and the establishment of Peacekeeping Operations. No doubt many of these operations have served a valuable purpose and many lives have been saved. Other Peacekeeping Operations have played a critical role in ensuring the implementation of ceasefire and peace agreements and have helped to resolve disputes.

It is critical for member states of the Security Council to take appropriate action to ensure that peacekeeping operations generate solutions rather than prolong stalemates. We must maintain constant scrutiny of mandates as we pursue our objectives of encouraging the parties to move towards long-term peace. I know this Committee has been particularly interested in the proliferation and expansion of these operations, and I want to assure you that we continue to look for ways that the Security Council might pressure countries to resolve their conflicts.

Responsibility to Protect

Related to the issue of preventing conflict is the important progress we made in the section on the “Responsibility to Protect,” which moves us toward a new strengthened international moral consensus on the need for the international community to deal with cases involving genocide, war crimes, ethnic cleansing, and crimes against humanity. We were successful in making certain that language in the Outcome Document guaranteed a central role for the Security Council. We were pleased that the Outcome Document underscored the readiness of the Council to act in the face of such atrocities, and rejected categorically the argument that any principle of non-intervention precludes the Council from taking such action.

Nonproliferation and Disarmament

Given the nexus between terrorism and weapons of mass destruction, we were disappointed that member states were not able to agree on text that we felt addressed the most pressing threats the international community faces. As many of you know, the Nuclear Nonproliferation Treaty (NPT) Review Conference was held in May 2005 and failed to reach consensus on these issues as well. In many ways the discussions over the summer on this section of the Outcome Document were simply a repetition of the discussions at the NPT Review Conference. Assiduous efforts by many countries such as Norway to find acceptable language failed, but we will continue to do our part to prevent the proliferation of weapons of mass destruction, through such activities as the Proliferation Security Initiative (PSI).

The lack of consensus on any text on this subject shows, though, how much work we have to do. Ignoring the positive steps we have made on disarmament such as through the Treaty of Moscow, many countries rejected language on the mechanisms we proposed to help counter the true threat facing the international community today—the proliferation of weapons of mass destruction to state and non-state actors, and the possibility that terrorists may acquire such weapons. While we have made progress on UNSCR 1540, many countries have yet to enact the

laws or take other steps necessary to implement their obligations under that resolution in their territories. We are not giving up on these matters, and will continue pursuing concrete, practical methods to address them. We will also continue to get other member states to join us in activities such as the G-8 Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, the Nuclear Terrorism Convention, or the Global Threat Reduction Initiative, which are key to securing the facilities and materials against theft, unauthorized access, or terrorism.

Development

Finally, I would like to discuss the important progress made in incorporating development language in the Outcome Document that recognizes actions and commitments made by the donors since the Millennium Summit and the Monterrey Consensus. Of particular note is that the final version included numerous provisions highlighting the measures that developing countries must take to promote their own growth and development.

Still though, the development section of the Outcome Document proved one of the most arduous to negotiate. The negotiations on this section of the Outcome Document also included a hodgepodge of other issues, many of which should have been discussed in other fora or venues. We were able to revise language on climate change that over-emphasized the role of the Kyoto Protocol. We were also able to resist efforts to secure international endorsement for a global tax on airplane tickets to finance development, noting only that some national governments intended to impose such taxes.

On the subject of development itself, the negotiations were hamstrung because some delegations wanted to lock-in guarantees on how much financial assistance they would receive while ignoring what we considered to be the most important issue: economic policy in developing countries. Prosperity requires policies and institutions at the national level that generate wealth and enable countries to participate in the global economy. Rich countries and successful developing countries have diverse traditions and institutions, but all rest on basic building blocks of a market economy, respect for property rights, enforcement of contracts, and the rule of law. As Secretary Rice noted in her remarks to the General Assembly, “Donor countries have a responsibility to increase their assistance to developing nations. And developing nations have a responsibility to govern justly, to advance economic liberty, and to invest in their people.”

Our team in New York emphasized, and both the President and the Secretary reiterated, that the United States is committed to the Millennium Development Goals as well as consensus established in Monterrey in 2002. We also reaffirmed our support for concluding a successful Doha round on international trade. It was important, however, to define and clarify what that support meant. Some delegations attempted to interpret that support in creative ways by inserting language into the text that was tantamount to locking in guaranteed shares of markets in international trade. Even in the late stages of the negotiation of the Outcome Document, there was language that some would interpret as requiring nations such as the United States to give technology and intellectual property rights to other nations. We were able to fix these problems,

and were especially pleased that the final version also included numerous provisions highlighting the measures that developing countries must take to promote their own growth and development.

While we would have preferred more precise language in some sections, I think that part of the reason we were successful in getting as much as we did was because of the Administration's strong record in assisting developing countries. The position of some delegations that the United States was not living up to its end of the bargain was untenable. The United States has nearly doubled Official Development Assistance from \$10 billion in 2000 to \$19 billion in 2004. We have launched new initiatives such as the Millennium Challenge Account. This account is increasing U.S. aid for countries that govern justly, invest in their people, and promote economic freedom.

We have also enacted the President's Emergency Plan for HIV/AIDS Relief and supported the G8 Gleneagles Summit's significant focus on the special needs of Africa. As the President noted in his remarks, the United States agreed with other G8 leaders to cancel 100% of the multilateral debt for those eligible Heavily Indebted Poor Countries (HIPC). This is a top priority for the President because, as he noted before the General Assembly, "We have a moral obligation to help others – and a moral duty to make sure our actions are effective."

Beyond our actions, we have seen the United Nations begin to form partnerships with the private sector to leverage limited resources. This new paradigm, dependent on voluntary contributions, has evolved significantly over the years and has resulted in a number of successful programs such as the Global Alliance for Vaccinations and Immunization (GAVI) and the new Child Survival Partnership program. These are innovative projects and we applaud the UN Secretariat for moving in this direction, one we expect will continue, given its success.

Conclusion

Mr. Chairman, I know I have touched on a broad range of topics related to the Outcome Document here today, but even in so doing, I know that some issues were left untouched. Let me thank you for the continued interest you and this Committee, indeed the entire U.S. Congress, have shown in helping to realize our shared goal of reforming the United Nations. Let me assure you and the American people, though, that we are carefully studying the reports of Mr. Volcker and his Commission to ensure that another Oil for Food scandal never occurs.

While I have addressed broader themes here today, I have done so because we must address the underlying conditions which allowed such a scandal to take place. We need to improve and reform the UN so that all UN agencies are able to fulfill the important missions for which they were created in the first place. This is the only way to accomplish the goal defined by Secretary Rice of launching a lasting revolution of reform. As the Secretary and others have said, we greatly appreciate your commitment to UN reform, and remain committed to work with you to that end. With greatest respect, we oppose mandatory withholding, but look forward to

working with Congress on legislation that would give the Secretary leverage in her efforts to negotiate UN reform. We believe the legislation introduced by Chairman Lugar and Senator Coleman is a constructive approach and we look forward to further consultations with you on this legislation. I look forward to answering your questions and hearing your views and those of your fellow Committee members.