

**THE UNITED NATIONS: THE STATE OF ITS
EFFICACY AND REFORM**

HEARING
BEFORE THE
SUBCOMMITTEE ON INTERNATIONAL OPERATIONS
OF THE
COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE
ONE HUNDRED SIXTH CONGRESS
SECOND SESSION

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WEDNESDAY, MAY 10, 2000

U.S. SENATE,
SUBCOMMITTEE ON INTERNATIONAL OPERATIONS,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The subcommittee met at 10:38 a.m., in room SD-419, Dirksen Senate Office Building, Hon. Rod Grams (chairman of the subcommittee) presiding.

Present: Senators Grams and Boxer.

Senator GRAMS. Well, good morning. I would like to bring this hearing to order.

I want to welcome all of you here and especially the two people that will make up our panels this morning: the Honorable C. David Welch, Assistant Secretary of State for International Organization Affairs; and on our second panel, Mr. Harold Jim Johnson, Associate Director for International Relations and Trade Issues, the National Security and International Affairs Division of the General Accounting Office. He will be accompanied by Tet Miyabara as well this morning. So, I want to welcome both of our witnesses to this hearing.

Now, first I want to, of course, thank the witnesses for participating this morning. GAO is releasing a report¹ today which looks at the progress that has been made since the Secretary General of the United Nations announced his intentions to reform the U.N. This morning I hope Secretary Welch will look at this report carefully because it does underscore major flaws in the ability of the U.N. to be an effective organization.

According to GAO, there is no system in place within the U.N. to monitor and evaluate program results and impact. In other words, the U.N. undertakes numerous activities on social, economic, and political affairs, but the Secretariat cannot reliably assess whether these activities have made a difference in people's lives and whether they have improved situations in a measurable way. I am very interested in the administration's assessment of how well the U.N. can demonstrate that it is making a difference without such a system in place.

I am also eager to discuss the progress of reform in the peacekeeping area. However, given the situation in Sierra Leone, I want

¹The report, entitled "United Nations, Reform Initiatives Have Strengthened Operations, But Overall Objectives Have Not Yet Been Achieved," report number GAO/NSIAD-00-150, can be accessed on the Internet at: <http://www.gao.gov>

to take this opportunity to get the administration's view on why this train wreck, to use Ambassador Holbrooke's term, occurred and what is going to happen now. It is my considered opinion that 500 kidnapped U.N. peacekeepers and rebels riding around in U.N. armored personnel carriers reflects a lot more than a weakness in the DPKO; it reflects a short-sighted and ill-planned U.S. approach that is willing to jeopardize the future of U.N. peacekeeping for a symbolic show of support for engagement in Africa. A feel-good operation with no impact on keeping civilians safe and with peacekeepers held as hostages sounds a lot like a replay of U.N. forces in Bosnia. Have we not learned anything in the last couple of years?

During the historic visit of members of the U.N. Security Council to the Senate, I was struck by an exchange between the Representative from France and the Chairman of the Armed Services Committee. Now, I already mentioned this in a hearing that I chaired last month, but it bears repeating. When Chairman Warner stated, "Don't take on more than you can do, and do effectively," Ambassador Levitte replied, "Is it morally possible to say 'no' to populations which are desperately in need of help?" Well, my rejoinder to that remains, "Is it morally possible to say 'yes' when you know the U.N. can't deliver?"

The desire to make political statements of support for nations in turmoil appears to be drowning out considered opinion as to whether the U.N. is able to carry out the mandates that it has been given. The operation in Sierra Leone is not collapsing just because neither the U.N.'s management structure nor the financial system currently in place will support the projected expansion of peacekeeping in Africa. It is collapsing because as witnesses before this committee last month repeatedly stressed, unlike NATO, the U.N. is only successful when it takes on limited missions where a political settlement has already been reached. This was not the case in Sierra Leone.

And equally as important, the use of peacekeeping commitments as political statements are obscuring the transformation of peacekeeping from the separation of belligerents into an exercise in nation building that goes far beyond what Congress may be prepared to accept. Under PDD-71, the administration is agreeing to endorse an indefinite U.N. commitment to govern distressed nations, from sewage to social services to setting up judiciaries, when we commit to supporting peacekeeping operations. I am not sure this Congress or our Nation is aware of the far-reaching implications of this Presidential decision directive.

So, this morning I look forward to hearing your explanation of this and other matters, of course, relating to the United Nations as you testify today. So, Mr. Welch, thank you again for taking your time to be here to testify before this committee, and I would like to open it up for your testimony.

[The opening statement of Senator Grams follows:]

OPENING STATEMENT OF SENATOR ROD GRAMS

First, I want to thank the witnesses for participating in this hearing. GAO is releasing a report today which looks at the progress that has been made since the Secretary General of the United Nations announced his intention to reform the U.N.

I hope Secretary Welch will look at this report carefully, because it underscores major flaws in the ability of the U.N. to be an effective organization.

According to GAO, there is no system in place within the U.N. to monitor and evaluate program results and impact. In other words, the U.N. undertakes numerous activities on social, economic, and political affairs, but the Secretariat cannot reliably assess whether these activities have made a difference in people's lives and whether they have improved situations in a measurable way. I am very interested in the Administration's assessment of how well the U.N. can demonstrate it is making a difference without such a system in place.

I am also eager to discuss the progress of reform in the peacekeeping area. However, given the situation in Sierra Leone, I want to take this opportunity to get the Administration's views on why this "train wreck" (to use Ambassador Holbrooke's term) occurred and what's going to happen now. It is my considered opinion that 500 kidnapped U.N. peacekeepers and rebels riding around in U.N. armored personnel carriers reflects a lot more than weaknesses in DPKO; it reflects a shortsighted and ill-planned U.S. approach that is willing to jeopardize the future of U.N. peacekeeping for a symbolic show of support for engagement in Africa. A feel-good operation with no impact on keeping civilians safe and with "peacekeepers" held as hostages sounds a lot like a replay of U.N. forces in Bosnia. Haven't we learned anything since then?

During the historic visit of members of the U.N. Security Council to the Senate, I was struck by an exchange between the representative from France and the Chairman of the Senate Armed Services Committee. I already mentioned this in a hearing I chaired last month, but it bears repeating. When Chairman Warner stated, "Don't take on more than you can do, and do effectively," Ambassador Levitte replied, "Is it morally possible to say 'no' to populations which are desperately in need of help?" My rejoinder to that remains, "Is it morally possible to say 'yes' when you know the U.N. can't deliver?"

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And equally as important, the use of peacekeeping commitments as political statements are obscuring the transformation of peacekeeping from the separation of belligerents into an exercise in nation building that goes far beyond what Congress may be prepared to accept. Under PDD-71, the Administration is agreeing to endorse an indefinite U.N. commitment to govern distressed nations—from sewage to social services to setting up judiciaries—when we commit to supporting peacekeeping operations. I'm not sure this Congress, or our nation, is aware of the far-reaching implications of this Presidential Decision Directive. I look forward to hearing your explanation of this, and other matters relating to the United Nations, as you testify today.

STATEMENT OF HON. C. DAVID WELCH, ASSISTANT SECRETARY FOR INTERNATIONAL ORGANIZATION AFFAIRS, DEPARTMENT OF STATE, WASHINGTON, DC

Mr. WELCH. Thank you, Senator. I appreciate the opportunity to come before you again to have this dialog with you about the issues that you have mentioned. I want to repeat our appreciation for your personal role, Mr. Chairman, in pursuing this reform effort, including your trip to the United Nations in January and your participation when the Security Council members came down here at the end of March. That kind of focus is critical to the agenda that we have, that we are pursuing together, for U.N. reform.

I would like to go through this a little bit with you today and talk about the general status of U.N. reform efforts, concentrating on peacekeeping, which you have highlighted.

I was not here for your hearing last month where peacekeeping was discussed, but I have read the transcript and seen the statements by the other witnesses. I can address some of the questions that you have raised to the best of my ability.

We are approaching the 1-year anniversary of the Council resolutions authorizing four large, new missions, Mr. Chairman, in Kosovo, East Timor, Sierra Leone, and the Congo. These have brought critical new challenges and significant increases in peacekeeping costs and U.N. personnel on the ground, really a change in the circumstances that obtained from the middle 1990's until recently. These changes justify your committee's interest in this matter and our own concern.

But let me be clear. We believe that peacekeeping, I think as you do, sir, when done right, can be one of the most useful foreign policy tools we have. I would like to elaborate on this in three parts.

First, I will describe what peacekeeping can accomplish under the right circumstances. Second, I will describe how it serves our national interest. Third, I will discuss what we are doing to make it work better so that it can better serve those national interests. I will, of course, conclude by talking about U.N. reform in general, particularly now that the GAO is releasing its report, which I have read and I commend. It is a very good job. And I would like to use the opportunity of this hearing, too, to mention our financial situation because that impacts directly on the reform effort.

To discuss what peacekeeping can accomplish, we first have to define what we expect from these operations; in other words, what is success? When peacekeepers are deployed, the international community is taking a step toward repairing a breach of security and peace, averting a humanitarian disaster, stopping violations of human rights, supporting public security, or implementing a settlement.

In taking on these responsibilities, peacekeeping provides breathing room and helps the agreements take root. They can allow refugees to go home, disarm combatants, enable citizens to live without fear, help bring war criminals to justice, and assist national leaders building democratic institutions.

There have been some successes. In Mozambique, the U.N. mission served U.S. aims, separating, demobilizing, and reintegrating combatants; monitoring a cease-fire; and observing and verifying an election process. Mozambique is democratic and at peace.

In Namibia, the U.N. served U.S. aims in that civilians, police, and military officers of the transition assistance group successfully facilitated democratic change.

In Macedonia, U.N. missions served U.S. aims by containing the spread of Serbian terror, which allowed the Macedonians also to establish democratic institutions and to participate in Europe.

Well, there are difficulties, of course, especially if you look at the history of violence in some of these situations, some of which remain very volatile. Sometimes when a peace agreement is signed and agreed by each and every one of the parties, the process is assaulted by one or the other of those parties. We know that the successful implementation of a negotiated settlement, however, may not necessarily proceed unless there are peacekeepers present to assist it. Sometimes peacekeeping has also failed altogether. You

have spent some time in this room examining those cases, Bosnia, Somalia, and Rwanda, to mention some examples.

But in keeping the focus on the positive, I think that peacekeeping can work, and I also believe it can be in our national interest.

That does not take away from our willingness to act unilaterally if it is in our vital national interest. We have demonstrated our willingness to do so. We remain ready to do so.

But at other times when our vital national interests are not threatened, we have an important stake in resolving the conflicts. In these situations, peacekeeping is a way to further U.S. interests while sharing the risks and the costs. That has been the case in Macedonia, Lebanon, Haiti, Eastern Slavonia, and elsewhere. And there are operations that continue around the world today where I think we would agree that that is the case.

The four most prominent peacekeeping missions right now are good examples of this, and they are the ones that assume the majority of our attention and resources.

Our interest in Kosovo stems from a longstanding desire for a stable, democratic, multi-ethnic Europe, no longer threatened by Soviet power, and our need to help the emerging democratic nations under a stable NATO-Russian cooperative security arrangement.

In East Timor, we have important security, political, and commercial interests in Indonesia, one of the most populated nations in the world. It is an opportunity to resolve a problem that has been a source of regional tension and humanitarian concern for over two decades. We also want to support a close ally, Australia.

In Sierra Leone, this is an 8- to 9-year civil war where we have had a clear humanitarian interest in helping to consolidate a peace and in supporting the British in what is a key country for them. The war in Sierra Leone not only generated large refugee flows and economic displacement, horrendous human rights violations, but it also led to the direct military involvement of some neighboring states.

And in Democratic Republic of the Congo, the United States has an interest in supporting U.N. efforts to stabilize Africa's world war, its most widespread war in modern history. This war has not only destabilized one of Africa's largest countries, but also threatens to spill across nine borders and destabilize much of central Africa.

To put it another way, when we support U.N. peacekeeping operations, we are not in it just for the sake of peace, we are in it because we think this peace is important to our interests.

This brings me to a third point, sir. Even when peacekeeping can succeed and even though it may serve U.S. interests, it can do neither unless we look at the way the U.N. performs peacekeeping operations while at the same time keeping member states' support for those operations.

We have an emphasis on peacekeeping reform, and that is nothing new. We can wield considerable influence, particularly through the Security Council decisionmaking process, on peacekeeping. And we have used that influence in recent years.

There have been some notable reforms in the Department of Peacekeeping Operations. For example, giving the Secretariat an effective situation center for running missions; simplifying operations and reducing costs through a contingent-owned equipment system which, if performed well, would help missions get the materials they need at the time when they need them; improving mission planning by thorough "lessons learned" reviews of past operations; working to improve the recruitment, training, deployment, and logistical support of civilian police operations; improving rapid deployment capabilities by establishing a U.N. logistics base and standby arrangements.

These steps are a good beginning, but they are not sufficient. Let me sketch for you some of the reforms in the area of peacekeeping that are among our priorities.

We are concerned that DPKO, the Department of Peacekeeping Operations, is stretched too thin. The Secretary General agrees with that judgment and has informed the Security Council of his view. We are working to correct the shortfall. There has to be sufficient personnel both in New York and on the ground, otherwise these operations, in our view, cannot succeed.

There is no quick fix to this. We are supporting the Secretary General's review, which he launched in April, of peacekeeping in general and of his particular attention to looking at ways to enhance the permanent staff of DPKO and ways in which that could be supplemented. This is especially important in view of the change that has occurred and the resultant greater demand for civilian police as a component of some of these operations. That is a primary purpose of the Presidential Decision Directive you mentioned, Mr. Senator, PDD-71, which directs the administration to enhance our civilian police capacities and also to help enhance the CIVPOL capacities of the U.N. and member states.

Another key issue is use of experts-in-kind at the United Nations, including civilians, not just military. DPKO has suffered from the member states' decision, over our objections, to curtail these experts-in-kind. Nowhere near as many U.N. slots have been made available to make up the difference of the shortfall when gratis military officers were removed, while other U.N. departments continue to have what is in our view an abundant and generous staffing pattern.

There are also questions involving the quality of troops and equipment and the resources devoted to peacekeeping operations, financial in particular, which need to be addressed.

It is our judgment, Mr. Chairman, that Secretary General Annan is an ally in this reform effort. He has appointed this blue ribbon panel to look closely at how the U.N. can improve its performance. There are two Americans on that panel, Brian Atwood and William Durch. We are contributing some ideas and thoughts to them so that they can pursue the inquiry.

But reform efforts in the area of peacekeeping are just part of broader efforts to reform the U.N. which are the main subject of the hearing today, efforts that have brought some tangible results also. While there are many organizational and management improvements, others are still in process, as I think the GAO correctly observes in its report that it is releasing today.

One of the most significant reforms was carried out in 1995 when the U.N. established the inspector general function for the first time, the Office of Internal Oversight Services [OIOS]. Now we are going through the first transition to a new director of that, a gentleman we have gone out and met and who appears well motivated and capable of taking up this job. Carl Paschke, his predecessor, did an excellent job.

There are other improvements in recent years which are highlighted in the GAO report. I will just mention a couple here. Consolidation and restructuring of the economic and social affairs departments; establishment of a Deputy Secretary General slot with a cabinet-style management structure. I think the good thing about that is not only was it established, but the person who is filling that job is quite capable and energetically moving to address some of the management and coordination issues that come up in the U.N. A code of conduct has been implemented to foster greater accountability. There is a performance appraisal system that is being implemented.

While this has been done, there is a lot more that needs to be accomplished. I think when I read the GAO report, not only did they have some specific ideas in that respect, but they point to the lag in this culture of change and reform which seems to be, more or less, accepted in the top ranks filtering down into the system itself. I think that is a critical impediment right now.

Another area is to enhance the U.N.'s ability to evaluate what it is doing—and it is doing a lot in a lot of different areas—and identify ways in which the effectiveness of those efforts might be increased, or where they are not effective, where they might be adjusted, modified, or even terminated.

In addition, the Helms-Biden legislation has provided some benchmarks as we work toward reform, in budgeting, in personnel management, and most prominently, in the scales of assessment for both the regular budget and peacekeeping. We have been putting a lot of energy into this, as you might expect, because this is the critical year to achieve change in the scales of assessment.

This has been a big focus of Secretary Albright's and Ambassador Holbrooke's work in recent months. No meeting goes by where the Secretary of State does not raise this with key foreign leaders and counterparts with whom she meets. Similarly, Dick Holbrooke has been very energetic in working not only in New York but in his travels. Our Ambassador for management reform, Don Hays, I think has met several times with probably each delegation. I have in this year alone been to Geneva, Rome to work with the largest contributors to the U.N. system, and then in Brussels to work with the EU, and I just returned Monday from going to Saudi Arabia, Egypt, and Kuwait, again to try and influence key regional audiences.

Important markers in that coming up. We hope the Fifth Committee, when it resumes its deliberations this month, sir, will agree to take a comprehensive look at scales because so far the parliamentary mechanism in the U.N. system has only admitted for a regular budget discussion, not of the peacekeeping scale. We would like to get those merged so we can work on both of them at the same time.

Obviously, the true test of this is what is decided at the end of the day on scales of assessment, but I would say that so far we are having some good success in getting attention to the ideas we are pursuing for fair, equitable, and comprehensive reform on both the scales.

Before I close, let me just review briefly the situation we are facing in paying for our share of peacekeeping operations.

At the moment we have congressional holds, not from this committee, sir, but from another committee, on paying our bills for the four major operations I mentioned. This is for the reprogramming of already appropriated fiscal year 2000 funds. In addition, without the funds that we have asked for in the fiscal year 2000 supplemental for Kosovo and East Timor, we expect to fall well short of what we need to pay peacekeeping assessments this fiscal year as a result.

Finally, we have made request for fiscal year 2001 moneys for our share of U.N. operations, and there again, because we expect a growth in the costs, the request is higher than for this fiscal year, and we need sufficient funds to be able to meet those expected needs also. Obviously, to the degree we are not meeting our assessments for these operations, we are incurring costs, not only costs to our diplomacy and to our credibility, but also we are accumulating arrears.

When we deal with situations like the one you mentioned today, Sierra Leone—and there are others which one can expect, as we look at the operations around the world and the operations possibly still to come—that these will be fraught with challenge, just as they are with opportunity, to establish peace.

The question you asked, Senator, of the panel with whom you met in April was an excellent one. You asked them what are the alternatives because, as we remind ourselves that it is our job to try and get the U.N. to do a better job on peacekeeping, we also have to ask ourselves what are our real choices in these situations.

I am aware that this is an area where in some of these cases, Sierra Leone in particular, the option of U.N. peacekeeping was seen to be the most viable one under the circumstances. If you look at the binary choice of doing nothing or doing it all ourselves unilaterally, it is clear that, in between, U.N. peacekeeping is one of the viable options for dealing with these situations.

Let me point out too that, just as there are challenges in these cases, many of the other operations are running well.

Thank you, sir.

[The prepared statement of Mr. Welch follows:]

PREPARED STATEMENT OF HON. C. DAVID WELCH

Mr. Chairman, I appreciate the opportunity to appear in front of you today to discuss the United Nations. As Ambassador Richard Holbrooke pointed out during your visit to New York in January, your continued interest in the activities and vitality of the United Nations is very important to us.

Today I will discuss the general status of UN reform efforts, but I would like to concentrate my remarks on peacekeeping. Mr. Chairman, I am aware that your subcommittee had a hearing last month in which you discussed UN peacekeeping at length. I look forward to continuing this discussion with you today, for as ongoing events in Sierra Leone and elsewhere demonstrate, now is a crucial time for peacekeeping.

We are approaching the one-year anniversary of the Security Council resolutions authorizing the peacekeeping missions in East Timor and Kosovo. These two missions, along with expanded UN missions in Sierra Leone and the Congo, have brought about new challenges, as well as significant increases in peacekeeping costs and UN personnel on the ground.

Mr. Chairman, these peacekeeping commitments justify your interest in and concern over the prospects for UN peacekeeping—both in general and with regard to specific operations.

But let me be clear—peacekeeping, when done right, can be one of the most useful foreign policy tools we have. I will elaborate on this in three parts:

First, I will describe what peacekeeping can accomplish under the right circumstances. Second, I will describe how peacekeeping serves our national interest. Third, I will discuss what we are doing to make peacekeeping work better—so it can better serve these national interests. I will conclude by talking about UN reform in general, and how our financial situation could undermine all our efforts for reform.

To discuss what peacekeeping can accomplish, we first have to define what we expect from UN operations—in other words, what is success? When peacekeepers are deployed, we expect that the international community is taking a step towards repairing a breach of international peace and security, averting an urgent humanitarian disaster, stopping gross and systematic violations of human rights, supporting public security, or implementing a settlement leading to democratic government and the rule of law.

In taking on these responsibilities, peacekeepers provide breathing room and help peace agreements take root. They allow refugees to go home, disarm combatants, enable citizens to live without fear of being caught in the crossfire, help bring war criminals to justice, and assist national leaders build democratic institutions.

Let us examine a few cases:

- In Mozambique, the UN mission served U.S. aims by: separating, demobilizing, and reintegrating combatants; monitoring the cease-fire; and observing and verifying all stages of the election process. Mozambique remains democratic and at peace.
- In Namibia, the UN served U.S. aims in that the civilians, police, and military officers of the UN Transition Assistance Group successfully facilitated democratic change.
- In Macedonia, the UN mission served U.S. aims by containing the spread of Serb terror, which allowed the Macedonians to establish democratic institutions and join the European community.

Neither the U.S. nor the UN expects a seamless transition to stability and democracy in areas where peacekeepers are deployed, just as we do not expect to achieve peace in the Middle East overnight.

We know there will be difficulties, especially if you look at the history of violence in some of these situations, such as in Angola or the Balkans. There will be temporary setbacks like sporadic violations of cease-fires or civil disturbances. There will also be missteps by hard-working people working under demanding, life-threatening conditions. Often, even if a peace agreement is signed and agreed upon by all parties, the process will continue in fits and starts. We also know that successful implementation of a negotiated settlement will not proceed in the absence of peacekeepers.

And at times in the past, peacekeeping didn't just proceed in fits and starts—it failed altogether. Just look at Bosnia, Somalia, and Rwanda. President Clinton and Secretary Albright have acknowledged the failure of these missions. The UN has also acknowledged these failures. UN Secretary-General Kofi Annan himself stated that the UN's Department of Peacekeeping Operations (DPKO), under his supervision, failed the people of Bosnia and Rwanda.

But the point is that in current situations like Kosovo, East Timor, and Congo, the living conditions of thousands of people would be much worse without a UN presence. They would also have no hope for a better life. That is the case, we believe, in each of the areas where operations are currently deployed around the globe.

And if success means that—as a direct result of the UN's presence—people are not getting slaughtered, that terrorists or tyrants are not finding a haven in failed states, that violence is not destabilizing entire regions—then the UN is indeed succeeding.

So, I submit to you first that peacekeeping can work. Next I will describe how peacekeeping is in our national interests.

Let me remind you that we are prepared to act unilaterally to protect our vital national interests. We have demonstrated our willingness to do so—Saddam Hussein and Usama bin Ladin know this.

At other times, our vital national interests are not threatened, but we still have an important stake in resolving conflicts. When conflicts break out, they pose a threat to America's values, such as democracy; America's economic goals, such as access to open markets; and America's political objectives, such as containing violence and organized crime, and supporting human rights and the rule of law.

It is in situations such as these where, as a measure of response, we can use UN peacekeeping as way to further U.S. interests, while sharing the costs and risks. In the past, UN peacekeepers have served U.S. interests in Macedonia, Lebanon, Haiti, Eastern Slavonia and elsewhere, and they continue to do so around the globe today.

The four most prominent peacekeeping missions right now provide good examples.

- Our interest in Kosovo stems from our long-standing desire for a stable, democratic, and multi-ethnic Europe, no longer threatened by Soviet power, and our need to help the emerging, democratic nations under a stable NATO-Russian cooperative security arrangement.
- In East Timor, the U.S. has important security, political, and commercial interests in Indonesia. This is an opportunity to resolve a problem that has been a source of regional tension and humanitarian concern for 25 years. We also want to support our close ally, Australia.
- In Sierra Leone, we have had a clear humanitarian interest in helping to consolidate the peace and in supporting the British in a key country for them. The war in Sierra Leone has not only generated refugee flows and economic displacement, but it has also led to the direct military involvement of several neighboring states.
- And in the Democratic Republic of the Congo, the U.S. has an interest in supporting UN efforts to stabilize the most widespread war in modern African history. This war has not only destabilized one of Africa's largest countries, but also threatens to spill across its nine international borders and destabilize much of the continent.

To put it another way: when the U.S. supports a UN peacekeeping operation, we're not in it just for the sake of peace, we're in it because of what peace means for U.S. interests.

That brings me to my third point. Even though peacekeeping can succeed, and even though it can serve U.S. interests, it can do neither unless we reform the way the United Nations runs peacekeeping operations, while at the same time bolstering the support of member states for peacekeeping.

Our emphasis on peacekeeping reform at the UN is nothing new. Presidential Decision Directive 25, issued in 1994, reflected the commitment of the Clinton Administration to strengthening the way the UN considers and manages peacekeeping missions.

With our position and veto on the Security Council, the U.S. wields considerable influence over the decision-making process on peacekeeping. We have used that influence in recent years, with tangible results. For example, the UN's Department of Peacekeeping Operations has strengthened its capacity to manage missions more effectively by:

- Giving the Secretariat an effective, state-of-the-art situation center for running peacekeeping missions.
- Simplifying operations and reducing costs through a contingent-owned equipment system, which helps missions get the materials they need at the time they need them.
- Improving mission planning by conducting thorough "lessons learned" reviews of past peacekeeping operations.
- Working to improve recruitment, training, deployment and logistical support of civilian police operations.
- Improving rapid deployment capabilities by establishing the UN Logistics Base and standby arrangements system.

DPKO should reflect the demands of UN peacekeeping missions in the field. Unlike the exclusively military missions of the past, present missions are increasingly multidisciplinary, involving civilian police and civilian administration functions.

These steps are a solid beginning but are not sufficient. The recent increase in UN peacekeeping costs and personnel only intensifies the need for a sustained commitment to reform. Let me sketch for you some of the peacekeeping reform issues that are U.S. priorities.

First, we are concerned that the Department of Peacekeeping Operations is stretched too thin. Secretary General Annan agrees and told the Security Council so at the end of February. We are working to help correct this shortfall. UN peacekeeping operations cannot succeed without sufficient personnel, both in New York and on the ground.

There is no quick fix for this. We are actively supporting the Secretary General's review of permanent DPKO staff and ways that they could be supplemented to provide surge capacity and specific expertise. This is especially important in view of the internal nature of many conflicts and resultant tremendous increase in demand for civilian police (CIVPOL).

To demonstrate the priority we place on this, in February the President signed Presidential Decision Directive 71 (PDD-71). PDD-71 directs the Administration to enhance U.S. CIVPOL capacities and help enhance the CIVPOL capacities of the UN and other member states. We look forward to working with the Congress as we move forward to implement this new directive.

Another key issue is the use of experts-in-kind at the UN (including civilians, not just military officers). DPKO has paid a real penalty for the decision to curtail the experts-in-kind. Nowhere near as many UN slots have been made available to DPKO as were filled by gratis officials, while other Departments continue to enjoy overly generous staffing.

We are working to get DPKO to utilize experts-in-kind where it currently has authority to do so. And we are seeking to reintroduce this on a basis acceptable to UN members, including the Non-Aligned Movement.

Fortunately, Secretary General Annan is an ally in our reform efforts. He recently appointed a blue-ribbon panel to look closely at how the UN can improve its performance in peace operations. We are pleased that two Americans are members of the panel: former AID Administrator Brian Atwood and William Durch of the Stimson Center.

The panel's focus includes the nuts and bolts of UN peacekeeping—getting the structure right, proper planning, improved organization. We welcome the panel. It's an important initiative, and we look forward to its recommendations. We will make it aware of our views and will keep you apprised of its work.

But as you know as well as anyone, Mr. Chairman, our peacekeeping reform efforts are just part of our broader efforts to reform the UN, efforts which have brought tangible results. While we are continuing this pursuit, we have quite a bit to show for our efforts even today. Many organizational and managerial improvements have been achieved, while others are in process, as GAO has pointed out.

One of the most significant reforms was carried out in 1995, when the UN established an Inspector General function for the first time. The Office of Internal Oversight Services—OIOS—has made remarkable progress in developing a management culture aimed at accountability, efficiency, and effectiveness. Its auditors have saved the UN—and member states—millions of dollars by identifying duplication and mismanagement throughout the organization, while its investigators have greatly enhanced the deterrent value of oversight by successfully pursuing cases of fraud and abuse.

Other improvements in recent years include:

- the consolidation and restructuring of the UN's economic and social affairs departments;
- the establishment of a Deputy Secretary General along with a cabinet-style management structure to improve coordination;
- the implementation of a code of conduct to foster a culture of accountability; and
- the implementation of a performance appraisal system to link employees' work to the achievement of program objectives.

While much has been done, more needs to be accomplished. For example, we will work hard to enhance the UN's capacity for evaluating its myriad activities and identifying ways to increase their effectiveness. We will also promote ways to make the UN's recruitment process more responsive to the critical and often urgent needs of missions and projects mandated by members.

In addition, the Helms-Biden legislation has provided concrete benchmarks as we work to achieve UN reform in budgeting, in personnel and management, and most prominently, in the scales of assessment for both the UN regular budget and the peacekeeping budget. I assure you that we are making every possible effort in New York and in capitals around the world to achieve a more equitable distribution of peacekeeping and regular budget costs.

And, while not the focus of this hearing, reform of the Security Council is an important aspect of our overall UN reform effort. Hopefully, the flexibility we have expressed regarding possible Council composition will create momentum to move the

reform process forward, but the effectiveness of the Council will remain our primary objective.

CONCLUSION

Before I close, Mr. Chairman, allow me to review briefly the situation we are facing in paying for our share of peacekeeping operations.

At the moment, we face Congressional holds on paying our bills for four major operations: in Kosovo, East Timor, Congo, and Sierra Leone. These holds have been placed by the Appropriations Committees. This committee, however, has not put holds on any of these missions and has supported our using FY 2000 funding for these missions.

In addition, without funds included in the FY 2000 supplemental budget request for Kosovo and East Timor, we will fall well short of what we need to pay peacekeeping assessments this year. We seek your help in ensuring that we can pay our share for UN operations. It is our sincere hope that these holds will be lifted and that sufficient funds will be made available for the United States to pay its peacekeeping bills in full.

As Ambassador Holbrooke noted last month at a hearing before the House Commerce, Justice, and State Subcommittee, not paying our assessments to these peacekeeping operations would be disastrous. We do not want to accumulate even more arrears, just as we are working so hard to marshal support for regular budget and peacekeeping scale reform as well as other important UN reform measures. Our inability to pay current assessment bills undermines our credibility and could de-rail our reform efforts to date.

Mr. Chairman, in the end, we believe that despite the UN's problems, our engagement in the UN and support of its initiatives can be an effective and low-risk way to pursue U.S. interests.

And when evaluating the UN's activities and effectiveness in dealing with peace, security, human rights, or other issues, I suggest that you ask: What's the alternative? I'm aware that during the peacekeeping hearing last month, you asked some of the panelists who, if not the UN; we should expect will help bring peace to East Timor, Sierra Leone, Congo, and elsewhere. I am glad you asked this question.

Because when one considers the alternatives to UN peacekeeping in these situations—either inaction or unilateral engagement—it is clear that UN peacekeeping is one of the best tools we have for advancing U.S. interests.

Were the situations in Bosnia, Rwanda, and Somalia complex and difficult? Of course. Are current peacekeeping operations sometimes dangerous and costly? Yes. But as the President said in his speech to the General Assembly last September, "difficulties, dangers and costs are not an argument for doing nothing."

And, if I could add to what the President said, difficulties, dangers, and costs are often very good reasons to share the burden and risk with other nations.

The same can be said for multilateral engagement in general: that it is a good way—not a perfect way or the only way—to pursue U.S. interests. Mr. Chairman, I look forward to working with you to ensure that the UN remains an effective and useful forum for advancing U.S. foreign policy.

Thank you again for the opportunity to appear before you today.

Senator GRAMS. Thank you very much, Mr. Welch.

We have been joined by Senator Boxer, and if you would like to have an opening statement before we go into questioning.

Senator BOXER. Thank you very much, Mr. Chairman. I have a brief opening statement.

I want to welcome Secretary Welch here today. I know you have a hectic schedule. We are glad to see you.

I also want to welcome the representatives from the General Accounting Office who will testify on the second panel.

Let me say clearly that I support the United Nations in the work that it does throughout the world. I do not think it is perfect. I do not think we are perfect. I do not think there is any organization that is perfect. We all make mistakes. But I am very proud that the U.N. charter was signed 55 years ago in my home State of California, and I am proud of the role that the U.N. has played in promoting worldwide peace and security.

In today's world of ethnic conflict, infectious disease, and non-state terrorism, it is now more important than ever for the U.N. to be strong, effective, and efficient. And that is why I am very pleased we were able to pass the Helms-Biden legislation last year which does pave the way for the U.S. to pay its arrears owed to the United Nations. I trust, sir, that we will abide by that law.

I am also very pleased that Chairman Helms invited the U.N. Security Council to Washington to meet with the Foreign Relations Committee. It was very interesting and exciting, I thought, to have them here. I do feel that those kinds of meetings are an important way to improve the relationship between our Nation and the U.N.

I just want to make a couple of quick comments on peacekeeping. In general, I believe U.N. peacekeeping operations can certainly be successful if they are implemented and conducted correctly. Peacekeeping can stop deadly and costly conflicts from escalating. They can prevent humanitarian disasters and provide a stable environment following an agreement between the warring parties.

But I do agree in part with a point that Senator Grams made—and I read his statement—and that is, that peacekeepers should really go in when there has been a political settlement, where there is calm, otherwise it seems to me bad things can happen and it is not truly peacekeeping. It becomes an extension of a conflict with more parties involved.

So, it is not that again we can always be perfect. It is not that we can predict that every time we do this, it is going to be perfect. But I think we need to have the criteria pretty carefully spelled out so that peacekeepers are going in to keep the peace that basically has been agreed to, and that should be pretty well thought out because otherwise we are putting people at risk.

Beyond that, I am concerned that the United Nations Department of Peacekeeping Operations may not have the ability to carry out the mandates given to them by the Security Council. DPKO is simply undermanned at this time and the U.N. must find a way to give these peacekeepers the tools that are necessary to carry out their missions.

I do agree with you, Secretary Welch, when you say if we were to turn our back on peacekeeping, it would bring us down to two bad choices. In the face of deaths and rapes and refugees, the two choices would be essentially, as you said, acting unilaterally or doing nothing. To me that is not a choice.

So, this is a difficult time and we have a lot to do. I am very pleased the chairman has called this hearing. I certainly look forward to working with you and Secretary Holbrooke and my chairman and the rest of the subcommittee to make sure that we can move forward because I think, regardless of where we come out on all of this, we all want a peaceful world. That is what we are committed to. That is what we owe our children and our grandchildren and the children and grandchildren of the world. So, we have to work harder and we have to tackle these issues even when they are in fact contentious. We have contentious issues here, issues of budget, issues of reform of an institution, issues of peacekeeping. These are all key.

So, thank you very much, Mr. Secretary, and thank you, Mr. Chairman.

Senator GRAMS. Thank you, Senator.

Mr. Welch, I would like to start off with some questions dealing specifically, first of all, with Kosovo. It has come to my attention that the status of U.S. soldiers participating in the NATO-led peacekeeping operation in Kosovo is still unresolved. Specifically, privileges and immunities for individuals in KFOR are not guaranteed. That leaves our troops open to potential legal risk. I realize that setting up a traditional status of force agreement is not possible in this instance, but I think it is outrageous that after 11 months after KFOR first went into Kosovo, this situation has been allowed to stand unresolved.

So, I would like to ask you, Mr. Welch, has the administration raised this issue with the head of the U.N. mission, Bernard Kouchner?

Mr. WELCH. Senator, I am not prepared to answer that question right now. I simply do not know. If I could provide an answer for the record. I will check. My own recollection of this, when I last looked at it, was a difference of view about who we would conclude this SOFA with and some reluctance on our part to—we were inhibited from doing anything with the government in Belgrade, in particular. But let me check into this for you, sir, if I may.

Senator GRAMS. I have a series of questions dealing with that. I would like to submit those all to you in writing such as, have there been any attempts to resolve the status of our troops participating in KFOR? Procedurally is it possible for Mr. Kouchner to issue a regulation clarifying the status of KFOR? Are our diplomats assigned to the U.N. mission in Kosovo similarly left unprotected, and why has the administration allowed this state of affairs to persist, as I mentioned, for nearly a year? So, I would like to submit these questions and maybe others with them as well to you and if you could get back something in writing for us.

[The following was received in response to Senator Grams' questions:]

RESPONSE OF HON. C. DAVID WELCH TO QUESTIONS POSED BY
SENATOR ROD GRAMS

Questions. Regarding the status of the privileges and immunities of U.S. troops participating in KFOR and U.S. civilian personnel assigned to the U.N. Interim Administration Mission in Kosovo: Has the administration raised this issue with the head of the U.N. mission, Bernard Kouchner? Have there been any attempts to resolve the status of our troops participating in KFOR? Procedurally, is it possible for Mr. Kouchner to issue a regulation clarifying the status of KFOR? Are our diplomats assigned to the U.N. mission in Kosovo similarly left unprotected? Why has the administration allowed this state of affairs to persist for nearly a year?

Answer. On August 18, UNMIK formalized the legal status of UNMIK and KFOR personnel and contractors with the promulgation of UNMIK Regulation No. 47 "On the Status and Privileges and Immunities of KFOR and UNMIK and Their Personnel in Kosovo."

UNSCR 1244, in establishing KFOR with authority to use all necessary means to fulfill its responsibilities under the authority of Chapter VII of the United Nations Charter, confers such privileges and immunities as are necessary for its mission. This includes immunity from local criminal, civil and administrative jurisdiction, and from any form of arrest or detention other than by persons acting for or on behalf of the sending state. KFOR personnel have enjoyed these privileges and immunities since their arrival in Kosovo. Similarly, UNMIK personnel, under the authority of UNSCR 1244, have from the inception of their mission enjoyed "U.N. experts on mission" privileges and immunities.

This legal status has been clarified by both UNMIK and KFOR. On August 17, UNMIK and KFOR issued a Joint Declaration by the Special Representative for the

Secretary General of the United Nations and Commander KFOR regarding the Status of KFOR and UNMIK and the Personnel in Kosovo. The following day, UNMIK issued Regulation No. 47 "On the Status, Privileges and Immunities of KFOR and UNMIK and Their Personnel in Kosovo." The regulation, which is deemed to have entered into force on June 10, 1999, applies retroactively back to the date of issuance of UNSCR 1244, publicly affirms the privileges and immunities of the organizations, their personnel, and their contractors, and will be applied by courts in Kosovo.

Senator GRAMS. Sierra Leone. Recent events in Sierra Leone have forced the State Department to issue a near-term policy goal of supporting the United Nations to maintain the credibility of the peacekeeping mission in Sierra Leone. In recent months and days, the peacekeeping mission has relinquished between 300 and 700 peacekeepers, 20 armored personnel carriers, vast amounts of small arms and ammunition. The peacekeepers cannot maintain security for themselves, let alone anyone else. There is no freedom of movement for any party other than the RUF rebels throughout Sierra Leone.

The disarmament program has processed over 23,000 people, yet has not even collected half that number of weapons from the people. Weapons continue to come across the border from third party states.

Mr. Welch, the United Nations has stated that it will respond to the current crisis by expediting the deployment of authorized peacekeepers. Do you honestly believe that this mission will be better served by providing more troops to the conflict? And are troops-contributing countries hesitant to provide the additional peacekeepers?

So, again, I will go back. Do you honestly believe the mission will be better served if more troops are committed to the conflict, and what about those countries providing these troops? Are they at all hesitant because of the situation that continues to prevail in Sierra Leone?

Mr. WELCH. These are good and tough questions, Senator. I think what has happened in Sierra Leone over recent days is a grievous setback both to the peace process that we thought had been agreed there and to what will happen to U.N. peacekeeping in Sierra Leone.

At the moment, this is a highly unsettled military situation. Some of the basic facts are still unknown to the U.N. and even to us. For example, how many U.N. troops are affected by either being held hostage, by being surrounded but not under the control of, yet, rebel forces, or by being in comunicado or out of communication? Some of the basic data is still not in yet.

Will additional troops help? I think the U.N.'s key objective right now and the one that they have expressed to the Security Council is to try and stabilize the situation, particularly in Freetown. This seems to be occurring, but it is a little early to tell yet because the intentions of those who have violated the peace arrangement are also not really well known or clear. In particular, it is hard to assess their military ambitions at this point.

Is there a reluctance on the part of other countries to pitch in? Well, not surprisingly, they are equally as concerned about the future of this operation and particularly about the future of the peace arrangement. After all, a viable peace arrangement is a funda-

mental for any of these operations, and I think that has been badly shaken in this case. We do not know whether it can be restored.

And yes, we have encountered some skepticism from potential contributors. We can go into that in some detail if you like. It is necessary in a situation like this to have strong and capable contributors too. Countries who have those kinds of military forces are understandably very careful about how they commit them.

I would add that the possible effects of this go well beyond Sierra Leone because, if you look at how the Congo situation could evolve, with phased operations there to support the peace arrangements as they are arrived at and the cease-fire as it is implemented, contributing nations there too will ask are these sufficiently viable that we can go in.

For now, the U.N. is concentrating on, as I said, trying to stabilize the military situation in Freetown and get a hold on the situation of its people there. At the same time, regional leaders are trying to restore a diplomatic effort to contribute to not only improving the military situation, but also to see whether a viable peace process can be restored. The jury is still out on the success of either one of those.

Senator GRAMS. Would this be a situation where the recommendation might be to pull out the peacekeepers? Maybe you could give me some details, or at least one or two examples, of some of the hesitation by some of the other countries or concerns that they have.

Mr. WELCH. No. We are not looking at a decision to pull them out.

Senator GRAMS. Well, then you are asking them to fight a war. Are we at that point?

Mr. WELCH. We are not at that point either.

There are two ways to look at the opportunities for bolstering forces in Sierra Leone. One is on those who are nearby and have previously played a role, Nigeria in particular, or second, those who had committed earlier on to form part of the authorized 11,000 for UNAMSIL who had not yet put all of their troops in place. There we are looking at Jordan, Bangladesh, and India. There are Jordanian troops already on the ground, for example, and the Jordanian Government is considering an immediate reinforcement of its units there, plus speeding up the deployment of the battalion it had committed to in advance.

Now, we obviously are supportive of those quality troops coming into this situation because we think that they are capable. Their hesitations range from the concern I mentioned about the situation that they are entering, but people like the Jordanians also want to help out the people they already have on the ground.

There is a hesitation that is associated with the logistics of this effort. Many of these countries, while they might have the forces available at home, do not have the capability to move them easily into the theater, and they want to know how they are going to be able to accomplish that particularly quickly.

Senator GRAMS. What actions has the United States decided to take in support of the mission? And what options are still on the table for us?

Mr. WELCH. We have not made any decisions yet. We will not participate with our own military forces in UNAMSIL.

Senator GRAMS. Personnel or what about support activity?

Mr. WELCH. Well, support is another question. If the U.N. requests it, we will entertain supporting, for example, on lift of troops into the area or on other logistical support. To be honest with you, this is a fast-breaking situation and some of those requests could well be coming in as we are speaking here now. I do not personally know of any. We are disposed, however, to help if we can.

In the case of some of the other contributors, the potential contributors, including the ones I just mentioned, Senator, I believe other nations are also offering the same kind of support that we are. Some, like the British, have gone ahead and put people on the ground, not as part of UNAMSIL, but to protect their own citizens and play a presence role at the airport, and that is underway too.

Senator GRAMS. What other options are there on the table that we have?

Mr. WELCH. Well, the one I mentioned earlier would be to—

Senator GRAMS. I am talking again about U.S. participation.

Mr. WELCH. Oh, in terms of U.S. participation, there is none other that I am aware of. The only support we would provide is at request to help people get in or with logistical arrangements. Perhaps medical teams, but again I do not know if those have been requested yet.

Senator GRAMS. You mentioned a couple of countries. Are they the countries that would contribute to any so-called rapid reaction force? And if they did, what would be their mandate? Would it include, say, Jordanian forces or more British forces?

Mr. WELCH. That is a possibility. However, the Department of Peacekeeping Operations has not come to the Council and suggested that option yet. What they are looking at instead is reinforcing the units that are already there and trying to expedite the ones that had been committed but had not yet arrived.

Excuse me. I should just add one other thing, if I may. They have not suggested any change in the mandate of the forces that are presently there.

Senator GRAMS. I just have a couple of followup questions and then I will recognize the Senator from California.

Does the failure of this mission cause you to reconsider what the United Nations can effectively accomplish in the realm of peacekeeping? Again, I think this goes back to Chairman Warner and what he mentioned when the U.N. Security Council paid a visit about we should not commit unless we can do the job. Do you have any reconsideration of how the U.N. can effectively accomplish the realm of peacekeeping?

Mr. WELCH. I tend to agree with that judgment, but I think it is, at this point, premature to announce this as a failure. We do not know yet what the consequences will be. There will be some lessons learned even if this succeeds from what has happened now because, as I said, this is a grievous setback to what we thought had been a viable peace arrangement in Sierra Leone.

I would also like to segregate the lessons learned with respect to the peacekeeping operation from that which we have learned again about the peace arrangement that these are designed to support.

Senator Boxer said that the peacekeepers really can only do as good a job as the arrangements they are designed to support. I think some fundamental lessons will be had there too with respect to the commitment, integrity, and honesty of the parties in this case.

Senator GRAMS. That leads to my final question dealing with this, but does this have any reflection on what is going on in the Congo right now and the impact on whether or not the United Nations should support the deployment of peacekeepers to the Congo? Knowing what we know here, not a true peace in place, I think the situation we would place the peacekeepers in and maybe in harm's way of many of the citizens as well—but does that have a reflection on plans for the Congo?

Mr. WELCH. Yes, inevitably it will. But this is the reason why we have been focusing a lot of our diplomatic attention on the situation in the Congo, including with Ambassador Holbrooke's most recent travels to the region, because it is precisely because of that concern that we have to see that the arrangements that are being put into place are real and effective and that the parties are determined to live up to them.

I think it is understandable that even before the Sierra Leone debacle, there has been some skepticism about that. We have said all along that it is a highly dangerous situation, that we share many of these concerns, but the only way to tackle that I think is to do what Dick Holbrooke is doing, is go out there and measure the commitment of the parties and try and find ways to make it stick.

Senator GRAMS. So, in other words, peacekeepers will not be committed to the Congo until they are more satisfied that there is a peace there that is going to stick.

Mr. WELCH. There is a phased program for the deployment of peacekeepers in the Congo, and those phases are interlocked to the parties living up to specific obligations that they have undertaken under the Lusaka agreements. And we are trying to tighten those obligations as much as possible. For example, when Ambassador Holbrooke and the U.N. Security Council team were discussing this with the leadership there, the conclusion of the status of forces arrangement for MONUC was critical because, without that, you cannot deploy outward and have the access into these areas that you need.

At the same time, the Congo agreement is a cease-fire agreement, and the cease-fire is also under stress, to put it mildly, in some places. That needs to be enforced before you can have the deployments. These things will not proceed, though, unless those arrangements are in place.

Senator GRAMS. Thank you, Mr. Welch.

Senator Boxer.

Senator BOXER. Thank you, Mr. Chairman.

I have a few followups on Sierra Leone and then a couple of questions about these holds that you referred to so that I can understand them better.

Can you give us any latest news on the location and condition of the U.N. peacekeepers that have been taken hostage in the last few days?

Mr. WELCH. I wish I could be more clear on this, Senator Boxer. I am aware of four Kenyan fatalities. I am aware of a number of wounded. There were reports of units who had either been captured or were missing, but whom have now either been released or turned up. Those are coming in. In the former category, those who have been released, for example, there was a helicopter that was seized and it and its crew were released.

The situation is vague both in terms of the numbers who might be held hostage and another number, I have to say in all honesty as yet indeterminate, of others who are either surrounded but still in control of themselves—that is, not held prisoner—and others who are in comunicado, and the reason for them being in comunicado is, as I understand it, totally unclear to the U.N. military leadership on the ground.

Senator BOXER. It sounds like a bad situation, for sure.

The Lome agreements called for a power sharing agreement between the rebels and the government. Did both sides actually sign this agreement?

Mr. WELCH. Yes.

Senator BOXER. So, both sides agreed in writing to a power sharing agreement.

Mr. WELCH. They signed the agreement. The cause of this recent debacle could not be more clear. One side has violated that agreement.

Senator BOXER. Right.

This is a very difficult question. Can you talk about the ability of the U.N. peacekeepers to defend themselves? Are they equipped to do the job that they were tasked with? Are they able to communicate with each other? They come from different countries. Can you give us an assessment of that?

Mr. WELCH. I can try a thumbnail assessment. I think the U.N. spokesman has addressed this over the last couple of days too.

There have been some real inadequacies in both their comportment and their equipment. This is not a Chapter 7 mission; that is, they are not there to enforce this peace. They were there to keep it. But they were entitled to defend themselves if set upon. Some may have done so and lost. Obviously, there have been some people killed and wounded, and that is a very tragic development.

I have to say, frankly, that earlier this spring when there was an incident involving seizure of some weapons and vehicles from one of the units, it was our impression that they could have done better to defend themselves. They are entitled and mandated to do that. Commanders on the scene may elect not to for their own reasons, but we felt that that was their job.

There are some inadequacies in their equipment too and in their ability to communicate with each other. There is sort of a life cycle to these missions, and the early days are often the most troublesome. As I understand it, when this happened, there were two critical vulnerabilities for UNAMSIL. One is they were making the transition, that is, having the job turned over to them by the previous forces that were there, the ECOMOG forces. The second is they were deploying outward from Freetown to some of the areas where they were going to monitor the disarmament and demobili-

zation. The latter may have been premature because they were not fully staffed up.

When we go back to look at this case, after it hopefully has been stabilized, a question we will need to ask ourselves is how did the U.N. leadership handle this between February when the mission was authorized and now when it ran into a problem when it was only at three-quarters strength. That is a very valid question.

Senator BOXER. Well, I just want to thank you. I feel you have been very forthright on this, and I appreciate it so much, not defensive and not glossing over. I know I appreciate it very much.

I had a couple of questions, Mr. Chairman, on the congressional holds. You mentioned the House and Senate Appropriations Committees have holds on the U.N. peacekeeping funds. Is it possible for you to tell us what effect are these holds having on Ambassador Holbrooke's efforts to push for further reforms at the U.N.? I will ask you this series of questions. Then I will stop.

Are the holds on funding for peacekeeping in Kosovo having a detrimental effect on our ability to ask the Europeans to undertake a greater role in financing reconstruction in Kosovo?

Are these holds creating brand new arrears at a time when we are struggling to pay off our old debt? For example, have we received bills from the U.N. we are unable to pay? If you could let us know because I do not know how my chairman feels on this, but I thought we were moving forward on all this, and it is distressing to hear that we are still fighting this battle. So, maybe if you could give us a sense of what effect these holds are having.

Mr. WELCH. Thank you and thank you for your supportive observations on this. I appreciate your remarks about my handling the questions on Sierra Leone. I wish that the situation there were more clear and I could give you more information.

Senator, unquestionably these holds are having an effect. These are the four biggest peacekeeping operations. They consume the lion's share of our CIPA budget, and we have bills in hand from the United Nations that we should pay for these operations.

Let me just say that this committee has not put holds on these. There is money already appropriated. We are trying to do this within our means for our present budget, and our present budget, as I said earlier, is also insufficient to deal with all of the demands. That is why we had a Kosovo and East Timor supplemental request of \$107 million.

Yes, this is going to have an impact on our efforts to seek reform, especially if it continues. The message here that we are trying to convey is America is prepared to step up and pay the amounts appropriated by the Helms-Biden process if certain changes and benchmarks are agreed to by the U.N. membership. At the same time, it does take a stab at our credibility when we are running up new bills.

Do others raise this? Absolutely they do. When I was in Brussels, meeting with the European Union and they complained to us about all the complaints we had launched against them for not having come forward with their pledges on reconstruction and other critical parts of the effort in the Balkans, they pointed out, well, where is the \$50 million you were asked to pay by the United Nations, money that they are stepping up and paying when they are billed.

Obviously, I think if we exit this year, instead of having achieved the changes we would like on scales of assessment, but with an abundance of new arrears, we are going to be in a world of hurt in 2001, precisely the opposite situation this committee had intended when it passed the legislation, and when it agreed to the appropriations, and when it said that it would not put these operations on hold.

Senator BOXER. I happen to agree with you, and I will work with you to see what we can do.

Thank you, Mr. Chairman.

Mr. WELCH. Thank you.

Senator GRAMS. Thank you very much, Senator Boxer.

Just to followup on that, Mr. Welch, when Senator Boxer talks about the hold, I think it is my understanding that the holds have been placed because they feel they have not received adequate information dealing with these operations. Do you feel that the State Department or the United Nations, the DPKO, has provided adequate details of these peacekeeping operations?

Mr. WELCH. Senator, we come up here very often to talk to staff and Members about these things. In some cases, we have been at it for 6 months on a specific operation. We have tried to answer every question we have been asked. However, it may be that we have not answered your questions or those of other Members. If so, I should know about that, if either you or your staff can inform us, where the inadequacy is in what we are doing. We feel like we have answered every question we have been asked. We have briefed extensively on each one of these operations and on every other operation too, and those briefings have not only been from the people who work with me on the budget issues themselves on the specific operations, but also from the intelligence community staff, from the U.S. military, and from the regional bureaus concerned with each of these operations, particularly the ones in Africa.

Yes, these have been labeled informational holds. Well, after a period of time, one has to ask, what is the further information that might be necessary to resolve this? And in the meantime, as I mentioned to Senator Boxer, we now have bills in hand, which was different from several months ago when, in some cases, we had not yet been billed, so one could be comfortable that we could still go through this consultative process, it having no implications on arrears.

Senator GRAMS. So, again, like I said, my understanding it is for lack of information, but you believe and you are testifying this morning that you have provided or the State Department has or the DPKO has provided adequate information that should resolve some of these concerns.

Mr. WELCH. Yes, sir. But I am delighted to come and do more if that is necessary, whatever it takes to get them released.

Senator GRAMS. Thank you.

Also, following up on DPKO, I am concerned that the U.N. is overextended—and we have talked about this—not capable of carrying out all of the commitments that it has made or would like to do. The Secretariat keeps tasking the Department of Peace-

keeping Operations with more missions which it cannot manage to do.

Should the U.N. review the type of peacekeeping missions it is undertaking, in addition to the mechanics of whether the DPKO has the proper personnel and also the financial resources? In other words, should there be a pecking order or a limit of what the peacekeeping operations can be expected to successfully carry out?

Mr. WELCH. Yes. That is precisely, I would hope, where the Secretary General's blue ribbon panel will focus its attention.

We have focused on that both as a matter of how you redesign peacekeeping, but also each time we look at a possible new operation. There are some that never make it into existence because of questions about are they necessary, can they really do the job. Those are decision criteria that we tried to bring to them.

I would argue also that these situations are each, in and of themselves, unique. None of us lump them all together, but frequently we refer to U.N. peacekeeping as kind of a lump sum, and we have to relate the mandates to the specific context of each situation too. There is a big difference between East Timor, for example, and Congo, needless to say.

So, yes, you are absolutely right. This is what should be an area of focus.

Now, my understanding is that the blue ribbon panel is going to devote attention to precisely the question that you asked, and we will be urging it to do so.

Senator GRAMS. I think there is a lot of pressure or support or talk about sending in peacekeepers to the Congo, but if we look back and look at the failure of the U.N. to fully man the Sierra Leone operation, should that send, I think, some very clear signals to the Security Council to stop approving new mandates until it can really effectively carry out the missions that it has already started? So, before trying to commit to a new area, such as the Congo, should it be very satisfied that it has fully manned and supported the operations, say, like in Sierra Leone?

Mr. WELCH. I would rather not condition it so dramatically, Senator. I think it would depend on what kind of operation was contemplated. For example, the Security Council might well mandate an operation understanding it will be conducted by regional forces rather than U.N. peacekeepers. That I do not think would disturb the kind of conditionality you are indicating.

There is going to be a natural reaction, though, on the part of troop-contributing nations to situations like the one we are seeing now. You spoke earlier, sir, about the caution and reserve of potential contributors to the Congo, and I think that, in fact, will help to bring more introspection to what is intended to be done by these operations because if you cannot stand them up because people are so skeptical about participating in them, maybe this will encourage a tougher minded approach to the quality of the peace that they are designed to keep too.

That is our intent with respect to the Congo. There our diplomatic effort has been concentrated very heavily on assuring that the arrangements are real and viable before there is a commitment on the part of the U.N. to the process.

Senator GRAMS. Senator Boxer.

Senator BOXER. No questions.

Senator GRAMS. Mr. Welch, moving ahead, Israel. Israel's foreign ministry—and quite rightly in my opinion—rejected a European offer that Israel join the United Nations Western Europe and Others Group, the WEOG, on a half-time basis. According to a report in the Jerusalem Post, according to terms of the offer, it would have been years before Israel was allowed to sit on any U.N. committee, including the Security Council. In addition, the offer would have allowed Israel to participate in group activities in the U.S., but would have to give up the right to participate in WEOG activities or run for U.N. bodies as WEOG members anywhere else overseas. So, it would be all right if it was done here in the U.S., but elsewhere they would be excluded. This I think would have signaled an exception of the unfair, the unequal discriminatory status that has been given to Israel, a status unlike any other state.

Is it true the United States recommended that Israel accept the offer, and if so, why would we make such a recommendation?

Mr. WELCH. The extraordinary situation that Israel has faced for a long time needs to be corrected. We have been working very hard on this. I personally have spent a great deal of time, particularly with the European Union, on trying to overcome some of the obstacles, as has Secretary Albright and Ambassador Holbrooke. The story is not finished yet.

We think that a solution has to be based on Israel enjoying rights of membership in a regional organization, just as we would or any other member would. There cannot be any solution arrived at that is not based on a consensus of those involved, including Israel.

So, rather than speak specifically to anyone's conditions, conditions, Mr. Senator, that have changed over time as we work the problem, I would just leave it at that this is not finished yet, and we will not rest until it is finished on the basis of Israel participating just as anyone else would, in a manner that is acceptable to Israel.

Senator GRAMS. I know you said it would have to be acceptable on all parties. That gets back to my question. Did the United States recommend to Israel that it accept what I would consider a half-baked offer?

Mr. WELCH. Israel makes its own judgments on this. It has made its judgments about what the EU suggested, but this is no longer just an EU matter. It has now gone beyond that particular regional grouping to the WEOG as a whole. In the WEOG as a whole, there are other players, including ourselves, and we may have different views on how this is done. But fundamental to how we come out with a solution here will be whether Israel accepts that solution or not, and as yet, it has not been arrived at.

Our intent is very clear. We want them to participate just as we do.

Senator GRAMS. Again, as we know, Israel rejected, so they have not accepted this offer. But I go back again, do you know if we recommended that they do? Did we say to Israel, yes, you should accept this offer?

Mr. WELCH. No, we have not recommended anything specific to them. We have talked to them about various parts of the conditionality.

You are citing a press report, sir, that frankly I do not know whether that is accurate or not. I have not talked to any representatives of the Israeli Government in the last couple of days about this. So, I do not know exactly where they are on how they are reacting to the EU's latest conditionality, but as I said, that is the EU position. It is not the WEOG position. The WEOG position has not been formed yet. We are key players in the WEOG, and when we form a position there, it will bear in mind what Israel would agree to.

Senator GRAMS. That is why I am asking you the questions because I do not always believe everything I read in the press either. The press account did say that Israel was quoted as saying the United States recommended and it rejected the offer made.

Mr. WELCH. No. We are still discussing this with them, and we expect to continue that. The Foreign Minister of Israel is coming to the United States shortly, as is the Prime Minister. Our main interlocutor on this has been the foreign ministry. I apologize for not having checked with them on where it stands, but we will continue that discussion with them about what to do.

Senator GRAMS. One last question, Mr. Welch. Did the United Nations pass a zero nominal growth budget for 2000–2001 compared to the 1998–1999 budget? And if so, did the budget passed for 2000–2001 exceed the \$2.533 billion?

Mr. WELCH. It did. It was a slight amount over it.

Senator GRAMS. How does the administration intend to identify any offsetting cuts?

Mr. WELCH. Within the U.N.?

Senator GRAMS. Yes.

Mr. WELCH. Well, we continue to press for budget discipline. We felt that that budget could have come in under the previous level. We thought we had good evidence for that. When it was not accepted, we disassociated from consensus on it. It continues to be our approach to seek budget discipline not only in the U.N. regular budget but in all U.N. organizations. We have had good success with that. I mean, after all, the amount that was involved was quite small, especially compared to what had been requested. I think substantially less than 1 percent of the total budget.

I would point out too, Senator, that we have done well in the three big specialized agencies which have adopted ZNG budgets for the new biennia. That is a year–3 Helms-Biden condition which we have delivered on in advance.

Senator GRAMS. The amount was only \$3 million over.

Mr. WELCH. I think it was, yes, nearly \$3 million.

Senator GRAMS. It seems like an amount that could have been worked in and the budget could have come in at zero growth. I do not know if it was an attempt to make a point or what.

But if I was going to ask you a simple question for a definition of what is zero nominal growth budget, what would you give a definition to that?

Mr. WELCH. No change from the previous level.

Senator GRAMS. Well, thank you very much, Mr. Welch. I do not have any other questions.

Senator Boxer.

Senator BOXER. No, thank you.

Senator GRAMS. Thank you very much. Again, we will be submitting some questions to you in writing dealing with the questions on Kosovo.

Mr. WELCH. We will answer those quickly. I am sorry I was not prepared on that one.

Senator GRAMS. That is fine.

I would just like to leave the record open for at least the next 3 working days to allow any other Senators on the committee that would like to maybe submit a question in writing as well. Thank you very much, Mr. Welch. We appreciate it.

Mr. WELCH. Thank you.

[Responses to additional questions for the record follow:]

RESPONSES OF HON. C. DAVID WELCH TO ADDITIONAL QUESTIONS SUBMITTED BY
SENATOR JESSE HELMS

Question 1. I understand that in the past two years, the number of Americans in the U.N. has declined significantly and that few Americans were hired during this period. This is a disturbing trend, if true. Would you provide us with detailed information about this decline?

Answer. As we stated in our most recent Report to the Congress on Efforts Made by the United Nations and Other International Organizations in 1999 to Employ Americans, in the past two years the number of Americans in the U.N. Secretariat has declined. On December 31, 1997, Americans held 368 professional posts subject to geographic distribution, representing 15.3% of all such posts filled. By December 31, 1999, the number of Americans had declined to 339, representing 13.8% of such posts.

During the past two years, the U.N. filled 247 professional posts subject to geographic distribution. Of these, only 13 (5.3%) went to Americans.

Although the percentage of American citizens remains within the U.N. parameter for "equitable representation," we are concerned at this trend and are re-invigorating our efforts to place more American citizens.

Question 2. What is the Department of State doing to ensure that the U.N. does not retaliate against Americans working in the U.N. system as a result of the reform efforts. Is Ambassador Donald Hayes, who spearheads negotiations on reform at the U.S. Mission to the U.N. focusing on this concern? Are any other folks at the State Department monitoring this potential problem? Is the Department dedicating sufficient resources to this matter?

Answer. There is no indication that the U.N. is retaliating in any way against Americans as a result of the reform efforts and our continued arrears. The U.N. Employment Information and Assistance Unit in the Bureau of International Organization Affairs (IO/S/EA), working closely with U.S.-U.N., monitors and reports on U.N. staffing and hiring to guard against any such activities. They also work with the U.N. to ensure that all staff members and applicants for U.N. positions receive non-discriminatory and fair treatment.

Improving U.S. representation on the U.N. Secretariat staff is a high priority. This includes ensuring that employment applications of U.S. citizens are considered in a competitive, non-discriminatory environment. Toward these ends, under the direction of Ambassador Donald Hays, the staff of the Mission's Management and Reform section is in regular contact with U.N. recruitment and human resources management officials, monitoring performance and promoting the hiring of Americans. Ambassador Hays is personally involved with the coordination and development of a Mission-wide strategy for improving U.S. representation on the Secretariat staff, with particular focus on ensuring that the most critically important posts in the United Nations are filled by U.S. citizens.

We believe sufficient resources are devoted to this matter. However, our full employment economy may well be affecting interest on the part of Americans in seeking jobs at the U.N.

Senator GRAMS. I would now like to invite Mr. Jim Johnson for his testimony this morning. Mr. Johnson again is the Associate Director for International Relations and Trade Issues, National Security and International Affairs Division of the General Accounting Office. He will be, I understand, joined by Tet Miyabara as well. So, Mr. Johnson, welcome. Mr. Miyabara. Mr. Johnson, we would like to hear your testimony.

STATEMENT OF HAROLD JIM JOHNSON, ASSOCIATE DIRECTOR; ACCOMPANIED BY: DR. TETSUO MIYABARA, ASSISTANT DIRECTOR, INTERNATIONAL RELATIONS AND TRADE ISSUES, NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION, GENERAL ACCOUNTING OFFICE, WASHINGTON, DC

Mr. JOHNSON. We are both very pleased to be here today to participate in your hearing on U.N. reforms. As you already mentioned, we are releasing a report that you and Chairman Helms had requested earlier on to take a look at the status of the reform effort that was put in place about 3 years ago.

As you know, the United Nations has long been in need of management reform. By the mid-1990's the procurement process, by the U.N.'s own admission, was in crisis. There was a failure of the overall human resource system. Peacekeeping missions in Somalia, Rwanda, and Bosnia had failed. And program overlap and duplication was a serious problem.

In response to these problems that the Secretary General had identified and also in response to pressure from member states, not the least of which was the United States, the Secretary General proposed a reform program that consisted essentially of three core elements: first, to reform the U.N.'s leadership structure; second, to develop a results-oriented human capital system; and third, to introduce a programming and budgeting process that focused on results. And this is key. We have diagramed this so that you could see the relationship among those three components, but it is essential in order to have a management system that focuses on results to have these components in place and working together.

In summary, the United Nations has substantially reformed the leadership and operational part of its reform effort, and it has partly implemented the results-oriented human capital system. However, while progress has been made, the overall objectives of reform have not yet been achieved. Specifically, the United Nations has not yet implemented reforms to focus its programming and budgeting on managing for results. These initiatives would enable the states to hold the Secretariat accountable for results, and they are key to the success of the overall reform effort because they institutionalize a shift in the organization's focus from simply carrying out activities to accomplishing specific missions.

Again, I refer to the graphic display.² You can probably see that better in the prepared statement. I apologize for the small print.

The major problem for the United Nations that the Secretary General wanted to address by reorganizing the way the U.N. does business was the fragmentation and lack of cooperation among the

²The graphics referred to appear in Mr. Johnson's prepared statement beginning on page 30.

Secretariat departments and programs. To begin addressing this problem, the Secretary General formed a cabinet-style senior management group and executive committees.

The senior management group consists of heads of all the U.N. departments and programs and has been meeting weekly since 1997 to collectively decide on unified U.N. policies. Previously, the heads of the departments and programs seldom met, usually only at the time of a general assembly. Now there is a regular mechanism for developing a single U.N. policy direction.

The four executive committees are organized around the U.N.'s core missions of peace and security, development operations, humanitarian affairs, and economic and social issues. Human rights is also a core mission that cuts across all other missions and the executive committee translates the senior management group decisions into coordinated action by all the committees. This is depicted again on the graphic on my right.

This aspect of the reform initiative has resulted in a more coherent and unified leadership at the U.N. It has also begun to reduce the competition among the various U.N. agencies and foster a more coordinated action in the field. I will just cite one example, although there are several.

When the crisis in Kosovo emerged in late 1998 and 1999, the Secretary General, the Deputy Secretary General, the Emergency Relief Coordinator, and the High Commissioner for Refugees and Human Rights, and other senior managers working within the structure developed a single U.N. response. The High Commissioner for Refugees was given the lead role at that point in time to undertake the U.N.'s initial response. She regularly reported to the group through video-conferencing and provided real-time information on the situation on the ground. Since top level managers were members of the group, the United Nations was able to develop a unified response and provide clear direction to the departments and programs.

This type of arrangement has continued with regard to Kosovo. It continues with regard to East Timor. There are examples in Guatemala where this arrangement has worked very well in establishing coherent policies for the various departments and agencies of the U.N. to follow.

Despite these positive signs, the reforms are still in progress. The U.N. still does not fully coordinate their activities at the working level and in the field. During our field work in the Middle East, senior and mid-level peacekeepers and political officers told us that coordination between them remains at a fairly low level and they continue their practice of following instructions from their home departments. Moreover, they simply do not see the evidence from their instructions that they receive from the department level that coordination is taking place on a day-to-day basis.

We also found impediments to fully integrating country development activities. In Mozambique, the U.N. had set up various working groups under kind of a thematic approach such as for education, water and sanitation. But some of the working groups were largely inactive because officials were reluctant to spend their time working on issues that were not directly related to their agency's priorities. About one-third of the U.N. officials we interviewed had

no requirement or job expectation to work on issues within the U.N.'s development assistance framework, and according to these people that we talked to, their careers, promotions, reward paths run through their own individual agencies, and working on framework issues is simply an adjunct that they are not specifically rewarded for.

Now, this brings me to the second area of reform that I wanted to discuss: to develop a results-oriented human capital system. The Secretariat has partially implemented the initiatives to begin transforming its human resource culture to one that is results-oriented, responsive, and accountable. Fundamental tasks remain to be completed, such as developing U.N. procedures that allow the organization to staff critical needs and fully automate its personnel data base. Nonetheless, in comparison to the situation that existed in the mid-1990's when the human capital system was in crisis, positive steps have been taken. For example, the Secretariat now has the performance based appraisal system and an organization-wide code of conduct.

We noted that the overall plan for reforming the human capital system shares many of the elements and values that are common to high performing organizations. The GAO has done a number of studies in this area to identify best practices in those organizations. For example, a hallmark of high performing organizations is that the human capital procedures are directly linked to achieving organizational objectives. The Secretariat's new results-oriented appraisal system requires that managers set performance expectations for all staff and that the expectations be linked to achieving specific U.N. objectives. The new appraisal system is intended to help introduce a results-based culture to the Secretariat by providing honest feedback to their staff on their performance. Ratings are based on a staff member's performance in meeting expectations measured by agreed upon indicators. In comparison, the old appraisal system did not set work expectations and ratings were uniformly high. The Secretariat did not routinely compile statistics on staff performance.

The current situation is depicted on this graph. Again, you can probably see it a little better in the prepared statement. But what it shows is that now, under the new system which has been fully in place for the last couple of rating cycles, most individuals, more than half, are rated as fully meeting their expectations, and fewer are consistently rated as exceeds expectations. Under the old system, just the reverse would be seen.

The U.N. plans to fully put in place its human capital reforms over the next 2 to 4 years. We have a few examples to illustrate the progress that has been made and the tasks remaining. I'll just mention one.

The Office of Human Resource Management now has basic data on all Secretariat staff with a contract of 1 year or longer, such as staffing hiring dates, current and past positions, work locations, and office nationality, age, and gender. Now, these things seem fairly simple, but the U.N. previously did not have that kind of information readily available. The office now generates regular reports on the Secretariat's work force, including projections of retire-

ment by position, grade level, type of employment for short-term planning.

This provides the United Nations with a basic management tool, but there are still gaps. For example, an inventory of existing staff skills and knowledge has yet to be completed and an automated list of job qualifications for each position is still being developed.

This brings me to the third and final area of reform, managing for results. A core element of the U.N. reform was to introduce processes to hold the U.N. Secretariat accountable for results. This would be done by focusing and clarifying the objectives member states expect the Secretariat to achieve, and second, by adopting results-based programming and budgeting, that is, to link budget activities with expected results.

The United Nations is pursuing these initiatives. However, these proposals have not yet been adopted.

Also, the Secretariat does not have an overall system to evaluate the results or impacts of its programs. It does do evaluations, but ordinarily the evaluations look at management efficiencies or specific outputs and not results of their programs. Such a system is necessary to implement results-based management. This cycle is depicted again in the chart on my right.

To move this process forward, the Secretary General proposed that the General Assembly focus the Secretariat's work by limiting the number of new requirements or mandates and clearly stating what is expected of the Secretariat. This proposal also has not been adopted.

For 1997 and 1998, the most recent 2-year period for which the information was available, we found that the number of new tasks mandated by the General Assembly increased from about 250 to almost 600, and that at least 20 percent, probably more, of these mandates had vague and open-ended expectations where results really could not be measured.

The Secretariat has proposed revising the budget process to focus on results. He has proposed that the budgets would specify not only program costs but also expected program results and performance indicators. Member states could, thus, hold the Secretariat accountable for results.

The General Assembly is considering these proposals but has not yet approved them. As you well know, some member states have expressed concern that results-based budgeting is simply a tactic to cut the budget.

Although the General Assembly has not yet approved the results-based budgeting, it did authorize the Secretariat to specify expected program results and performance indicators in its primary program and planning document, which is the medium term plan. So, some progress is being made.

In conclusion, what distinguishes this U.N. reform from others tried in the past is the effort to transform the United Nations into a results based organization. The initiatives put in place thus far are moving the United Nations in this direction. There is also evidence that these reforms are strengthening operations on the ground where U.N. services and programs are actually being delivered. However, without full implementation of the programming, budgeting, and evaluation process, focused on performance, the

U.N. will not have a management system to sustain the gains made and transform the organization.

To help ensure that the United Nations maintains momentum in its overall reform effort, we have made a couple of recommendations to the Department of State and to the U.S. Ambassador to the U.N.

First of all, we have recommended that at least on an annual basis, the State Department report to the Congress on what progress is being made in fairly specific areas, such as the effectiveness of coordination at the country level, the effective implementation of the human capital system, and what progress is being made on results-based budgeting.

We have also recommended that the Ambassador to the U.N. work with other member states to take some intermediate steps at the Secretariat to implement the results-based budgeting process and set measurable goals. As I have mentioned, they are in the process of doing that. We have also suggested that they require the Secretariat to develop an organizational strategy for monitoring and evaluating the results and impacts of Secretariat activities.

That concludes my prepared statement. We will try to answer your questions.

[The prepared statement of Mr. Johnson follows:]

PREPARED STATEMENT OF HAROLD J. JOHNSON AND TETSUO MIYABARA

Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to discuss the status of reforms to improve the United Nations (U.N.). Our remarks are based on our report prepared for this Committee and released today, which provides a comprehensive analysis of the reforms.¹

In recent years, the United Nations has had fundamental problems. In 1994, the U.N.'s inability to procure goods and services fairly and on time reached a crisis. Also there was an overall failure of its human resources system to staff critical posts with the right people. Peacekeeping missions in Somalia, Rwanda, and Bosnia failed to accomplish their missions. By 1997, the Secretary General stated that the United Nations had become fragmented, inflexible, and, in some areas, superfluous. Member states demanded improvements. In response, the Secretary General proposed a reform program consisting of three core elements—(1) restructuring U.N. leadership and operations, (2) developing a performance-based human capital system, and (3) introducing programming and budgeting processes focused on results. The Secretary General stated that these elements formed an integrated program; all were necessary to create a United Nations that achieved results and continuously improved. While not all of the reform elements applied to the entire United Nations,² the overall program provided a model for a U.N.-wide reform process. The Secretary General set the end of 1999 as the target date to put the reforms in place. Today, I will discuss the status of the reform program and highlight some results.

SUMMARY

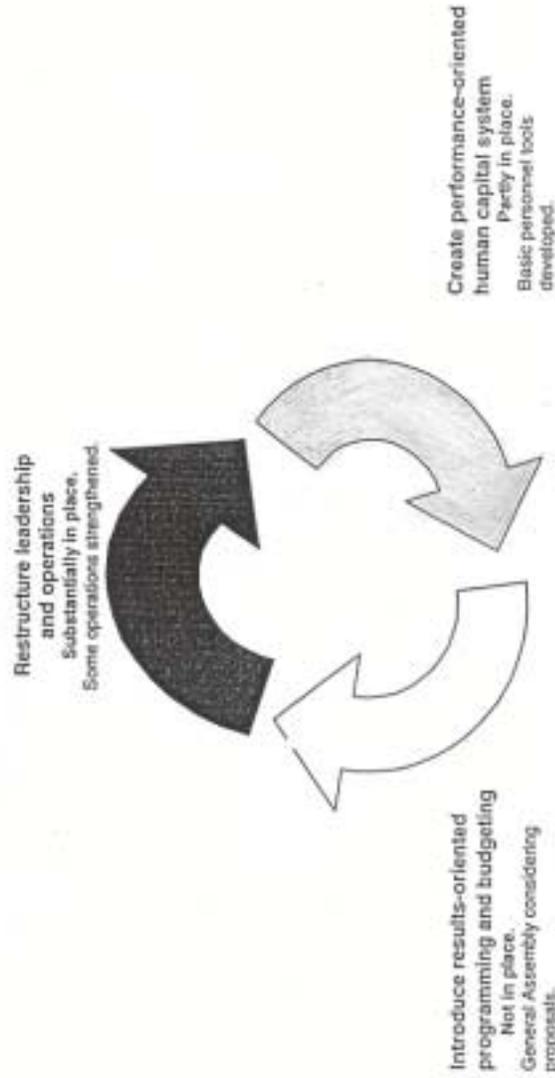
The United Nations has substantially restructured its leadership and operations and partly implemented a merit-based and performance-oriented human capital system, and these reforms have strengthened U.N. operations. However, while progress is being made, the overall objectives of the reform have not yet been achieved. Specifically, the United Nations has not yet implemented reforms to focus its programming and budgeting on managing the Secretariat's performance. These initiatives would enable member states to hold the Secretariat accountable for results and are key to the success of the overall reform because they institutionalize a shift in the organization's focus from carrying out activities to accomplishing missions. As figure

¹*United Nations: Reform Initiatives Have Strengthened Operations, but Overall Objectives Have Not Yet Been Achieved* (GAO/NSIAD-2000-150, May 10, 2000).

²The United Nations is composed of the Secretariat, which carries out much of the work mandated by member states, and the programs, such as the High Commissioner for Refugees, which conduct specific lines of work.

1 illustrates, U.N. reform is an interrelated process and requires that all core elements be in place to succeed.

Figure 1: U.N. Reform Program--Elements Interrelated and Partially in Place



Source: GAO

BACKGROUND

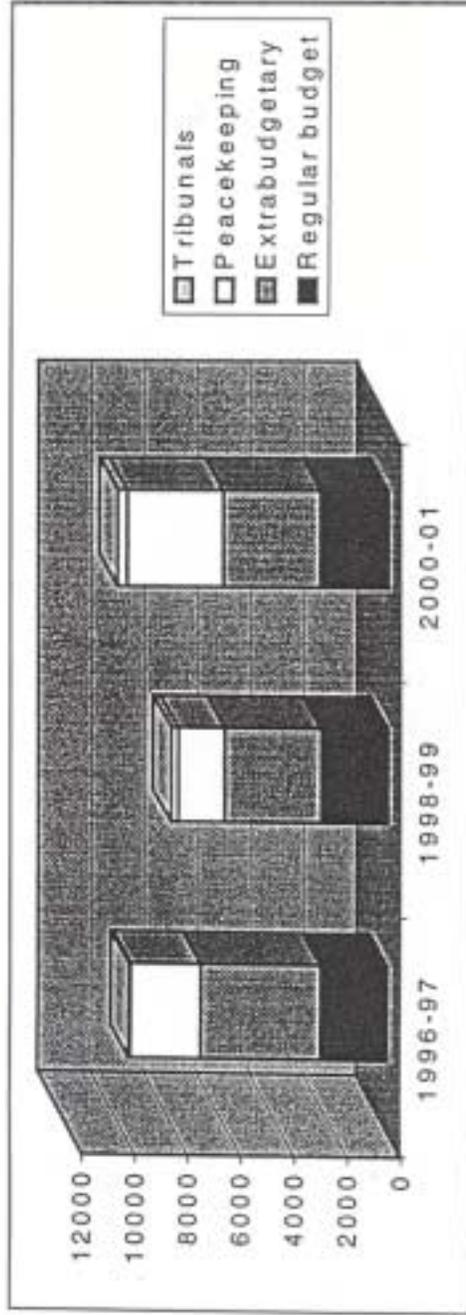
The United Nations carries out a wide range of activities, including peacekeeping in locations such as Kosovo, East Timor, and the Congo; humanitarian and refugee operations in Sudan and Tajikistan; and thousands of development, economic, social, and human rights projects worldwide. Organizationally, the United Nations is comprised of three types of entities. First are the member states' governing or intergovernmental bodies, such as the Security Council and the General Assembly, which set U.N. objectives and mandate activities in accordance with the U.N. Charter. Second is the Secretariat, the central working unit of the United Nations, which carries out work mandated by the governing bodies. The Secretariat consists of the Secretary General, whom the U.N. Charter specifies as the chief administrative officer of the United Nations, and the staff necessary to carry out the mandated work. Third are the U.N. programs and funds, which the General Assembly authorized to address specific areas of work of continuing importance. Examples of the programs and funds are the U.N. Children's Fund and the U.N. Development Program. Many of the programs are authorized to have their own governing bodies and budgets (paid for by voluntary contributions from participating nations). Consequently, while the Secretary General is the U.N.'s highest-ranking official and his reform proposals influence these programs, he does not have authority to direct the programs to undertake reforms.

The expenses of the Secretariat are funded through regular budget assessments of the U.N. member states. The U.N. regular budget for the biennium 2000-2001 is \$2.5 billion, of which the U.S. contribution is assessed at 25 percent.³ Member states are assessed separately for U.N. peacekeeping activities. For 2000-2001, the cost of U.N. peacekeeping operations is estimated to be \$3.6 billion, of which the United States is to contribute 25 percent.⁴ Member states are also assessed for the costs of international tribunals on war crimes and genocide. Finally, the United Nations receives voluntary, or extrabudgetary, contributions for the funds and programs—estimated to be \$3.7 billion for the 2000-2001 biennium. The United States has historically paid about 25 percent. Figure 2 shows U.N. budgets for the last three bienniums.

³Members' assessments for the regular budget are determined by a scale of assessments approved by the General Assembly on the basis of advice from the Committee on Contributions. Each member has a single vote in the General Assembly regardless of its assessment.

⁴U.N. peacekeeping is assessed on an annual basis. The U.S. share of U.N. peacekeeping is 30.4 percent; the U. S. Congress has capped U.S. contributions at 25 percent since 1994.

Figure 2: U.N. Budgets, 1996-2001
(Dollars in millions)



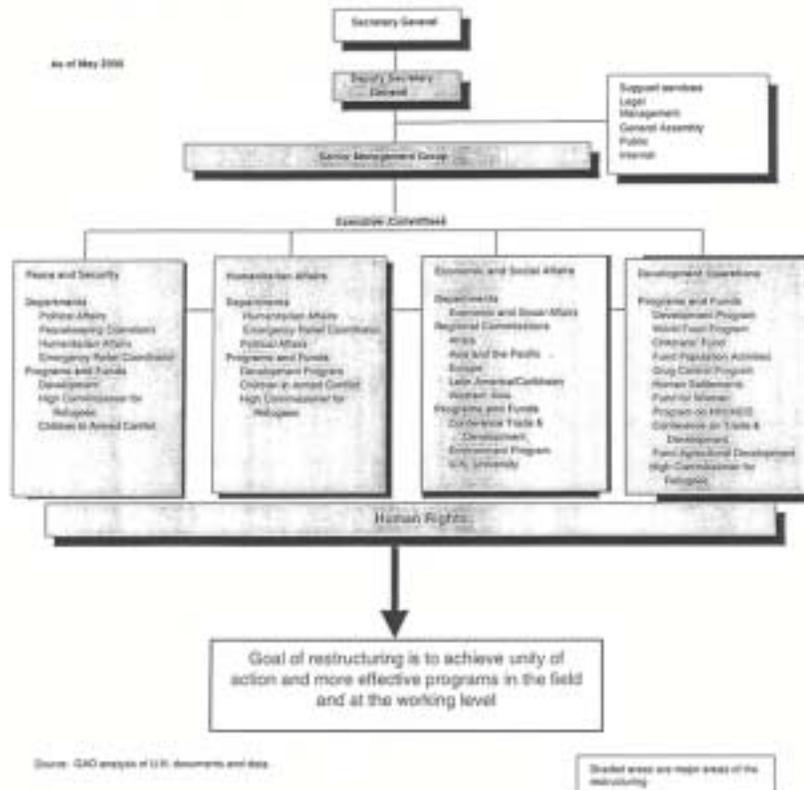
Note: Voluntary or extrabudgetary amounts are U.N. estimates. Peacekeeping amounts combine two annual budget cycles and are estimates for 2001.

Source: U.N. budget documents.

U.N. LEADERSHIP AND OPERATIONS SUBSTANTIALLY RESTRUCTURED

The United Nations has substantially restructured its operations, and we found this has provided more cohesive and unified leadership for the organization. A major problem for the United Nations has been the fragmentation and lack of cooperation among the Secretariat departments and the programs. To begin addressing this problem, the Secretary General formed (1) the senior management group and (2) the executive committees. The Senior Management Group consists of the heads of all U.N. departments and programs and has been meeting weekly since September 1997 to collectively decide on unified U.N. policies. Previously, the heads of some of the programs met only once a year at the General Assembly. Now there is a regular mechanism for developing a single U.N. direction. The four executive committees are organized around the U.N.'s core missions—peace and security, development operations, humanitarian affairs, and economic and social issues. Human rights is a core issue that cuts across all U.N. missions. Consisting of the senior managers of the departments and programs in each area, the executive committees try to translate senior management group decisions into coordinated action by all U.N. entities, Figure 3 provides an overview of the U.N.'s leadership structure as it exists today and shows that the intended goals are to carry out more unified and effective U.N. activities, particularly in the field and at the working level where services are delivered.

Figure 3: U.N. Leadership and Operations Substantially Restructured



We found that these reform initiatives have resulted in a more coherent and unified leadership for the United Nations and have begun to reduce competition among the various U.N. agencies and to foster more coordinated actions in the field. The following examples help illustrate areas where the reforms have made a difference.

- During the Kosovo crisis, the Secretary General, the Deputy Secretary General, the Emergency Relief Coordinator, the High Commissioners for Refugees and Human Rights, and other senior managers used the senior management group to develop a single U.N. response. The High Commissioner for Refugees would regularly report to the group through video-conferencing and provide real-time information on the situation on the ground. Since the top-level managers were members of the group, the United Nations was able to develop a unified response and provide clear direction to the departments and programs. One initial direction was that the High Commissioner's office would lead the U.N.'s initial response to the crisis and other U.N. entities would support the Commissioner. As the U.N.'s role in Kosovo evolved, the Secretary General continued to work through the Senior Management Group to develop a unified concept for U.N. operations and to ensure that all departments and programs pooled their resources to support U.N. tasks in humanitarian affairs, civilian police, and civil administration. According to senior U.N. officials, the management group was also used to ensure that all heads of U.N. departments and programs had a consistent understanding of the U.N.'s mandate in Kosovo, particularly for their dealings with the Organization for Security and Cooperation in Europe and the World Bank, which were also responsible for tasks in Kosovo.
- Leadership by the executive committee on peace and security enabled various U.N. departments to integrate some peacekeeping efforts and has resulted in better planning for new missions. For example, in developing plans for the U.N. operation in East Timor in 1999, the Under Secretary General for Political Affairs provided the group a full and candid assessment of the political situation and strategies for conducting the referendum, according to members of the executive committee. According to a senior political officer in the Department of Political Affairs, his openness with his priorities paved the way for unified strategy and planning among his department, the Department of Peacekeeping Operations, the Human Rights Coordinator, and others on the committee. As a result, the plan for the East Timor operation was more comprehensive and better integrated than other U.N. peacekeeping plans we have examined in our past work, and resulted in deploying the mission more quickly and with fewer problems than past complex operations. I should add that these reforms do not address the capacity of the United Nations to undertake the scale of its current peacekeeping responsibilities or the organizational limits of the United Nations in leading operations calling for the use of force.⁵
- In Guatemala, initiatives to integrate U.N. development activities under the development assistance framework have helped improve the effectiveness of U.N. support for the 1994 peace accords by coordinating the work of 17 separate U.N. agencies. The U.N.'s efforts to demobilize combatants, which officials of the U.S. Agency for International Development described as a model for international cooperation, resulted in U.N. agencies conducting joint planning and taking steps to avoid duplicative programming. For example, the U.N. Population Fund had incorporated reproductive health activities into the U.N. Children's Fund and the U.N. Development Program's development projects. In addition, all U.N. agencies fully coordinated their efforts in an effective response to Hurricane Mitch and in producing a country development report, which for the first time included a candid section on human rights. Although the government objected to this report, all U.N. agencies in country were united in defending the report.

Despite improvements in some of the areas, we also found that the reforms are still in process and that U.N. agencies do not fully coordinate their activities at the working levels and in the field. The following examples illustrate areas where we found some continuing weaknesses in U.N. cooperation.

- The improved policy coordination and information sharing apparent at the U.N.'s highest levels and on critical issues are less evident in day-to-day activities at working levels of the organization. Several U.N. officials who recently worked both in U.N. headquarters and in field peacekeeping operations confirmed the need for increased interdepartmental coordination and cooperation on day-to-day policy and operational matters. During our fieldwork in the Middle East and Guatemala, senior and mid-level peacekeeping and political officers told us that coordination between them remains at a low level and they are continuing their practice of following instructions respectively from both the Department of Peacekeeping Operations and the Department of Political Affairs

⁵ *United Nations: Limitations in Leading Missions Requiring Force to Restore Peace* (GAO/NSIAD-97-34, Mar. 27, 1997).

They do not see evidence from their instructions that these departments are coordinating their work on a day-to-day basis.

- We also found impediments to fully integrating country development activities. In Guatemala, the common country assessment was delayed because agencies sought to include development indicators in line with their own mandates and programming, rather than agreeing on overall indicators of U.N. success. In Mozambique, U.N. officials said that some of the country team's working groups were largely inactive—such as education and water and sanitation—because officials were reluctant to spend time working on issues not directly related to their agencies' priorities. About one-third of the U.N. officials we interviewed had no requirement or job expectation to participate in the U.N. development assistance framework. According to these officials, their career, promotion, and reward paths are through their parent organizations, and their work on the framework is an adjunct to their agency duties.

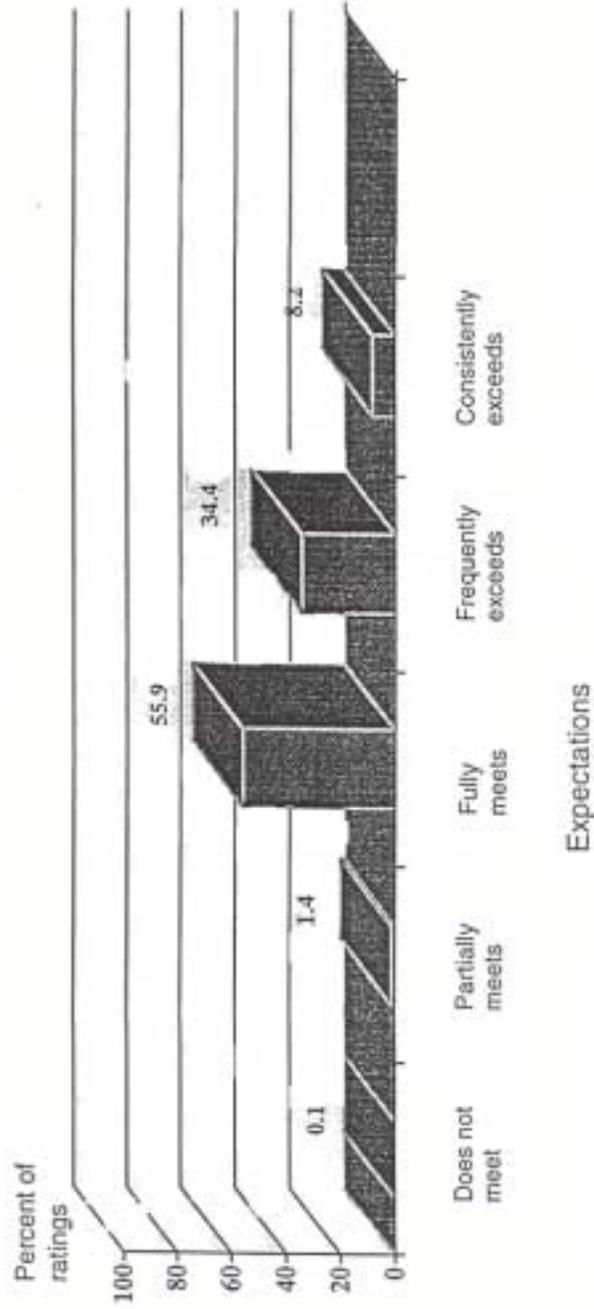
REFORMS TO DEVELOP A RESULTS-ORIENTED HUMAN CAPITAL SYSTEM PARTLY IN PLACE

The Secretariat has partly implemented initiatives to begin transforming its human resources culture into one that is results oriented, responsive, and accountable. Fundamental tasks remain to be completed, such as developing U.N. procedures that allow the organization to staff critical needs and fully automating its personnel database. Nonetheless, in comparison to the situation in 1994, when the human capital system was in crisis, positive steps have been taken, such as implementing a merit-based appraisal system and a U.N.-wide code of conduct. Also, the overall plan for reforming the human capital system shares the elements and values that are common to high-performing organizations.⁶ For example, a hallmark of high-performing organizations is that human capital procedures are directly linked to achieving organizational objectives. The Secretariat's new merit-based appraisal system requires that managers set performance expectations for all staff and that the expectations be linked to achieving U.N. objectives.

Implementation of the new appraisal system helps illustrate the progress the Secretariat has made in reforming its human capital system. The appraisal system is intended to help introduce a results-based culture to the Secretariat by providing honest feedback to staff about their performance. Ratings are based on a staff member's performance in meeting expectations, as measured by agreed-upon indicators. In comparison, the old appraisal did not set work expectations; ratings were uniformly high, with about 80 percent of staff receiving the highest rating; and the Secretariat did not routinely compile statistics on staff performance. Figure 4 shows the distribution of ratings for the most currently available period and demonstrates that most staff are now rated as meeting expectations and that there is a relative dispersion in the ratings.

⁶GAO reports on human capital describe the approach that leading public and private sector organizations have taken. See, for example, *Human Capital: A Self-Assessment Checklist for Agency Leaders* (GAO/GGD-99-179, Sept. 1999).

Figure 4: Distribution of U.N. Secretariat Staff Appraisals, 1999



Source: U.N. documents.

The Secretary General has also followed up on the application of the appraisal system. For the 1998/99 appraisal cycle, the Deputy Secretary General sent letters to two departments that had ratings markedly higher than the other departments. The letters instructed the departmental chiefs to counsel supervisors on the requirements for fair and well-documented ratings. He also sent letters to the promotion board informing the board that the ratings in these departments might be inflated and to consider this in its promotion decisions. Finally, in November 1999, the Under Secretary General issued an administrative instruction that set out the consequences of receiving less than fully successful performance ratings, ranging from not receiving the annual salary pay increase to dismissal, depending on the length of time the staff member had not fully met expectations.

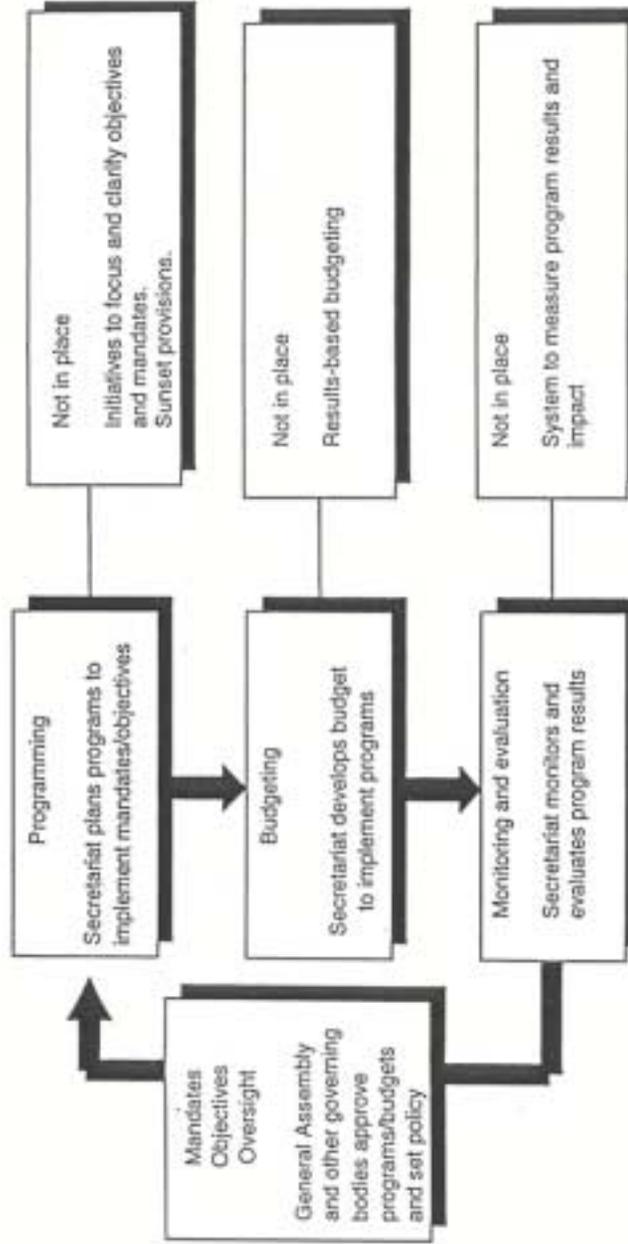
The United Nations plans to fully put into place its human capital reforms over the next 2-4 years. The following examples help illustrate some of the progress made and the tasks remaining.

- Beginning in 1999, the Department of Management extended the use of the Integrated Management Information System—the Secretariat's data system on budget, finances, management, and personnel—to the entire Secretariat. This provided the Office of Human Resources Management with basic data on all Secretariat staff with a contract of 1 year or longer, such as staff hiring date, current and past positions, work location and office, nationality, age, and gender. The office now generates regular reports of the Secretariat workforce, including projections of retirements by position, grade level, and type of employment for short-term planning. While this development provides the United Nations with a basic management tool, several steps need to be taken to make the personnel information system fully functional, including linking the databases electronically with all offices (currently the Secretariat has real-time access to personnel data for 48 percent of professional staff—those located at headquarters in New York and at the offices in Geneva and Vienna); completing an inventory of existing staff skills and knowledge; and automating a list of job qualifications for each Secretariat position.
- The Secretariat has begun identifying and filling critical needs projected for the next 2-4 years but has not begun developing a long-range workforce planning strategy. This will start once basic tools are in place and after the General Assembly debates the U.N.'s future role at the millenium assembly in the summer and fall of the year 2000.
- The Office of Human Resources Management has developed a comprehensive plan to improve recruitment and mobility, which includes lateral moves, job exchanges, temporary assignments, and job rotation systems within departments and field missions. The office discussed these proposals with staff committees during 1999 and plans to continue discussing the proposals through April 2000, as part of its policy to consider all staff views regarding human capital reforms. At the end of April 2000, the Office plans to complete a report on the proposal and submit it to the General Assembly, which must approve any changes to staff rules and regulations needed to implement the proposal.

REFORMS TO MANAGE FOR RESULTS NOT YET ADOPTED

A core element of the U.N. reform was to introduce processes to hold the U.N. Secretariat accountable for results by (1) focusing and clarifying the objectives member states expected the Secretariat to achieve; and (2) adopting performance-oriented programming and budgeting, that is, linking budgeted activities with performance expectations and measures. The United Nations is considering these initiatives, including the use of performance measures in its principal planning document—the medium-term plan. However, these proposals have not yet been adopted because some member states believe they are tactics to cut the budget. Another problem is that the Secretariat does not have an overall system to monitor and evaluate the results and impact of its programs. Such a system is necessary to implement performance management. Figure 5 depicts the U.N. program planning cycle and the status of the key initiatives to modify it.

Figure 5: Status of Initiatives to Modify the U.N. Program Planning Cycle



Source: GAO analysis based on U.N. documents and discussion with U.S. and U.N. officials.

The Secretary General proposed that the General Assembly focus the Secretariat's work by limiting the number of new work requirements or mandates for the Secretariat and clearly stating what it expected the Secretariat to do. These initiatives were not adopted. For 1997 and 1998, the most recent 2-year period for which information was available, we found that 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.

The Secretary General also proposed revising the budget process to focus on performance. He proposed that budgets would specify not only program costs but also expected program results and performance indicators. Member states could thus hold the Secretariat accountable for results. The Secretary General further proposed intermediate steps to prepare for and build confidence in this results-based approach, such as developing acceptable and reliable performance indicators; incorporating qualitative information in the performance measures; and pilot-testing proposed changes. The General Assembly is considering these proposals but has not yet approved them. Some member states are concerned that performance-oriented budgeting is a tactic to cut the U.N. budget. For example, in 1998, the Group of 77—a block of over 130 U.N. member states classified as developing countries took the position that results-based budgeting was a radical departure from accepted practices. They stated there should be, no predetermined ceilings on budgets, that all mandates should be fully funded, and that any attempt to use results-based budgeting to cut the budget would be resisted. Although the General Assembly has not yet approved performance budgeting, it authorized the Secretariat to specify expected program accomplishments and performance indicators in its primary program planning document—the medium-term plan.

Member states were also concerned that the Secretariat lacked a system to monitor and evaluate program results and impact. Currently, numerous U.N. departments monitor their programs, and over 20 U.N. departments and offices have their own evaluation units. However, in the absence of results-oriented budgeting, monitoring largely involves counting outputs, such as the number of conferences held or staff years spent. Evaluations do not systematically provide information on program impact and whether objectives have been met. Furthermore, the United Nations has not developed a centralized strategy to improve monitoring and evaluation. Presently there is no centralized strategy that identifies limitations or gaps in existing efforts, employs guides to help provide some consistency and reliability in evaluation, or creates an approach to unify monitoring and evaluation functions to support performance-oriented budgeting.

CONCLUSIONS AND RECOMMENDATIONS

What distinguishes this U.N. reform from others tried in the past is the effort to transform the United Nations into a performance-based organization by implementing interrelated reform initiatives. The initiatives put into place thus far—substantially realigning the organization and introducing a merit-based appraisal system tied to U.N. objectives—are moving the United Nations in this direction. There is also evidence that these reforms are strengthening operations on the ground, where United Nations services and programs are actually delivered. However, without fully implementing programming, budgeting, and evaluation processes focussed on performance, the U.N. will not have the management systems to sustain the gains made and transform the organization.

To help ensure that the United Nations maintains momentum in its overall reform efforts, our report recommends that the Secretary of State report annually to the Congress on the status of the Secretary General's reform plan, including an assessment of whether U.N. agencies and departments are effectively coordinating efforts at the country level, effectively implementing a results-oriented human capital system, and effectively implementing a performance-oriented management system.

Additionally, to support the United Nations in transforming the organization into one that is performance oriented and continuously improves, we recommend that the Secretary of State and the Permanent Representative of the United States to the United Nations work with other member states to:

- take intermediate steps at the Secretariat to implement results-oriented budgeting, such as setting measurable goals and performance indicators for each section of the budget, and
- require the Secretariat to develop an organizational strategy for monitoring and evaluating the results and impact of Secretariat activities.

The Department of State, the U.S. Mission to the United Nations, and the United Nations generally agreed with our findings on U.N. reform. State and the U.S. Mission also said they would report regularly to the Congress, in the context of the

oversight process, on the status of the U.N. reform plan and would continue working on improving the U.N.'s planning, budgeting, and evaluation systems.

Mr. Chairman and Members of the Subcommittee, this concludes my prepared testimony. I would be happy to respond to any questions you or other members may have.

Senator GRAMS. Thank you very much, Mr. Johnson. I appreciate your testimony.

Dr. Miyabara, did you have anything you wanted to add, or are you in a support role here?

Dr. MIYABARA. I am in a support role, and I think the statement fairly summarizes the work that we did on the United Nations.

Senator GRAMS. Thank you very much, Doctor.

Mr. Johnson, I would just like to ask one quick question off the bat. If GAO has come up with this type of a report, why cannot or why has the U.N. not done something similar, or have they?

Mr. JOHNSON. Well, they do assess their progress on a periodic basis. I think they have probably a more difficult time than we do in being objective about what they look at. But they do assess progress.

Dr. MIYABARA. The last progress report they made on reform was in 1998, and they did have this as an agenda item for the last General Assembly, but they did not take it up. They plan to take it up next time around, but there is no report yet out. So, in essence, this is the only overall report on U.N. reform that exists right now.

Senator GRAMS. That is what I was going to ask. So, in other words, the Secretariat or the General Assembly has not really had a report that it can study so it can gauge what reforms have been made or the progress of these reforms.

Dr. MIYABARA. No.

Mr. JOHNSON. Not of this nature, no.

Senator GRAMS. Now, would you want to explain more about exactly what the chart represents? I know the top arrow is darker. The arrow to my right is a little lighter in color, and then the third arrow. Is this a similar type of assessment the U.N. is doing itself, or are you looking at other things that the U.N. is not looking at?

Mr. JOHNSON. Well, I do not think we are looking at things the U.N. is not looking at, but I do not believe they have yet adopted, although we have shown them our concept of how the parts fit together and they are in agreement with that concept.

But essentially what we are looking at here with the darker arrow illustrates the restructuring of the leadership function at the headquarters level. That part of the reform effort has been put in place, although it has not, as we mentioned, completely filtered down to the working levels and needs to be constantly monitored.

The next arrow, not quite so dark, represents the partial implementation of the human capital system. For example, the performance appraisal system is designed again to link into the notion of the results orientation, and finally the lighter arrow illustrates the results-based budgeting component of the reform, which really are not in place yet.

Senator GRAMS. Not in place or not intended to do?

Mr. JOHNSON. Well, the Secretariat and the Secretary General have been promoting this idea. They have urged the General Assembly to adopt performance based budgeting. So, far the General

Assembly has not adopted it. The Group 77 has been somewhat vocal in their opposition to adopting that kind of concept or the sunset provision where a program would have a particular period of life. Apparently they feel that this is a way to undercut the budget and so far they have not supported, although the General Assembly has authorized some pilot projects in that area and they did authorize the new mid-term plan to be designed in a way that will show results that are expected. So, progress is being made in that area—and hopefully, it will be adopted. I know our State Department has been urging that for a long period of time. It is the final component of this process that will help hold the Secretariat accountable for achieving what they are supposed to achieve and not just provide outputs.

Senator GRAMS. So, does the U.N. really believe that it has programming monitoring and evaluation in place that would reflect the same guides you are?

Mr. JOHNSON. That depends on who you say the U.N. is. There are those in the U.N. who believe that they have a process in place to evaluate program results, but when we submitted our report to the Secretary General for his comment, he essentially agreed with us, that he is not receiving the kind of information that he needs to know whether or not programs are achieving their results.

So, while there are components, there are piecemeal parts of the evaluation process, there is no systematic way of evaluating all the programs to know which ones need to be modified, what the high priorities ought to be or where resources need to be placed.

Dr. MIYABARA. Let me add just a couple of things, first, about the overall concept. The United Nations, and the Secretary General in particular, have never put their reform in this context.

Senator GRAMS. Is this kind of a typical way to assess an operation like this, or do you have to create this special to apply it to the U.N.?

Dr. MIYABARA. This was clearly intended by the United Nations, but they have never communicated this clearly in part because they were trying to transform the organization into one which was focused on getting results, being successful at peacekeeping and other such things. But that would also force them to then put the results next to how much they were spending in those categories.

One problem that they have had—and that gets back to results-based budgeting—is that the Group of 77 in particular had been opposed to results-based budgeting for a number of reasons. But I will quote one thing they have actually said. “The Group’s foreign ministers had declared”—and this is the Group of 77 composed of approximately 130 member states—“that there should not be any ceiling on the budget and that the Secretary General should be provided with adequate resources to carry out all mandated activities.”

The next thing that is said, in the context of results-based budgeting, is that “the program budget should be considered under existing rules, that is, without putting results next to the actual budget. Any attempt to use results-based budgeting and sunset provisions without the express approval of the General Assembly would be wrong and would be resisted.”

So, what they are concerned about is, in stark terms, putting results, which they do not completely agree with on measurement,

next to the amounts that are being spent. And that is the concern underlying results-based budgeting, or at least part of the concern.

Senator GRAMS. Mr. Johnson, in your report you discuss increased efficiencies and effectiveness from the consolidation. If this is so, why are there more U.N. posts and more personnel than previously?

Mr. JOHNSON. Well, the general answer to that is that they have gotten additional mandates. There were some cuts in various areas when they did the consolidation and, for example, when they consolidated the humanitarian affairs and the coordinator for humanitarian assistance, there were some cuts that were made in the number of positions, but those were taken up by new mandates in other areas. So, I think you have some details on where those were at.

Dr. MIYABARA. Yes, I do have some details.

We talked about the increased number of mandates and resolutions passed by the General Assembly. One of the mandates, or continuing resolutions, has been a focus on Africa. So, they actually cut 50 positions from the Department of Economic and Social Affairs. Some of these positions were shifted over to the Africa, the new agenda for development and economic and social development in Africa, which increased by 12, which is about a 20 percent increase in their staffing level.

Other locations it increased were the Department of Management, which increased by about 25 positions.

So, even though the consolidation has been reducing posts and abolishing them, no people actually lost jobs as a result. They were transferred to other positions in the Secretariat, higher priority positions.

Senator GRAMS. Was this for convenience or was it actually necessary?

Dr. MIYABARA. The General assembly mandated that no staff were to lose their jobs as a result of the consolidation.

Senator GRAMS. So, with the consolidation then, would you say it resulted in any great or greater effectiveness or efficiency in the way it has been done or consolidated, Mr. Johnson? If you could maybe give a specific example.

Mr. JOHNSON. Yes, I think they are more efficient in the way they run their programs, and you see that in a couple of areas. As I mentioned, the Coordinator for Relief Assistance operates in a much more efficient way in the way they do consolidated appeals and coordinate those programs. The other area that seems to be more efficient is in the operations of the regional programs where they have also done some consolidation.

I would comment that while there was a mandate that none of the employees would lose their jobs, there also were vacant positions to place those people in.

Senator GRAMS. One of the best indicators of real reform is whether it substantially affects spending levels in the U.N. budget—

Mr. JOHNSON. Right.

Senator GRAMS [continuing]. Showing that priorities have been established and are being addressed. Are there any signs of tan-

gible reform in the biennial budget adopted by consensus in the U.N. General Assembly last December?

Dr. MIYABARA. One of the tangible things that I've actually seen is an increase in positions in some of the priority areas, in human rights, for example. Human rights increased both their budget and their positions by quite a bit. When we were in the field, we actually witnessed human rights being more operational.

I think in 1997 there were only two actual operations officers, that is, people who would go into the field and who would work in countries that had human rights abuses. They have increased that to over 1,000 operational positions. Previously they were working on policy issues, but now they are actually working in the field. So, that is one area in which I think they have actually made quite a bit of improvement, and you can tangibly see the change in the budget.

Aside from that, there are relatively modest changes in the numbers of people and the actual changes in the budget numbers.

Senator GRAMS. Going back to the resolution where anybody could not lose their job in consolidating, is that what you said earlier?

Dr. MIYABARA. Yes. There have been several resolutions which have said that as a result of the consolidations and some of the efficiencies, staff were not to lose their jobs.

Senator GRAMS. So, they had to find places to park these positions then, and that has been the reorganization.

Dr. MIYABARA. That has not been the complete reorganization, but that has been at least part of it. They have tried to move people to places in which they could be more productive.

Senator GRAMS. Regarding personnel, can the U.N. now count its staff and let you know how many people they actually have on board even with its new computer systems?

Mr. JOHNSON. Yes.

Senator GRAMS. They can tell you now exactly how many employees they have.

Mr. JOHNSON. Right, they do have that in their new information management system. There are some problems with the system still. As you know, that has been a troubled system for a long period of time, but they are in a position now where they can tell you how many people they have on board on any particular date both within the regular budget, the extra-budgetary process, as well as part-time and consultants. So, they can give you that number.

Senator GRAMS. The Secretariat has said that they were actually doing a better job of evaluating and monitoring these programs. Your report indicates that the U.N. does not have a strategy or an overall evaluation system that can systematically report on the program results. Are you concerned that the U.N. does not recognize that it has a major problem in this area? Or does it?

Mr. JOHNSON. Well, I think again the Secretary General recognizes this is a concern, is a need that he has that he knows what benefits are being achieved from the various programs. I would emphasize the notion that they need a systematic way of going through all their programs and activities to measure results. As I mentioned, they do perform some real evaluations where they try

and measure results, but it is on kind of a piecemeal basis and not a systematic approach.

Senator GRAMS. You have also suggested one of the failings of the reform initiative thus far has been to create a results-oriented approach which allows one to measure improvement in getting the job done throughout the U.N. system.

Mr. JOHNSON. Yes.

Senator GRAMS. Is a results-oriented approach being implemented in the area of peacekeeping?

Mr. JOHNSON. Peacekeeping is a troublesome area, and there are a number of reforms that are needed. The basic problem in peacekeeping is the lack of capacity within DPKO to carry out the planning, logistics, and support activities that they are required to do in New York. They also are in need of a process to measure results, and that process we have not seen.

Dr. MIYABARA. One of the problems in measuring results is that you have to specify what the objectives are so you can measure results against those objectives. When you have clear criteria, you can do it. In peacekeeping it is particularly difficult because, as we pointed out in the report, there are some situations in which member states do not agree on what the criteria are.

For example, we mentioned Kosovo in the report, and one of the major questions there, as you well know, is, whether Kosovo becomes independent or remains part of Serbia? There is no resolution of that. Until you get resolution of that, it is very hard to set up objectives about what you are supposed to do on very simple things like how to hook up your phone lines or your electricity grid.

One of the problems in peacekeeping is that you have to set clear objectives. One of the problems in evaluating peacekeeping is that unless you have those objectives, you are not sure what standard you are evaluating against.

Senator GRAMS. Mr. Johnson, are there limitations remaining on the U.N. in its ability to undertake peacekeeping?

Mr. JOHNSON. Yes, and it is primarily in the area that I mentioned with the lack of capacity at the DPKO in New York. They lost a substantial amount of capacity when they lost the gratis military personnel. So far the General Assembly has not seen fit to replace those numbers of people. The ACABQ—

Senator GRAMS. The budget committee.

Mr. JOHNSON. Yes, essentially their budget committee has called for more specificity in how these people would be used, but so far they have not added adequate capacity to the peacekeeping operation in New York to do the planning, logistics, support, finance, personnel, all the things that New York needs to do.

Senator GRAMS. Without even expanding the peacekeeping operations, they have work to do.

Mr. JOHNSON. Yes. They were stretched already before we went into the large operations. I would not necessarily want to blame some of the difficulties we are seeing now in Sierra Leone on problems in New York, although I am sure there are some links there, but clearly they were overstretched before we got into some of these larger operations.

Dr. MIYABARA. I wonder if I could just add one thing. Although the United Nations has actually improved some of its capacity to

support peace operations, one of our studies indicates there are organizational limits of the United Nations that increase the risk of U.N.-led operations calling for the use of force. These limitations have been overcome when a nation with sufficient military prestige, credibility, and the commitment of military forces necessary to conduct operations has taken the lead role.

We did a study in 1997 that looked at every operation that was either a Chapter 7 or that called for the use of force and came to the conclusion that there were organizational limits to what the U.N. could do in these situations. The mandate for Sierra Leone actually calls for the U.N. to use the means necessary to accomplish its mandate, which is one of the code phrases that we used in identifying operations that called for the use of force. We found that there are basic limitations that have to be considered before approving these sorts of operations.

Senator GRAMS. I would just like to sum up the questions by asking—the focus of this hearing has been on the U.N.'s reform and its efficiency. So, Mr. Johnson, based on your work, what do you recommend to ensure effective reforms are adopted system-wide in the sprawling United Nations?

Mr. JOHNSON. Well, I mentioned a couple of the specific recommendations that we made to the Secretary of State to keep the pressure and focus on reforms that the U.N. would undertake.

An overall recommendation that we would have for the U.N. is to focus on the type of structure that we have outlined in this diagram and recognize that all of those parts need to come together in some reasonable timeframe in order to have a reformed organization. We fully recognize that organizational change is a difficult thing, and it takes a lot of time. Changing an organizational culture is never easy in any organization, let alone one that is multinational the way the U.N. is.

I think one thing that is in favor right now of the current reform effort is that it has full support of the Secretary General. That we were quite impressed with. He has taken a very strong leadership role personally to see to it that these reforms are implemented. He cannot do everything himself, but I think he set up a structure in his leadership core that will help him move these reforms forward. In that respect, I think that there is greater hope for success in this reform effort than we have seen in past reforms that have been attempted at the U.N.

Senator GRAMS. So, do you believe the commitment is there for the reforms?

Mr. JOHNSON. Yes, I do believe the commitment is there on the part of the Secretary General and his top leadership. Whether it has filtered down throughout the organization I think is of some question, but again that takes time. It requires leadership and leadership that is committed. So, hopefully over a period of time it will occur.

Senator GRAMS. Well, Mr. Johnson, Dr. Miyabara, thank you very much for your testimony and for your answers. Again, I would also like to remind you I would like to leave the hearing open for about 3 days to allow any additional questions that Senator Boxer or any other member of the committee might have and would want

to forward to you in writing. So, I would appreciate any quick response. Thank you very much. Appreciate it.

The hearing is complete.

[Whereupon, at 12:25 p.m., the subcommittee was adjourned.]

