

# UN REFORM: TOP OF THE AGENDA FOR THE NEXT SG?

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**Defective intergovernmental compromise killed the logic of the recommendations of the first comprehensive review of the development system almost half-century ago. Numerous other reform efforts have met the same fate. Could the election of the next secretary-general provide the opportunity to insist that candidates spell-out their own vision of system-wide reform as part of their platforms?**

The 1969 *Study of the Capacity of the United Nations Development System* marked an important milestone in the history of the organization.<sup>1</sup> David Owen described it as “an admirable example of institutional self-criticism, courageously designed to prepare the way for the changes which are felt to be needed to improve the effectiveness of what is in most respects a very successful programme.”<sup>2</sup>

Technical assistance had been a relative latecomer in the flurry of international activities that followed World War II. In 1949 the General Assembly established the Expanded Programme of Technical Assistance (EPTA) to assist poorer countries, which was structured on a collegial basis under the UN Technical Assistance Board (TAB) with the heads of the specialized agencies as members. Owen was its first executive chairman, and he had the imagination to set up a network of resident representatives to administer the program at the country level.

EPTA provided experts, fellowships, and limited supplies of equipment. There was a clear demarcation of roles between EPTA’s technical assistance and the International Bank for Reconstruction and Development’s (IBRD, or World Bank) capital loans. In time it became evident that the World Bank’s loans were hampered by the lack of preliminary feasibility studies. In 1959, after complicated negotiations, the General Assembly created the United Nations Special Fund to assist countries in preparing pre-investment studies. Owen continued to head EPTA, while Paul Hoffman, who had played a crucial leadership role in the Marshall Plan, assumed the helm of the Special Fund. On 1 January 1966, the two programs merged to become the UN Development Programme (UNDP), with Hoffman as its first administrator.

Funding for UNDP increased along with disturbing modifications. “Agency shares,” which guaranteed each agency a certain percentage of available funds, led to fragmented activities that reflected agency rather than recipient country priorities. Furthermore, the creation of agency country offices eroded the authority of resident representatives.

These concerns were shared by some governments and some senior UN officials. My own reflections at the time, *The Administration of International Aid*,<sup>3</sup> were published by Syracuse University. The central recommendation, an integrated approach, led to my serving as Chief of Staff for the *Capacity Study*.

## THE CAPACITY STUDY

In the spring of 1968, Hoffman asked Robert Jackson to undertake a major study on the overhaul of UNDP. His sterling reputation as a trouble-shooter reflected his experience as a young Australian naval officer at the outset of World War II, when he had persuaded the UK government that Malta could be defended; and he had gone on to prove it. He then directed the Middle East Supply Centre, vital for the defense of that region; and had been the prime mover in the success of UNRRWA, the immense disaster relief operation undertaken in 1943-47.

Meeting in Vienna in June 1968, the UNDP Governing Council widened the remit of the study to cover the entire UN development system. It insisted that the report be totally independent, submitted directly to the council, and unexpurgated. It was to be “bold and imaginative” and written in “non-U.N. language.” The finished product lived up to these requirements.

The *Capacity Study* was submitted in November 1969 in two volumes. The first contained a letter from Jackson to an imaginary head of state, underlining that it provided a unique opportunity to enable technical cooperation through the United Nations to play an increasing role in promoting world development, with UNDP as the central channel. He expressed the hope that governments would meet this challenge; but he presciently expressed doubts as to whether they would do so “on the record of the last twenty years.”

The second volume analysed the problems in every sector and recommended remedial measures. The thrust may be summarized as follows:

- UNDP should be the central funding organ for all UN technical assistance and should exercise its coordinating function through “the power of the purse.”
- Based on the principle that development is “homemade,” countries should decide their own priorities through a country program coinciding with their development planning cycle, within a financial framework called the Indicative Planning Figure (IPF), which would be projected and adapted on a rolling basis. Agency shares would be eliminated. Agencies could be executing agents, but UNDP could also contract outside the system.
- UNDP headquarters was to be reorganized in four regional bureaux, to work closely with the regional economic commissions and eventually be relocated alongside them, in order to strengthen the link between research and operations.
- There should be maximum decentralization and delegation to resident representatives, who should assume full responsibility for managing country programs. Agency representation at the country level should be reduced to a minimum.
- The UN should create a unified computer system as a basis for system-wide information management.
- A new post of director-general should be created directly under the secretary-general so that economic and social issues had the same prominence as security.

In a nutshell, the *Capacity Study* was predicated on maximum concentration of responsibility for approving, funding, and overseeing development cooperation in UNDP headquarters. However, it was to be combined with maximum delegation to resident representatives who would play the same decisive central role at the country level as the UNDP administrator in New York.

The *Capacity Study*’s recommendations were discussed at the Governing Council’s regular session in January 1970, a special session in March 1970, and another regular session in June 1970. The council’s decision, known as “the 1970 Consensus,” was decided in General Assembly resolution 2688 (XXV). While regarded as a watershed in UNDP’s history, it was an inherently defective compromise in the age-old UN tradition. The consensus endorsed the country-centered approach and country

programming but undermined it by discarding rolling IPF’s and the synchronization of country programs with each country’s planning cycle.

Regional bureaux were approved but not their gradual decentralization to the regional economic commissions; and the appointment of political nominees as bureaux heads led to the politicization of UNDP headquarters. Predictably most specialized agencies reacted adversely; those without their own programs of technical assistance swiftly set them up, and some governments compounded the problem by helping to finance them.

Why did the *Capacity Study* fail? It provided a logical and well-articulated proposal for reform, but the UN is not a logical system—indeed, “system” would be inaccurate if cohesion were implied by the term. By modifying recommendations that constituted an integrated whole, the Governing Council assured its failure. Vested bureaucratic interests—within UNDP, the specialized agencies, and governments—formed an implacable obstacle to radical change. In addition, the World Bank’s increasing technical assistance undermined UNDP’s *raison d’être*.

In the past 45 years, there have been many attempts at reform. Only the most important can be mentioned here; and unsurprisingly, all have met the same fate.

## REPEATED REFORM EFFORTS, 1970s-1990s

At the request of the developing countries, in 1975 a group of experts was set up with the wider remit of studying the United Nations and development and economic cooperation. Many of the core recommendations in *A New United Nations Structure for Global Economic Cooperation* (known as the “Gardner Report”<sup>4</sup> after the group’s rapporteur) mirrored the *Capacity Study*, including: the appointment of a Director-General for Development and International Economic Cooperation; the consolidation of all funds for technical cooperation (except UNICEF) in a UN Development Authority; the strengthening of the resident representative’s role; and numerous detailed measures to improve efficiency and effectiveness. There were also recommendations for strengthening the Economic and Social Council (ECOSOC), another recurrent but unfulfilled aspiration. These proposals were then turned over to an ad hoc committee which, two years later, led to General Assembly resolution 32/197 in December 1977, which adopted only a handful of watered-down recommendations. It created the post of director-general, but with significantly different powers; and the incumbents never achieved the key role originally envisaged. There was no consolidation of funds in a single “Development Authority,” but the General Assembly endorsed the name change from “resident representative” to “resident coordinator” of UN operations at the country level. One common experience suffered by the *Capacity Study* and the Gardner Report was the indifference of member states and the Secretariat.

A decade late in December 1985, with a major financial crisis looming, General Assembly resolution 40/237 established a group

of eighteen High-Level Intergovernmental Experts to review the efficiency of the UN's administrative and financial functioning. When the so-called Group of Eighteen's report became available in August 1986, the secretary-general appointed me as Special Coordinator to translate its recommendations into specific actions. While the emphasis was mainly on administrative and budgetary measures, the underlying theme was, yet again, the need for integration. Some measures were adopted, but the overall impact of the Group of Eighteen report fell short of expectations.

Many distinguished academic institutions and individuals joined in the fray. In 1990 and 1991, two former senior UN officials, Brian Urquhart and Erskine Childers, co-authored two publications, *A World in Need of Leadership – Tomorrow's United Nations* and *Towards a More Effective United Nations*.<sup>5</sup> They saw strong leadership to be sadly lacking but the key to genuine reform. Their main proposal was for radical change in the method of appointing the UN secretary-general in order to ensure that someone of outstanding calibre was chosen; in addition, they proposed a single mandate of seven years to foster risk-taking. The second report focused on the management and organization of the Secretariat. Once again the need for an integrated approach and teamwork was stressed. Particular attention was given to the rapidly growing area of humanitarian emergencies, especially the need for better coordination between the UN and the specialized agencies, both at headquarters and country levels, including another plea to strengthen resident coordinators.

Much of this thinking about reform was presented to the new secretary-general in 1992 by a group of thirty ambassadors, convened by the Australian permanent representative to the UN, Peter Wilenski.<sup>6</sup> While the focus was on restructuring the Secretariat, the ineffectiveness of the UN's economic and social machinery was again flagged; ECOSOC was deemed inefficient, especially in coordinating agency activities and to have been largely eclipsed by the Bretton Woods institutions.

## THE NEW MILLENNIUM

With the end of the Cold War, there was an explosion of peacekeeping operations. Previously their character had been mainly military, but, following some dramatic failures, it was clear that they needed to become increasingly multidisciplinary, with the addition of such key political tasks as holding elections, improving civilian administration, providing humanitarian relief, and protecting human rights. For peace to be sustained, it had to go hand-in-hand with sustainable development. If security and development were two sides of the same coin, clearly joint efforts by the UN system were essential—indeed, the old problems of coordination became even more acute.

In 2000 the secretary-general set up a panel under Lakhdar Brahimi to review UN peace and security activities. Among the panel's wide-ranging recommendations the panel's report, presented to the General Assembly in August 2000, emphasized peacebuilding.<sup>7</sup> The Department of Political Affairs (DPA) had already been designated as the focal point for peacebuilding, and

the report suggested ways of improving its effectiveness. It also recognised that other parts of the UN system would need to be involved, and recommended that UNDP should take the lead in enlisting their cooperation. It urged the secretary-general to prepare a plan. After wide consultation with all concerned, the draft plan proposed an integrated team involving all relevant UN bodies, with the initial strategy and policy for each country being agreed by all at headquarters, while implementation would be delegated to the field under the resident coordinator. By the time the draft had been modified by 17 different UN organizations and specialized agencies, as the author I can testify that it bore scant relationship to the original. The final text, approved in a high-level meeting in New York in November 2001, contained even more watered-down compromises.

Concerns over world poverty and the capacity of the United Nations to address it continued unabated. In September 2000 a UN Summit adopted resolution 55/2 and later the Millennium Declaration Goals (MDGs), which aimed among other things to halve poverty by 2015. The eighth and last goal—"to develop a global partnership for development"—is the one on which least progress has been made. And at least a portion of the blame can be traced to the ineffective UN development system.

2003 saw the creation of yet another high-level panel related to reform, this time on "Threats, Challenges and Change." *A More Secure World, Our Shared Responsibility* was presented to the General Assembly in December 2004.<sup>8</sup> It again underlined that development is the first line of defense in an effective collective security system, and it stressed the importance of the eighth goal. In order to reach the MDGs, each developing country was to prepare a national development strategy, and global development funding was to double over the next few years. Two hoary old favorites reappeared: the need to strengthen the role of resident coordinator and to revitalise ECOSOC. The creation of yet another body with a support office, the Peacebuilding Commission, was also a brainchild of this panel; but it confused the role of the focal point in DPA.

## THE LATEST PROPOSAL, DELIVERING AS ONE

The most recent report specifically dedicated to reforming the UN's operational capacity was the product of another high-level panel commissioned to explore how the United Nations could work more coherently and effectively, especially in the areas of development, humanitarian assistance, and the environment. Invited to comment on their findings, I told the panel that they were saying very much the same thing as four decades earlier, but that precious few recommendations had been implemented. The problem therefore was not what should be done but how. Only a concerted effort would ensure coherent and effective implementation.

The final report, *Delivering as One* (DaO), was published in November 2006. The central theme was again the need for an integrated approach—One Leader, One Budget, One Program, One Office. "One" is the leitmotif running through the report and is reminiscent of the "One Voice Principle," a major theme of the

*Capacity Study*. Other recommendations find an echo as well in the 1960s: national ownership of development programs; multi-year funding; the appointment of a development coordinator; and, at the country level, stronger authority for the resident coordinator and joint premises for all UN bodies. Like the *Capacity Study*, the DaO panel's proposals were composed of complementary and mutually-reinforcing parts to be taken as a whole.

The General Assembly decided that the recommendations should be tried out in eight pilot countries. The UN published the independent evaluation of the experience in them in September 2012.<sup>9</sup> It stated that the program was implemented differently in each country but recognized some improvements—for instance, increased prominence of the resident coordinator, although the requisite authority was still inadequate. The authors rate four of the six “Ones” of DaO—One Program, One Leader, One Budget, One Fund—as having achieved “moderate” results. One Voice is considered to have had a “strong” effect but One Office only a “little.” Enhanced national ownership was estimated to have been “strong,” but duplication and fragmentation had been little reduced; and, in addition, many transaction costs had increased. Small progress was noted towards making countries better able to attain national development goals, including MDGs. The main conclusion was that, while DaO marked an important step, “bolder measures may be required to put the United Nations on a more comprehensive track of reform.” Indeed.

## CONCLUSION

The *Capacity Study* has sometimes been dubbed the “Bible” of UN reform because its precepts are lauded by everyone but put into effect by no one. Over the intervening 45 years, the same issues have come up time and again: the centrifugal disarticulation of the system; its failure to speak with one voice; and its inability to use

scarce resources in an integrated and effective way. Governments continue to clamor for reform but are not prepared to adopt decisions that run counter to their perceived interests. The *Capacity Study*'s analysis and recommendations are as relevant today as in 1969 and have been reiterated at regular intervals in subsequent reports.

Interesting new research has shown that the roots of the problem go back even further than the *Capacity Study*, to the discussions between the Allies during World War II about the kind of arrangements most conducive to multilateral cooperation and the maintenance of peace afterwards.<sup>10</sup> A main bone of contention concerned the manner and extent of coordination needed to harmonize the activities of the growing number of international organizations. In development cooperation the argument was between a decentralized system and a central coordinating organization.

The central problem for the reform of the United Nations remains: not *what* but *how*. It poses itself even more pressingly in today's increasingly fragmented and turbulent world in which effective international cooperation offers the best solutions, but multilateralism, paradoxically, finds itself in deep crisis, with wrongly perceived national interests often prevailing over the common weal. No effective reform can take place without a sea-change in the attitudes of member states.

Perhaps the only way forward is through important individual steps having multiplier effects. But will member states, especially the more powerful ones, agree even to that? Could the 2016 election of the next secretary-general provide the opportunity to insist that candidates at least articulate their views about the so-called system?

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## NOTES

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