

# **THE FIFTH UN MANAGEMENT REFORM**

## **ATTEMPT BEGINS**

In mid-May 2005 the UN Secretariat leadership announced a rather dramatic set of UN reforms that were to proceed at full speed to counteract the negative management events of late 2004 and early 2005:

**"Deputy Secretary-General Louise Fréchette today unveiled a series of reforms taken by the United Nations in response to criticisms of UN management from entities appointed by Secretary-General Kofi Annan and from the world body's own staff.**

**'Unprecedented challenges' faced by the UN have shown that the world body must immediately reform'** ... [according to] background information distributed prior to a press briefing by Ms. Fréchette.

Noting that reform has been on the UN agenda since 1997, it said, 'The UN must take real action now, where it is in the Secretary-General's authority to do so directly, **particularly in the critical areas of management, oversight and accountability'** ...

The major criticisms have come from the ... [Volcker group examining the Iraq Oil-for-Food programme, which] raised questions about the selection, briefing, oversight and accountability of senior management. ...

'Perhaps the most obvious shortcomings identified by the Volcker Inquiry and other crises are in the area of oversight and accountability. **The current 'control' systems for monitoring management performance and preventing fraud and corruption are insufficient and must be significantly enhanced'**, she said."

"Fréchette unveils UN reforms responding to Volcker panel's criticisms", UN News Service, 17 May 2005.

The new reforms were contained in a "UN Management Reforms: 2005" document, which listed actions, current status, and time frames for activities underway to improve senior management performance, enhance oversight and accountability, ensure ethical conduct, and increase transparency.

"UN management reforms 2005: Management reform measures to strengthen accountability, ethical conduct and management performance", **May 17, 2005**, 6 pages, available at [www.un.org/reform\\_update.html](http://www.un.org/reform_update.html).

The "2005" document seems at first glance to deal firmly with almost all the grave management accountability and rule-of-law defects that IO Watch discusses throughout this archive. Unfortunately, not only past history, but a closer examination suggest that much or most of this Secretariat initiative is

actually just more of the UN old boys' "smoke and mirrors" games discussed throughout this archive. To note only a few grave flaws:

1. It refers only to reform "on the agenda" since 1997 (and not its weak outcomes), omitting the equally dynamic (but failed) management reforms of 1986 and 1993-1994.
2. On the key issue of senior management performance, Ms. Fréchette chose to highlight the lesser issue of induction briefing and training for new senior officials, raising the blunt question: why did no one ever think of this before?
3. The reform report does discuss enhancing accountability and oversight of those managers, but this is to be done by "rigorous monitoring" by yet another in a long line of senior management committees, meeting occasionally and advising the Secretary-General, i.e., UN "old boy" self-regulation will continue on as before.
4. The reform programme replaces the earlier, arrogant, Secretariat dismissal of the UN Board of Auditors' mid-2004 recommendation for a strong UN anti-fraud programme with sudden new determination to establish "a comprehensive anti-fraud and corruption policy". However, this sounds very much like more of the age-old grand UN talk, but no real implementation actions (or leadership commitment, or additional resources) to prevent any repetition of oil-for-food or similar recent mismanagement problems (see [A real UN fraud prevention programme.](#))
5. The reform document says not one word about the grave UN administration of justice problems which are of much concern to the General Assembly, i.e., the absence of the rule of law in the UN Secretariat which allows UN managers to act and rule with impunity (see [Inept "Administration of Justice" System.](#))

The timing of this Secretariat reform announcement, much of which was still "in process" in May 2005, is also interesting. It appeared just before an excellent and detailed new report on UN reform was issued by a bipartisan group mandated by the U.S. Congress. Their document of some 150 pages contains a very informative, critical, and constructive chapter on urgent management reform needs. Its very first footnote cites the May "UN Management Reform: 2005" document, which, they state, "claims" that many such changes are now underway.

[American interests and UN reform: Report of the Task Force on the United Nations](#), United States Institute of Peace, **June 2005**, especially Chapter 3, "In need of repair: Reforming the United Nations", available on the Institute's website at [www.usip.org/](http://www.usip.org/).

The substantive US government report on UN reform needs, and the extremely vigorous Secretariat response, underscore the importance - but also the general overall absence -- of Member State engagement in this reform process. To Secretary-General Annan's credit, he himself emphasized this point in his own reform pronouncements and exhortations in early 2005, as shown by the two following quotes.

"Today I shall be presenting *my report*, "In Larger Freedom" to the United Nations General Assembly. ...

***I wanted to remind the governments of the world, who put me in my job and to whom I am accountable***, that they are in the UN to represent not themselves but their peoples, who expect them to work for the [UN Charter's] ... aims ...

The UN ... can be a much more effective instrument ***if its governing body, the General Assembly***, is better organized and gives clearer directives to us in the secretariat, with the flexibility to carry them out, and ***holds us clearly accountable for how we do it***. ...

***... If world leaders rise to their responsibilities***, the rebirth and ***renewal of the UN will be just beginning*** - and with it, renewed hope for a freer, fairer, and safer world."

Kofi Annan, "An aspiration to a larger freedom", *Financial Times* (UK), **March 21, 2005**. [emphasis added.]

"C. The Secretariat

184. A capable and effective Secretariat is indispensable to the work of the United Nations. ...

186. ... The Secretary-General and his or her managers must be given the discretion, the means, the authority and the expert assistance that they need to manage [the] organization ... Similarly, ***Member States must have the oversight tools they need to hold the Secretary-General truly accountable for his/her strategy and leadership***.

191. ... I ask Member States to work with me to undertake ***a comprehensive review of the budget and human resources rules*** under which we operate.

192. ... We must continue to improve the transparency and accountability of the Secretariat. ..."

"In larger freedom: towards development, security and human rights for all: Report of the Secretary-General", UN document A/59/2005 of **21 March 2005**. [emphasis added]

As best IO Watch can determine, however, only the United States and Switzerland (on human rights governance), have contributed serious initiatives to UN accountability and oversight reform efforts in 2005.

This conspicuous silence on critical governance and oversight issues among the 190-plus UN member states is a very serious failure by their diplomatic missions, foreign ministries, and legislatures. At the very least, the 14 "Geneva Group" countries -- democratic Member States who pay some three-quarters

of the \$10 billion or so that the UN spends every year -- should collectively or individually be proposing very serious analyses and concrete action commitments to firmly oversee and improve UN operations. This damaging inertia is discussed in the concluding "Answers" subsection of this archive, under [Geneva Group "due diligence" failure](#).

IO Watch will continue, in this subsection on the old boys' last hurrah, to track the evolution of this 2005 UN Secretariat management reform initiative -- which is the actually the fifth of a series in the last twenty years (1986, 1993-1994, 1997 and 2002). All of them essentially failed, as shown by the May 2005 Secretariat admission of "crises ... in the areas of oversight and accountability."

However, IO Watch also provides in the rest of this archive much more detailed analysis of the factors which have led to this crisis situation. They are:

1. The standoff, and resulting perpetuation of mismanagement created by the General Assembly's steady demands since 1993 for implementation of fundamental management accountability and oversight reforms versus Mr. Annan's consistent counter-actions to "free the UN managers" to manage aggressively, along with the Secretariat's non-implementation (and actual firm suppression) of required UN whistle-blowing processes, as discussed in the remaining subsections of this chapter on [UN Management Accountability Struggles](#);

2. The decision by the General Assembly in 2005, over Secretariat objections, to seek a new model for the Secretariat's inept administration of justice system, which -- behind the scenes -- provides seriously flawed "justice" and feeble staff rights, while preserving Secretariat management impunity: a much-needed revision of the UN's clumsy "telephone book" of staff conduct could help greatly to reverse this, as could an external expert review of the internal justice system (if properly done), and establishment of a strong (not a token as at present) human rights ombudsman, as discussed under the section on [Where is the Rule of Law?](#);

3. The very belated recognition by all concerned that the Secretariat's human resources office (OHRM) and its internal oversight body (the OIOS) do not presently have the resources, systems, or the "backbone" required to properly monitor management accountability and enforce appropriate sanctions, in the section on [Inadequate UN Oversight](#);

4. The Secretariat's weak overall accountability culture and other major current UN mismanagement issues which have come to light, not just the Iraq oil-for-food programme and various anti-corruption weaknesses; but first and foremost contamination of the new OIOS investigation process in recent years by amateur UN manager/investigators and the active suppression of UN whistle-blowers (who, if they had been encouraged a decade ago as planned, could have greatly mitigated the oil-for-food scandals and much else, as discussed in the subsections on [The UN, Alone and UNaccountable](#) and [Other Major Problems](#) under [Recent Developments](#); and finally,

5. True reform actions needed to implement a real UN fraud prevention programme, at last ensure merit in UN personnel management, develop a coherent UN strategy, and, most important of all, engage UN Member States in firm, substantive, professional, and continuous oversight to hold the Secretary-General and his managers accountable for their performance (as Mr. Annan has now (vaguely) proposed, but which no one (except for the single US review of June 2005) has yet examined, as discussed under [Answers: A Starting Point](#) at the end of this archive's [Recent Developments](#) section.)