

# **THE UN MANAGEMENT ACCOUNTABILITY**

## **CRISIS IN PERSPECTIVE II**

The preceding overview of the last decade's UN management accountability failings, primarily under Mr. Annan's leadership, can be succinctly summarized by comparing the very first item -- the strong management accountability promises of Mr. Annan in January 1997 -- with the equally strong dissatisfaction expressed in the very last item, the General Assembly resolution of December 2004 concluding that the promised accountability system did not exist, with negative consequences. IO Watch wishes only to add, for further context:

-- some key insights that enhance understanding of this rather dismal and thoroughly entrenched UN management crisis;

-- the situation in the parallel multinational corporate world, where the rule of law is forcing decisive corrective action in large global organizations, totally unlike the slow and passive "self-regulation" of the UN Secretariat; and

-- some excellent "bottom line" comments on this UN crisis and how it must begin to be truly resolved.

The following dozen quotes offer some excellent insights into the entrenched factors which hinder any real UN management reform. Perhaps the most important one came from the report of an expert group meeting of UN insiders in 1997:

"Sins of member states:

Secretariat staff resent ...member state interference in ... their daily work ... [their micromanagement of] the hiring and promotion of Secretariat personnel ... [and of] Secretariat budgeting, ... too often ...seeking to control the minor details of spending allocations. ....

Secretariat staff members are also frustrated by lack of clear direction from intergovernmental bodies. Too often member states fail to agree on how best to confront global problems .... Moreover, mandates are frequently assigned to the Secretariat with little thought as to the resources needed for their implementation.

Sins of the Secretariat:

.... Member states contend that *ineffective -- some would say nonexistent -- managerial practices throughout the Secretariat have led to inefficient use of the [UN resources] ...; a staff unaccountable for its actions* and prone to delegate upwards;

insufficient program coordination ...; and wasteful duplication of efforts. There has been a lack of transparency in Secretariat decision making [on] policy issues, personnel, and budget expenditures. ... much of the information that is provided is not timely or readable. ... **Overall, inefficiency and lack of accountability within the Secretariat, whether perceived or real, have invited member state micromanagement.** "

"Making UN reform work: Improving member state-Secretariat relations", Report of the twenty-eighth United Nations issues conference, The Stanley Foundation, **February 21-23, 1997**, pp. 2, 14-16. [emphasis added.]

The politicization of the UN is indeed a dominant factor in what happens there. However, and quite simply, it must be remembered that UN member states always have broader interests. A journal article and book in 2001 assessed the multiple "schools" of American foreign policy. These differing approaches are also certainly present, although in widely differing mixes, in all UN Member States.

The four policy schools are, very briefly and informally stated: (1) the economic one, seeking the growth of commerce and an enhanced position in the world marketplace; (2) the national one, emphasizing democracy and domestic issues and interests, and skeptical of international entanglements; (3) the "populist" and nationalist approach, to vigorously defend national interests and honour abroad; and only (4) the "internationalist" approach, stressing democracy and active contact with the rest of the world. The journal article concludes that:

" ... Mead's own evidence strongly suggests that all four schools will always be with us -- regardless of what pundits and American diplomats might desire -- for they reflect profound aspects of the American character. ...

There will always be a foreign policy of the American people -- or rather four policies, by Mead's count. The task of American leaders is to negotiate between these policies, not to try -- vainly -- to select one above the rest."

The book is Walter Russell Mead, Special providence: American foreign policy and how it changed the world, Alfred A. Knopf, New York, **2001**.

The article is H. W. Brands, "The four schoolmasters", The National Interest, **Winter 2001/02**, pp. 143-148.

Two further articles demonstrate, first just how over-inflated the perceptions of UN member state deliberations can become, and second, just how damaging their national interests and rivalries will probably always be.

"On the first day of what was billed as the Millenium Summit last September in New York, Kofi Annan ... welcomed the assembled dignities from 147 countries .... with a banquet and the proposing of a toast to 'You [who] have the authority to speak for, and the ability to transform, the lives of six billion people.'

The flattery was extravagant .... but it was cheerfully received (strong applause, complacent nods) and for three days and three nights the dignities gave speeches,

ratified treaties, glanced at documents, signed declarations of blameless principle in favor of human freedom and the biosphere. ....

Our twenty-first-century faith in scientific miracle gives rise to the hope of 'transnational institutions' capable of managing the world's affairs with the sangfroid of the late .... emperor Caesar Augustus.

.... the front page news .... mocked the presumptions of omnipotence -- civil war in Colombia and Sierra Leone, famine in Ethiopia, a mob with machetes murdering three U.N. officials in West Timor (on the same day that Kofi Annan was raising his glass of congratulatory champagne), civil war in Chechnya and Sri Lanka, floods in India and six men arrested for cannibalism in Tanzania."

Lewis H. Lapham, "Cleopatra's nose", Harpers Magazine, **November 2000**, pp. 9-11.

"For anyone who ... [thought UN reform and Security Council restructuring] ... were just a parlour game for diplomats, [there is] ... a rude awakening. ... The council's permanent five -- America, Britain, China, France, and Russia -- guard their seats at the top table jealously ...

... China and Japan are nowadays each other's biggest trading partner ... [and] in culture and consumption ... are growing closer together.

In politics, however, ... [they] are competing for natural resources and squabbling over the sovereignty of tiny islands. ...

Japan ... is no longer willing to be a second-class citizen in diplomacy. As a populous and rich democracy, a big contributor of foreign aid, the second-biggest contributor after America to the United Nations, and ... an increasingly active international peacekeeper, it believes it deserves a permanent seat ...

And it is right. ... To add India, Brazil, Nigeria, South Africa or Egypt but to exclude Japan would not only constitute an egregious insult to the Japanese but also make a nonsense of the whole exercise.

... Should the whole exercise be abandoned? That might be convenient to some. Countries such as Italy and Pakistan ... are already complaining ..."

"A collision in East Asia: There should be no enlarged Security Council without Japan", The Economist, **April 16th, 2005**, pp. 11-12.

Despite these enduring political realities, the UN Secretariat cannot merely blame Member States for its weak performance and accountability. Instead, it must finally face up to and deal with the underlying issues, as the remaining quotes illustrate.

Accountability, that source of institutional health, had been excluded from United Nations experience; and, along with it, indivisibly, the stimulus of direct public engagement and response. 'It is not a United Nations Organization', Aleksander Solzhenitsyn was to say, in his Nobel address of 1972, 'but a United Governments Organization.' **In offering itself as the mere creature of its member governments, the United Nations system entered a state of arrested moral development, marked by the habitual emblems of immaturity: demands for approval, and incapacity for individual or collective self-questioning.**"

Shirley Hazzard, "Breaking Faith: I", The New Yorker, **September 25, 1989**, pp. 63-99, [76].

"Some members of the [UN] staff have great ability and commitment but they support a great many parasitic 'deadwood' employees and employees serving primarily the political interests of their government. ... **The principle of merit can in the long run be protected only by fair and objective procedures and safeguards, which are subject to law and to effective grievance procedures.** But ... should the present trends continue ... the staff would probably be suspected of lacking neutrality and might lose the confidence of some Member States. The result might be paralysis of the Secretariat , which would be unable to play an effective role in situations of crisis."

Theodor Meron, The United Nations Secretariat: The Rules and the Practice, Chapter 4, "Selected legal questions", D.C. Heath, Lexington, Mass., 1977, pp. 83-84. [emphasis added.]

[Note: Mr. Meron is a former delegate to the UN, international law professor at New York University, and currently serves as president of the UN tribunal for the former Yugoslavia.]

"... **efforts must be made to do away with the widespread tendency of staff, even in key positions, to shun responsibility and accountability.** OIOS backs measures taken by the [DAM] to achieve this goal and will focus its own recommendations to management accordingly. ...

... **Many UN managers are not used to and seem to be quite reluctant to accept criticism, particularly when it comes to applying accountability criteria** rather than settling for the promise that some specific problems won't recur. **This feature of the United Nations culture must be changed** if we are ever to develop staff awareness and acceptance of responsibility and accountability. United Nations managers must stop being defensive and enter into a critical dialogue with OIOS."

"Report of the Secretary-General on the activities of the [OIOS]", UN document A/50/459, 2 October 1995, "Preface." [emphasis added]

[Note: The comment is from the first OIOS head, Mr. Karl Paschke in his first annual report in 1995.]

"Another week, another UN scandal ....

**Why are scandals so frequent in [global] institutions .... ?** What .... makes them so vulnerable to corruption, inefficiency, and .... personal aggrandisement? ....

The first problem is leadership. Leaders are selected by an inefficient and labyrinthine process from a pool of poor quality talent. ....

Second, the **waste and inefficiency can only be reduced if they are visible to public opinion. .... [but] international institutions [lack] .... accountability ....**

**The third problem is the weakness of a law-governed culture. ....**

**.... The UN Charter [Article 100] focuses on the Secretary-General and staff as .... international officials accountable only to the Organization....**

**Here, rooted in idealism, lie the clues in what can go wrong.** All too often the heads of UN agencies signaled their autonomy through grandeur ....

.... The agency's task .... became subordinate to old bureaucratic instincts of self-perpetuation and resistance to outside scrutiny. ....

Sir Brian Urquhart has [suggested that] no secretary-general should serve more than one term in office.

Extended throughout the [UN system, this] .... would remove electioneering and diminish the incentive to patronage. It may not be much, but it would be a start."

"Perri 6 and Michael Sheridan, "A world order of scandal and graft: What is it about international agencies that invites corruption ....", The Independent (UK), May 11, 1995.

" "The joyless nature of the United Nations 50th anniversary was underlined this week by a public spat between the Staff Union and Management [on appeals of poor performance ratings] ... which could have far-reaching implications for the international civil service.

... a critical question has been avoided: what is the rationale for increasing the vulnerability of staff to unfair and/or arbitrary judgements by administrators? The pat answer to that -- it will allow "managers to manage" -- is unconvincing because **the most serious problem affecting the efficiency and effectiveness of the UN Secretariat has been bad management.** ...

The Secretariat reforms proposed by the Secretary-General would ... remove a range of checks and balances built into the international civil service for the very obvious reason that in a multicultural, multinational context, justice must not only be done but be seen to be done. [To weaken] ... the only recourse [performance rebuttal] for a staff member victimized by a bad manager ... would be to reduce the integrity of the entire structure ...

The United Nations will clearly [face] ... wrenching changes in the period ahead, and it would be both unfair and counterproductive to do away now with the only means staff have to hold managers accountable."

"Staff-management spat with possible serious impact reflects a joyless 50th anniversary," International Documents Review, 16 October 1995, p. 2.  
[emphasis added]

For years Western governments have complained about the lack of accountability prevailing in UN organizations, but in practice they have tolerated a degree of opacity that would be considered totally unacceptable for any civil service in a democracy. The Geneva Group's 'zero-growth' policy has been the nearest they have come to sanctions, [but it] ... has had only limited success in compelling secretariats to cooperate in discussing management practices and opening the books. Inadequate internal auditing and slipshod evaluation procedures have not only shielded inefficiency, waste, maladministration, and downright fraud; they have deprived the UN's member states of the information they need to identify the organizations' weaknesses -- and strengths. ...

... [No] amount of exhortation – as the years have proved – can compensate for the lack of routine inspection under established rules of 'open government.' Evaluation would require ... built-in procedures requiring the UN bureaucracies to respond to criticisms. So ingrained is the collusion between the permanent representatives to these organizations and the secretariats that a majority for such an initiative among the UN membership would be difficult though not impossible to muster. But many UN staff members would welcome more rigorous scrutiny ..."

Rosemary Righter, Utopia lost: The United Nations and world order, Twentieth Century Fund, New York, 1995, pp. 280-281. [emphasis added]

" ... After all these years, the United Nations is still struggling to adjust its human resources policies and practices to the reality that surrounds it. ...

In [a highly competitive international] environment, the UN will have to reform its reforms, or go down reforming.

Several dilemmas that have crippled the UN for generations, however, remain unresolved, and this organizational pathology stands in the way of the UN's efforts to remain meaningful. When it comes to managing human resources, the following are

[some of] the obstacles that the UN must overcome:

- Its addiction to the trappings of a careers-for-life staffing model, with its emphasis on seniority ...; ...
- Its fear of offending Member States that exert political pressure -- by not insisting on merit in staffing, even at the highest levels;
- Its reliance on patronage as a survival strategy, especially where outputs are nebulous; ...

• the persistent gap between its perennial promises to improve human resources management and its capacity to deliver; and

• Its obsession with cosmetic reforms, hiding the root causes of dysfunctionality.

For most pathologies, there is a cure. For the UN, faith healing will not suffice."

Dirk Salomons, "Good intentions to naught: The pathology of human resources management at the United Nations," in Dennis Dijkzeul, and Yves Beigbeder, eds., Rethinking international organizations: Pathology and promise, Berghahn, New York and Oxford, 2003, pp. 111-139 [136-137]. [emphasis added.]

"The halo that appears to float over non-profit institutions - providing them with an aura of altruism - distracts attention from the basic fact that non-profits are, first and foremost, economic institutions ...

[Their mythology and self-portrayal as solely altruistic] ... misinform the public and allow them ... to ensure a continued flow of salary and benefits for their managers and the preservation of the managers' power and status. ... [People need] ... to realize that ... the rule of caveat emptor applies even more importantly to transactions with non-profits than with marketplace transactions. Typically, [in the] ... marketplace, one receives something in return [but, with non-profits] ... individuals conduct transactions ... based entirely on faith. Such transactions are lamentable when one party is talking altruism but seeking self-interest. Who will protect generous - and gullible - donors?"

Barry D. Friedman, "How non-profit organizations fight off competition: Who will protect non-profit donors?", PA Times (USA), May 2004, pp. 5-6.

The second important aspect of the slow dance of possible UN reform discussions contrasts sharply with the harsh legal realities of decisive corrective action and reform in the multinational corporate world. How long can the UN -- which remains above and exempt from national laws -- continue to hold the multi-billion dollar Iraq oil-for-food programme corruption and bribery scandals and many other mismanagement issues hostage within its own, closed, self-investigations, and outside the rule of law of the real world?

"Alcatel was supposed to be squeaky clean. In 2001, after the Organization for Economic Cooperation & Development member countries agreed to adopt tougher anticorruption laws, Alcatel overhauled its ethics code ... [and warned that] payment of bribes and kickbacks was prohibited. The Paris-based telecommunications company appointed a [top management] ethics committee [to] ... monitor compliance ...

So why are Costa Rica prosecutors ... [investigating bank records indicating some \$15 million in illicit payments by Alcatel] to top politicians and bureaucrats over the past few years? ...

**Dozens of other cases have been opened in Europe, Latin America, and Africa. ... Governments are finally cracking down. The OECD agreement ... has spurred tough laws in 35 countries, imposing criminal penalties on companies found guilty of bribery. ...**

'The climate has definitely changed' [said an anti-corruption researcher]. 'The change in laws is beginning to bite.'

Stricter reporting rules on international funds transfers ... make it easier to trace the flow of illicit funds. ...

**Bold European prosecutors are even stalking prey far from their home turf. ... tThe new antibribery laws ... hold companies accountable for such indirect payments even if there is no proof that top managers authorized them."**

Carol Matlack, with Geri Smith and Gail Edmondson, "Cracking down on corporate bribery: With tougher laws in place, prosecutors around the world are bringing high profile cases", Business Week Europe, **December 6, 2004**, pp. 20-22. [emphasis added]

" ... [Experts say that] an intensifying battle [has emerged] over efforts to revamp corporate governance. It is one that pits influential members of the business community ... against institutional investors pushing for greater power over the direction of troubled companies. ...

None of this means that corporate America will be returning to the complacency of the pre-Enron days. And indeed, the criminal and civil pursuits of corporate wrongdoing continue at a breakneck pace.

The Justice Department's corporate fraud task force, formed ... in the immediate aftermath of the WorldCom debacle, has racked up an impressive series of victories. **By June 2004, the latest period for which full statistics are available, the task force had obtained more than 500 corporate fraud convictions or guilty pleas and charged more than 900 defendants, including more than 60 top corporate officers, with various types of fraud.** During that same time period, the [Securities and Exchange Commission] filed almost 600 separate civil enforcement actions involving financial fraud or reporting.

As the big fraud trials unfold over the coming months, public anger may build as the excesses of the bubble years ... are again trotted out."

Kurt Eichenwald, "Pendulum is swinging back in U.S. corporate crackdown", International Herald Tribune, **January 15-16, 2005**.

" ... After the collapse of Enron and other companies ... corporations and their boards are adopting zero-tolerance policies and increasingly holding their employees to lofty standards of business and personal behavior.

The result is a wave of abrupt firings as corporations move to stop perceived breaches of ethics by their employees that could result in law enforcement action, or public relations disasters. ...

**The seemingly frantic reach for the moral high ground is driven as much by self-interest as by any attempt at righteousness, now that boards and chief executives have seen how public scandals can torpedo stock prices, alienate customers and end careers.**

'There is a new kind of puritanism' said Marjorie Kelly, the editor of *Business Ethics* magazine, **replacing what Kelly said was an era of 'arrogance and ignorance, an attitude that boys will be boys.'**

... The reaction has been most severe on Wall Street, where investment banks, mutual funds and insurers have felt the sting of legal prosecution for ethical lapses most acutely."

Landon Thomas Jr., "Nervous about ethics, firms are fast to fire", International Herald Tribune, **March 30, 2005**.

[Note: IO Watch finds nothing "frantic" in the situation at the UN, where, other than some crowded press conferences, the senior "old boys" of the Secretariat continue quietly and calmly on with "business as usual" -- lots of talk (though none whatsoever from the General Assembly) and **no** legal action.]]

**"BP sacked 252 people last year as part of a drive by the world's second biggest oil company to weed out bribery and corruption."**

In its annual report on environmental sustainability, social responsibility and corporate governance, the company blamed the 50 percent yearly rise in sackings for 'unethical behaviour' on theft, fraud and harassment.

Lord Browne, chief executive said 'Human ingenuity will always find something to get up to. It is our job to track it down.'

**"BP has established a new team to govern legal compliance and business ethics across the group after the spate of high-profile scandals over the past few years."**

It said in the report: ... 'Very clear rules on business relationships are essential when there is any scope for bribery or fraud in dealing with suppliers or governments. ...

BP is introducing a company-wide code of conduct and measures such as forcing staff to disclose gifts worth more than \$50.

Lord Browne did not provide details on the investigation into last month's explosion at BP's Texas refinery, which killed 15 people. He said the tragedy was a 'forcible reminder' that BP needed to 'learn from our imperfections.'

James Boxell and Fiona Harvey, "BP sacked 252 for unethical behaviour", Financial Times (UK), **April 12, 2005**.

Third, IO Watch offers some very perceptive recent insights into the UN's basic accountability crisis of 2005 and the reform actions which must follow (but may well not). The first is "only" a letter to the editor, but IO Watch finds it the most succinct and clear assessment it has found of what ails the UN and other international organizations and what actions are required to reform them.

"Your editorial 'A head for the World Bank,' (Feb. 22) speaks to a fundamental crisis of accountability that goes far beyond the secret selection process for a new president.

There is a culture of secrecy that characterizes not only the World Bank, but most of the vital international organizations -- including the United Nations. Unless these public entities establish independent oversight, external auditing of managerial and financial controls and safe channels for reporting wrongdoing, scandalous harm will continue to weaken them and only compound the grief suffered by the billions of needy people they are mandated to serve."

Melanie Beth Oliviero, "More transparency", International Herald Tribune, **February 26-27, 2005**.

"Imagine if U.S. troops were accused of sexually exploiting children in impoverished nations ... a U.S. Cabinet Secretary were accused of groping a female

subordinate, [but then exonerated] ... by the president .... [an agency head] ... and the president's own offspring stood accused of complicity in [a massive embezzlement racket] ...

... [These things happened in the UN this year.]

**Where's the outrage? ... Why didn't the mainstream ... devote more attention to these scandals? Far from demanding high-level resignations, they are circling the wagons.**

The U.N.'s friends are doing ... no favors with this knee-jerk defense. Even [Kofi] Annan recognizes [the problems with his 1997 and 2002 management reform attempts, and reports on Rwanda, Bosnia, and general peacekeeping failures.] ...

[Yet] all the *reformistas'* efforts founder on the rocks of apathy and inertia. ... Most of the U.N.'s 191 member states ... [and] 49,000 employees ... have other priorities.

Flawed as it is, the UN does some useful things ... Leaving the U.N. ... is unrealistic. But it will never live up to the grandiose expectations of its starry-eyed supporters, unless they get mad enough to demand real change. So far there's no sign of that happening."

Max Boot, "Why U.N. stays mired in its defects: Start with too-friendly media, apathy and members' entrenched interests", Los Angeles Times, **December 9, 2004.**

"Kofi Annan, UN secretary-general ... remains under pressure. Some now regard Mr. Annan as a weak leader who failed to prevent the [oil-for-food] scandal. He is not the only high-profile leader [in this situation.] ...

... [A recent management study found] that 55 percent of leaders are associated with below-average corporate performance ... Only 15 percent of ... [leaders studied] showed a consistent ability to manage innovation and organizational change. ...

[Leaders include] 'opportunists' who seek to manipulate others to protect their own position or 'diplomats' who try to avoid conflict and please everyone at the same time. Mr. Annan is a classic example of a diplomat in this sense. ...

... Leaders can move to a different level ... [as] a 'strategist' ... with a long-term vision ... or an 'alchemist', someone who can reinvent an organization and draw people to share his or her vision almost effortlessly: the authors cite Nelson Mandela as an example.

[One expert argues that many recent] ... corporate scandals ... came about [partly] ... because leaders began to believe in their own mythical status ... like the 'masters of the universe' satirised by Tom Wolfe in *The bonfire of the vanities* ..."

Morgan Witzel, "Leadership: Vision and ethics at the heart of training", Financial Times (UK), **April 4, 2005.**

"[After almost a full year] ... Paul Volcker ... [has not finally reported] on the UN's mismanagement of Iraq's oil-for-food programme.] ...

Neither of Mr. Volcker's [interim] reports to date makes a clear case against Mr. Annan himself ... [who] therefore claims to have been 'exonerated'. For two reasons, sadly, that is not the case.

First, ... his critics ... [argue] that the UN's boss should take ultimate responsibility for his organization having mismanaged the program ... [but] Mr. Volcker's interim report says nothing about responsibility for this wider management failure. ...

Second, even in the Cotecna affair [involving Kojo Annan] ..., [Mr. Volcker's second] report paints a disturbing picture. ...

**[Both reports] ... suggest that Mr. Annan has been a weak manager.** ... Moreover, oil-for-food is only one of several failures to have taken place on his watch. ...

If the UN were a company and Mr. Annan its boss, this paper would ask him to resign right away. But [in] the UN ... ultimate power rests with the member states [who also, on the Security Council, oversaw the programme] ...

[Thus] there is an especially strong argument for reserving final judgement until Mr. Volcker issues his final report. ..."

"Torturing the United Nations: Something rotten happened. But wait for all the facts before demanding Kofi Annan's head", The Economist, **April 2d, 2005**, pp. 10-11.

"... Rwanda's stunning new genocide museum ... [displays the fax from then-peacekeeping head Kofi Annan which left 800,000 unprotected Rwandans to their fate.]

... Under Annan, the UN has failed and people have died.

... **The media and conservative politicians ... [have] discovered that the UN has been catastrophically incompetent [and] ...**

**the American neoconservative right has occupied the moral high ground in critique of Annan ... I am mystified by the reluctance of the left ... to criticize Annan's leadership ... [bodies burning in Darfur] ... [rape] by UN peacekeepers ... [money stolen] in Iraq ...**

[Blaming the Security Council is not convincing.]

Annan ... orders unarmed civilians to risk their lives ... in the most dangerous conditions all over the world. They do it, heroically, every day. ... Some pay with their lives, others their sanity. How can he then not... risk his job in the cause of preventing genocide ... [instead of] trying to explain why he didn't?

Annan is not personally corrupt or incompetent. But the UN cannot have failed more catastrophically when the stakes have been highest. If he ... [is not fired] for that, then for what? And if not now, when?"

Kenneth Cain, "How many more must die before Kofi quits?", The Observer (UK), **April 2, 2005**.

[Note: Mr. Cain is a former UN human rights lawyer who served in U.N. peacekeeping operations in Somalia, Rwanda, Haiti and Liberia. He is co-author, with Heidi Postlewait and Andrew Thomson, of the book Emergency sex and other desperate measures: A true story from hell on earth, Hyperion, New York, 2004, which holds the UN accountable for the above performance.

IO Watch finds this assessment to be a very pivotal one: other excerpts from it can be found near the end of this archive's subsections on Worst of all, never-ending genocides? , Corruption in the UN , OHR (Mis-)management , Refugee sexual abuses , and Anti-harassment efforts . ]

"Anyone who was shocked by the most recent revelations of sexual misconduct by [UN staff has never been] ... in a U.N.-sponsored refugee camp. ... **The [UN] and its staff lack accountability. ...**

**This lack of accountability is the central blemish on today's United Nations, and it lies behind most of the recent headlines. Whether taking advantage of a malnourished refugee or of a lucrative oil-for-food contract, the temptation is there, the act is easy and the risk of punishment is nil.**

I arrived in Sierra Leone as a legal aid worker in ... 2003, ... one year after ... Kofi Annan issue[d] a ... 'zero-tolerance' policy ... [But] I found abuse of a sexual nature almost every day ...

If the United Nations is to enjoy [operational] immunity, it ... [must] police itself aggressively and thoroughly. Yet the recent stonewalling ... [in multiple UN scandals is] ... typical of a bureaucracy dedicated to self-preservation. ... The message is: Cover your

tracks and the United Nations will obstruct your prosecution.

After [a] 2002 report documented sexual abuse, Annan's steely resolve led to exactly zero criminal prosecutions ... The United Nations is a vital institution that needs a housecleaning."

Peter Dennis, "The UN: Preying on the weak", [washingtonpost.com](http://www.washingtonpost.com), **April 12, 2005**.

[Note: Mr. Dennis is a law student who worked for the Foundation for International Dignity in the refugee camps surrounding Kenema, Sierra Leone, in 2003.]

"[In early 1998, Kofi Annan] ... flew to Iraq, met with Saddam, and announced "I think I can do business with him." ...

[The oil-for-food programme] ... was good business not only for Saddam, but for the U.N. Secretariat, ... [which received] huge financial incentives ... The Secretariat, in collecting 2.2 percent of Saddam's official oil sales ... [generated] hundreds of millions of dollars for jobs portioned out by the Secretariat. ... Had Annan ... [funded program administration from member state donations] ... would he still have pushed to expand [it] ... until it entailed more than \$1 billion in UN overhead?

... **Oil-for-Food, in the postmortem, offers an unprecedented view into the inner workings of the United Nations.** ... The work ahead should be not to preserve a Potemkin image of integrity, but to ... [determine] what's wrong with the foundations and to rebuild the place from the ground up. **Far greater transparency would be an immense help in keeping the place honest. But reform has to start with the Secretariat** and proceed along lines that will produce secretaries-general willing to work vigorously not to save themselves, or please their pals, but to protect the integrity of the institution."

Claudia Rosett, "How Kofi Annan failed: Kofi Annan's silence: Blame game", [New Republic](http://www.newrepublic.com) (USA), **February 21, 2005**, pp. 17-19, and see also

Claudia Rosett, "The oil-for-food scam: What did Kofi Annan know, and when did he know it?", **April 16, 2004**, p. 1, [Commentary](http://www.commentarymagazine.com), May 2004, available at

[http://www.commentarymagazine.com/SpecialArticle.asp?article=A11705017\\_1](http://www.commentarymagazine.com/SpecialArticle.asp?article=A11705017_1) ) ]

"[In my view,] ... the UN is constitutionally incapable of conducting any operation efficiently or honestly. Ideally the UN, foreshadowing a future world government, ought to be run by a global meritocracy -- rule by the best. In practice, it is the opposite. Any state that can be legally defined as one can join the UN -- it is a club having no rules of probity or morals. ...

... The result is failure and graft. **UN officials are not answerable to bodies like Congress or the U.K.'s Parliament, which would be sure to track down, expose and punish gross abuses and manifest failures.** No senior UN official has ever gone to jail. It's rare for anyone to be sacked or removed. The top brass resist any kind of investigation, on principle. The oil-for-food inquiry is unique in that it has taken place at all and seems to be garnering results.

**But will any punishment be meted out? Will any serious reforms be pushed through? Of course not. ...**

Paul Johnson, "The UN is for talk, not actions," [Forbes](http://www.forbes.com) (US), **March 14, 2005**.

[Note: Mr. Johnson is an "eminent British historian and author."]

Finally, two recent descriptions of accountable organizations and leaders show what the UN could aspire to, the first from a new in-depth study from a leading "management guru"

and the second from a veteran manager who headed a huge US government agency. Three conclusions -- one old, two newer, but all unanswered -- then point to what the UN Secretariat must do to regain at least some of its credibility.

"[Management guru Rosabeth Moss Kanter's latest book, *Confidence*, concludes, *inter alia*]:

'Leaders who guide their teams toward success espouse the values of accountability, collaboration and initiative in their messages to others, model those qualities in their own behaviour and create formal programmes and structural mechanisms to embed them in institutions.' ...

**We know that high performance organizations need leaders who not only 'talk the talk' but also 'walk the walk.'**

**We also know that good leaders hold people accountable to explicit targets** ... They use concrete policies ... to encourage (or, in extreme circumstances, mandate) desired behaviour. **These are the disciplines of 'execution'**, currently one of the hottest topics among mass-market management writers.

If Professor Kanter does break new ground, it is by bringing together authentic leadership and execution in one volume. ...

In **world-beating organizations** -- whether corporations or basketball teams -- she finds leadership that is open, transparent, collaborative and optimistic. But she also finds organizations that are well-resourced, **hold people accountable and go out of their way to retain top talent.**

In other words, *Confidence* presents a mature, holistic view of what it takes to build 'high-performing' organisations."

Simon London, "Management gurus: No crack in Kanter's confidence", *Financial Times* (UK), **November 11, 2004.**

The book is Rosabeth Moss Kanter, **Confidence: How winning streaks and losing streaks begin and end**, Crown Business, New York, **2004.**

[Note: The study was based on 300 structured interviews with chief executives and team leaders in diverse organizations worldwide, from which emerged theories that were then tested against the results of two surveys which obtained a combined 2,754 responses.]

"[Twelve lessons that top managers can use to manage a large public organization with honesty and integrity:]

First. ... **Standards must be set at the top ... Managers at every level must lead by example.**

Second. Choose people based on both the content of their resume -- and their character ... **The two most important appointments we made were our General Counsel ... and our Inspector General ... Quality appointments are essential to an ethical institution** ...

Third. You need to foster interdisciplinary ... discussion ... [and dialog].

Fourth. ... The experience and institutional memories of civil servants are vital. ...

Fifth. ... You must be willing to not just hear the bad news -- but to listen to it. ... Just as important, people can't be afraid to raise the bad news. ...

Sixth. ... If we made a mistake, ... we admitted it ... Of course, no one will be able to ... unless the leader cultivates an atmosphere of transparency. ...

Seventh ... **You can't cultivate honesty and integrity in the dark. ... It is transparency that strengthens the hand of people who want to do things right.**

Eighth. ... You can't subordinate policy to politics. ... To lead with integrity, you need to have the courage of your convictions.

Ninth. ... You have to look at issues through a prism ... as the data or the circumstances or the political environment changes. ... [Use] everyone's input ... [as an] honest broker.

Tenth. ... It's your friends, not your enemies, who will get often get you into trouble. ... [Don't] act out of favoritism, or be perceived as doing so.

Eleventh. ... Ethical employers care about their employees. ... People ... are motivated by consideration and compassion. ... Showing ... you have confidence in them ... can pay big dividends.

Twelfth. ... you must have a vision, and you must share that vision. My vision was simple ... every person at HHS had a single obligation: To always serve the public interest ethically. That same idea ... [is] the crux of my twelve lessons ... [and] of good government. It is our ... ultimate commitment."

Donna E. Shalala, "The buck stops here: Managing large organizations with honesty and integrity", PA Times (USA), **June 2004**, pp. 15, 20, 22, 24-26.  
[Emphasis added.]

"There is no shortage of suggestions for reforms at the United Nations, ... [but] if, in the future, the UN hopes to avoid failures like that in Somalia, it will need to change on a more fundamental level.

Above all, if the UN is going to be effective, it must be accountable. ***'The UN is probably the least accountable government-based bureaucracy in the world'*** said Alex de Waal, , a British anthropologist who has studied the UN's response to famines. .... 'Officials who are responsible for hundreds of thousands of deaths must face the prospect of prosecution, not promotion.' ...

***There is ... [a] need for a freedom of information act***, so UN officials cannot hide from the public everything from their salaries to their mistakes to how much they're spending on public relations. ***And, finally, or perhaps first, there must be an independent watchdog organization with full power to investigate UN agencies.*** The General Assembly has the authority to establish a commission of inquiry to examine what went wrong in Somalia, but it has never examined its own performance."

Ray Bonner, "Why we went": How the United Nations turned its back on Somalia and subverted the best chance for peace", Mother Jones, (USA), **March-April 1993**, pp. 54-60 [60].

[Note: the full article is available at [MotherJones.com](http://MotherJones.com) under the author's name.]

"Taking action against wrongdoing

***Taking action against violation of standards is the shared responsibility of managers and external investigative bodies.*** OECD countries recognize that disciplinary actions against a breach of public service standards should be taken within the organization where the breach occurred. All governments have developed a general framework for disciplinary procedures that both allows managers to impose timely and just sanctions and guarantees a fair process for the public servants. ...

Although public service managers have the primary responsibility for initiating disciplinary measures in their agencies in a timely manner, they may also receive assistance from specific external institutions. These ***external institutions are the primary instruments for investigating and prosecuting misconduct in the public service. These bodies have the power to bring suspected cases of corruption directly to court in all OECD countries.*** *Moreover*, two-thirds of countries have procedures and mechanisms *to enable the public to signal wrongdoing to bodies exercising independent scrutiny on public service activities.*"

"Annex I: OECD public management policy brief on building public trust: Ethics measures in OECD countries," in Organisation for Economic

Cooperation and Development, Public sector transparency and accountability: Making it happen, OECD, Paris, 2002, p. 192. [emphasis added]

"... [In corporate America] ... directors, auditors, and lawyers are more powerful than ever ... [because these] ... **watchdogs are finally facing genuine liability for their failures.** ...

**The Directors**

... are taking their once-ceremonial duties ... far more seriously. ... **[The biggest change] ... is the all-important audit committee. [The members] ... now have the power to spend company money on their own lawyers, accountants, and forensic investigators ... [and to supervise the external] auditors.** ...

**The Auditors**

**... [are more powerful] than ever.** ... [Their] newfound assertiveness can lead to some bloody showdowns with CEOs -- with the boss sometimes losing. ...

The Lawyers

... [are] more likely to be hired [as advisors] by directors, and ... to behave as if their true clients are shareholders ... especially ... [in] 'independent internal investigations' ... The U.S. Justice Dept. [can bring] criminal charges against companies ... [and] merely being charged with a crime [can amount] ... to a death sentence ... [especially for] those businesses that are built on public trust ...

... Of course, CEO's are still in charge, but their power is much more limited.

**The age of the absolute corporate monarch ... is over.**

David Henry, Mike France, and Louis Lavelle, "Special report: The boss on the sidelines", Business Week Europe, April 25, 2005, pp. 64-71.

IO Watch will continue to follow the story of the UN's newest attempts in 2005 and beyond to overcome its perpetual management crisis in this subsection. However, the overall Management Accountability Struggles section of the archive continues with a brief look at UN management systems reform problems, and then a detailed examination of the damage done by the Secretariat's recent "free the managers" campaign.