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“WE THE PEOPLES”?

The United Nations on Its Seventieth Anniversary

By James A. Paul

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Editors: Stefanie Ehmsen and Albert Scharenberg
Address: 275 Madison Avenue, Suite 2114, New York, NY 10016
Email: info@rosalux-nyc.org; **Phone:** +1 (917) 409-1040

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The New York Office serves two major tasks: to work around issues concerning the United Nations and to engage in dialogue with North American progressives in universities, unions, social movements, and politics.

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Flawed But Indispensable

Seventy years ago, on October 24, 1945, the United Nations Charter came into force. The Charter's framers, powerfully speaking as "We the Peoples of the United Nations," announced their determination "to save succeeding generations from the scourge of war," "to reaffirm faith in fundamental human rights," to advance justice and "respect for the obligations arising from treaties and other sources of international law," and "to promote social progress and better standards of life in larger freedom."

This anniversary presents a suitable occasion to consider how well the United Nations have lived up to the lofty ideals expressed at its founding, how it has adapted to a changing world, and to what degree this organization has been an effective force for a more peaceful, just, sustainable, and democratic world.

In this study, James A. Paul, the Executive Director of the Global Policy Forum from its founding in 1993 until 2012, charts the evolving nature of the United Nations. As a major figure in the UN NGO community, who has served on numerous boards and committees and written countless articles, reviews, policy papers, and books on international relations and global politics, Paul brings decades of experience as an advocate and observer of the UN to this task. By combining an insider's knowledge with a healthy critical distance, Paul helps us to see the UN as a flawed but indispensable institution.

Based on a solid understanding of what the UN is and how it actually functions, this publication provides a critical overview of the UN's social and economic policy, including its role in decolonization, shaping world trade, setting development policy, conducting research and analysis, and convening influential global conferences. The most powerful member states have always had an outsized role at the UN. In recent years, they have been joined by corporations and the mega-rich, who have made sure that their priorities and pet projects are funded even as more accountable UN agencies make do with inadequate financing.

Despite its flaws, the UN retains enormous public legitimacy and is singularly well situated to address myriad, intractable, regional and global crises and conflicts. Paul concludes with a rousing call for renewal. A well-financed, democratized, and revived United Nations is needed to mobilize its peoples for social, economic, and environmental justice. And the energy needed to drive this transformation will not come from the governments of the world. Rather, the citizens of each nation—"we the peoples"—will need to work together to reclaim the United Nations as an effective force for the common good.

*Stefanie Ehmsen and Albert Scharenberg
Co-Directors of New York Office, October 2015*

“We the Peoples”?

The United Nations on Its Seventieth Anniversary

By James A. Paul

Seven decades have passed since the founding of the United Nations, so it is a good time to reflect on the organization and its record. There is much to consider—many events, debates, crises, and global policy gatherings. On the positive side, nuclear weapons have stayed in their silos and another world war has not broken out in these seventy years. Global cooperation in many areas has broadened. But stable peace and widespread prosperity have not been achieved. Far from it! National rivalries and deep economic troubles have torn the world. Today, states are failing, local wars are burning fiercely, and refugees are fleeing their homes in record numbers. A devastating climate crisis threatens life on the planet. While the UN has important accomplishments to its credit, the great hopes of 1945 have not been realized. How did this happen and where do we go from here?

It is easy to place blame on the institution itself—as opposed to the member states that shaped it and decide its policy. The main opposition to the UN has always come from the political right, of which U.S. Senator Jesse Helms was for many years a leading exemplar. Right-wing governments, vocal nationalists and radical libertarians are still the organization’s loudest detractors.

UN critics, however, range across the political spectrum. Many centrists, and those to the left as well, have criticized the world body as inefficient and ineffective—a “talking shop” they say, as if talking were not the essence of diplomacy, the foundation of democracy, and a means to

reconcile widely divergent interests. Libertarians often see the UN as a looming mega-state, threatening personal freedom and wasting scarce resources. Left-leaning humanitarians complain that it is far too weak and underfunded to solve the great problems of the day. In spite of this loud negative chorus, polls show considerable public support for the organization—a higher percentage than most governments enjoy. Few institutions, therefore, have such a complex and contested profile; fewer still attract such vitriol from the punditry and such hope in the public mind.

There is much to think about, then, in this anniversary season. We must consider how the UN was founded, how it has evolved, and what has kept it from assuming its potential in global governance. Why have nations—the great powers in particular—refused to give it a transformative authority, pursuing instead their own independent action and what they take to be their own interests? Leaders sometimes threaten to walk away from this “irrelevant” institution, yet they continually come to it again, seeking it as an indispensable means to solve intractable crises, negotiate difficult solutions, and work out comprehensive frameworks.

In what follows, we will ask: what has been possible and what is still possible in the future from this institution that has inspired such passion and evoked so much disillusion as well as enthusiasm? “Realists” would insist that the great powers will continue to run the show. But we will open a more positive inquiry. Is it pos-

sible to build on the UN's strengths, inclusive character and indubitable accomplishments to shape a more livable world? Is a "people's UN"

in the realm of possibility? If so, what lessons can be learned from the organization's record thus far?

The Origins of the UN

Great public enthusiasm greeted the founding of the UN in 1945. After the massive suffering and social collapse engendered by the Second World War (and the earlier turmoil of the Great Depression), many around the world saw the new institution as an extraordinary means to achieve durable peace, rising prosperity, and a just global society. The failed League of Nations disappeared from public memory. The UN was to be a new beginning.

Franklin D. Roosevelt and Winston Churchill had based their appeals to the world's people on the premise that once the wartime enemies were defeated, a new and transformed global order would be constructed. The Atlantic Charter, promulgated by the two leaders in 1941, set out this vision, including global economic cooperation and just dealings between nations.

In later pronouncements, the leaders presented the proposed United Nations organization as the logical continuation of the wartime alliance (known also as "United Nations"). It would be the capstone of the postwar system and guarantor of the peace. Public hopes ran beyond these promises. Many believed the new organization would swiftly free the peoples from colonialism, enforce the peace, and lead to a federally-integrated world government. Great intellectual and moral voices of the time applauded the UN and worked to support it.

Of course, the United States and its allies did not set up the UN to fulfill the wishes of far-sighted reformers, much less utopian thinkers. The "idealism" of the U.S. administration and its

partners departed little from earlier great power statecraft. Though they emphasized "cooperation" and even spoke of a "generous peace," the archives now show that they thought first of advancing their own national interests. They had lived in a world of war in which the strong prevail. So while they evoked morality and spoke of the peaceful settlement of disputes, they held tight to what former U.S. President Theodore Roosevelt called the "big stick."

The UN Charter, adopted in San Francisco, famously invokes "We the Peoples." In fact, however, Washington and its partners had agreed at Tehran (1943) and Dumbarton Oaks (1944) to structure the UN as a permanent conclave of nation states, an organization that would leave sovereign power firmly in the hands of its member governments and keep "peoples" at arm's length. Most importantly, the new body would confer special privileges and responsibilities on a handful of key states—the founders themselves. Many of the structures were similar to the defunct League of Nations, suggesting that this was not so much a new world as a slightly modified version of the old.

The Big Three (the U.S., Britain and the Soviet Union) and their two lesser partners (China and France) defined Permanent Membership in the Security Council as key to the system of privilege. The five would have continuous seats with veto rights over nearly all decisions in the Council, as well as many other advantages throughout the organization. Smaller states sharply criticized this oligarchic arrangement at the San Francisco Conference—agreeing to

it very reluctantly and with continuing discontent. Many small states also were troubled by the decision to locate the organization in New York City rather than a neutral locale like Geneva. Was this not too close to the paramount power, magnifying its influence over all the others?

The five allies assumed that they would act in concert to manage the new world order. In private, Roosevelt spoke of the “five policemen.” But not long after the founding of the UN, deep divisions emerged among the five. The anti-colonial bloc (the U.S., the Soviet Union and China) disputed sharply with the colonial empires (Britain and France), whose hegemony they hoped to displace. At the same time, the Western capitalist powers (the U.S., Britain and France) wrestled with the Communist countries (the Soviets and—after 1949—China) and hoped to hold back the revolutionary tide. With such cross-cutting division at the top, the Security Council could scarcely function. The gridlock offered a certain advantage, however. The oligarchs could not impose a unified political or economic plan, so lesser political forces found space and opportunity. UN activities went forward in new, unpredictable and sometimes quite creative ways.

The new organization, after all, was structurally complex, and it included a General Assembly without vetoes where all member states were represented and enjoyed an equal vote. Soon there arose many committees, conferences, commissions, expert panels, treaty bodies, and more. The other governments (growing in numbers with decolonization) took up the challenge to make the machinery work in their favor. Then too, specialized agencies took up important program commitments. Non-governmental organizations assumed a place for consultation that the Charter had provided. Popular movements demanded and (sometimes) won a share in the institutional arrangements. A large press corps stood at hand, making official action at the UN more transparent than diplomacy of the past. All told, the UN had (and still has to some degree) a flavor of “we the peoples.” Its complex semi-democracy (with oligarchy in the shadows) has kept the institution innovating and fairly well-regarded among the public. In spite of numerous setbacks, then, the UN has maintained its legitimacy, its attraction, and even its claim to supremacy in the world of international institutions, though it has not created a just, peaceful, and sustainable world.

What and Who is “The UN”?

Much discourse about the UN treats the organization as if it were an autonomous body, run by Secretariat bureaucrats under the command of the Secretary General. According to some conservative accounts, the Secretariat is very large—a “bloated” octopus that has its tentacles in every corner of the globe and lacks reasonable accountability. This image is seriously misleading. It ignores (purposefully or not) the real weakness of the Secretariat and

(by contrast) the decisive role of the member states—particularly the Five Permanent Members (the “P-5”)—in forming and implementing UN policy. It is a myth that enables member states to blame “the UN” when things go awry or when the policies they have shaped have harmful effects. It is a screen from reality, enabling pundits to talk blithely about “the UN” without looking more carefully (and honestly) at what is actually going on.

The founders gave the UN a weak executive structure, small in size, modestly funded, and without an army, a police force, or an ordinary taxation system. Money, military forces, sanctions enforcement, much of the organization's strategic information—all come from members. In contrast, the UN has an extensive legislative structure with multiple decision-making bodies. Member states decide nearly everything, in ways that go far beyond the typical national balance of power between legislature and executive. Though the World Court is part of the UN system, there is no real judicial power either, to exercise a legal counterweight. The Secretariat does indeed have limited discretion and top UN officials can certainly influence policy directions, but the P-5 control the key appointments. So states exercise an extraordinary sway over the organization and—formally or informally—press it to conform to their national goals and interests.

The state hierarchies and the global economy have changed considerably over the years. The two defeated powers, Germany and Japan, have come again into positions of great influ-

ence. Britain and France have faded. The Russian Federation is a lesser and much-changed version of the Soviet superpower. “Emerging powers” like India and Brazil have arisen to challenge the old guard. Regional organizations are flexing their muscles. Technology and global capital have knitted the world together (and introduced new divisions) in unexpected ways. The UN is wired into a fast-paced global system and its work is subject to new levels of scrutiny, pressures, and changes of political fortune.

NGOs, citizen groups, and grassroots movements of various kinds can sometimes influence outcomes at the UN, though only irregularly and on matters of secondary importance. Corporations, foundations, and other institutions have their own (growing) means of affecting policy, too, while billionaires and celebrities like Ted Turner, Bill Gates, Bono, and Angelina Jolie have occasionally made their mark. But in the final analysis, power lies with the states, and with the big, permanent ones in particular. That is the reality of the UN in its present form.

Social and Economic Policy

The UN's founders believed that conflict and war were rooted in social and economic circumstances, so the work of the organization in this field is especially important and revealing. During the era of the League of Nations, particularly during the Depression, governments had created high barriers to global economic relations. After the war, governments changed their mind, believing in robust social and economic cooperation to insure a stable social order. As the UN took shape, the smaller nations called especially for commitments to what the Charter preamble described as “economic and social advancement of all peoples” and “social

progress and better standards of life in larger freedom.” The public expected not only reconstruction and growth but also public health, jobs, education, and a more equitable sharing of global wealth and resources.

ECOSOC

The Charter created a high-profile Economic and Social Council, a body parallel to and almost co-equal with the Security Council. The newly-created ECOSOC was charged with establishing “conditions of stability and well-be-

ing which are necessary for peaceful and friendly relations among nations.” It was free of Charter strictures on special membership or vetoes, thus inherently more democratic and less likely to be impeded by the oligarchic powers. As ECOSOC set to work, it attracted the broad support and enthusiastic participation of many member states. ECOSOC benefited particularly from the active involvement of the U.S. representative, Eleanor Roosevelt, widow of the late president—a person of great dynamism, popularity, and readiness to disregard instructions from Washington. There were various political currents, but in those days, nearly everyone believed in strong state involvement in the economy and they hoped to build a growing array of worldwide social protections to improve the life of citizens.

Following Charter mandates, ECOSOC created new regional and functional commissions. It codified rights for NGOs and it elaborated new human rights machinery. The Commission on Human Rights, founded in 1946, was an especially innovative institution. It could examine the record of governments and oversee a rapidly-evolving new zone of international law and practice. Negotiations went forward towards the Universal Declaration of Human Rights, adopted in 1948 by the General Assembly—the foundational document of international human rights law. From these actions at the UN, the modern human rights movement was born, though the Western powers disliked social and economic rights and did their best to downplay and ignore them. The UN remains to this day at the center of human rights law, policy making, and advocacy.

Regional Commissions

In the zone of economics, ECOSOC set up regional commissions to define and promote development priorities. Three were launched at an early stage, in 1947-48, in Europe, Asia-Pa-

cific, and Latin America (two more would follow later). Distinguished economists joined the staffs of these commissions, producing thinking that emphasized regional cooperation and self-reliance. Raúl Prebisch and Celso Furtado on the Latin American commission developed a critique of then-fashionable “modernization theory.” They elaborated a counter-theory of “dependency” which called attention to the economic handicaps of poor countries and advocated import-substitution industrialization and other distinctive development strategies.

Amid the emerging Third World solidarity, the UN’s regional commissions served as a powerful symbol that the organization had roots in the wider world, not just in New York or the second seat, Geneva. The commissions laid the groundwork for regional integration as a defense against hegemonic pressures in the global economy, a process that includes the African Union and various supra-national initiatives in Latin America. Along with regional movements of unity, the commissions helped change the nature of states and their relations to the international system, reinforcing joint action at the UN and altering the balance between small states and the hegemons.

Decolonization

The UN became a central arena of the worldwide movement for self-determination and independence that followed the world war, a process that lasted for over four decades. Leaders of the independence movements saw the world body as a place where they could win support, gain diplomatic recognition, and gather assistance towards statehood and development. That was a high point in the history of the organization and an example of its capacity to embrace grassroots political energy and contribute to significant positive change in the global order. The two old colonial powers were simply not strong enough, try as they might, to protect

their empires from dissolution. As decolonization continued, and new states came into being, the UN's membership grew considerably—from 51 in 1945 to 193 today—changing dramatically the tone of the organization and the voting balances in the General Assembly, ECOSOC, and all the many committees and working groups.

This was the beginning of a new divide in international politics—the battles and maneuvers between the rich countries and the poor; the contest for economic as well as political “liberation.” In 1960, the oil producing countries created an organization of their own—the Organization of Petroleum Exporting Countries (OPEC)—to challenge the wealthy oil companies and consuming countries. In 1961, leading countries of the “Third World” created the Non-Aligned Movement at a meeting in Belgrade, to coordinate political initiatives. In 1964, many of the same countries founded the Group of 77 to represent their common economic interests. These moves reverberated at the UN and changed the nature and tone of the debates—towards global fairness in the distribution of wealth and resources.

Independence for the colonies of Britain, France, the Netherlands, Belgium, Spain, and Portugal took center stage, but there were other kinds of domination coming rapidly into view. The U.S. and the Soviet Union, in spite of their anti-colonial posture, wanted to create or maintain dependencies of their own. The Soviets took charge in Eastern Europe and gained a dominant role in some poor countries, while the United States expanded its global hegemony and reasserted its hemispheric control over Latin America and the Caribbean. At the same time, the old colonial powers tried to hold on where they could, reasserting long economic ties.

Revolutions, counter-revolutions, military coups, and civil wars rocked the global order, as the titans battled and citizens fought to claim their future. The new states were weak and

vulnerable to intervention. Political balances changed suddenly—advancing land reform or undoing it, promoting state-centered economies or creating markets, lifting up one leader and jailing another. The battles involved heated propaganda, but below the surface there were global struggles over raw materials, investment opportunities, and geo-strategic supremacy. UN policy debates reflected these battles. Sensible development priorities and considerations of human welfare inevitably suffered. Third World enthusiasm remained strong, however.

The UN Commission on Transnational Corporations (TNCs), created in 1974, reflected the new political atmosphere. The Commission symbolized a widespread belief in the post-colonial world that the giant Western companies, particularly those extracting raw materials, were responsible for oppressive conditions, “underdevelopment,” corruption, and even military coups (the 1973 coup in Chile accelerated events in New York). Member states tasked the Commission to produce a “Code of Conduct” for the TNCs, holding them to binding international rights standards. The Centre on Transnational Corporations was set up shortly afterwards to analyze the companies and their impact on the global economy, in support of the Commission's work. It was an instant success. The newer states were pleased that they would be able to hold these dangerous creatures in check. Needless to say, the corporations were unhappy about the initiative and they flatly rejected global regulation. Their resentment and suspicion towards the UN grew accordingly. The Washington-based Heritage Foundation, founded in 1973 and funded directly by major companies, spearheaded attacks on the UN and broadened efforts to discredit it.

Agencies

Alongside the UN, and affiliated to it, are many specialized agencies, funds, and programs,

mostly with a social and economic focus. Governments had founded a few such institutions decades earlier, like the venerable Universal Postal Union (1874) and the International Labour Organisation (1919). Others were re-founded or set up anew in the postwar period. These include the Food and Agriculture Organisation (1945), the UN Educational, Scientific and Cultural Organisation [UNESCO] and the Children's Fund UNICEF (both 1946), and the World Health Organisation (1948). Governments created many more in later years, bringing the number today to more than twenty-five, with work on topics such as agricultural investment, atomic energy, meteorology, and refugees.

Overall, the agencies have added greatly to the legal and operational strength of the UN system. We take them for granted today and in fact modern life depends on them. They coordinate air travel, protect the world from epidemics, and insure smooth international telecom service. The World Food Organisation annually feeds eighty million people in emergencies and the Population Fund, working in 150 countries, is the world's largest source of financing for reproductive health services.

The UN Development Programme, founded in 1965 as the principal arm of the UN in economic development, has had many accomplishments but a somewhat mixed record overall. It was headed by U.S.-appointed administrators for its first 34 years and for long was dependent on funding from Washington. Predictably, UNDP has labored under the shadow of the World Bank (as we shall see), and it has struggled to maintain relevance as the UN development brand, amid severe pressure for conformity and overwhelming development needs that it can not meet.

All agencies have to perform a juggling act in a difficult political environment. They must please the wealthy donor governments and

fend off corporate pressures, while serving their primary constituents, who are typically poor and powerless. Well-respected UNICEF has faced attacks from the food giant Nestlé, due to UNICEF criticism of the company's dangerous infant-formula products. The U.S. government objected to UNICEF complaints about harsh sanctions on Iraq (1990-2003), sanctions that the agency calculated had led to a half-million deaths of children. Though the U.S. has named every head of the agency from its founding to the present, disputes of this kind are symptomatic of agency travails.

The World Health Organization (WHO), while playing a vital role in promoting public health and maintaining global health security, has had its own share of controversy. It has attracted tremendous opposition from the tobacco companies for its campaigns against smoking, while pharmaceutical companies have criticized its efforts to make medicines cheaper and more widely available. The *Wall Street Journal* once complained that the WHO is a promoter of "a sweeping variety of new and unnecessary regulations," saying that the agency "undermines the traditional moral structures of both East and West and provide[s] justification for the never-ending expansion of the welfare state."

The UN Environment Programme (1972) has suffered from particularly strong opposition from the world's polluters and greenhouse gas emitters, including Washington, Moscow, and Beijing. Consequently, it has remained a sidelined institution, with a small budget and far too little clout, though the need for its work grows ever more urgent. Virtually all UN agencies, in fact, are in the cross-hairs. Powerful opponents and conservative media blunt the agencies' financial and political success and sometimes drive them into awkward compromises with their mandates.

Independently financed and governed, the agencies form a balkanized system, not well

harmonized together or well-connected to the UN Secretariat. Turf wars between them are common. The UN Secretary General tries to coordinate these jealously separate bodies, but with only limited success. The system might have operated better had the work been combined and governed jointly within a unified UN, but powerful governments did not want it that way. The agencies have nevertheless generated respect, legitimacy, expertise, and (until recently) considerable financial support. By appearing more technical and less political, they have acquired slightly more independence than the UN from government pressure. But at present many agencies struggle to achieve their goals. Governments have reduced agency funding, especially core “operational” funding, while social crises mount.

Bretton Woods Institutions

UN social and economic programs clash with the powerful Bretton Woods Institutions (BWI). At a 1944 conference in Bretton Woods, New Hampshire, the United States and Britain created two new financial institutions, one to provide reconstruction and development financing (now known as the World Bank) and another to maintain currency stability (the International Monetary Fund). This led to a deeply divided multilateral architecture, placing the UN at a decided disadvantage.

The BWIs are based in Washington and governed by rich underwriter nations with the U.S. playing a particularly prominent role. While the Bank and the Fund are formally part of the UN system, the attachment exists in theory only. The BWIs have always operated with little consideration for the UN or coordination with its programs. As banks with hefty balance sheets, the BWIs have had lots of loan money to leverage their influence as well as a large stream of interest revenue (from impoverished borrowers) to finance themselves.

Run by the rich, with operational budgets funded in large measure by the poor—the BWI system symbolizes the invidious global hierarchy. Many studies have questioned the two banks and their priorities. Doubts have also come from within. The Pearson Commission (1968), set up by the World Bank, identified serious shortcomings. NGO studies over the years have highlighted problematic loan priorities, unreasonably luxurious staff conditions, and a lack of social vision. In the 1960s and beyond, as newly-independent countries took out loans for big infrastructure projects or currency-stabilization, they fell under the sway of these two behemoths. Borrowing governments sometimes complained loudly, but they were caught in the debt trap and their debt burdens mounted.

To collect troubled loans, the BWIs imposed harsh conditions, reflecting the values of Wall Street and the City of London. The borrower governments should perhaps have known better than to take loans from these sources, but they were caught up in dreams of a prosperous national future, with giant dams, electrical generating stations, highways, and airports. They may also have been lured by the lucrative profits local elites could skim off this manna from Washington. No one, after all, was ever prosecuted. Instead the champagne flowed, along with the hefty interest payments. Thus began the corrosion of post-colonial politics, the end of anti-colonial idealism and the destruction of the new states.

BWI policies grew increasingly distinct from—and contrary to—the goals and spirit of the UN’s economic and social programs. The gap grew wider after 1971, when the U.S. disconnected the dollar from gold and promoted free-floating exchange rates. When currencies lost their anchor and monetary instability increased, the BWIs intervened still more vigorously and punitively. They imposed onerous conditions of “structural adjustment” with mandated austerity, cuts to social programs,

privatization of government services, tax reductions, trade deregulation, elimination of capital controls, and more. This came to be known as “neo-liberalism” or (with intended irony) the “Washington Consensus.” These policies, which radically changed the economies of many countries, often produced increased poverty and inequality (though the elite, by contrast, often did well, parking funds in offshore banks and buying villas on the Riviera). In this, the BWIs were fully complicit and enjoyed the full support of the rich, shareholder governments, who looked on with satisfaction. Environmental destruction, another result of BWI lending and growth-centered thinking, accelerated.

The most influential governments took a sharp turn to the right at this time, as British Prime Minister Margaret Thatcher (1979-90) and U.S. President Ronald Reagan (1981-89) came to power. These leaders broke from previous consensus politics and promoted a highly ideological conservatism. They were strong supporters of market-based development and strong opponents of redistribution and “the nanny state.” Even in the global South, neoliberal doctrines were gaining adherents among the emerging comfortable classes. The new policy “consensus” had devastating effects on the UN and ECOSOC. By the end of the 1980s, it was clear that ECOSOC could no longer hope to play a leading role on the global economic scene or make consistent progress towards a shared worldwide social economy.

In the 1990s, further conservative political change was afoot at the UN. The countries in northern Europe that had continued to support progressive UN policies both politically and economically (Sweden, Norway, Denmark, and the Netherlands in particular) began to shift away from egalitarian social policies as governments changed. The BWIs, though hammered by scandals and embarrassing policy failures, stuck to their neoliberal course,

while strengthening their public relations departments. In 1994, the Bank hired a smooth-talking public relations figure named Mark Malloch Brown, to tell its story. He took out full-page newspaper ads, spoke often about “stakeholders,” and assiduously wooed NGO critics. The policy “consensus” held.

Under Malloch Brown, the World Bank began to talk more about “poverty reduction,” “social safety nets” and “sustainable development,” to respond to its critics. In the 2000s, the Bank adopted social and environmental loan criteria and it placed official emphasis on the advancement of women. Some optimists saw this as a positive sign. But the record proved that the BWIs were more skilled at public relations than social responsibility or environmental stewardship. The BWIs continued to promote austerity, economic orthodoxy, and “growth” at the expense of social and environmental standards. Malloch Brown, recognized as a branding magician, was named in 1999 as head of the UN’s development flagship, the UNDP. In 2006, with a boost from Washington, he ascended to the post of UN Deputy Secretary General.

By the mid-2000s, there arose in the UN’s social and economic policy field a new watchword: “system-wide coherence.” At first, it seemed an innocuous effort to better coordinate UN projects, but it turned out to be a carefully-crafted code word, perhaps a Malloch Brown invention, for alignment with BWI policy doctrines. Some critics asked why a single doctrine was needed in a complex and imperfectly-understood world. But the argument really hinged on enforcement of economic orthodoxy, not effective or humane social policies. Just as the Washington Consensus was really not a consensus at all, so UN “coherence” was sadly lacking in coherency. Public relations was eclipsing human development.

The UN agencies, of course, felt the neoliberal pressure keenly. BWI doctrines, in their opin-

ion, harmed their programs and damaged the well-being of children, food security, labor conditions, and refugees. How could the agencies function in “coherence” with such policies? Two decades of analysis had shown that the BWIs created social crises and seriously destabilized countries. BWI action placed impossible demands on the agencies’ emergency programs, loading them with short-term tasks they could no longer fulfill. Long-term programs of socially-responsible development seemed less possible than ever.

Fortunately, BWI hegemony has since started to erode. Poor countries have been borrowing less and looking for loans with fewer strings attached. Borrowers have also demanded (but scarcely received) better representation on the BWI governing boards. In 2015, China launched two alternative lending institutions—the New Development Bank and the Asian Infrastructure Development Bank. These institutions directly challenge the World Bank and lead towards a healthier global diversity. The UN might eventually see new opportunities and enlarged policy space if this trend continues, but even in the best of circumstances the organization has a long catch-up ahead.

World Trade

The issue of trade has also bedeviled the United Nations, blunting efforts towards global equity. At the Bretton Woods Conference, the U.S., Britain, and their partners agreed to create a third institution—the International Trade Organization—to promote stable terms of trade and balanced economic relations between states. Though a charter for the ITO was drawn up, it was never implemented. Washington and London grew nervous about sharing control over the trade system with others. Economic advantage replaced “cooperation.” Instead of the ITO, Washington and its partners eventually organized a series of multina-

tional negotiation “rounds,” under a process called the General Agreement on Tariffs and Trade. GATT reduced tariffs and trade restrictions, but on a very selective basis. From the beginning, the rich countries dominated the framework and made sure it favored their interests. Terms of trade for the “developing” countries deteriorated steadily as raw material prices fell, even as the BWIs insisted on export-led growth. Export revenues languished, while imports of food grains, medicines, and vehicles grew.

In ECOSOC meetings, delegates from poor countries delivered bitter speeches about protectionism for the rich versus free trade imposed on the poor. They were especially angry about agricultural trade. GATT negotiations grew progressively more rancorous as de-colonization proceeded. In 1964, the General Assembly set up a new organ, the UN Conference on Trade and Development, as a means to bring trade discussions into the UN system and to magnify the voice of “developing” countries. For the next two decades, UNCTAD played a highly visible role in efforts to create a more balanced and fair trade system.

In the 1970s and 1980s, UNCTAD provided a focal point for discussions of a “New International Economic Order,” a Third World doctrine which sought to replace Bretton Woods with new rules on trade and development finance. NIEO proponents were keen on improving the terms of trade through groupings of commodity producers like OPEC, and they sought trade preferences that would give their exports better access to markets in the rich countries. The North-South Conference, organized by the UN in Cancún (1981) was the high water mark of this movement. U.S. President Reagan attended, making it clear that he opposed any new initiative or movement for redistribution. Thereafter, divisions emerged among the G-77, Western opposition mounted, and the initiative lost momentum. UNCTAD itself slowed,

but it still remains an important source of global economic analysis and a continued rallying point for poor countries.

Given the intense trade controversies, it is surprising that the nations managed in 1995 to set up a new permanent international body, the World Trade Organisation (WTO). It was constructed outside the UN system so that it could be run without impediment by the rich countries. Washington and the others, jealous of their sovereignty when it comes to the UN, bestowed supra-national authority on the WTO, enabling it to police patents and other “intellectual property rights,” punish trade barriers, and keep the goods flowing. However, trade has changed dramatically over the years and the trading powers now include some former impoverished lands—China, Brazil, India, South Africa, and other “emerging” economies, where poverty remains widespread but wealth is accumulating. This has complicated decision-making in the WTO and led to increasing gridlock.

The system elaborated under GATT and the WTO is invidious. Third World peasants have faced ruin from subsidized grain imports coming from the rich producers. Huge surpluses and deficits (known as “imbalances”) have kept the world’s exchange system in permanent crisis. Terms of trade have continued to undermine the weakest economies. Trade crises, worsened by austerity programs, have engulfed and impoverished millions, even in relatively affluent countries like Spain, Ireland, Argentina, and Greece. Meanwhile, transnational firms, trading companies, and financial houses have taken an unprecedented share of global wealth for themselves, evading taxes and avoiding regulations with impunity. Investors have had a field day.

No wonder the WTO has been unpopular among the public! Protesters have accosted its meetings, most memorably giant demonstra-

tions in Seattle in 1999 and in Hong Kong in 2005. Today, the trade system is more dysfunctional and crisis-prone than ever. The rich countries insist that trade issues stay off the agenda at the UN and they have recently moved away from the WTO in favor of bilateral and regional trade agreements, negotiated in closely-guarded secret lest the public learn what may be in store. Though world trade has reached unprecedented levels, public support for “free” trade, as currently practiced, is in steep decline. Had a different concept prevailed, the UN might have been a venue for more effective and just arrangements, for better sharing of the world’s wealth. Instead, with the public sidelined, the UN’s role on trade continues to be evaded, downgraded, and ignored.

Financing for Development

As early as the 1950s, experts recognized that funds for development assistance were not flowing into poor countries in sufficient quantity to produce serious, broad-based growth. By the 1960s, as a result of discussions at the UN and the analysis of economists like Jan Tinbergen, the rich countries agreed to a specific target for development aid, based on a percentage of their gross national product. As the debate continued, with increasing pressure from the post-colonial countries, donor governments made commitments to devote 0.7% of their per capita GNP to this purpose. A General Assembly resolution in 1970 affirmed the goal and called for speedy progress toward it. But afterwards nothing actually happened.

As time passed, most rich countries failed to reach the promised aid level, and the United States rejected the goal altogether. In fact, the average proportionate aid among all donors fell significantly. In terms of a new standard measure, Gross National Income, aid from all donor countries declined from 0.54% of per capita GNI in 1960 to just 0.30% in 2013. Rich

countries had grown much richer over the period, pointed out UN Under-Secretary-General Jan Egeland in 2004, but they had also become considerably more “stingy.”

The data, consistently inflated, masks even worse aid performance. Donor nations have included in their totals such extraneous items as export loans, military assistance, policy consultants, emergency relief contributions, and even internal costs for resettling refugees. Aid totals also have included assistance to middle-income or even high-income countries (like Israel), while aid has been disbursed largely in terms of geo-strategic considerations (Afghanistan, Egypt), not assessment of overall need. “Tied aid,” restricted to purchases in the donor country and transport on donor ships, has further reduced the value of assistance packages. Aid often takes the form of loans, carrying interest and repayment requirements, even if projects fail.

As these problems began to be widely understood, the entire enterprise of development assistance came to be widely seen as a false promise. G-77 delegations raised the matter in countless sessions of ECOSOC and the General Assembly, but to no effect. Donors replied that G-77 governments did not always use aid wisely, effectively or honestly. As each offender accused the other, conditions on the ground deteriorated: shantytowns exploded, rebel movements arose, incomplete development projects rusted in the jungle.

By the mid-1990s, UN experts and some member states began to reconsider development financing, not questioning the fundamentals (as they should have done) but searching for reliable revenue sources. Success, they hoped, would put the UN back in leadership of a truly effective and multilateral aid process. Two approaches in particular seemed to promise more financing—better collection of taxes by poor countries and what was called “new and

innovative” international revenue sources—in particular global taxes on financial transactions and taxes on carbon emissions. The UNDP Office of Development Studies began a broad study of the global tax ideas as funding for what it called Global Goods. Enthusiasm for this option grew.

In 2002, member states convened a UN summit conference in Monterrey, Mexico, to consider the options and build international support for it. It was a lively conference, with broad NGO participation and considerable enthusiasm. But the rich countries did not depart from previous scripts. While promising, once again to boost their aid to the 0.7% level, they urged aid recipient countries to rely primarily on their own (shaky and unstable) internal resources. The same rich countries refused to endorse moves for “tax justice” that would have enabled tax collection from international investors and transnational companies. As for global tax “innovations,” Washington and London flatly rejected them. The final Monterrey Consensus, as the outcome document was called, was another exercise in non-consensuality, forced on the others by the most powerful countries. It offered little to strengthen the UN, bring honesty into the debate, or promote the elusive “development financing.”

The nations convened two further UN conferences on this fraught topic: at Doha in 2008, during the worldwide financial crisis, and at Addis Ababa in 2015. In Addis, the G-77 insisted that new UN efforts on development would not be credible unless serious means were devised to finance them. It was time, they said, for change, after more than sixty years of aid failure and endemic economic crises. Once again, however, the powerful nations refused, insisting that private investments could be the answer. A process collapsed that might have served the needs of the poorest and revived the ill-starred fortunes of the UN.

Research & Analysis

Through the years, despite the policy setbacks, the UN has created research institutes, study centers, and intellectual projects that have produced impressive analytical work in the social and economic field. Internationally-minded intellectuals have rallied to these projects and brought to them a high level of talent. The UN Research Institute for Social Development in Geneva (1963) was a high-profile example. The New York-based Centre on Transnational Corporations (1975) was another. The United Nations University (1973), headquartered in Tokyo, was one of the largest and most ambitious such enterprises. Like the CTC, it was an expression of the optimistic seventies. In 1981, UNDP set up the Development Study Programme under Üner Kirdar, to consider human-centered development theory. The Brundtland Commission (1987) carried forward ideas of a global response to the gathering ecological crisis.

One of UNU's most influential offshoots, the World Institute for Development Economics Research (1984), based in Helsinki, studied poverty, inequality, and growth. In the late 1990s, under the leadership of Giovanni Cornia, WIDER published unsparing critiques of neoliberal policies, directly confronting the BWIs and their structural adjustment orthodoxy. Other UN researchers took up similar topics. Within the Children's Fund and its Florence-based Innocenti Research Centre (1988), Stephen Lewis, Richard Jolly, and others exposed the harsh effects of BWI austerity on the lives of children.

The *Human Development Report* of UNDP, launched in 1990 under the leadership of Mahbub al-Haq and Inge Kaul, was one of the UN's most ambitious and broadly influential intellectual projects. Appearing as an annual publication, the report sought to redefine "development" and give it a solid grounding in human well-being. The project was a clear salvo

against the World Bank's economy-centered *World Development Report*. At the heart of the HDR was a "Human Development Index," incorporating indicators of life expectancy, literacy, and education, ranking nations accordingly. The report touched off alarm bells in some capitals even before it was published.

Washington in particular was unhappy at its mediocre score in the HDR national ranking and demanded change. The team apparently shifted index weightings in favor of the economic component, and the U.S. eventually scored higher than originally anticipated. Innovation conceded to power. Over time, other pressures threatened the project and bent it in various ways. One early volume noted that Pakistan's outlays for military aircraft could instead have funded inoculations of all the nation's children, saving many lives. The government of Pakistan expressed outrage and threatened retribution. As member-state invective grew, the founders moved on. The Report's many worldwide editions continue to promote the human development idea, but the later editions have lost the vigor and originality of the early years.

Many other cases illustrate the problem. In 1992, incoming Secretary General Boutros Ghali abruptly closed the Centre on Transnational Corporations, object of constant attacks by corporations, host governments, and think tanks like the Heritage Foundation. And in the early 2000s, after pressure from the U.S. Congress, UNDP shut down the research of economist Inge Kaul and her team at the Office for Development Studies. The lawmakers disapproved of policy papers looking at the feasibility of international taxes on carbon and financial trades as financing for Global Public Goods—ideas they saw as a threat to U.S. business interests.

UN research on disarmament was well respected, but after 2000 it suffered serious budget cuts. It had always been unpopular

with influential arms manufacturing countries, among whom the P-5 were regularly the biggest producers and exporters. The UN has also had a reputation for its work on food and agriculture. In 2007, however, a major project on world agriculture, involving 900 experts, died a death of neglect and inattention. Its warnings about the coming crisis of industrial agriculture, though firmly based in science, were simply too unpopular among governments and companies to command a serious response. In recent years then, throughout the UN system, research has faltered, budgets have decreased, funders have tightened their grip, and pressure for intellectual conformity has increased.

Despite these disheartening developments, a few successes serve as proof of the UN's potential for international intellectual cooperation. Impressive work has been accomplished by the Special Rapporteurs and Independent Experts on such topics as the right to food, housing, education, mental health, and forty other subjects. The experts are typically scholars, serving pro bono for three year terms, provided with a small UN staff. They usually have a program of travel and investigation and they issue a series of reports that sometimes result in formal action by the Human Rights Council. The level of this work is very high and it is well-targeted for policy impact.

Most notable among the successes is the Intergovernmental Panel on Climate Change, a worldwide network of scholars, first established by the General Assembly in 1988. Though inevitably subject to pressures, the IPCC has maintained remarkable independence due to overwhelming support from scientists and policy makers. Its work is firmly established as the gold standard of global environmental assessment. The most recent multi-volume report (2014) brought together the work of more than 3,800 authors and experts from a large number of countries. The project stands as proof

that UN-based research is not only viable, it can be incomparable. The IPCC won the Nobel Prize in 2007.

Global Conferences

Like research, international policy conferences have provided an important tool for UN action. They address the most pressing issues of social and economic policy and gather heads of state or government to highlight the moment and endorse negotiated conclusions. Under the aegis of ECOSOC and the General Assembly, the nations prepare these events, commission scientific and political inputs, and negotiate political declarations and programs of action that are later confirmed and adopted by the General Assembly. Conferences took place from the earliest days of the UN, but such high-profile policy summits took hold as a regular feature of UN action in the 1970s.

The Conference on the Human Environment, held in Stockholm in 1972, helped define the modern environmental movement. The Food Summit in Rome in 1974 was another agenda-setting UN moment, as was the first Summit on Women in Mexico City in 1975. Ten conferences took place in the decade altogether and momentum continued into the 1980s. These conferences did not produce binding international law, nor did they address how progress was to be financed, but they established influential norms and powerful public expectations.

The 1990s marked the high-point of the UN global conferences. The UN Conference on Environment and Development in Rio (1992) attracted over 17,000 NGO representatives, thousands of diplomats and experts, and a huge press contingent. Major conferences followed the Environment Summit—on Human Rights in Vienna (1993), Population in Cairo (1994), Women in Beijing (1995), Social Devel-

opment in Copenhagen (1995), and Food in Rome (1996). These were some of the most democratic moments in the history of the UN. For each event, member states had organized a lengthy and open pre-conference negotiation process, known as a Preparatory Committee, with large NGO participation and considerable public input. The conferences achieved palpable momentum for the UN that seemed to lead towards a political breakthrough. The conferences called for action, and they covered important new ground. The press followed many of the events closely. The public responded with enthusiasm.

One powerful country in particular was unhappy at the progressive policy results and the citizen intrusion into the UN. In 1997, the U.S. ambassador told Secretary General Kofi Annan that there must be no more “extravaganzas” of this kind, insisting that they were “notoriously unproductive” and “too expensive” (though in fact they were paid for to a considerable extent by host governments and other donors). The U.S. Congress heightened the pressure by voting to withhold funds for any future conferences. The Secretary General and other key governments reluctantly acceded to the U.S. demand, but a vigorous campaign by NGOs and supportive member states insisted that a Conference Against Racism be held in 2001. Action by ECOSOC, the Human Rights Council and the General Assembly affirmed the plan. Conferences on Financing for Development as well as on Environment and Development were soon put on the calendar for 2002. The conference process was saved. Though conferences recovered, their opponents have kept up the pressure, succeeding in reorganizing the preparatory committees so as to lessen participation and NGO input. Conferences today continue the great topics of the 1990s at regular five-year intervals. Though they generate less excitement, they remain an important and well-established means for UN policy progress.

Development Goals

To extend the achievements of the conferences, some activist member states, NGOs, and Secretariat officials invented the “Millennium Development Goals” in the late 1990s. These were worldwide goals, endorsed by member states and embedded in an international agreement, with time-bound and numerical targets for economic and social progress. Like the *Human Development Reports*, the MDGs sought to re-define “development” by focusing on policy for well-being such as eradicating extreme poverty and hunger, achieving universal primary education, and reducing child mortality. Progress would be measured over a number of years, emphasizing long-term initiatives. In 2000, after lengthy negotiations, leaders and high-level representatives of 189 countries adopted eight “goals” with a fifteen-year time frame. The goals were very general and there was no clear process of financing, but progress seemed possible.

The UN Secretariat then worked to establish concrete benchmarks and detailed strategies for the MDGs. In 2002, Secretary General Annan named Jeffrey Sachs, an economist at Columbia University, as Director of the UN’s Millennium Project, a post he held for the next four years. Sachs was a controversial choice, since he was well-known for his powerful advisory role in economic “shock therapy” programs in Bolivia, Poland, and Russia, policies that caused widespread poverty and suffering. Today, as Director of the Earth Institute at Columbia University, he remains a high-profile figure around the UN with broad involvement in the organization’s development work and the same unfailing optimism that he brought to his Russian adventures.

With Sachs as the MDG theorist and organizer-in-chief, the nations set out to fulfill the MDGs—though financing was always in short supply. The 2008 financial crisis set back the

enterprise as the world economy fell into deep recession. Results over time proved decidedly uneven. China, with its enormous growth, pulled many of its citizens out of extreme poverty and ill-health, though this had little to do with the MDGs. Africa, on the other hand, registered increasing poverty and social dislocation. The worldwide MDG goals were certainly ambitious, but were they achievable in the absence of systemic change?

To give the MDGs their due, nothing of this kind would have been possible seventy years ago, at the time of the UN's founding. Even during the Social Development Summit of 1995, nothing so concrete was ever considered. In that sense, the UN reached a new level of aspiration and intergovernmental enterprise with the MDGs. But serious questions arise as to the meaning and effectiveness of the "goals" and how much the public knows about them. The powerful countries did not want heavy public input, so citizen attention has been modest.

Many of the defining MDG statistics are unreliable and subject to political pressure. UN statisticians have regularly re-calibrated the hunger data, but they have not succeeded in pushing the dial definitively in the desired direction. Halving the number of the hungry proved impossible, and most likely the number of undernourished has increased over the fifteen years. Statisticians also admit that data on extreme poverty are notoriously inexact, especially when defined in terms of U.S. dollars per day. So while the Secretariat has made optimistic claims, the real results are far less gratifying.

The biggest question of all is financial. Who will pay the bill for such ambitious social advances, particularly in a world beset by austerity, economic crisis, trade imbalances, and increasing income inequality? Certainly the rich countries have shown little appetite for further financial commitments. They evidently would prefer to extract wealth from these countries, rather

than make concessions to them. Undeterred, all the nations at the UN have renewed the exercise in September 2015 with a second round known as the Sustainable Development Goals (SDGs). There will be 17 goals this time and considerably more breadth to the program. Enthusiasm has again taken hold.¹

There is reason to doubt whether claims about future global progress under the development goals are well-founded. Observers wonder how the financial conundrum will be solved and how advances can be made, especially in the context of climate change. It seems a worthwhile endeavor, nonetheless. But there is a danger that this exercise will divert attention from failings of the global economy and the deeper change that may be required.

Corporations and the Mega Rich

While member states have stumbled in their leadership at the UN, corporations and the mega-rich have stepped forward. They have looked for new roles for themselves in the organization's political process and sought to shape the institution to their own priorities. Recently, the UN has opened its doors wide to such involvement.

Corporate connections to the UN are not entirely new. The Rockefeller family and U.S. financier Bernard Baruch were influential in the very earliest days of the organization (the Rockefellers donated the New York headquarters site). U.S. industrialist Maxwell Stanley started a foundation in the 1950s that engaged closely with the UN. In 1959, Secretary General Dag Hammarskjöld helped form the Business Council for the UN, a body that sought to boost business support for the organization.

¹ For more information about the SDGs, see Barbara Adams and Kathryn Tobin, *Confronting Development. A Critical Assessment of the UN's Sustainable Development Goals*, December 2014, www.rosalux-nyc.org.

Canadian oil and gas multi-millionaire Maurice Strong played an intriguing and paradoxical role in the organization's work over three decades. While continuing to amass a fortune in the oil, gas and minerals sector, Strong took leadership in the organization's environmental activities. He organized the Stockholm Conference on the Environment of 1972, served as the founding director of the UN Environmental Programme (1972-75) and played a powerful role as Secretary General of the Conference on Environment and Development in 1992. During his long association with the UN he advised several Secretaries General, ran emergency relief programs, handled delicate diplomatic assignments and was viewed as the UN's most influential *eminence grise*. He also had ties to the World Bank and served on boards of several multinational companies. His many reform projects at the UN were decidedly business-friendly. Over the years, other magnates gained influential UN posts. William Draper III, head of a large Wall Street venture capital firm, served as Administrator at UNDP from 1986 to 1993.

In the 1980s and 90s, U.S. corporations grew increasingly hostile towards the UN as they adopted a more neoliberal view of the world economy. The tobacco companies in particular saw the UN as an arch-enemy. They especially loathed the World Health Organization and its anti-smoking campaigns. The companies hammered the UN and devoted huge resources to media campaigns against the organization. These attacks, including more than 100 critical reports by the Heritage Foundation, persuaded Washington policy makers that they must "take back" the UN by stamping out its socialistic and redistributive tendencies. The U.S. cut its dues payments and threatened further consequences. The UN reacted with alarm, seeking to win over these powerful opponents. The closure of the Centre on Transnational Corporations in 1992 was one highly-visible conciliatory move.

In the 1990s, U.S. public relations firm Edelman promoted ideas about corporate branding through "international corporate social responsibility" and engagement with the United Nations—very novel concepts at the time. As these ideas took hold, a few corporate leaders recognized the opportunities. In 1997, U.S. media magnate Ted Turner, founder of the CNN news network, made a dramatic donation of a billion dollars to the UN (to be disbursed over ten years) at a time when the organization was suffering from great financial difficulties. The gift appeared surprising and quirky at the time, but in retrospect we can see it as part of a trend. Turner did not just hand over the funds and walk away. He set up a highly active charitable entity, called the United Nations Foundation, to disburse his money and promote his preferred UN projects. The UN, for its part, set up a Fund for International Partnerships, to receive this and other donations and help to implement them. It was a thoroughly political initiative with deep connections in Washington and it was highly committed to building corporate-style philanthropy at the UN.

The UN later set up the Office for Partnerships in 2006, described as a "gateway for the private sector and foundations." UNOP takes care of these favored clients. It organizes a variety of events like the Global Entrepreneurship Summit, the Global Summit on Innovative Philanthropy, and even a "summit" on the Insurance Sector. UNF is closely involved in the programming and the flows of foundation and corporate philanthropic funds to UNOP. UN Foundation today has corporate "partnerships" with the Bank of America, Deutsche Bank, Exxon Mobil, Dow Corning and Goldman Sachs among others. UNF has expanded its reach by taking a commanding role in the United Nations Association of the US, an NGO that was previously independent. Nearly two decades after Turner's original gift, and thanks to a cascade of funds from other sources, UNF is more influential than ever. In 2014, it signed a new

ten-year agreement for cooperation and partnership with the UN.

Microsoft founder Bill Gates, the world's richest person, started to make large grants to the UN and its agencies in the mid-2000s through his family foundation. The grants, many of which have been channeled through Turner's UNF, have totaled well over \$200 million in the past six years and they have inspired the cash-strapped UN and its agencies to seek even more outside funding of this type. Gates' money has financed a variety of projects on issues such as HIV/AIDS, malaria, global health, clean water, and agricultural development.

Critics have pointed out that the gifts promote market-oriented programs consistent with Gates' own investments in pharmaceutical and agribusiness companies. Gates also channeled much of his largesse towards the MDGs. His donations and his role on the MDG Advocacy Group enabled him to shape MDG implementation. In September 2008, spoke at a special meeting of the General Assembly on the MDGs and he joined a news conference with two heads of state and the Secretary General. Recently, Gates has tried to shape the new SDGs, but with less success. He has made it known that he finds them too "political" and too much oriented towards redistribution.

The most important moment in the rise of business influence at the UN was undoubtedly the founding of the Global Compact in 2000. Secretary General Kofi Annan, influenced by his policy chief John Ruggie, created the project in consultation with the International Chamber of Commerce. The UN asks companies to join the Compact and adhere to eight "core principles" of labor standards, human rights and environmental sustainability, in the framework of "corporate social responsibility." The Compact offers good publicity with no strings attached. There are branding opportunities but no systematic reporting, oversight, or demonstrated

progress towards implementing the principles. The Compact visibly demonstrated that the UN, as an institution, was beginning to work with the corporations, to recognize them as "stakeholders," and to listen closely to them. In fact, as soon as Ruggie joined the UN in 1997, the World Economic Forum installed videoconferencing screens in the offices of key UN officials, so that corporate CEOs could talk to them directly. Ruggie left his post in 2000 to take up a professorship at Harvard, but he has remained deeply involved with the UN ever since. In 2005, he was named Special Representative of the Secretary General for Business and Human Rights. He has steadfastly steered the organization away from formal and binding corporate codes towards voluntary options.

The Compact announces that it does not discriminate in its membership, but in fact it does not include major arms manufacturers or tobacco firms. It does, however, include as prominent members many firms with troubling records on the core principles, including Nestlé, Shell, Rio Tinto, and BP. The Compact as of 2015 claims to have a membership of more than 10,000 firms, far more than the number of NGOs with consultative status. The Compact holds high-profile conferences with corporate CEOs and smoothes the way for corporate integration into the UN policy process.

Today, the UN has "public-private partnerships" and close relationships with many companies. Increasingly, CEOs consult with the top UN leadership, speak at conferences, and participate in "dialogues" with the General Assembly. The agencies, funds and programs, as well as the UN itself, have formal "partnership" agreements with hundreds of companies. Corporations put up funds for UN programs, carry out UN programs directly on an outsourcing basis, and use the relationship as part of their worldwide branding campaigns. UNICEF,

for example, has partnerships with Barclay's, Gucci, H&M, IKEA, ING, and Montblanc (among others).

The companies host lobster luncheons, slick seminars, and well-crafted conferences at the UN, especially during the week in late September when many heads of state and ministers are in town for the opening of the General Assembly. Unilever sponsors events on sustainable farming, even though its palm oil plantations are notorious for their harmful effects on the environment. Pepsico, producer of Pepsi Cola and snack foods, is a major participant in UN food policy and nutrition dialogues.

The UN has traveled a long distance from the 1970s when corporations were a legitimate subject of criticism and the CTC was founded. The UN is aware that companies have tremendous resources. Some, in fact, have annual revenues more than a hundred times larger than the UN's regular budget and they spend billions of dollars to win public approval and shape policy. Given the enormous size and political might of the corporations, a very strong opposition would be needed to alter this trend.

NGOs and Citizen Advocacy

Citizens from every quarter come to the UN to press their case and advance their cause. Back in the organization's early days, many advocated for national independence, but others promoted women's rights, workers' rights, social protections, religious freedom, and much else. Today there are more advocates than ever: academic experts, lawyers, trade unionists, indigenous peoples' representatives, landless peasants, radical ecologists, gender rights proponents, and many others. All come to tell their story and plead for policy consideration by the member states. There are mo-

ments in the corridors when blue jeans and head feathers outnumber the pinstripe suits. The UN is not unique among intergovernmental bodies in listening to citizen voices. But it is unique in offering Charter-based "consultative" status to non-profit citizen groups or non-governmental organizations (NGOs), rights that allow certain NGOs to attend meetings, to participate in debates, and to circulate statements and policy papers. Over the years, the UN has expanded this access, though a series of rule changes and flexible practices, agreed by member states.

NGO participation, following a great upward curve, peaked during the era of the global summit conferences. In 1996, governments broadened considerably the definition of NGOs with rights to formal accreditation. NGOs then sent more representatives, and the number visiting the UN headquarters complex grew considerably. For the summit conference preparations and negotiations, thousands of NGOs came to the UN from every corner of the globe. In regular advocacy work at the organization, NGO representatives knitted close working relations with Secretariat officials, diplomats, and experts.

NGO status changed for the worse in a short space of time. The UN's security department greatly tightened security rules after the World Trade Center attacks of September 11, 2001, making NGO physical access to UN buildings (especially in New York) much more difficult. Certain areas of the headquarters complex were defined as entirely out of bounds to NGO representatives. Over time, as new "threats" were perceived by the security department or U.S. authorities, NGO access narrowed further.

At about the same time, a number of member states tightened their security systems at home and established new rules governing NGOs—rules that provided less space for in-

dependent NGO voices. These governments saw NGOs criticism as threatening, and they imposed formal registration, financial controls, and forms of censorship. The controls sometimes shut down prominent NGOs entirely or made it more difficult for the organizations to raise and spend money. At the same time, the U.S., Britain, and other Western countries increased their partnerships with humanitarian and relief NGOs, so that half or more of the budgets of these organizations came from direct government funding. This arrangement had a negative effect, since those receiving the funding were much less inclined to offer criticisms and independent assessments of the governments funding them. Though the number of NGOs at the UN continued to increase, NGO voices tended to decline in vigor.

In 2003, Secretary General Kofi Annan surprised the NGO community when he proposed a blue ribbon panel, headed by former president Fernando Cardoso of Brazil, to examine reform measures relating to “civil society” at the UN. The Panel was told to consider UN relations not only with NGOs but also with “other civil society actors”—taken to include parliamentarians, think-tanks and (especially) business firms. John Clark, a longtime public relations officer at the World Bank, was appointed project director for the panel. Clark consulted NGOs extensively but did not heed them. It was clear from an early stage that he had a prepackaged agenda—one that would politically alter the values of the organization and magnify the neoliberal policy message.

Submitted in 2004, the Cardoso Report contained disturbing views. It spoke of the UN as a setting for “multi-stakeholder dialogues” rather than global decision-making. The report constantly reiterated ideas about “partnerships” and “networked governance” that are popular in neoliberal discourse, but very problematic as alternatives to democracy and public accountability. The report often referred

vaguely to “other civil society actors” but in particular supported more business involvement. The report said nothing about key NGO concerns, conveyed clearly to Clark, about the UN’s newly-restrictive security environment, or about efforts by member states to weaken, subordinate, and control NGOs. NGO leaders vigorously opposed the Cardoso Panel report and the matter languished in the General Assembly, but the UN as an institution began to implement the program.

Secretariat experts informed General Assembly presidents that “interactive dialogue” was to be the new mode of consultation. The Secretariat (with clear support from powerful delegations) began to interpose itself between NGOs and member states, selecting NGO representatives that it considered appropriate interlocutors. In the previously open process, NGOs had chosen their own spokespersons and organized their own relationships with governments. Now a delicate choreography arose, screening diplomats from critical and grassroots opinion and privileging large, well-funded and centrist NGOs with whom Secretariat officers were most comfortable. Corporate and foundation chieftans, BWI representatives, leading parliamentarians, and big city mayors were now part of the “dialogue” mix. Formal speeches, not interaction, would be the norm.

Some who lobby at the UN still go away satisfied. But most experienced campaigners are painfully aware of the limits they face at the UN today and the strength of the conservative forces against which they work. Advocates have sought to strengthen their hand in recent years by building global NGO networks and alliances, but these are fragile and often depend on the largesse of big foundations with centrist political agendas. Far-sighted campaigners wish for powerful transnational political movements to press for transformative policies.

UN Reform

Governments, NGOs, and intellectuals of various hues have regularly urged UN reform. Waves of reform enthusiasm regularly generate reports, debates, working groups, negotiations, and reorganizations, but not always significant progress. Reform advocates often mistakenly attribute the organization's shortcomings to institutional architecture rather than the behavior of member states or the interests of powerful lobbies.

"Reform," of course, is in the eye of the beholder. Conservative reformers usually want to downsize the organization, a process often referred to as "streamlining," and "re-engineering." Conservatives want to clip the UN's wings on social protection, regulation and redistribution. Conservative reform discourse makes little pretense of favor toward the organization. John Bolton, U.S. Assistant Secretary of State and UN Ambassador, represented the crudest version of the conservative approach when he said flatly that "ten stories" could be removed from the UN Secretariat building and "it wouldn't make a bit of difference." By contrast, liberal reformers affirm the work of the organization and suggest a stronger global role for it. They often propose more internal democracy and more work in the social and economic fields.

In the run-up to the fiftieth anniversary in 1995, many reports, conferences, and books appeared, proposing specific reform measures. Some claimed that the end of the Cold War offered new opportunities for the UN and for global harmony and social advancement. Blue-ribbon panels like the Commission on Global Governance proposed a variety of changes in an effort to prepare the UN for what they saw as its role as manager of the new world order. But the P-5 were not enthused and members of the U.S. Congress were vehemently opposed. These legislators castigated

the UN for over-reaching and accused the organization of stealthily seeking to reduce world poverty and universalize healthcare. Congress urged the UN to focus instead on "attainable goals and useful activities" like disaster relief and humanitarian assistance. In practice, little change in the UN's architecture occurred on the fiftieth year, but the institution was evolving. It quickly adapted to the internet and the human-rights process was strengthened.

Since 1995, there have been several further reform rounds. Blue-ribbon panels have been appointed, conferences convened, proposals written. The arch-conservative John Bolton, as U.S. ambassador, nearly wrecked the reform debate in 2005 when he summarily deleted dozens of paragraphs of carefully negotiated text prepared by the General Assembly. In the same period, liberal opinion, much discouraged, lost some of its prior enthusiasm for UN reform.

Not surprisingly, then, conservative proposals have been in the ascendancy, such as the Global Compact and the "stakeholder" process coming out of the Cardoso Report. There have also been revised management practices, recommended by consultants like McKinsey & Co, that have narrowed the Secretariat's goals and turned work away from broad horizons and great aspirations. There have also been steep reductions in the UN's Department of Public Information, cutbacks in its Department (now Office) of Disarmament Affairs, outsourcing of UN functions to private firms, and broad research reductions. On the more positive side, member states have created the new Human Rights Council (a stronger version of the previous Commission), upgraded the Central Emergency Response Fund to provide rapid funding in humanitarian crises, and, of course, pursued the Development Goals.

Conclusion

At UN headquarters in New York, construction crews are completing refurbishment of the building complex following years of neglect. Today, though the UN has renewed its striking modernist campus, the organization urgently needs political and organizational renovation. For 70 years, the UN has survived and evolved, but the most powerful member states have blocked significant change, preventing adaptation to global conditions and ruling out the possibility of transformation.

The UN is not now capable of managing an increasingly chaotic world or providing a path towards a democratic and sustainable future. As we have seen, the UN's economic and social role has been purposefully weakened, its structures balkanized, its work in trade and finance marginalized, its research undermined, and its reforms turned away from the most important topics.

At the heart of the UN dilemma is the role of the Permanent Five, who rule the Security Council and cast their shadow of special privilege over the entire organization. Their constitutional permanency freezes power relations in a changing and dynamic world and renders the UN increasingly out of synch with global realities and planetary needs. The P-5 prefer to pursue their own interests and they have little impulse to strengthen the world body, preferring to keep it weak and subordinate.

The UN also stumbles because of its perpetual financial crisis. Over recent decades, while nations have given it many new mandates, they have not provided the resources necessary to do the job. The United States, in particular, has been adamant that the budget is too large, that the UN must "do more with less." As a result, the UN's regular annual budget of \$2.7 billion is pathetically small—barely more than the

budget of the Tokyo Fire Department and just a small fraction of the \$78 billion budget of the City of New York. The UN cannot perform, even up to modest expectations, if it does not have substantially greater funding—many times the current level. Such funding could easily come from taxes levied globally, such as fees on carbon emissions or financial transactions. Serious governance must rely on a solid financial base.

To oversee a renewed and financially strengthened organization, there would have to be new and more democratic forms of oversight and political control. This would have to take the form of an elected parliamentary chamber that could connect directly to public concerns and turn the organization into an instrument of popular sovereignty.

There are unmistakable forces of change that may positively alter the UN's trajectory in the near future. Shifting power balances among the nation states are eroding the hegemony of the single superpower and the status and legitimacy of the P-5. A more diverse global system will likely increase the need for a global political institution. A second change is the weakening of nation states themselves through the effects of a neoliberal economic order. This is transforming the nation-centered system on which the UN was built and opening the way towards new forms of power and representation at the global level. Finally, crises in the global political economy—especially the twin threats of economic instability and climate change—create a new need for global action that transcends the narrow bounds of nation states and requires bold, coordinated, and democratically-agreed initiatives.

Debates at the UN over the years have been often energetic and tumultuous. The voices raised have been at times inspiring and

far-sighted. But the great forces of the day have kept the institution on a drastically limited course. Today, the political ground is shifting. Change may be in the offing and it may come sooner than anyone thinks.

What, then, will provide the dynamism and political strength that is required for transformational change? Governments cannot be counted on. The answer must come from citizens, acting across borders, to shape the future and mobilize around a common program. In short, there must be a global democratic political movement to reclaim the UN, affirm its

purpose for the common good, and transform its mode of operation. This is our best and perhaps only chance.

The UN, we should remember, has a considerable reservoir of public legitimacy. It benefits from a public awareness that bold steps must be taken before it is too late. In the UN's seventieth year, then, we need a global mobilization for social, economic, and ecological justice, calling for a revived, transformed, well-financed, and democratized United Nations. Then "We the Peoples" can at last be a watchword for human progress.

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