

# UN Historical Development and the current Financial crisis

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**Source:** *The Hindu*

**Manifest pedagogy:** UN in the recent years is facing one crisis after another. UN is facing a huge financial and administrative crunch along with arm-twisting by USA for its political stances. The recent issue which has come up is the UNESCO funding issue which has been asked as an issue in GS-Paper 2 of 2019 CSE MAINS. In this light all issues associated with UN and its role in global politics along with Indian contribution to UN are important for the exam.

**In news:** United Nations (UN) is undergoing administrative and financial crisis.

**Placing it in syllabus:** International organisations

**Static dimensions:** History of UN foundation

**Current dimensions:**

- UN contribution to world
- UN administrative and financial challenges
- India's contribution to UN
- UN dependency on USA

**Content:** History of UN foundation:

- UN is an international organization founded in **1945** after the Second World War by 51 countries.
- It provides a forum for its **193 Member States** to express their views, through the **General Assembly, the Security Council** and other bodies and committees.
- It has **4 main purposes**—

1. To keep peace throughout the world;
2. To develop friendly relations among nations;
3. To help nations work together to improve the lives of poor people, to conquer hunger, disease and illiteracy, and to encourage respect for each other's rights and freedoms;
4. To be a centre for harmonizing the actions of nations to achieve these goals.

### **Important summits:**

1992: United Nations Conference on Environment and Development

1993: World Conference on Human Rights

1994: International Conference on Population

1996: Second UN Conference on Human Settlement (HABITAT II)

2000: Millennium Summit

2002: International Conference on Financing for Development, World Summit on Sustainable Development

2006: High-level Dialogue on International Migration and Development

2010: United Nations Summit on the Millennium Development Goals

2011: United Nations Conference on Least Developed Countries

2012: United Nations Conference on Sustainable Development (Rio+20)

2013: United Nations Forum on Forests 10

2014: World Conference on Indigenous Peoples

2015: United Nations Sustainable Development Summit

2019: UN climate change summit

## UN contribution to world:

### Economic:

- Promoting Development through improving living standards and human skills and potential throughout the world guided by the **Millennium Development Goals (MDGs)** ( now **SDGs**).
- The UN Children's Fund (**UNICEF**) works in more than 150 countries, primarily on child protection, immunization, girls' education and emergency aid.
- The International Fund for Agricultural Development (IFAD) provides **low-interest loans and grants to very poor rural people**.
- **Africa receives 36 percent of UN system expenditures** for development, the largest share among the world's regions.
- **UN Women** is the UN organization dedicated to gender equality and the empowerment of women.
- UN has provided the "**soft infrastructure**" for the global economy by negotiating universally accepted technical standards in diverse areas by facilitating economic activity and reducing transaction costs.
- The Food and Agriculture Organization of the UN (FAO) leads **global efforts to defeat hunger**.
- The UN Conference on Trade and Development (**UNCTAD**) has helped developing countries to **negotiate trade agreements and win preferential treatment for their exports**.
- The **International Monetary Fund (IMF) and the World Bank** have helped many countries to improve their economic management, provided temporary financial assistance to countries to help ease balance-of-payment difficulties.

### Social:

- Improving Literacy and Education
- The UN Educational, Scientific and Cultural Organization

(**UNESCO**) has helped 137 countries to protect ancient monuments and historic, cultural and natural sites.

- UNESCO has encouraged scholarly and scientific cooperation, **protection of cultural heritage and promotion of cultural expression, including for minorities and indigenous people.**
- The **UN University** is a global think tank and postgraduate teaching organization whose activities contribute to capacity building in developing countries.
- UN events **bring together experts and policymakers, as well as activists,** from around the world for prompting sustained global action.
- The **UN Human Settlements Programme (UN-Habitat)**, is aimed at turning Slums into Decent Human Settlements and seeks innovative solutions for towns and cities.

## **Political:**

- The **International Criminal Court** is an independent permanent court that investigates and prosecutes persons accused of the most serious international crimes—genocide, crimes against humanity and war crimes.
- Over 560 **multilateral treaties on human rights, terrorism, global crime, refugees, disarmament, trade and many other matters have been negotiated and concluded** through the efforts of the UN.
- **International Court of Justice (ICJ)** has helped to **settle international disputes** involving territorial questions, maritime boundaries, diplomatic relations, State responsibility, the treatment of aliens and the use of force, among others.
- The 1982 UN Convention on the Law of the Sea (**UNCLOS**) **provides the legal framework for all activities in the oceans and seas.**
- **The UN Office on Drugs and Crime (UNODC)** works with

countries and organizations to **counter transnational organized crime** by providing legal and technical assistance to fight corruption, money-laundering, drug trafficking and smuggling of migrants.

## **Environmental:**

- The **Intergovernmental Panel on Climate Change (IPCC)**, which brings together 2,000 leading climate change scientists, issues comprehensive scientific assessments every five or six years.
- The 196 members of the UN Framework Convention on Climate Change (**UNFCCC**) **are negotiating agreements to reduce emissions** that contribute to climate change and help countries adapt to its effects.
- The UN Environment Programme (**UNEP**) and other UN agencies have been at the forefront in raising awareness.
- The **Global Environment Facility (GEF)** brings together 10 UN agencies and funds projects in developing countries.
- UN as an international forum is tackling global problems such as ozone layer depletion, toxic waste, loss of forests and species, and air and water pollution.
- As a result of a treaty known as the **Montreal Protocol**, countries have been phasing out chemicals that cause the depletion of the ozone layer and replacing them with safer alternatives.
- **FAO monitors global fisheries production** and works with countries to improve the management of fisheries and promote responsible international fish trade.
- The **Stockholm Convention on Persistent Organic Pollutants** seeks to rid the world of some of the most dangerous chemicals ever created.
- **Other UN conventions** and action plans help to **preserve biodiversity, protect endangered species, combat desertification, clean up seas and curb cross-border movements of hazardous wastes.**

## UN administrative and financial challenges:

- The U.N. is facing a cash crunch as its core peacekeeping and regular budgets are in a deteriorating state.
- Though member states are legally obliged to pay pre-determined contributions to the UN's regular and peacekeeping budgets, over recent years, payments to the UN coffers have started to come later and later.
- The overall funding crunch has coincided with the US administration withdrawing from UNHRC and recently UNESCO.
- By the end of 2018, the UN owed \$255 million of outstanding reimbursements to the troops and police-contributing countries.
- Due to the delaying reimbursements the ability of troop contributing countries to deploy troops is getting reduced.
- This could have serious repercussions for the vulnerable people across the world where peacekeeping missions are intended to serve.
- Reaching agreement among the 193 members of the General Assembly on meaningful change to how the UN's finances work won't be easy.

Hence, U.N. Secretary-General Guterres has now come forward with an ambitious **set of proposals** for removing restrictions and building more resilience.

1. Ensuring there are bigger reserves for both the regular and peacekeeping budgets which would allow the secretary-general to have a larger buffer against late payments from member states.
2. Flexibility to re-prioritize resources across different parts of the regular budget and manage the funds flowing in to individual peacekeeping missions as a pool.
3. To streamline processes so that the secretary-general can bill member states for a whole year of a

peacekeeping mission. Right now, the UN has to send multiple bills based on when the Security Council renews a mandate.

### **India's contribution to UN:**

India is one of the **founding members of the UN**. It signed the Declaration by the United Nations at Washington on 1 January 1942 and also participated in the historic UN Conference of International Organization in San Francisco from 25 April to 26 June 1945.

India has always been a strident voice at the UN as it founded the Non-Aligned Movement (NAM) and the Group of 77 developing countries that argued within the UN for a more equitable international economic and political order.

- India has been a **non-permanent member of the UNSC seven times** – 1950-51, 1967-68, 1972-73, 1977-78, 1984-85, 1991-92, and 2011-2012.
- India was one of the first countries to raise the issue of apartheid in South Africa at the UN in 1946.
- India co-sponsored the landmark 1960 Declaration on the Granting of Independence to Colonial Countries and Peoples.
- India was one of the earliest signatories to the Convention on Elimination of all forms of Racial Discrimination adopted in 1965.
- In 1996, India along with 20 other countries submitted an action plan for phased elimination of nuclear weapons (1996 – 2020).
- **India along with Brazil, Japan and Germany** formed the **G4** in 2005 to demand UNSC reforms.
- In 1996, India piloted a draft **Comprehensive Convention on International Terrorism (CCIT)**
- India is a major contributor to the UN Democracy Fund founded in 2005.
- India has contributed over 1,60,000 troops to 43 of 64

UN peacekeeping operations making it the fourth largest contributor.

- Indian armed forces are part of seven of the 14 ongoing UN peacekeeping missions.

### **UN dependency on USA:**

In June 2018, the US withdrew from the United Nations Human Rights Council (UNHRC) accusing it of “chronic bias” against Israel. The council had voted to probe the killing of scores of Palestinian protesters in the Gaza Strip and accused Israel of excessive use of force. (The US is the first country ever to drop out from UNHRC voluntarily).

The move was seen as a step towards **US’ increasingly isolationist approach** towards international institutions since US President Donald Trump took power. This move affects the financial position of U.N body for which the US was the largest contributor all these years.



Also when the world is facing political turmoil across countries, illegal migration, human trafficking, war crimes, US withdrawal might put the credibility of UNHRC to test.

Before, the Trump administration had **withdrawn from the Iran nuclear deal** despite protests from its European allies and **from the Paris agreement to combat climate change**.

In October, 2018 US withdrew from UNESCO which would weaken its finances and central policy focus. The impact of future cultural interventions by the US in other countries may also be weakened.

Withdrawal of US from U.N. backed Paris climate agreement will make it more difficult for developing countries to mitigate and adapt to climate change and less likely for these countries to achieve the 2 °C target of the Paris Agreement.



Under the principle of common but differentiated responsibility (CBDR), developed countries are obligated to provide climate financing to developing countries. The U.S. has been the top donor to the GEF contributing around 21% of its total shares.

US has appropriated US\$ 1 billion so far towards Green Climate Fund (GCF), accounting for 40% of the total US\$ 2.42 billion fund. The Trump Administration decided to terminate the donation, which reduced America's share to 6.4%.

Recently the US President announced that the US will withdraw its support for a United Nations Arms trade treaty regulating the multibillion-dollar global arms trade. The US had signed the treaty in 2013 but never ratified it.