The United Nations Financial Crisis

In the calendar year 1986 the United Nations faced the worst financial crisis in its history. The immediate problem was the failure of a number of member states, especially the United States (whose assessed contribution is 25% of the budget) to pay their full assessments. But the financial crisis was also the result of excessive growth in program expenditures, and cost increases which went beyond the collective capacity of member states to pay. Over time, some sort of financial crisis was inevitable, given the disparity between available resources and new program requirements.

The human rights program of the United Nations is relatively small, accounting for approximately 0.7 per cent of the total budget of the organization. But this figure is slightly deceptive, as a number of operational expenditures, such as conference services for the various United Nations commissions and committees, come out of the budgets of other divisions within the system. Nevertheless, because of the financial crisis, even the modest human rights program was asked to absorb program reductions, as the Secretary General made an across-the-board cut of ten per cent in the total budget of the organization. Many of these cuts came in the area of contract services, part-time help, conference services, travel and other discretionary items. Of particular significance, it was decided that there would be no 1986 session of the Sub-Commission on Prevention of Discrimination and Protection of Minorities, nor of its Working Group on Indigenous Populations. The Human Rights Committee had its annual sessions reduced to two in number from three. For somewhat different reasons, a session of the Committee on the Elimination of Racial Discrimination was not held in 1986. At the recommendation of the Secretary General, summary records were eliminated at many meetings of U.N. bodies, including the Commission on Human Rights and the Sub-Commission.

In a highly controversial decision, the Secretariat also decided to place strict limits on reports by special reporters. Several reports were edited severely, and in the cases of reports on Afghanistan, Iran, El Salvador and Chile, the reports were so bereft of content that they proved to be virtually useless as a basis of sound information or discussion. To compound the problem, additional material which had been produced in one of the official languages of the United Nations was allowed to remain in reports done in that language. The result was that some reports in various languages were short; the same report in another official language was