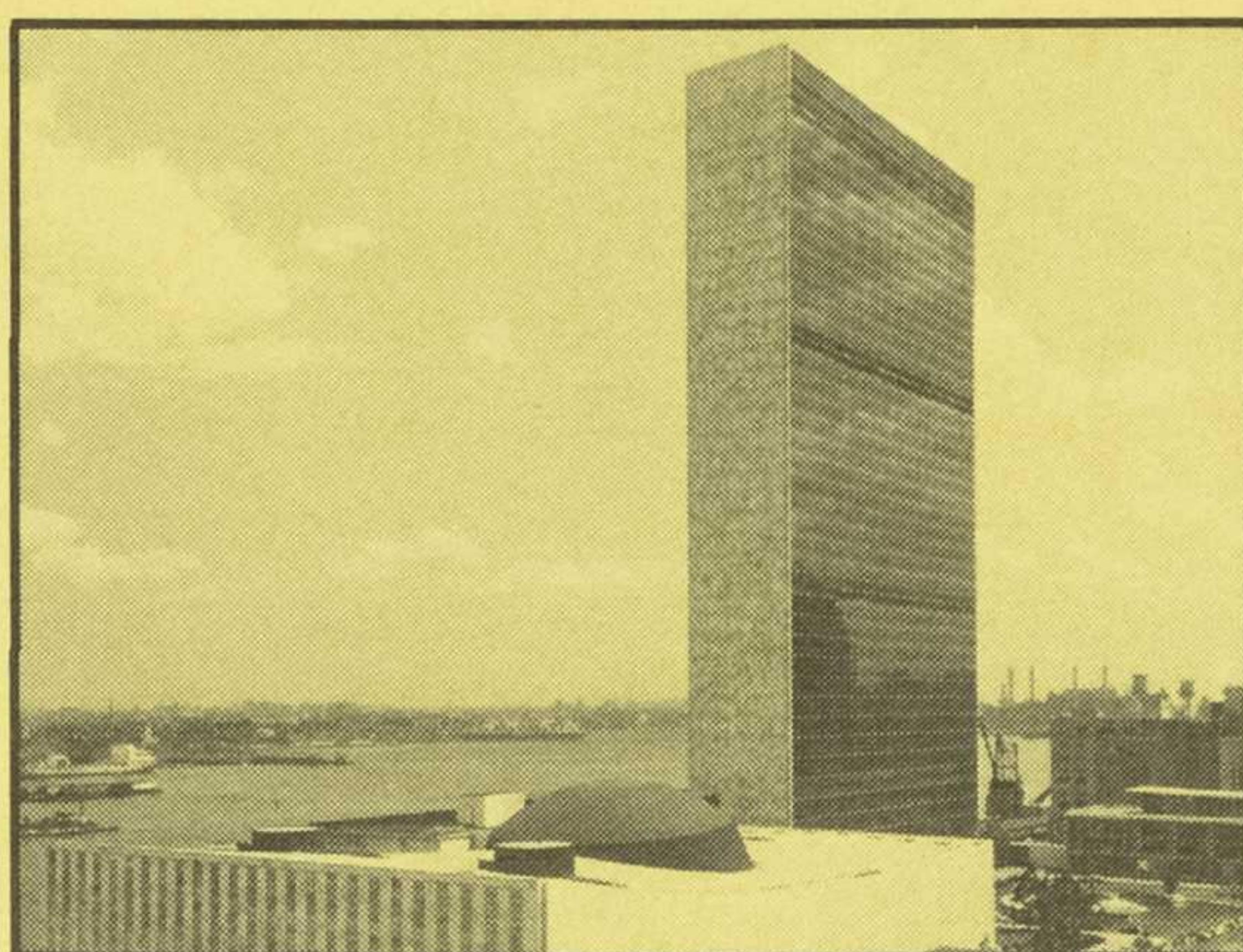


THE RELATIONSHIP OF U.N. FUNDING TO U.N. REFORM



This 14 point U.N. reform program advances the necessary elements for an orderly, peaceful and more just world. To advocate less would be to compromise the future of our children.

Recently there has been significant progress in U.N. reform. The U.S. took the initiative in getting the U.N. to undertake significant changes in administrative streamlining and budget procedures. The latter gave our nation more influence over U.N. spending. These improvements caused President Reagan to congratulate the U.N. for 'achieving historic U.N. reforms.' Moreover, last year Congress enacted legislation to create a U.S. Commission on Improving the Effectiveness of the U.N. thereby adding to the momentum to upgrade the world organization.

The internal changes at the U.N. were made in response to Congress in 1986 cutting in half the U.S. assessed contribution to the regular U.N. budget. This action was opposed by the Administration. The understanding from Congress was that the U.S. would return to full funding if changes were made in administrative reform and budget procedures. These changes were made. Numerous staff positions were eliminated and budgetary matters are now referred initially to a U.N. Committee on Program and Coordination, where decisions are made by consensus, thereby giving the U.S. in effect a preliminary veto.

In 1987, however, Congress did not return to full funding, appropriating only 144 million of an assessed contribution of 212 million dollars. Of the 144 million only 100 million had been paid as of 7/1/88. For the 1988 U.S. assessment it is likely there will be a similar shortfall. The result is that in 1989 the U.S. will owe the U.N. over \$450 million in assessed, legal obligations. These withholdings are causing a severe financial crisis at the U.N. Our European allies strongly urged the U.S. to return to full funding, so as to match the recent record of the Soviets.

Secretary of State Shultz testified that additional progress on U.N. improvements hinges on the U.S. meeting its financial obligation to the world organization.

If you believe the U.N. should be improved, please contact the President, your two Senators and your Congressperson and urge full funding of the U.N.

(Over, please.)