



UNITED NATIONS ASSOCIATION
of the United States of America
AND THE BUSINESS COUNCIL FOR THE UNITED NATIONS



Talking Points on the Oil-for-Food Programme

Allegations surrounding the United Nations Oil-for-Food Programme are being made daily. This situation presents many challenges to UNA-USA and other supporters of the UN due to its sheer complexity, the lack of definitive information, and the fact that many long-time critics of the UN are using this story as a vehicle to ratchet up politically motivated attacks. To help UNA-USA members and others understand the issue and respond to misperceptions and false allegations, we have drafted the following set of talking points.

- The Oil-for-Food Programme was established by the UN Security Council to respond to the dire humanitarian needs of Iraqi civilians resulting from Saddam Hussein's dictatorial rule and to help the unintended victims of the international sanctions against Saddam. **The Programme achieved its purpose—enough food rations were distributed through the Programme to feed all 27 million Iraqi residents and malnutrition among Iraqi children dropped by 50 percent during the life of the Programme.** In addition, the Programme substantially increased the availability of potable water, electricity, medicine and healthcare, transportation and telephones.
- **The UN Security Council—not the Secretary-General or his staff—had ultimate oversight authority for the Oil-for-Food Programme.** Specifically, the members of the Security Council's 661 Committee, including the United States, were responsible for monitoring all contracts awarded under the Oil-for-Food Program. As such, only Security Council members had the power to hold up contracts for further investigation. Evidence suggests the Council did not “rubber stamp” the contracts; in fact, the US and the UK held up about 5,000 contracts suspecting Saddam was trying to import weapons of mass destruction materials. But the Security Council members did not hold up a single contract for concern that Saddam's regime would profit. The UN Secretariat forwarded every contract to the Committee for its review.
- **By all estimates, the scope of Saddam's alleged abuse of the Oil-for-Food Programme pales in comparison to his illegal oil smuggling through Jordan, Turkey, Syria and Iran.** The UN had no responsibility for preventing these shipments, a large proportion of which occurred prior to the creation of the Programme. The report of the US Iraq Survey Group (the “Duelfer report”) estimates that \$1.7 billion of the total \$10.9 billion of Saddam's illicit revenue—or just 16 percent—was related to the Oil-for-Food Programme.
- Saddam would only consent to the establishment of a humanitarian Programme if his regime was able to select the contractors and negotiate the terms. This compromise, which resulted after several years of stalemate between the Iraqi government and the Security Council over the implementation of the Programme, ultimately set the stage for abuse by Saddam.
- **Allegations that Saddam abused the Oil-for-Food Programme to enrich his regime and that UN officials profited personally through bribes and kickbacks are extremely serious.** Getting to the bottom of these assertions requires a thorough, independent

investigation—particularly because the Oil-for-Food Programme involved a variety of actors with different responsibilities distributed among the Security Council members, the Secretariat's Office of the Iraq Program, the Iraqi government, several other UN agencies and numerous private corporations.

- **Secretary-General Kofi Annan has taken these allegations very seriously. He has appointed an Independent Inquiry Committee chaired by former US Federal Reserve Chair Paul Volcker to investigate all charges**, including accusations against UN officials and the Secretary-General's son, Kojo Annan. Furthermore, the Secretary-General directed all UN staff to cooperate or risk dismissal. The Volcker Committee intends to release a preliminary report in January 2005. A final report is expected in mid-2005. All information related to the inquiry will be released as soon as the investigation is completed. **The Volcker report will take time but it will be objective, thorough and fair. This report can be used to judge the situation and to better manage and prevent future humanitarian Programmes from being abused by the world's tyrants.**
- The stakes are too high to form judgments based on partial and unverified information. Speculation only further complicates an already complex issue. **Premature judgments of guilt violate fundamental principles of fairness.** In the event that the investigation reveals abuse or illegal profit from the Programme on the part of any individuals, companies, and/or groups, the Secretary-General has made it clear that appropriate actions against such parties will be taken, including the lifting of immunity which would make it possible for UN officials to stand trial.
- **Uncovering the truth about the Oil-for-Food Programme will require cooperation from not only the UN, but from dozens of governments and private corporations. We should demand full and expeditious cooperation from each of these groups.** The five permanent members, including the US government, have not cooperated with Volcker Committee. Clearly, several of these governments were far more knowledgeable about what happened in the establishment and monitoring of the Oil-for-Food Programme than the UN Secretariat.
- **It is important to remember that without a humanitarian Programme for Iraqi civilians, the sanctions against Saddam's regime would probably have collapsed for lack of international political support—making it easier for Saddam to develop WMD.**
- **Kofi Annan is a uniquely respected world leader.** The attacks on the Secretary-General constitute an effort to undermine the UN, which is a real objective for many of those who are distorting the facts of this complex issue. Calls for his resignation are extreme and unwarranted. Most the world's governments stand behind the Secretary-General and strongly support the UN.
 - **Kofi Annan can boast many significant accomplishments during his tenure as Secretary-General:** persuading the world's governments to adopt specific, time bound goals for combating poverty in *The Millennium Declaration*; spurring the creation of the Global Fund to Fight AIDS, Tuberculosis and Malaria; helping select an interim government in post-Saddam Iraq; forging an international response to the violence in East Timor; and helping to establish the first democratically elected government in Afghanistan, to name just a few.
 - **Kofi Annan has been a strong advocate for transparency and accountability at the UN, even in difficult times.** For example, he commissioned an independent

investigation into the UN's actions related to the Rwandan genocide and drew on the panel's criticisms to reform the UN's humanitarian response operations.

- **Kofi Annan has tackled UN reform more seriously than any previous Secretary-General.** His first major initiative as Secretary-General was his plan for reform, "Renewing the United Nations." He also responded directly to US concerns by successfully meeting reform benchmarks called for by the US Congress.
- **Kofi Annan continues to pursue a forward-looking agenda to make the UN more effective.** The High Level Panel on Threats, Challenges and Change, which Annan appointed last year, has just released its report recommending ways to strengthen collective responses to make the world safer. In January, the Secretary-General will receive the final report of the Millennium Project, which he commissioned to recommend best strategies for achieving the Millennium Development Goals. He will then present core recommendations to world leaders in advance of next fall's General Assembly. This is the critical work of the organization. It should not be impeded by politically motivated attacks.



Resources & Links

For more information about the Programme itself, this descriptive summary (<http://www.un.org/Depts/oip/background/fact-sheet.html>) is available at the United Nations website.

For an excellent analysis of the Programme, please see this UNA-USA Policy Brief by John Ruggie entitled **The U.N. Oil-for-Food Programme: What Went Wrong—and Right?** (June 7, 2004). http://www.unausa.org/pdf/policy_brief_ruggie.pdf

We also suggest the following articles/commentaries/opinion pieces (links are provided when possible):

America's Man at the United Nations by William Shawcross, *The New York Times*, December 4, 2004

<http://www.nytimes.com/2004/12/04/opinion/04shawcross.html> (free registration)

The U.N. Oil Scandal, *The New York Times*, December 3, 2004

<http://www.nytimes.com/2004/12/05/opinion/05sun1.html> (free registration)

Destroying the UN: US Should Worry About the Witch Hunt Against Kofi Annan, *The Financial Times*, December 4, 2004

<http://news.ft.com/cms/s/6d719b52-459a-11d9-8fcf-0000e2511c8.html> (free registration)

Lynch Mob's Real Target is the U.N., Not Annan by James Traub, *The Los Angeles Times*, December 3, 2004

<http://www.latimes.com/news/printedition/opinion/la-oe-traub3dec03,1,4134845.story> (free registration)

UN Blueprint for a More Secure World by Kofi Annan, *The Los Angeles Times*, December 2, 2004
<http://www.latimes.com/news/printedition/opinion/la-oe-annan2dec02,1,6044571.story>
(free registration)

The U.N. is US: Exposing Saddam Hussein's Silent Partner by Joy Gordon, *Harper's Magazine*, December 2004 (subscription required)

“The Bush Administration was still reeling from the revelations about Abu Ghraib prison this year when supporters of the President suddenly took note of a dramatic new scandal involving Iraq. ‘The richest rip-off in world history,’ wrote William Safire; ‘fraud and deception that probably resulted in the deaths of thousands of Iraqis through malnutrition,’ said Republican congressman Ralph Hall. The object of this ire was not Halliburton or any bungling by U.S. forces, nor was it a rogue nation or leader or any terrorist group. Instead, the loss of billions of dollars and countless Iraqi lives was laid at the feet of the United Nations.”

Will Oil For Food Scandal Bring Down Annan? The Charlie Rose Show, December 3, 2004. Guests: William Luers, President of UNA-USA; Warren Hoge of *The New York Times*; Senator Norm Coleman, R-Minnesota (To order transcript, call 800-759-3907)

Courage to Fulfill Our Responsibilities by Kofi Annan, *The Economist*, December 4, 2004 (subscription required)

“At the beginning of the 21st century, we face a world of extraordinary challenges—and of extraordinary interconnectedness. We are all vulnerable to new security threats, and to old threats that are evolving in complex and unpredictable ways. Either we allow this array of threats, and our responses to them, to divide us, or we come together to take effective action to meet all of them on the basis of a shared commitment to collective security.”



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