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NEWS

U. S. SENATOR FOR KANSAS

FROM:

SENATE REPUBLICAN LEADER

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U.N. REFORM

DOLE INTRODUCES "PROHIBITION OF UNITED NATIONS TAXATION ACT"; TIME FOR CONGRESS TO SAY NO TO TAXATION WITHOUT REPRESENTATION IN U.N.

Imagine a percentage of every international airline ticket, every letter mailed overseas, every international trade transaction, and every exchange of foreign currency being collected for the use of unelected unaccountable international bureaucrats. Billions of dollars available outside the control of any government. Is this the paranoid fantasy in a science fiction thriller? No, it is the real world plan of United Nations bureaucrats, led by the current U.N. Secretary General Boutros Boutros-Ghali to develop a network of global taxation to fund the United Nations outside the scrutiny of the United States or any other country.

U.N. Taxation Schemes Could Raise \$300 Billion Per Year

For years, United Nations bureaucrats and their allies in special interest groups and academia have dreamed about funding the United Nations through global taxes and other revenue-raising schemes. Taxes on air travel, military expenditures, postage, energy sources, currency transactions could raise as much as \$300 billion a year -- subject only to the whims of the bloated U.N. bureaucrats. Tax collecting would allow the United Nations to do as it pleases, not as its member states wanted. As Boutros Boutros Ghali said earlier this month, such revenue power would mean "I will not be under the daily financial control of the member states."

While there has been tepid opposition to the taxation plans of Boutros Boutros-Ghali from the Clinton administration, it is far from certain even strong United States opposition could halt these U.N. schemes -- the United States has only 1 of 185 votes in the U.N. General Assembly. It is not certain that any revenue raising initiative would be subject to the United States veto in the U.N. Security Council.

U.N. Waste, Fraud, & Abuse Rampant

It is true the United Nations is facing a serious shortfall of funds. And it is true the United States "owes" a large part of this "debt" -- in excess of \$1 billion. The Republican Congress has been unwilling to provide funds to clear up this debt because of the absence of often promised and never delivered reform. While Boutros Boutros-Ghali and his supporters consistently point to the multi-billion shortfall, they ignore, cover up and excuse outrageous abuses occurring regularly throughout the U.N. system.

For example:

- In 1994 and 1995, more than 1/2 million dollars was spent on the "Special committee on the situation with regard to the implementation on the granting of independence to colonial countries and territories. Long after decolonization was over, the U.N. was searching for ways to "liberate" such territories as American Samoa and the U.S. Virgin Islands -- both of which have voting representatives in the U.S. Congress!!
- The World Health Organization (WHO) spends 75% of its \$1 billion budget on staff, and much of the rest on conferences, travel and printing. Senior staff positions have increased more than 60% since the current Director-General took office in 1988. When a U.N.-commissioned 50th anniversary history discussed corruption in the process of naming the current who chief, U.N. censors deleted the references.

(more)

- In April 1994, the U.N. office in Somalia lost \$3.9 million kept in a cabinet with a poor lock. Despite repeated warnings, U.N. officials took no action to secure the funds. A month later, a U.N. military officer in Somalia lost \$61,000 and another \$76,000 was destroyed in a flood in the drought-plagued country.
- The International Labor Organization will spend \$30 million in 1994-1995 on conference organization and printing for special events.

These are but a handful of examples of waste, fraud and abuse at the United Nations. They waste real money every day. Seriously addressing the rampant corruption and inefficiency throughout the United Nations system is the way to resolve u.N. funding problems -- not taxing American citizens.

As today's Washington Times editorial and article make clear, the U.N. tax idea is not an idle pursuit of some dreamers -- it is a concept that U.N. employees spend time developing, promoting and publicizing. It is time for Congress to act. It is time to say no taxation without representation in the U.N. And it is time to shut down U.N. organizations which spend their time -- and American taxpayers dollars -- scheming to get into American wallets for even more money.

"Prohibition of U.N. Taxation Act" Objectives

Today, with Senator Gregg, Helms and Shelby I am introducing S. 1519, "The Prohibition of United Nations Taxation Act of 1996." The bill does three things. First, it lays out congressional findings on U.N. taxation and concludes the U.N. has no legal authority to tax American citizens. Second, it prohibits U.S. payments to the United Nations if it attempts to impose any of the taxation schemes. Third, the bill cuts off funds for any United Nations organization which develops or advocates taxation schemes. Companion legislation will be introduced in the House of Representatives today by Congressman Gerald Solomon and others. Congressman Solomon has a long record of involvement in United Nations reform issues, and I thank him for his leadership on this issue.

I know both Chairman Helms at the Foreign Relations Committee and Chairman Gregg at the Appropriations Committee plan to hold Senate hearings on the taxation plans of the United Nations. I expect to discuss the possibility of hearings with Finance Committee Chairman Roth as well. I commend Senator Gregg and Senator Helms for their leadership on this issue as well our other original co-sponsor, Senator Shelby.

The Clinton administration has begun to discuss the possibility of United Nations reform. Many of my colleagues have been involved in the effort to bring serious change to the United Nations. But as long as the U.N. spends its time on global taxation and not on its severe shortcomings, real reform will be impossible. And as long as Boutros Boutros-Ghali has visions of becoming the tax collector for the U.N. state, real reform will be impossible. The out of control pursuit of power by the United Nations has made "The prohibition on United Nations Taxation Act of 1996" necessary. I am confident it will be enacted this year.

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* Remarks delivered on Senate floor, approximately 1:45 p.m.