

Can the UN Deliver Effectively on a Reduced Budget?

In a world marked by escalating crises and geopolitical polarization, the United Nations (UN) faces the daunting task of addressing global challenges while operating on a shrinking budget. From conflict prevention to humanitarian relief, expectations of the UN continue to grow even as its financial and political support stagnates. The question of whether the UN can remain effective under these constraints demands both pragmatic and political reflection.

1. A More Demanding Global Landscape

The UN is navigating an increasingly complex international environment. Armed conflicts in Ukraine, Gaza, and Sudan; instability in the Sahel; and a surge in climate-related disasters have multiplied demands on the system. At the same time, deepening inequality, sovereign debt crises, and an erosion of trust in multilateralism have made consensus harder to achieve. Simply put, the UN is being asked to do more with less.

2. Budget Constraints and Dependence on Donors

The UN's regular budget—about \$3 billion annually—and its peacekeeping budget—around \$6 billion—are minuscule compared to national expenditures. Persistent arrears from member states, political disputes over assessments, and the dominance of earmarked voluntary contributions have undermined financial predictability. This has made long-term planning difficult and weakened the UN's ability to respond quickly to emerging crises.

3. Can the UN Still Deliver?

Despite the fiscal squeeze, the UN can remain effective if it focuses strategically on core mandates and adapts institutionally. First, prioritization is essential. The organization must concentrate on areas where it has unique legitimacy—conflict prevention, humanitarian coordination, peacekeeping, and human rights protection. Second, the UN should embrace “networked multilateralism,” working more closely with regional organizations, civil society, and the private sector to pool resources and expertise. Third, modernization through digital tools, data systems, and results-based budgeting could help maximize impact per dollar spent.

4. Rethinking Financing Models

Innovative financing mechanisms could help offset funding constraints. Options include global levies on aviation, digital trade, or fossil fuels, and greater use of blended finance to attract private investment for sustainable development and climate adaptation. Expanding pooled funds and reducing earmarking could restore some flexibility to the system, allowing the UN to allocate resources more strategically.

5. The Political Dimension

Ultimately, financial reform cannot substitute for political will. The UN's effectiveness reflects the priorities of its member states, particularly the major powers that dominate the Security Council and contribute the bulk of funding. If these actors continue to treat the UN primarily as

an arena for competition rather than cooperation, no amount of administrative reform will suffice. Renewed commitment to collective action remains indispensable.

Conclusion

The UN can still deliver on a reduced budget—but only if it adapts. This will require a sharper focus on core functions, stronger partnerships, and innovative funding approaches. Above all, it will demand political courage from member states to revitalize multilateralism in an age of fragmentation. The stakes are high: an underfunded, underpowered UN would leave a dangerous vacuum at the very moment when global cooperation is needed most.