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ASSUMPTION OF OFFICE OF JOSÉ MIGUEL INSULZA AS SECRETARY GENERAL OF THE ORGANIZATION OF AMERICAN STATES
May 26, 2005 - Washington, DC

One year ago next week, the General Assembly directed the Secretary General to reorganize the Secretariat and present a revised budget to put the reorganization into effect. Miguel Angel Rodriguez was elected Secretary General at that same Assembly and issued a rationally radical reorganization order the very day he took office in September. When he resigned unexpectedly for extraneous reasons a month later, he had completed neither the reorganization nor filled several key leadership positions.

After assuming the functions of Secretary General, I strove to ensure a workable implementation of the changes instructed by the member states.

I began by confirming the personnel changes introduced by Rodríguez. Assistant Secretary positions were eliminated, as were all 11 former Senior D-2 Director positions. In the weeks that followed, I filled three positions of trust and replaced the Director of Administration and Finance. But I avoided hiring other outside personnel and was rewarded by a strong performance by the staff of the General Secretariat.

On January 26, 2005, I signed Executive Order 05-03, "Reorganization of the General Secretariat," thus meeting the General Assembly's mandate. This Executive Order, in force today, creates a Cabinet composed of the Directors of seven Departments; Democratic and Political Affairs; Integral Development; Multidimensional Security; the Executive Secretariat of the Inter-American Commission on Human Rights; Communications and External Relations; Legal Affairs and Services, and Administration and Finance, plus, ex officio, the Director of the Summits Secretariat and the Inspector General.

Executive Order 05-03 preserves the statutes of the specialized organizations and entities, restores the high standing of the Inter-American Commission on Human Rights and the Summits of the Americas Secretariat, and revives an earlier tradition by establishing the Executive Secretariat for Integral Development.

Overall, this new structure represents a sharp swing of the pendulum away from the highly decentralized structure that had evolved over past decades, when as many as 39 different offices had reported directly to the Secretary General. The new Cabinet-coordinated structure facilitates internal communication and coherence in executing mandates.

If you will allow me a nautical image, I am pleased to hand over to you, Jose Miguel Insulza, this Secretariat, this OAS, this great ship of the Americas, with its hull and masts newly refitted to facilitate democratic solidarity, security, and regional integration. You will undoubtedly make further changes after you take the helm, but the craft is seaworthy.

Unfortunately, though our structure is renewed, our finances are still in disrepair. It is as though our great ship had no maintenance for its engines and nothing more for sails than patchwork rags fit for an aging catamaran. Even with the savings achieved by the restructuring process, and even if existing quotas are paid in full and on time, income does not meet minimal operating requirements. The human rights system has been under-funded for years, but the sad truth is that today, not merely the Executive Secretariat for Integral
Development, but all areas of the Organization, from Human Rights to Security, Democracy and support for the political bodies and for the Offices in the Member States, lack adequate resources.

Some have suggested that personnel costs – the size of the Secretariat's staff and the remuneration it receives -- are excessive and must be further reduced. I disagree. I believe we are already at or below the personnel levels we need. The work of the Secretariat – facilitating cooperation across cultural, political, and developmental divides -- is inherently labor-intensive. Last year's Deloitte & Touche study made very clear that, compared to other international institutions, the staff of the Secretariat is not overpaid. The Summit Process began in 1994, yielding both new hope for the Americas and more work for the Organization. It is hard to believe, but since the Summit process began, quotas have remained frozen and the OAS has had to eliminate 168 positions, a cut of 25% in its regular Regular Fund work force. During the last year, several of our best people in Haiti left us for the United Nations, which pays far better benefits.

Yet to stay within existing ceilings, the budget we are submitting to the General Assembly for 2006 eliminates additional positions. The positive solidarity in support of democracy called for in the Inter-American Democratic Charter and sought urgently by some of our member states – and which I firmly believe is in the common interest of all our countries – is severely hampered by limited resources. I urge the Fort Lauderdale Assembly next week to convene a Special General Assembly to consider an increased and equitable quota system that will keep pace with the hemisphere’s changing needs. This Organization cannot continue to operate with a policy of zero budgetary growth, compounded by a persistent loss of purchasing power caused by changing market conditions.

Ladies and Gentlemen

I have focused these few words on our “internal front” rather than on all that we are doing to assist our member states. I have done so partly because the “external front” – the needs of our member states – normally dictates our discourse, and I wanted to put the focus on our capacity to respond. Partly I have done so because the Chairman of the Permanent Council will, I am sure, express the policy views of this body. But mostly I have done so because I wish to express my respect and confidence in you, sir, as the helmsman – and thus to leave to you the charting of the course ahead.

Let me only say in this regard that the Americas are lucky to have you, for in your person you exemplify the inter-American experience – education in Chile and in the United States, a career that has included both power and exile, intellectual achievement in Mexico and extended political responsibility in Chile - - a career which in your election produced firm support from the Caribbean to all the Americas, Central, South and North. The importance of the OAS to all in the hemisphere was confirmed by the outstanding candidates that competed for Secretary General – Luis Ernesto Derbez, Francisco Flores, and yourself. The hopes and values embodied in these three significant candidacies come now to rest on your shoulders. Be assured that you will have the support of the General Secretariat as you have already received that of the member states. May your term at the helm receive the continuing support of this Permanent Council and benefit all the peoples of the Americas, whose increased well-being is our common objective.