

A Scenario for Running the World

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Please note: this paper is written as a future history looking back from the year 2020. Comments welcome.

Introduction

In 2001, the world faced a seemingly insurmountable gulf between the needs for collective action on a global scale and the woefully underdeveloped mechanisms for meeting those needs. Poverty afflicted half of humanity. New and resurgent diseases threatened millions. Environmental degradation on a massive scale endangered everyone. And sharply contending views about what should be done about it all increasingly led to violence. Political leaders gathered for frequent gabfests but seemed unable or unwilling to commit themselves to serious action on any subject other than promoting ever-deeper economic integration. The systems for making and enforcing global rules were generally feeble, and where strong they were widely seen as unfair.

Now in 2020, the widespread riots and sense of despair of this century's first few years are a rapidly fading memory. Although serious problems persist, an extraordinary ^s have developed that offer real hope that humanity may at last have found ways to live together in peace and growing prosperity on a planet no longer divided by sharply demarcated borders. This paper describes those mechanisms and how they came about.

The global problematique

To see how far we have come in just two decades, we need to start by reviewing where global governance stood at the opening of the century. If one merely looked at numbers of efforts, global governance seemed to be thriving. In thousands of bilateral and multilateral treaties and statements, governments offered repeated declarations of their determination to do something. A vast array of international organizations had been created, holding regular meetings and generating an extraordinary quantity to

inspire a sense of crisis that would mobilize the kinds of ingenuity and commitment of resources the world had seen after World War II. No system existed to force a ranking of issues or an allocation of resources. Citizens could lobby their governments to put issues on the international agenda, but many governments lacked the capacity

– and sometimes the desire – to serve as effective representatives of their citizens’ interests in the wide range of transnational issues. Priorities reflected a hodgepodge of the interests of the most powerful states (or their most powerful constituents), the effects of a handful of various civil society campaigns, and the whims of the media spotlight.

Negotiating fora were dominated by a handful of rich and powerful countries (often reflecting the preferences of rich and powerful corporations). Their say in running the world was wildly disproportionate to their share of the world’s population. And the richest and most powerful of all, the United States, was increasingly refusing even to make a good-faith effort to participate in global negotiations.

When governments did manage to reach agreements, implementation often fell far short. Some crucial environmental treaties, such as the Convention on Biological Diversity, had essentially no effect on the problem they were meant to address. Often governments signed on to agreements they had little capacity to implement.

Even in those areas where treaties had teeth and international organizations were playing a serious substantive role, “success” sometimes seemed to engender as many problems as it solved. This was particularly notably in the international arrangements governing trade. Having created a trade regime that largely served their own economic interests, the world’s rich countries seemed perplexed by the vehement objections to that regime that emerged both from other governments and from an increasingly vociferous network of civil society organization. Developing countries argued that the rich countries were failing to live up to promises made years ago, and civil society groups raised complaints that the rules and procedures favored private over public interests. Countries flocked to join the WTO not necessarily because they believed the new trade regime served their interests but because the alternative was to remain excluded from the only trade system available.

The need for major reform of the systems of global governance was clear, and proposals abounded. At one extreme were calls for humanity to repeat its experience with government at the national level, with codified agreements serving as laws and with coercive mechanisms in place to ensure compliance with those laws. Demands that environmental and labor standards be included in trade agreements, to take advantage of the WTO dispute resolution procedure, were of this ilk. Such suggestions floundered over questions of how to make such processes both effective and broadly legitimate. At the other extreme were occasional calls for the reversal of globalization, with a retreat to national borders. But despite the frequent mislabeling of the public backlash as “anti-globalization,” in fact relatively few people were demanding a retreat to impermeable national borders. Most critics objected to specific rules and institutional behaviors, not to the whole idea of integration.

reduce the need for direct governmental supervision by eliminating numerous negative externalities. Proliferating civil society networks gave voice to people from all parts of the world who shared grievances about the rules governing global economic integration.

Transparency: By the year 2001, “transparency” ran second only to “globalization” as prominent buzzword, touted as the solution to everything from financial volatility to environmental degradation to corruption. It seemed as though ever

some detail:

Aarhus had three pillars. One set requirements for governments to disclose relevant information to the public. "Relevant information" included data on the state of the environment, planned or operational policies and measures, international conventions and other documentation, institutional mandates, and information on institutional performance. It also required its adherents to establish Pollutant Release and Transfer Registries, under which corporations that released toxic emissions would have to report publicly on the extent of those emissions. Similar registries in other countries had already dramatically reduced the level of toxic emissions without the need for further governm

behavior.

Transnational networks: The massive protests that surrounded every inter-governmental gathering related to economic integration actually represented merely the tip of a large iceberg of transnational networks of civil society groups that were becoming active in an extraordinary range of global governance activities. Such groups helped to negotiate an

the lunatic fringe, non-governmental groups were allowed in unless a super-majority of member states voted to exclude them.

Global Governance in 2020

Twenty years into th

All members of the G-20, along with many other national governments, are parties to the Economic Information Convention, modeled loosely on the Aarhus Convention described above. Originally promoted primarily by the IMF and the United States, the Economic Information Convention builds on IMF data dissemination standards but also includes a broader range of information of interest to citizens as well as investors. The information flows fostered by that convention have gone far to reduce the suspicion and ignorance in which earlier debates over global economic governance were conducted.

Intergovernmental organizations: Beyond the G-groups are the various well-staffed intergovernmental organizations, such as the United Nations, the World Bank, the IMF, and the WTO. These provide important fora within which all the many types of actors on the global scene – governments, corporations, civil society groups, and international civil servants – try to persuade one another about what rules should be made and how they should be implemented. The series of “Financing for Development” conferences that the United Nations began in 2002, for example, mattered despite the lack of success in increasing the transfer of capital from Northern governments to Southern ones. Those conferences brought together staff and government officials from the United Nations, the IMF, and the World Bank in a public setting that required them to defend publicly their views about what economic policies should be adopted and why. Those discussions had two unexpected and highly beneficial side effects. First, they equipped developing countries governments with strong intellectual arguments for pursuing a variety of policies truly appropriate to their national circumstances. Second, some governments found themselves embarrassed by the inability of their national representatives to engage effectively in such public debates, sparking a growing tendency to search out leading thinkers to serve in the executive boards and governing councils of the institutions. That improved oversight in turn changed the atmosphere within the organizations, as staff and management were required to make rigorous and persuasive arguments in defense of their plans and policies.

For the most part, these organizations still do not act independently of governments in setting the rules and are not evolving into supranational authorities telling governments what to do. In one sense their “enforcement” capacities have actually declined. The two-decade experiment with ever-more-intrusive conditionality attached to loans from the international financial institutions has been widely acknowledged a failure, since the conditions generated great bitterness and did little good. The World Bank now makes few loans, giving most of its help in the form of grants and technical assistance. The IMF still serves as lender of last resort for the international system, but its conditions are now broad outcome requirements (e.g., holding international reserves above a certain level) without prescribing how countries should achieve those outcomes. Parts of the negotiations between the IMF and country officials are still often confidential, but they are no longer entirely secret talks between IMF staff and finance ministry officials. The WTO dispute resolution mechanism has evolved substantially to incorporate a much wider range of perspectives on whether a given measure is truly a protectionist trade barrier or a legitimate measure serving a non-trade-related end. The push to do away with all national regulations that might impede trade or foreign investment has given way to a more balanced assessment that allows equal standing to other goals.

Thanks to such measures as the Economic Information Convention and the Environmental Information Conventi

warning function, combining data flows with crucial analysis of emerging problems. They also frequently monitor compliance with international agreements (often in association with non-governmental organizations, although sometimes in competition with them). To a limited extent they serve as the mechanisms for resource transfers, although (with the exception of the Global Health Fund, described below) much of this function has been taken over by private sector and civil society actors.

The institutions of environmental governance have taken on greater relative weight in the international system than they had two decades ago, even though years of sporadic discussions about the creation of a World Environment Organization led nowhere. One major development came with the negotiation of the Environmental Information Convention mentioned above, which built on Principle 10 of the agreement that emerged from the 1992 UN Conference on Environment and Development. Most countries are now party to that convention (although many have not accepted the optional protocol allowing anyone to seek juridical remedies in cases of governmental noncompliance). This convention, like many other advances in transparency, came about after a sustained transnational civil society campaign conducted in alliance with a number of like-minded governments. That campaign began as the Access Initiative, an alliance of four leading environmental NGOs from around the world, and quickly blossomed into a network of thousands.⁴ As a result, most governments are now committed to releasing vast quantities of information on their environmental negotiations, plans, policies, and activities. The convention also called for additional funds to support efforts to monitor the state of the global environment. Although, as always, the response to requests for funding to address a global public good is less than ideal, both governments and private actors contributed enough that monitoring has improved significantly. UNEP, in association with a number of NGOs such as the World Resources Institute, is the primary keeper of the world's environmental database, although secretariats for a number of environmental conventions also play that role in their specific areas.

One of the few new formal organizations is the Global Health Program, an outgrowth of the global health fund first proposed by then-United Nations Secretary General Kofi Annan in 2001. At the time, despite repeated governmental proclamations of the goal of universal basic health, the previous century's progress in extending lifespans and improving the health of the world's citizens was severely threatened. Factors such as the collapse of some public health systems and the spread of AIDS were dramatically reducing life expectancies in many regions.

World Health Organization head Gro Harlem Brundtland, an effective transnational civil society campaign soon mobilized around the issue. Responding both to social pressures to do something about an increasingly visible catastrophe and to fears of the potentially uncheckable spread of incurable diseases, governments and corporations alike contributed. Within a few years, the fund was receiving the \$7-10 billion a year Annan had said was necessary to begin creating the infrastructure that could deliver health services effectively.

But the money was not simply transferred to governments to spend as they would. Instead, much of it was channeled through a wide array of non-governmental organizations, international organizations, and private companies. Although inevitably some of the funding was lost to mistakes and corruption, by and large the fund operated transparently and with a high degree of accountability. In time, it evolved into a formal organization that helped developing countries to create effective and efficient health services. Some of its funds went to the World Health Organization, which worked in partnership with private groups to establish a fully effective surveillance capability to monitor outbreaks of infectious diseases around the world and to promote the development of vaccines.

The money also enabled the Global Health Fund and the World Health Organization together to take on a leading policy role in key global governance debates. They successfully challenged the international financial institutions' claims about the virtues of privatizing health care provision and charging access fees for health care. And they spearheaded the fight against the common, but absurd, agriculture practices of feeding massive quantities of antibiotics to livestock to compensate for the disease-prone conditions in which livestock were kept. Although it may still take decades for the countries hardest hit by AIDS and other health catastrophes to recover fully, and although antibiotic resistance continues to plague us, the Global Health Program clearly constitutes an enormous advance over the situation two decades ago.

It took even longer for serious funds to start flowing into helping developing countries address global environmental issues such as climate change. Not until a series of killer hurricanes devastated the state of Texas and swarms of disease-laden mosquitoes made their lethal way up America's east coast did the United States adopt serious policies on climate change. The new environmental commitment of the United States, in conjunction with the roles played by civil society groups and the private sector as described below, has significantly improved global environmental governance. Now, the Global Environmental Facility has been expanded beyond recognition, able to offer assistance to nearly every worthwhile project proposed to it on both climate change and biodiversity. The World Bank and other development funders have become far more careful about assessing the environmental implications of projects they support, and environmental impact statements are routinely conducted independently and made public. The Kyoto protocol, like the Montreal protocol on ozone depletion, has served as the basis for a steadily more demanding set of agreements. Unfortunately, all this comes too late to stave off significant climate change humanity inevitably will confront over the next several decades, or to rescue the nearly one million species driven to extinction in this century alone.

Non-governmental organizations: The systems of global governance consist of a much wider range of actors than just governments and the inter-governmental organizations they create. Both the private sector and civil society groups are key participants in all the stages of global collective action. It still frequently falls to transnational civil society networks to raise new issues for the international agenda. Such groups bear much of the burden of gathering and disseminating information vital to the global public good. They are working ever more closely with poor-country governments, not just providing information but even serving on national

delegations at the request of governments. Where international organizations and governments do an inadequate job of monitoring governmental compliance with international agreements, civil society group

Assessment

Over the past two decades, it became clear that global decision making required the combined efforts of governments, inter-governmental organizations, business, and civil society. The private sector and civil society have shown themselves capable of helping to devise and implement global rules that serve the broad public interest. Corporations and civil society organizations now routinely join with governments in setting the international agenda, negotiating and implementing agreements (formal or informal), and monitoring and enforcing compliance with the standards of behavior set by those agreements. All of this has required an extraordinary degree of transparency, and a broad acceptance of the right of the various actors to participate in making the rules that govern us all.

The new reliance on transparency and participation as fundamental principles of global governance does not work perfectly. A transparency-based system of governance is vulnerable to misinformation and deliberate deception. The voices of the rich still too often speak more loudly than the voices of the poor. And as technology, the physical realities of living on a single planet, and deliberate policy choices continue to tie people more closely together into a community of shared fate, we