



THE CASE FOR GLOBAL GOVERNANCE

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When Futurists are asked to identify the major challenges ahead, the lists tend to be long and complex. Every thing under the Sun becomes an issue, a challenge, a topic of major concern.

The said lists usually gravitate around several major categories :

- *Events*. The invention of the micro-processor, the emergence of the Internet, the Google search engine, The 911 Terrorist Attack, The election of Barack Obama, the Apple I-Tablet – all these are seen as seed events precursors of new trends.
- *Sectors*. The growth of informatics, the decline of industrial production in the West, the promise of biotechnology, new materials etc.
- *Geographical Regions*. China as a superpower, the alleged decline of Europe and North America, the rise of the BRICS (Brazil, Russia, India, China, South Africa) the financial vulnerability of the PIIGS in Europe (Portugal, Italy, Ireland, Greece and Spain) etc.
- *Eco-System Breakdowns*. Climate change, acid rain, fresh water shortages, pollution etc. super bugs leading to uncontrollable pandemics.
- *Power shifts*. The rise of non-state actors, multinationals, civil society groups, mafias sects etc. The return of the state, the dangers of excessive government interventions, the power of lobbies etc.

All these lists and sub lists are valid and worthwhile and undoubtedly strong cases can be made for each and every one of them. But, after many decades of teaching both history and future studies and having had the privilege of also working in what economists call the 'Real World' as one of the governors of the OECD in my capacity as ambassador of Canada to that organization, I have come to a different conclusion. Instead of just coming producing an encyclopaedia of world problems, we must strive integrate them into very short master lists and determine what to do about them. Less is more and is more conducive to collective action. The Think Tanks have to be followed by Do Tanks coming up with appropriate action plans.

At the Think Tank level, it is very important to connect, the dots, to discover patterns, to uncover unsuspected links and, conversely to note explicit and implicit uncouplings, turning points, often not discernible by the naked eye, yet very real nevertheless. Based on this idea we must look for cross-cutting currents and not just investigate vertical silos. At the Do Tank, strategies must be based on a realistic assessment of what can be done and in what time frame and must be distinguished from mere wish lists or vague recommendations in defence of motherhood and apple pie.

In the light of the above, I submit that the most important question ahead, is not identifying the myriad challenges ahead, but how well we, as members of Species Homo Sapiens are equipped to face them. In my view this boils down to one question which is likely to become the central issue for decades ahead.

Exploring better ways of managing our world and seeking alternative methods of global governance, an idea whose time has come and may soon be even overdue.

The Imperative Of Global Governance

The case for better global governance rests on two propositions

(1) Mounting and largely unwanted planetary interdependence makes *global* solutions absolutely necessary in order to resolve planetary problems. To try to resolve a planetary problem at the local level becomes increasingly difficult and may eventually become impossible.

(2) Our present world management system based on the 'Westphalian System' is now becoming dysfunctional and is proving unable to respond adequately to contemporary problems, let alone future ones. The nature and consequences of the Westphalian World Order are described below.

Let us examine each proposition in turn.

(1) Think Globally Act Locally : Is this mantra still valid ?

In the 1980 World Futures Meeting in Toronto, Canada at a time when the interest in future studies was probably at its peak, the dominant mantra was "Think Globally, Act Locally".

Today, this statement needs to be revised because a number of challenges can no longer be managed at the local or even the regional level. National governments are now overwhelmed. To quote the famous statement of the sociologist, Daniel Bell '*nation states have become too small for the big problems and too big for the small ones*'. New forms of management are therefore needed.

What are some global problems that escape resolution at anything below the planetary level ? The list is impressive and growing :

- 1. *Economic interdependence.*** Competitiveness, international trade, outsourcing, industrialization and deindustrialization, financial services are all concepts that have now become planetary in scope. The 2008 financial crisis and its sequels have demonstrated the dangers of contagion where defaults in one region or country can easily be propagated to all parts of the Earth
- 2. *Social Interdependence.*** If the economy becomes global, social policy will be affected. The existence or absence of welfare nets, of generous or ungenerous pay packages, of minimum wage legislation etc. will influence competitiveness. With high transnational mobility of factors of production, the trend towards

lowest and cheapest common denominators militate in favour of a race for the bottom. Without comparable social nets, competition becomes unfair and skewed

3. *Ecological Interdependence.* Depletion of raw materials, of fossil fuels, of clean water and the threat of serious climate change are challenges that cannot be dealt with, exclusively at the local level. Climate does not respect national borders, nor does acid rain.
4. *Security Interdependence.* The 911 attack was hatched in a number of countries and executed in New York City. The globalisation of terrorism and for that matter, organized crime, is now an undeniable fact which requires concerted responses from governments throughout the world
5. *The Internet.* The emergence of the Internet as the premier world electronic highway has considerably reduced the importance of distance and has contributed to the death of geography. Regulation of the Internet and of electronic commerce opposes national sovereignties to an international technology which like weather also ignores national borders
6. *Health Threats.* The world has escaped two nearly catastrophic pandemics in the last decade : The SARS epidemic in 2003 and the H1N1 flu in 2009. Both proved milder than originally expected. However the need to respond globally , underscores, once again the interdependence of global health.

The list of problems manageable locally is likely to shrink, because of interdependence while those which have to be dealt with at higher levels likely to increase as globalization proceeds and deepens. If this same globalization is not adequately balanced by an effective and legitimate global governance, the distortions could lead to serious conflicts and system breakdowns.

(2) An Increasingly Dysfunctional Global Governance System

Planet Earth is managed today by an implicit world constitution known to political scientists and legal experts as the Westphalian System. For a full analysis of the Westphalian System see Kimon Valaskakis, *Long Terms in Global Governance* :, *OECD Governance in the Twenty First Century* or KV. Westphalie II, *Futuribles 2000*.

The Treaty of Westphalia (1648) which ended the Thirty Years War, the last major religious war in mainland Europe, fundamentally altered the European Governance regime by transferring sovereignty from the Holy Roman Emperor to several hundred German princes. The Westphalian

Treaty became a precursor to the emergence of fully independent nation states.

The significance of this treaty for world history is based on its extension to the entire planet, first by European expansion by conquest and colonialism and in contemporary times by modern treaties and the creation of the United Nations. In the Westphalian System, the sovereignty of nations expresses itself through the control of geographical territory. This was a legacy of the feudal principle *nul terre sans seigneur*. Land was the principal factor of production in the feudal world and its control yielded both economic and political power.

Today 193 countries members of the UN recognize each other as 'sovereign' and therefore in full, legal control of their internal affairs. An act of sovereignty is absolute and cannot be legally challenged. If two sovereignties' collide and no mediation is possible, the Westphalian System recognizes the legitimacy of war to resolve the issue at hand. Quite unfortunately, therefore the Westphalian World Order has not managed to avoid international wars as the experience of the last four centuries will confirm.

The so called 'Multilateral System' which governs the world since 1945 is the contemporary version of the Westphalian System. Following the end of the Second World War the victorious powers created, over a period of time, a number of intergovernmental organizations (IGOs) to prevent further wars and to create some sort of global governance. As a whole, the group of IGOs became known as the Multilateral System and in 2010 now includes the following:.

1. *The United Nations Family of Organizations* (Bretton Woods Institutions, the UN General Assembly, the Security Council, etc,) and specialized agencies such as Unesco
2. *Other global IGOs.* (Organization for Economic Cooperation and Development, OECD, World Trade Organization, WTO, etc),
3. *Continental and regional IGOs* (European Union, NAFTA, APEC, MERCOSUR etc)
4. *Single Purpose IGOs* with mixed regional and global responsibilities (example NATO for security, with European origins yet operating in Afghanistan)
5. *Global directorates* - self appointed committees of nations acting as de facto "boards of directors" for the world economy etc. (Example G8, G20 etc)
6. *Mixed IGOs* (Public and private)
7. *Private international organizations with governance responsibilities* (ICANN re the regulation of the Internet, the IOC (International Olympic Committee etc)

All these organizations have achieved some success in s their sectoral aims but remain, for the most part, hampered by the retention of sovereignty by its members. The latter have not conceded or transferred sovereignty but just delegated some powers to these global bodies without accompanying real enforcement mechanisms.

Normally a delinquent state is merely censored for bad behaviour. In a minority of cases it may be subject to sanctions, which remain for the most part, ineffectual. In the case of the European Union, there are some elements of a Post Westphalian System which places community law above national law and tentatively introduces supranational authority.

In the case of the UN Security Council, economic sanctions and the ultimate resort to force remain possible but only when an aggression is deemed to have been committed by one member against the other. Internal genocides do not fall in this category although some concepts such as the so-called 'R2P Responsibility to protect have been introduced but are far from being operationalized. R2P theoretically opens the door for intervention by the UN in the internal affairs of a member if it is determined that grave threats to human rights are being committed on the member-state population.

A third 'window' into a Post-Westphalian World is the ICC (International Criminal Court) which has the theoretical power to arrest foreign leaders and try them for crimes against humanity, in spite of the opposition of their own countries. However the extent of the ICC's power remains quite limited.

Other than the three Post Westphalian derogations mentioned above (European Union directives, UN Security Council resort to force and the ICC) the world is largely governed by much softer instruments based on consensual agreements between countries which remain in full control of their sovereignty. These tend to gravitate around 'treaties' and 'MOU' (memoranda of understanding)

- *Treaties between sovereign countries* in theory should be applied as the "law of the land" by signatory countries but in fact are not. Many countries do not apply the treaties they have signed. Others like the United States consider treaties as subordinate to the U.S. Constitution even if ratified by Congress, thus, somehow suggesting that U.S. sovereignty has precedence over all others and is the ultimate reference point. US presidents have repeatedly placed the US Constitution above treaties and above the sovereignty of other countries, a position hotly contested by everyone else. As a result, global governance by treaty remains an ineffective method of the application of authority. There are

hundreds of treaties on bookshelves signed and ratified by sovereign countries and completely ignored.

- *Memoranda of Understanding* are a notch below treaties and make take various forms. The most popular ones are the end of conference communiqués featuring multi-point ‘decisions’ or resolutions. A favourite of G8, G20 and OECD meetings they indicate the preferred road ahead but not much more. A good portion of the ‘decisions’ of the G8 and the G20 are never applied.

The effectiveness of the Multilateral System is now being severely tested. Managing complex issues using the multi-actor sovereign based nation-state system and its private sector counterparts is reaching its limits as was shown by the current failures of global regulation relating to climate change, security etc. Even in the economic field, imbalances in the global economy and the social distortions it has engendered have yet to find adequate solutions. As interdependence increases the present management formula of juxtaposing the authority of 193 sovereignties will not be enough.

How Can Global Governance be Improved?

There is a popular myth that global governance will mean the replacement of democratically elected national governments by a central world dictatorship. To those, holding that view, the very idea of global governance is anathema.

This myth must be dispelled. Global governance may come in many shapes and forms. First ‘*governance*’ may or may not imply the creation of a central institution called a *world government*. It is quite possible to envision effective governance without a central institution if a rules based system is agreed upon by all. This was the gamble of the Multilateral System ranging from the 193 member UN National Assembly to smaller groups such as the G-20, G-8, etc. It succeeded in some areas and failed in others. Reinforcement of the areas of success should be encouraged

In the areas of failure, other methods must be looked at. Experience shows that the rules based system does not work without some kind of enforcement mechanisms and an enforcer then the move towards some form of global *government* will become necessary. This could include different forms of world federalism, US style, European Union style, or the reform of the UN or some combinations.

The range of options is large. It is quite conceivable to imagine a global government with very limited powers using the European Union principle

of subsidiarity where problems are first tackled locally before moving up to regional, national, continental or global levels. Paradoxically, global government could mean less rather than more government as costly duplication is eliminated.

How Imminent Is Better Global Governance ?

In this writer's view better global governance is very likely if you consider a long enough time frame. In the same way that Society moved from city states and feudal manors to larger legal entities, driven by the imperative of interdependence, globalisation will eventually make global governance indispensable. Necessity remains the mother of invention. If the handling of a pandemic or severe ecological threat requires concerted global action, Species Homo Sapiens has, in the past, lived up to its name and taken intelligent corrective action, albeit it ever so slowly. Human Society itself has been the result of the realization by human actors that to organize themselves in political systems with implicit or explicit social contracts would give them a significant advantage in meeting threats from Nature or other species. Following this logic, at some point Humanity will realize that it will have to deal with global challenges globally and therefore create the appropriate instruments to do so.

The time frame is more difficult to pin down. Already, successive crises have spurred sovereign governments to put their acts together and come up with concerted responses to common problem. The main driver is the intractability of crises using existing instruments.

When is this likely to happen ? Futurist wagers can be made with impunity since, in most cases we will not be there to check on them. Nevertheless here is a wager : (1) High probability of a world government (with a central organization) before the end of the twenty-first century. (2) A medium probability that we may achieve that benchmark before 2050.(3) A much lower probability that we may have a global government before that, unless major seed events act as wild cards and massively accelerate historical change as they have done in the past.

A Final Note

Future studies involves of course, thinking about the unthinkable. Many events and concepts, unthinkable at time $t=0$ become commonplace at time $t+1$. In fact as Professor Lambert Gardiner of Concordia University in Montreal, put it, the challenge for the successful futurist is to strike the golden mean between the *what* and the *so what*. An early identification of a new trend, seen by the visionary forecaster but not by his colleagues will elicit the skeptical *what* reaction. A very late

identification of these same trends after they have become obvious will provoke the opposite *so what* reaction. Forecasts are condemned to be judged either as too wild or too obvious. This unfortunately is the name of the game.

For the moment, the proposition that better global governance is the dominant challenge of our times is still in the *what* category, competing with the various long lists of sectoral challenges. It will be a while before it reaches the *so what* level, Let's hope that we will do something positive about it before it ends up in a third category *why did we not think of it before...*