Notes for a presentation By Paul Heinbecker Distinguished fellow, Centre for International Governance Innovation and Director Centre for Global Relations Laurier University

to

A Global Governance Meeting

Sponsored by the UNDP

and the China Centre for International Economic

Exchanges

Beijing

China

December 17, 2012

Check Against Delivery

Introduction

I commend the UNDP and the China Centre for International Economic Exchanges for taking this timely and interesting initiative, and I thank them for including me.

As a Canadian and North American, I look forward to learning more about China's turbo-charged progress and China's and others' perspectives on governing our integrating world.

I also look forward to working again with my old colleague and friend from New York days Kishore Mahbubani and with Professor Zhang Yuyan and other friends and participants.

In light of the time constraints here today, I will contribute just two overarching points to our discussion.

First, as we consider how to generate more effective international cooperation regarding global governance and global public goods, we should take care not to disregard the truly enormous progress we have made already, and to remind ourselves of the significance of the United Nations to that progress.

Second, we need to understand that while the UN remains necessary, it is not sufficient for effective global governance, which puts an increasing premium on policy and institutional innovation.

What We Have Accomplished

We are living in a golden age, despite the impression of pervasive doom and gloom created by the incessant repetition of bad news by the 24-hour news cycle.

People around the world have never been richer, healthier, safer, longer lived, better educated and better connected to each other than they are now.

For hundreds of millions of people, most impressively right here in China, poverty is down, education is up, health is improved, and longevity is increased.

The UN has helped to create the conditions that have enabled us to make this progress.

The UN remains the quintessential multilateral institution, the only body that can convene the whole world under one roof and can sustain the norms that allow us, at least most of us, to live peacefully.

The hundreds of multilateral treaties concluded under UN auspices have spawned an extensive body of international laws, norms, standards, practices and institutions that govern most facets of interstate relations.

With these "apps", the UN Charter has become the world's central operating system, the motherboard of global governance.

The Need for Innovation

The UN, including the Bretton Woods institutions, have reinvented themselves over the decades; their innovations range from peacekeeping, to criminal justice, to preventive diplomacy, to the Responsibility to Protect, to sustainable development, to the Millennium Development Goals, to Corporate Social Responsibility, and beyond.

But if the UN as a whole is to respond effectively to our post-Westfalian times, more innovation is needed.

Nation states remain the fundamental organizing principle of international affairs, but they find themselves increasingly sharing responsibility for global governance with non-governmental stakeholders, civil society and business.

Messy Multilateralism

In the descriptive phrase of Richard Haass of the US Council on Foreign Relations, we live in a world of "messy multilateralism".

No country or group of countries can dominate this complex, integrating, changing world or determine its future.

It is a world in which peace, order and progress will increasingly demand multilateral, minilateral and bilateral cooperation between governments—and among governments, civil society and private and state-owned enterprise.

Messy-multilateralism will require a wide variety of policy responses --some evolutionary, others revolutionary, some inside the United Nations and Breton Woods institutions and others outside of them.

Messy-multilateralism will also entail subsidiarity, i.e., the practice of addressing problems at the levels of governance -- global, regional, national or subnational -- where conditions best facilitate problem-solving.

Minilateralism

Further, messy-multilateralism needs "minilateralism", the sometimes informal, sometimes structured, cooperation among coalitions of the policy willing.

In minilateralism, cooperation is promoted and advanced through small groups.

In some cases, these groups include the major powers, in some cases they do not.

In some cases, such as in the UN Security Council, the process is coercive and in other cases, such as in the G-20, it is persuasive.

Under the Charter, UN members confer on the Security Council, the elite body of 15 members the mandate to preserve international peace and security on the members' behalf.

Under Chapter VII of the UN Charter, such minilateral decisions are legally binding and can be imposed force.

A kind of muscular minilateralism is found also in the Bretton Woods institutions, notably the IMF Executive Board, with its weighted voting shares.

Further, in the inclusive setting of UN treaty negotiations, negotiations routinely take place among small, often self-selected groups who conclude understandings that they then commend to the larger membership for agreement.

That was the case, for example, for the climate change deal at Copenhagen.

The G-20

Persuasive, or cooperative minilateralism is also the operating principle of the G20, itself potentially the most important governance innovation in 65 years.

G-20 decisions bind only G-20 members, but because of the significance of those members to the global economy, other governments routinely accept them too.

The G-20 has been effective in stabilizing financial markets during the 2007-8 crisis, in promoting regulatory reform, in launching a global economic stimulus, and quite possibly in averting a global economic depression.

The G-20 has also spurred reform of the Bretton Woods institutions and could, if its participants agreed, tackle the issue of reforms of the UN, as well, particularly of the UN Security Council.

The group has put issues on the table that were once regarded as the exclusive province of sovereign governments -- notably monetary policy, exchange rates, and debt levels.

At the same time, the G-20 has struggled to address the highly political tasks of resolving the current account, trade, and budget imbalances conundrum afflicting major economies.

These problems go to the roots of the national economic and political philosophies of the world's largest economic players and touch their respective concepts of sovereignty.

Nor has the G-20 made remarkable progress yet on development cooperation.

Further, the G-20 has been reluctant to address political-security issues, even those with major economic salience.

But if the G-20 is to remain viable, some day the G-20 leaders will have to address a broader agenda.

This could include notably, the world's most pressing hybrid politicaleconomic issues such as the macroeconomic, energy and financial dimensions of climate change; food security and energy security; transnational organized crime; internet governance and cyber security; and support for the political transformations of the Middle East and North Africa.

The G-20 is an important even potentially crucial addition to the institutions that nation-states use to govern relations between themselves.

Constructive Powers

There are other promising forms of minilateral governance cooperation, as well.

Issue specific, inter-regional partnerships of constructive powers will likely form to bring specific problems of common concern to international attention and promote their resolution.

Members of these temporary, inter-regional partnerships will likely be second tier, not major powers, countries that have a strategic interest in cooperation, the economic weight to bear the costs of participation and the diplomatic capacity to promote change.

Senior Officials

Another source of innovation will be the entrepreneurial senior officials in the international organizations, who are instrumental in conceiving key policy initiatives, such as the Millennium Development Goals and the Human Development Index, and bureaucratically capable of carrying them forward.

Multi-Stakeholder Governance

Perhaps the most innovative and controversial—and game-changing -response to contemporary global governance challenges is multistakeholder governance.

Such multi-stakeholder governance entails the formal and informal cooperation of state and non-state actors in the development and innovation of rules of behavior governing complex systems.

The most obvious case in point is the Internet.

The gulf between those who want the freest possible Internet experience and those who favour state controls is vast.

Bridging that gulf will require diplomatic imagination and innovation.

Conclusion

We have accomplished a great deal together since the UN was born.

Although much more needs to be done for "the bottom billion" to achieve modernity, humanity as a whole is enormously better off.

While in my judgment, global governance is advancing, not receding, it is not possible to be categorical about what the future holds for it.

We do know that it is likely to be messy.

Global governance will be subject to further widespread innovation, notably increased minilateralism, as aging institutions struggle to adapt to rapidly changing times, and multi-stakeholder governance in important cases.

As a consequence, there will be more hands on the global steering wheel and more feet on the brakes and gas pedal than there have been in generations, perhaps centuries.

On the whole, in my judgment as a Canadian, that will be welcome.

Thank you.