

The future of multilateralism after Monterrey and Johannesburg

JENS MARTENS

At the world conferences held in recent years it was emphasized again and again that global economic, social, and environmental problems can be overcome only by means of intensified multilateral cooperation. The United Nations Millennium Summit, the Monterrey International Conference on Financing for Development, and the Johannesburg World Summit on Sustainable Development called emphatically for a strengthening of multilateralism and the structures it involves. At the same time, however, these conferences pointed to the limitations and inadequacies of a conference diplomacy based solely on government consensus and at which the pace of progress is invariably dictated by the heel-draggers.

Deficits and blockades in multilateral cooperation

The ongoing debate on the crisis and future of multilateralism is being shaped by the forced unilateralism which has, since the 11th of September 2001, become the hallmark of US foreign policy, reaching its culmination in February 2003 in the US' self-authorized war against Iraq. But multilateral cooperation is faced with a whole array of additional obstacles and problems that are impeding the development of democratic global governance structures. These include the fragmentation of the G-77, which is growing increasingly less effective as a negotiating block of the developing world; the dominance assumed by the neoliberal economic doctrines of the Bretton Woods institutions vis-à-vis the more welfare-state-oriented approaches of the United Nations; the underrepresentation of the developing countries in the IMF and the World Bank as well as in the negotiations of the WTO; the simultaneous weakness of ECOSOC, which is rooted in the UN Charter itself; a lack of coherence between international trade policy on the one hand and international environment and development policy on the other, which must be also seen as a reflection of conflicts of interest at the national level; the lack of authority and resources with

which international environment and development organizations, UNEP and ILO in particular, are forced to contend; and finally, the global governance vacuum in certain subareas of international cooperation, e.g. in international tax cooperation.

The UN conferences in New York, Monterrey, and Johannesburg

The Millennium Summit and the Monterrey and Johannesburg conferences discussed (either officially or informally) these deficits of multilateral cooperation and contributed in a threefold manner to finding solutions: first, in their official declarations, programs of action, and follow-up processes the conferences sought to formulate political solutions geared to coming to terms with governance problems; second, the conferences themselves were something of a testbed for new forms of multilateral cooperation – be it on the basis of a stronger involvement of the private business sector and civil society in official conference processes, be it in the form of pragmatic initiatives launched by like-minded governments and going beyond the official conference resolutions; and third, these conferences were also places at which it was possible to discuss further-reaching, „visionary“ ideas and concepts on the future of multilateral cooperation which were beyond realization in the short term.

Like the Millennium Declaration and its follow-up documents, the Monterrey and Johannesburg programs of action contain some statements on these issues. In essence, the task at hand is to strengthen the United Nations in political terms, in particular the General Assembly and ECOSOC, and to improve the involvement of the developing world in world economic decision-making processes. But these resolutions are not sufficient to overcome the deficits and blockades with which multilateral cooperation is presently confronted.

At the same time, the international conferences of recent years have led to a growing acceptance

of a concept of global governance which sees the future of international cooperation in global policy networks of state and private actors beyond the traditional multilateralism of nation-states. The multistakeholder roundtables in Monterrey, the so-called Type-2 Initiatives in Johannesburg, and Kofi Annan's initiative for a Global Compact between the UN and the private business sector are based on this concept.

These „global corporatism“ approaches are, however, by no means unproblematic. Critics rightly fear that these voluntary initiatives will be taken by governments as a pretext to shun international agreements of a more binding nature. They at the same time caution against any overly strong influence of the business sector and its often technocratic approaches to problem-solving. Such partnership models are problematic with regard to democracy aspects as well. Under these models private financiers would acquire rights of co-decision over the priorities of international politics and (at least in part) the uses to which public funds are put. What is therefore urgently called for is an independent evaluation of such partnership models at multilateral level. Among other aspects, it would be essential to examine what influence private-sector actors have on the problem analysis, political strategy development, and appropriation decisions of the alliances and funds in question (e.g. in the health sector).

Pacesetter coalitions of like-minded governments

We may view in a more positive light the ad hoc coalitions and cooperation projects of like-minded governments that have come about in the UN setting in recent years. Examples would include the initiatives which led to the adoption of the Anti-landmine Convention and the creation of the International Criminal Court, or the Johannesburg Renewable Energy Coalition. Despite their different compositions and objectives, these coalitions of like-minded governments have one thing in common: they come about in connection with international negotiation processes and/or feed their results back into international processes at the UN level. They thus move within the institutional and normative framework of the United Nations and its Charter. One further important criterion is transparency and

involvement of civil society groups. It has not seldom been the latter which have provided the impetus for such initiatives. But these can prove successful in the long terms only if such pacesetter coalitions are, sooner or later, followed by other governments. If this fails to materialize, free-rider behaviors are apt to be the result; indeed, if ad hoc partnerships see themselves as an alternative to multilateral action at the global level, they are likely to serve more to undermine the authority and the goals of the United Nations. The best example here is the „Coalition of the Willing“ which the US assembled in connection with the recent Iraq war.

In view of blockades to negotiations on the one hand and a pressing need for action on the other, ad hoc coalitions between individual governments may play an important role if they see themselves as pacesetters for global solutions. But they are no alternative to the development of formalized and democratic global governance structures.

Scenarios on the future of multilateral cooperation

There continues to be a need for fundamental reforms of the international system of economic and financial institutions. In the setting of Monterrey and Johannesburg, numerous reform proposals were discussed that go far beyond what was in the end decided upon at the conferences. They aim above all at „democratizing“ IMF, World Bank, and WTO, inducing international organizations to adopt more transparency and accountability toward the general public, setting the stage for more participation of civil society, and establishing a high-level decision-making body for economic and financial issues under the umbrella of the United Nations (often called the „Global Council“).

Whether these proposed far-reaching reforms have any prospects of being realized in the foreseeable future is, however, more than uncertain – the main reason being that, in the wake of the world conferences of the past decades and against the background of the power-based go-it-alone policies preferred by the US, multilateralism has arrived at the crossroads. Two conceivable scenarios for future developments would

be a further weakened multilateralism and a strengthened and „democratized“ multilateralism.

The first scenario conjures up the picture of a multilateralism in which the United Nations continues to decline in significance and the global problem-solving competence of national governments remains weak, one which sees a consolidation of the hegemony of the US and the international economic and financial institutions dominated by it as well as a tendency for critical civil society to take leave of the arena of international processes and focus on new forms of a „cosmopolitanism of social movements.“

The scenario of a strengthened participatory multilateralism has already been sketched out in numerous reform reports or expert bodies, lists of NGOs demands, and, at least in part, in the official resolutions adopted by governments in New York, Monterrey, and Johannesburg. The elements of a scenario of this kind would include:

- **A political upgrading of the UN General Assembly.** Here, the world's governments would act on their Monterrey resolution to make the General Assembly into a locus for the coordination of international development, financial, and trade policy. The point of departure here could be the projected annual „High-level Dialogues“ on development financing and on the implementation of the Millennium Development Goals. A next step would be the realization of the proposal made by the UN Secretary-General to conduct periodic, highest-level roundtable meetings in the framework of the General Assembly. The year 2005 could be the starting point for this process. At the same time, the consultative status enjoyed by NGOs in ECOSOC could be extended to the General Assembly as a means of ensuring openness and transparency.
- **From the exclusive club of the G8 to the Global Council.** The high-level dialogues or roundtable meetings in the framework of the General Assembly could provide the initiative for a further step toward structures of democratic coordination in the world economy. Under the umbrella of the General Assembly a Global Council would be set up which would, among other things, assume the function of the annual world economic summits.

- **More balanced decision-making structures for IMF and World Bank.** This would mean reapportioning voting rights in IMF and World Bank. At the same time, formal voting procedures would be reformed in accordance with the model of the GEF, with voting based on the principle of a „double majority.“ The number of decisions that require a special majority (85%) would be distinctly reduced. Decision-making processes would be public. At the same time, the composition of the executive boards of IMF and World Bank would be reformed, with the number of seats held by Europeans being reduced in favor of seats for Africa, Asia, and Latin America.
- **Stronger integration of IMF, World Bank, and WTO in the UN system.** The annual New York spring meetings between ECOSOC and the Bretton Woods institutions would be upgraded politically and given a more pronounced coordinative function. This would be accompanied by a political initiative aimed at integrating the WTO within the UN system. The goal would be to make the WTO one of the UN's specialized agencies.
- **Building of pacesetter coalitions of like-minded governments.** In fields in which political progress is blocked by negative stances on the part of individual countries or groups of countries, it would be possible for initiatives of like-minded governments to assume a pacesetter role. For the years 2004 and 2005 these would include Germany and the EU's renewable energy initiative and the Franco-Swedish initiative on defining and financing global public goods.
- **Assessment of partnership approaches and the influence of the private business sector.** To encounter the criticism voiced by many developing countries and civil-society organizations, the United Nations would subject its partnership projects with the private sector, and first and foremost the Global Compact, to a comprehensive evaluation. This would be accompanied by a political initiative on implementing the „Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights“ which were adopted by the UN

Sub-Commission for the Promotion and Protection of Human Rights in August 2003.

- **Building bridges between Porto Alegre, Mumbai, and New York.** Social forums at the global, regional, and national level would continue to gain significance as venues of civil society debate and strategy development. The analyses and demands presented by them would not only influence social discourse at the local and national level, they would also flow into political debates at the UN level. This would strengthen the hand of civil society in the world organization.

Which of the two scenarios will prove to be more realistic is uncertain today. There is some reason to assume that multilateral cooperation will be further weakened, as under the first scenario. The second scenario, though, is not wholly

unrealistic either. Whether developments will go more in this direction will depend above all on whether, in the medium term, the US adopts a policy which seeks a stronger orientation in multilateral cooperation as an element of its hegemonic policies - and is thus in its own national interest. This will also depend on the initiative power of individual governments to overcome, in the framework of ad hoc coalitions, political blockades at the global level, but without losing sight of the need to strengthen the hand of the United Nations and its General Assembly as the center of multilateral cooperation. And it will depend not least on the political pressure that civil society organizations and groups and movements critical of globalization will be able to generate in support of a democratic multilateralism.

For further information please contact:

Friedrich-Ebert-Stiftung
Head Office Berlin
Hiroshimastrasse 17
10785 Berlin
Tel.: ++49-30-26-935-914
Fax: ++49-30-26-935-959
Roswitha.Kiewitt@fes.de
www.fes.de