Checking alternative global governance sytems by Pascal Petit (CNRS CEPN Paris 13)

- Abstract
- The present stage and form of globalization is unsustainable. It will be increasingly challenged by environmental threats, demographic imbalances, rising inequalities, safety threats from deregulated trade flows and migratory pressures, notwithstanding growing risks of terrorism. Alternative global governance systems will be more or less able to respond to these challenges . If the present globalization is not reversible, the importance of the changes required by the above challenges will give a new role to local reorganizations and to non governmental organizations to steer them. Taking into account this perspective the contribution tries to assess the main features of alternative governance systems.

The present stage of globalization

- Unsustainable (interconnectedness) ?:
- -unprecedented globalization...after three decades of « economic liberalization »
- not <u>so much because</u> of a linear quantitative evolution of trade flows, capital flows and human flows reaching unprecedented levels, touching more and more countries, (Hirst and Thompson have a point)
- <u>More qualitative changes</u>: global reach of information and knowledge, diffusion of « good » practices, norms, standards and rules/regulations ,
- With a key role of ICTs to channel them

Defining Global Governance and actors

- "Global governance" understood as the set of rules and institutions regulating the behaviors of individual agents, states, firms, markets, international organizations and civil society organisations
- Beyond the old supremacy of the opposition between states and markets, new actors have emerged : the international organizations (gaining some autonomy in some filed in the last three decades....) and civil society organisations

New challenges for Global Governance

- Old challenges : nuclear threat and product markets access (food security, natural ressources security,...)
- New challenges : climate change and safety issues (products be it in finance ,agriculture , manufacturing or services are safe) , 2008 as crisis over a safety issue (financial products)
- Whether or not these challenges will be met :
- Depends on the « global governance » which will prevail (drivers of change)

Global actors with new positioning and interrelations

- States : less retreating than moving in this phase of internationalisation towards kinds of « regulatory states » à la Majone
- Markets (eg big multinational firms) competing with states and IO to set the rules (from financial norms to norms and standards on product markets)
- IOs : gaining autonomy on some new issues and building legitimacy in developing interfaces with CSOs
- CSOs with global reach appealing to citizens in addressing issues which do not appear on the radar of national democratic lifes
- ..not forgetting a similar investment of firms in lobbying activities (also regrouped under the CSOs category)

Changes in forms of globalisation concerning all actors

- All institutional contexts are marqued by this « normalization »
- <u>States</u> \rightarrow regulatory states
- Firms and markets → producing norms and standards, developing lobbying activities, channeling information and knowledge along their global value chains,
- IOs : international organisations developing international codes of conducts, interfaces with CSOs (civil societies orgnisations)
- CSOs going (growing) international, using ICTs

Descriptions of global governance1

- most descriptions of global governance tend to focus on indicators of outcomes.
- The Forum for a New Global Governance privileges five indicators : 1)Peace and security, 2) rule of law, 3) human rights and participation , 4) sustainable development and 5) human development
- Which refers to global public good
- 140 data bases on governance exist
- Most based on results (capacity to face some given/selected "risks") more than on the "means" and actions

Descriptions of global governance2

- The recurrent World Business Environment Survey (done by the World Bank) on the business world, pointing at the level of corruption in some countries, the efficiency of their administrations in terms of tax collections or trade registrations.
- Issue : the link between good governance and economic growth but little insight on the overall dynamics of the system of global governance.
- Should survey other actors (States, IOs and CSOs) as well then dress topological spaces of GG

Global governance schemes

- Global governance schemes are addressed by domain
- The <u>International Political Economy</u> literature thus distinguishes four domains:
- Financial markets
- Product markets
- Debts and global imbalances
- Defence issues
- somehow close to the Five structural forms of the R&A
- State, External relations, finance, forms of competition, wage labor relationships
- ...especially when considering the "regulatory" forms of internationalisation

Global governance : four scenarios to be checked

- Foresight to frame our investigation of the future , not forecasts (see AUGUR project)
- Four global contexts:
- G1 reduced government,
- G2 US-China accomodation,
- G3: Regionalisation,
- G4 Multipolar collaboration
- G1, G3 and G4 : classic set;
- G2 Chimerica relevant to map the evolution of GG

Risks A: Bounded Prometheus or Malthus Revenge

- These global governance schemes are more or less effective responses to various types of risks
- <u>Two forms</u>:
- 1) Exhaustion of non-renewable resources
- Security of access issues (too high prices, shortages) <u>WTO and UN</u> agencies try to cope
- New technologies fail to find substitutes or ...
- 2) New technologies present new risks (**safety**) ..from nuclear to biotec ..including nanotechnologies
- It may concern all sectors, from agriculture to energy, manufactures and FINANCE
- 3) Security Risks or safety risks both affect countries very differentlypoor versus rich for the first ones, environmentally cautious or not for the second ones

Risks B: Threats on Environment

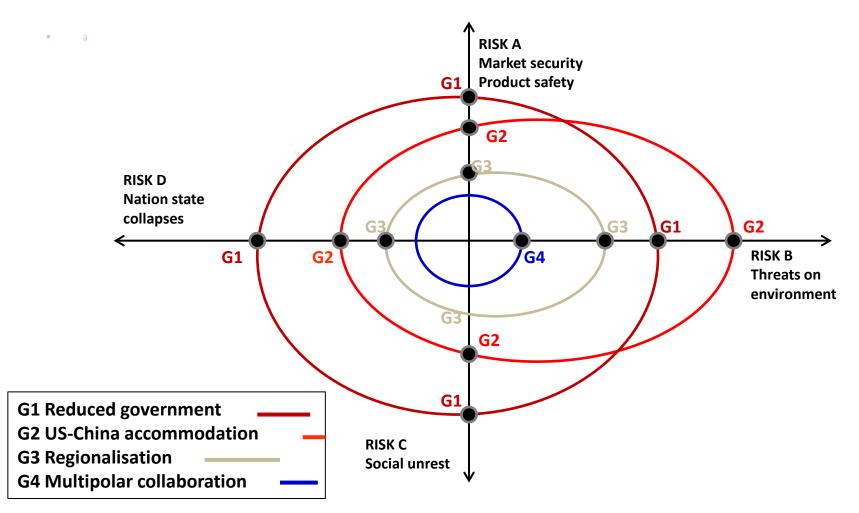
- Since 1972 (limits to growth report) sustainability has become an issue of increasing importance
- A global issue which is differently taken into account by countries (and regions) ,
- Which set Limits to business as usual as well as to delocalisation of pollution,
- Global Governance (under UN guidance) fails to monitor sustainable paths (from Rio 1992 to Copenhagen 2010)
- Moreover, CO2 emissions are not the only problem

	Governance structures facing risks A security and safety : -actors				
Risk	G1	G2	G3	G4	
	Reduced government	US-China accommodation	Regionalisation	Multipolar collaboration	
A	-States: loosing	US China	States: Region	States: multilatera	
Тес	ground , focus on	Self interests	org	Markets : UN	
	financial crises - markets : gaining grounds ; for deregulation	On safety issues	Markets: regio safety regulatio IO : easier intermediation,	agencies regulatio IO: Global WTO++ CSO+ overlooking, global civil society	
	-IO on security	_		j	
	issues, WTO status quo	grounds - CSO : active on	and outside reg		
	-CSO : very active on safety issues	safety issues	WTO, CSOs on going concerns		

	Governance structures facing risks B envirt: -actors				
Risk	G1	G2	G3	G4	
	Reduced government	US-China accommodation	Regionalisatio n	Multipolar collaboration	
B Envt	-states divided and largely inactive in search of market solutions pushed by markets -IO UN and agencies weak actions and forced to concentrate on disasters CSOs strongly	USChinadevelopenvtpolic.compatiblewiththeirowninterests), statesas clientsmarketsconstrainedbythesezoningofdiff ruling-Io-lodividedlimited	States: Region org Markets: regio regulations and prefer IO : easier intermediation	States : multi Markets: multi regulations, and prefer for short supply IO: govern UN + + CSOS : civil society control of los	
	mobilized, political crises	- CSO struggling hard to face the	U U		

Governance structures : risks facing and forms of globalisation					
G1	G2	G3	G4		
Reduced government	US-China accommodation	Regionalisation	Multipolar collaboration		
globalisation Close to what exists in 2015, still with growing local resistencies , fueled by on going crises , in finance, in	and regulation spaces much ordered by the dualism Chimerica,	international flows and regulation spaces much	globalisation marked by a managed reduction of flows (short circuit		
			demographic disparities		

Risk exposure by global context



Reformating the question

- Shifting the question from
- « towards more or less globalisation? »
- To ..
- « which kind of trajectory globalisation will follow, balancing issues of exchange flows (trade, capital, labour) and concerted « regulatory framework », information and knowledge flows »
- Tracking globalisation as an evolving multidmensional space with varying properties
- Thank you for your attention