

## FOREWORD

Global governance is generally defined as an instance of *governance* in the absence of *government*. There is no government at the global level: the UN General Assembly is not a world parliament, and Ban Ki-moon is not the world's president. But there is governance—of sorts. Moreover, as Thomas G. Weiss and Ramesh Thakur indicate, today's desire to improve the functioning of global governance has little to do with wanting to create a world government—though right-wing bloggers and some politicians still try to mobilize their base by fulminating that it does.

Governance is not the same as politics, although they are closely related. Fundamentally, politics is about competition in the pursuit of particular interests, whereas governance is about producing public goods. This is as true internationally as domestically, although the domain of governance apart from politics at the international level is fragile, much thinner, and more fragmented.

Governance, at whatever level of social organization it occurs, refers to the workings of the system of authoritative rules, norms, institutions, and practices by means of which any collectivity manages its common affairs.

The instruments of global governance take the form of treaties, customary international law, formal organizations such as the UN or the World Trade Organization (WTO), embedded norms such as those legitimizing certain uses of force but not others, and habituated practices such as pretending that embassies exist in the home country but not the host country and therefore are not subject to local jurisdiction.

The prevailing state of affairs in global governance at any given time is shaped by an ever-present tension between the need to internationalize rules and the desire to assert and retain national control. The balance between internationalization and state sovereignty may swing back and forth—for large-scale examples, compare the pre–World War I and post–World II eras with the interwar period. Today, powerful forces are pushing in both directions simultaneously, and we simply do not know yet whether reconciliation between the two is possible or how to achieve it.

The modern Westphalian system of global governance—if it can be called “global” at all—had two core features. First, it was a state-centric system. The only *public interest* that had any standing reflected accommodations among different national interests as defined by individual states. States were the sole *decision makers* in this system of governance. States were also the *subjects* of the decisions they made: the rules applied to them and only through them to other actors, such as individuals, companies, or armed factions. And states were the *enforcers* of the rules they made—when they felt like (and were capable of) enforcing them.

Second, in terms of its spatial configuration, this traditional world saw itself as comprising territorially distinct and separate economic and political units that were engaged in *external* transactions. The role of whatever governance arrangements states created was to reduce frictions resulting from those external transactions, largely by helping to manage them at the point of entry or exit between the units.

This template was enshrined in the post–World War II institutions of global governance. In the area of peace and security, for example, the UN Charter rested on the assumption that threats to stability would come from acts of *external* aggression by *states*. It included provisions for helping the victim by mobilizing other states—not an international standing force—to repel the aggression. And so its Article 2.7 stipulated that “Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state.”

The same was true in the economic realm. The General Agreement on Tariffs and Trade, the WTO’s predecessor, was confined largely to addressing such point-of-entry barriers as tariffs and quotas. The International Monetary Fund’s main task was to manage currency exchange rate policies.

And although the UN Charter was drafted in the name of “we the peoples,” its sole recognition of actors other than states and intergovernmental organizations was in its provision that the Economic and Social Council could “make suitable arrangements for consultation” with international nongovernmental organizations (NGOs) that were relevant to its work and with national NGOs after consulting their home country governments (Article 71).

Driven largely by the forces of the globalization, the modern system of global governance began to transform slowly but in some respects

significantly over the course of the past few decades—not by replacing states but by having its boundaries stretched to encompass novel issues and actors. The result is a postmodern and nonterritorial overlay on the modern system of global governance.

A simple scan of the major issues and actors that now have a broadly legitimate place in global governance indicates how far the modern system has been stretched into “internal” and “universal” directions simultaneously. UN conferences since the 1970s have addressed challenges of the environment, population, human rights, women, children, social development, human settlements, food security, racism, and HIV/AIDS, among others. Until recently, when environmental issues were addressed they tended to be of the “upstream/downstream” externalities variety, whereas climate change, today’s most pressing environmental problem, is indivisible and universal.

Proliferating human rights instruments address the most intimate of “internal” political relations, that between a state and its citizens. In the legal realm, there are now more than fifty international courts, tribunals, and quasi-judicial bodies, culminating in the International Criminal Court.

Even the prevalent form of warfare has changed. In the 1990s, over one-third of the world’s countries were directly affected by serious intrasocietal warfare, while *interstate* wars have continued to decline. International attention (but less frequently action) has been pulled into the domestic realm as a result.

International organizations remain anchored in the state system, but their activities reflect the expansion of issues on the global governance agenda. Their role in actual enforcement remains tightly constrained by states. But they have become primary vehicles for setting global agendas and framing global issues, creating and diffusing norms, and collective legitimization. International organizations also carry on extensive operational activities in the humanitarian and development fields and in peacekeeping.

Moreover, an array of actors for which territoriality and national interests are not the primary organizing principles has come to occupy positions of prominence in global governance. Civil society actors have moved well beyond advocacy and philanthropic activities. For example, they have become indispensable executing agencies for national and international development assistance and humanitarian programs. They

also participate directly in such “collaborative governance” innovations as the Kimberley Process to combat trade in conflict diamonds and the Extractive Industries Transparency Initiative.

The universe of transnational corporations now includes roughly 77,000 firms, and some 800,000 subsidiaries and millions of suppliers and distributors are connected through global value chains. They have been a major force for the privatization and liberalization of markets. In a process that is less visible to the casual observer, they have also assumed a partial international legal personality, a privilege that had been limited historically to states and intergovernmental organizations. For example, under the more than 2,500 bilateral investment treaties in effect, these firms can take host states to binding international arbitration, not only for expropriation without adequate and prompt compensation but also for changes in domestic regulations that adversely affect the investment. The only role of national courts in this process is to enforce the rulings of private international arbitration panels.

Along with expanded rights for transnational corporations have come demands that they accept greater accountability. As a result, a corporate social responsibility movement has emerged, the instruments of which are individual company or industry codes of conduct, multistakeholder initiatives, certification schemes, and the like, which virtually no major transnational corporation can avoid in some measure, if for no other reason than to manage social risks to its brand or business operations. At the same time, a growing number of such companies are finding commercial opportunities in going “green” or in “bottom of the pyramid” business strategies. These new risk and opportunity factors, in turn, can alter the self-interest calculation of companies in relation to public policy issues at the national and international levels, as illustrated by business coalitions that favor climate change policies, HIV/AIDS prevention and treatment, the Millennium Development Goals, and similar social challenges.

In sum, a postmodern overlay on the modern territorial system of global governance has emerged. It is characterized by an extensive transnationalization of issues, transaction flows, and actors that cuts across familiar national jurisdictions, blurs the boundaries between external and internal spaces, and intermingles the public, private, and civic spheres in novel ways.

At the same time, there is a widespread and growing sense that global governance is not working well or even poses a threat. Here are but a few signs.

Elements of “uncivil” society have also gone transnational, most notably criminal networks and, of course, terrorist networks. Cooperation is necessary to deal with the challenges they pose, but it is a form of cooperation that tends to trigger the consolidation or strengthening of state authority in order to protect against outside intrusion.

In a wide range of areas from nuclear nonproliferation to reform of the UN Security Council, everyone acknowledges that the current arrangements are deeply flawed. However, each state’s desire for relative gains prevents the collectivity from changing them. We have not yet learned how to conduct global governance effectively in accordance with accountability to broader publics. In the European Union context, this is called the “democratic deficit.”

Because of the asymmetries and inequalities that are associated with globalization, particularistic identity politics is on the rise, organized around religion, ethnicity, or economic grievances.

At the normative level, liberal internationalism, of which the United States has been a leading champion, traditionally has served as an animating vision for global governance. But this source of normative capital was seriously eroded by the policies of the George W. Bush administration. Even though American policy will change for the better, the world has not stood still in the interval. Finally, today’s emerging global powers do not share this aspirational vision of liberal internationalism in the first place. In economic relations, their state-owned enterprises and sovereign wealth funds are reminiscent of mercantilism, while in the military-political realm their strategies reflect little more than balance-of-power pursuits. In the terrain of global governance, postmodernism collides with a resurgence of nineteenth-century institutional practices.

Thus, we find ourselves at a critical juncture today. Global governance failures, geopolitical changes, and identity politics are pulling global governance back toward more of a statist model. At the same time, human needs as well as the scope of economic activity and the interests of economic actors strive for a more effective organization of transnational spaces.

Never has a serious book on the United Nations and global governance been more timely. Thomas G. Weiss and Ramesh Thakur take an admirably comprehensive approach, identifying gaps with respect to the role of the United Nations in managing knowledge, developing norms, formulating recommendations, and institutionalizing ideas. There is an empirical assessment, not a normative argument, and it is intended to improve the functioning of this global governance mechanism. Taken seriously, it will do so.

JOHN GERARD RUGGIE

*Harvard University*

*December 2008*