Challenges to the New Multilateralism

Mixed Signals

24.   The beginning of the 1990s witnessed the emergence with renewed force of multilateralism and regionalism, and raised hopes for more balanced and fairer inter-state relations based on common rules, for greater respect for human rights, and for wider civil society participation in global decision-making. The potential for global multilateral governance, however, has since been weakened by the mixed signals given by key powers in the international arena, by particularly the United States, and by the 'powerlessness' or lack of enforcement capabilities of multilateral institutions, notably the UN and the WTO.

25.   Regionalism, on the other hand, has been plagued by a still unresolved relationship with multilateralism, particularly with WTO rules on trade liberalisation. It has been affected by an absence of clarity regarding its final aims; some integration projects oscillate between a desire for economic and political union, and merely multiplying free trade agreements, which has led in some cases to a lack of commitment to collective discipline. At the same time, the identification by some groups of regionalism with the establishment of a multipolar order based on an old balance of power politics to challenge US unipolarity has confused the relationship between regionalism and multilateral governance.

UNIPOLARITY AND MULTIPOLARITY

26.   The capacity for regionalism to contribute to the establishment of the new multilateralism depends in large part on the way that power is exercised in the internation-

al arena. The new multilateralism is not compatible with either multipolarity based on a traditional balance of power system, or unipolarity. A unipolar system based on the hegemony of the US, even if benign, is not sustainable in the long run. Not only is the world a more plural place than allowed for by such as scenario, but American society is unwilling to pay the price involved in guaranteeing international security single-handedly.

The American Paradox

27. The relationship between the US and multilateralism is ambiguous. Historically, multilateralism reflects the international self-image of the US. It has been a promoter of multilateral, universal rules. Indeed, the US often had to overcome the resistance of Asian and European countries to multilateralisation, which saw international relations as a balance of power game. The US does not view itself as an imperial power imposing its values on the rest of the world. It sees itself as the champion of the values of individual liberty and democracy. Since the collapse of the Soviet system, as the only remaining super-power, its sense of responsibility to spread these values has been maintained. At the same time, as long as the values it espouses are not in fact universally accepted and practised, the US insists on reserving the right to act unilaterally.

28. Herein lies the paradox. The greater its power, the greater its potential to promote and engage in multilateral action. At the same time, the limits on multilateral action are conditioned precisely by this power. Thus, multilateralism is affected by the capacity and willingness of the US to exempt itself from the rules that it helps to create, and by its reserved right to intervene unilaterally as a last resort. The US will intervene exactly to preserve the multilateral system, which it thus simultaneously helps to create and violate. The position of the US is based on the idea of constructing a world order founded upon universal rules and norms guaranteed by its leadership. In turn, this is founded upon its capacity to make unilateral use of coercive means, whether military, economic, political, both to defend the collective and national interest, the latter viewed as the core of global stability. Although the aim of the US is to exert its leadership by consensus, or to arbitrate disputes, the capacity to demonstrate authority and resort to force is the *sine qua non* condition for its ability to do so.

The Strong Alliance Policy

29. It is largely taken for granted in the US that there must be foreign involvement, despite the existence of isolationist groups; the US has consolidated the

position of dominant nation in the world and it must act internationally to maintain its status. The question remains as to how it should do so. Traditionally, US international policy has been based on two different kinds of logic: strong rules and strong alliances. The Clinton administration favoured the strong rules and 'honest broker' approach. It favoured free trade conditioned by adherence to environmental and labour considerations. In the security field, it favoured multilateral action with its allies in UN. Clinton showed a willingness to take on more responsibility in exchange for loyalty to a multilateral system as conceived of by the US. The new Bush administration, by contrast, seems to favour a strong alliance policy. This could mean less multilateral action, more power politics, and more unilateral action. This does not augur well for a new multilateralism. Evidence of this negative effect is apparent in new and intense worries about disarmament and non-proliferation initiatives.

The Renewed Threat Unilateralism or US Withdrawal

30. Since the election of President George Bush Jr., the ambiguity of the US towards multilateral governance has deepened. During the Clinton administration, the ambiguity of the US towards multilateral rules, a product of its unique post-Cold War power status in the international arena, was mitigated by a clear presidential and executive commitment to the advancement of multilateral governance. The Bush presidency has evinced no such commitment, demonstrating in some cases an open disregard for multilateral game rules.

31. Deep sources of concern for the international community are the non-ratification of the Comprehensive Test Ban Treaty (CTBT) by the US, and the announced creation of Missile Defence Shield (MDS). The latter project may lead the US to unilaterally and without prior negotiation contest and even alter the Anti-Ballistic Missile Treaty (ABM). The US has also demonstrated a strong isolationist position, opposing recent attempts to introduce a global regulatory framework govern the illegal arms trade. It joined Russia and China in proposing a much watered-down programme for at the UN July conference on illegal small arms trafficking.

32. The refusal of the US to agree to cuts in greenhouse gas emissions at the UN Summit on Global Warming in the Hague, as called for by the 1997 Kyoto Protocol, and its self-exclusion from the Bonn Agreement in July 2001, has generated indignation and disappointment. The Bush administration has also sustained US opposition to universal jurisdiction. The country played a negative role in ICC preparations, reflecting its long-standing refusal to allow US citizens to be tried by foreign or inter-

national tribunals. Even multilateralist former president Clinton attempted to obtain exemption for US citizens from ICC prosecution.

The EU Multipolarity Debate

33. If unipolarity is undesirable, multipolarity based on traditional balance of power politics is not an alternative either. In Europe, some have promoted a vision of a multipolar world order inspired by the European balance of power system before the Second World War, within which the EU could seek to exercise power politics and thus affirm its sovereignty and autonomy. However, it is not the vocation of the EU to seek hegemony or cultivate a global balance of power system. Most EU countries are opposed to the balance of power vision. Not only is there not a consensus for a balance of power politics, but, in fact, even France feels ill at ease with the potential impact of new emerging new power centres, such as China and India, on international security. Thus, a theoretical support for multipolarity is not matched by a *de facto* acceptance of its manifestations in reality. More importantly, the external projection of power politics would contradict the internal elimination of power politics by the EU.

Multilateralise the US, Institutionalise Interdependence

34. A 'power politics multipolarity' would also pit European against US power. It is thus not an option, as most European states feel that a just and balanced international order depends upon close EU-US co-operation. For the EU, there is no real scope for Euro-American rivalry. The EU seeks a balanced relationship with the US; a relationship between equals able to contribute to the creation of global rules. Indeed, it is in the interest of the EU to witness the multilateralisation of US foreign policy, as for other regional integration projects such as the Mercosul. The EU seeks the creation and reinforcement of multilateral institutions able to regulate political and economic interdependence, and multilateralise US policy. It seeks the institutionalised organisation of interdependence. The aim is to build a new multilateralism based on regional integration groups, whose experience with the supranational regulation of relations between states can be put to good use.

35. In other words, the EU seeks the transformation of the international system into a community that is based on the reinforcement of international institutions, particularly of the UN, which should develop the ability to practise the new multilateralism announced by its Secretary General. This is the best way forward to

combat both unilateralism and multipolarity. In sum, the EU seeks to 'externalise' its internal system of regulated interdependence, to project it globally and make it the core of the new multilateralism.

INTERNATIONAL POWERLESSNESS

36.   The greatest challenge to the new multilateral project is perhaps not unilateralism or the creation of a multipolar order. Rather, it is the powerlessness and impotence of the UN system and other key multilateral institutions to respond to the basic security needs of human beings around the world. Although the international community has progressed significantly in normative terms, accountability and enforcement have not accompanied the widening consensus on the need for common values and rules for all.

The Failings of Humanitarian Intervention

37.   Since the early 1990s, multilateral institutions have suffered blows to their prestige and credibility, reinforcing doubts about their capacity to administer and reorganise the international system. The UN was particularly affected by its inability to intervene in Kosovo, but also as a result of its failure to act effectively to put an end to violent conflicts, such as that between Eritrea and Ethiopia, and in Rwanda, the Sudan, Somalia, Angola. The legitimacy and efficacy of humanitarian intervention is still weakened by selectivity, power politics, and by disputes over who or which institution should intervene. The UN is often unable to carry out the mandate given to its peace forces by the Security Council; this happens not only with its most ambitious state-building missions (as in Timor and Kosovo), but even where it is sent to carry out relatively simple short-term missions.

The Absence of a Clear Project

38.   The main problem affecting the institution is the absence of a clear and coherent project for the institution among member states. Thus, UN member states are unable to push for crucial institutional reforms, particularly of the Security Council. This inability is also a sign of the unwillingness to replace the old balance of power

system with more participatory and democratic institutions. Constant arrears in national contributions to the UN, and the inadequate budget assigned to key areas such as human rights, humanitarian intervention and disaster relief show how states are essentially still unwilling to take on the burden of more humane global governance. Reform and budget contributions are necessary to ensure that the UN becomes a more agile body, capable of dealing with new transnational challenges that demand greater interventionism and enforcement capabilities.

39. Lack of commitment is also evidenced in the gap between institutional reform, rhetoric and financial contributions. Despite the General Secretary's new commitment to human rights, work in this area is seriously hampered by lack of funds. The High Commissioner for Human Rights, for example, has 200 employees, a limited budget of US$20 million (which represents 1.7% of the total UN budget) despite costs that in 1998 reached US$54. In many instances, key human rights institutions live on voluntary contributions alone. The Rapporteur for Torture, one of the most important in the UN human rights field, Sir Nigel Rodley, has worked *ex gratia* with the support of the university where he teaches in the UK. He has only one full time assistant to deal with thousands of cases that are put before him every year.

ICC Ambiguity

40. The finalisation of the rules governing the ICC in June 2000 stands as a victory for a new form of global governance and of multilateral negotiation. This achievement, however, is balanced out by a global record of human rights violations that seems to have benefited little if at all from the significant normative advances. The ICC Statute is still to be fully ratified. (As of July 2001, 11 of the 15 EU member states, and Argentina and Paraguay in the Mercosul had ratified the Treaty.)

41. At the same time, the weaknesses of the ICC Statute, the 'escape options' to states engaging in human rights violations, testify to the resistance of states to an enforceable universal jurisdiction. The Statute enables the Court to try people for crimes against humanity, war crimes, acts of genocide and certain acts of aggression, giving it wider scope than any other court of its kind. It also has a relatively high degree of autonomy, as suits can be initiated by the Security Council, individual states or the ICC prosecutor with the consent of a panel of judges. Yet permission must be given to take a case forward either by the state where the crimes took place or the state that the accused is from. This is an important limitation, as is the complementarity requirement: ICC prosecutions can only take place if there is a deliberate refusal

by states to initiate national prosecutions. It is obviously hard to prove whether the absence of national prosecutions is part of a deliberate policy or the result of other factors. It is also unclear how the ICC should act if states opt for amnesty.

42. The mixed signals emitted by ICC rules are indicative of the ambiguous moment in international life. The Court lives in a world of continued resistance to the logic of universal jurisdiction. The weaknesses of its Statute, the 'escape options' to states engaging in human rights violations, testify to this resistance. This reflects the paradox that while sovereignty seems to be the polar opposite of universalism it is in fact its bedrock. One cannot exist without the other. It is the state system that fosters its own transformation. At the same time, however, states resist many of the consequences of this transformation, as it is correctly perceived that the logic of universalism puts to the test, at least temporarily, the stability of the state dominated system.

A Divided WTO

43. A decade after its creation, the WTO has also experienced important reversals and attacks on its prestige. The WTO Seattle Ministerial Summit in 1999 failed to deepen common game rules for international trade, and provided evidence of deep social discontent with globalisation. In recognition of the problems faced by the organisation, the first semester of 2000 was dedicated to preparing a package to restore confidence in the multilateral trade regulation system.

44. Various differences persist among member states, however, as to the scope and nature of the next round set to take at Fourth Ministerial Conference in Doha, Qatar in November 2001. This will be crucial for the development of multilateral trade rules, which are in turn essential to deal with the problems facing the global economy. The economic slowdown brought about by US and Japanese economic downturn, as well as the differences that divide the members of the WTO (such as labour rights) put the commitment of negotiations at stake and may give rise to a new round of protectionism.

Implementation

45. The WTO must reconcile the differing demands of North and South, instituting a negotiating method for trade liberalisation that can take differentiated interests into account. In order to do so, it must face four main challenges. First, the implementation of existing agreements is a problem. Less developed countries (LDCs)

argue for a rectification of the imbalances between the rights and obligations in agreements negotiated during the Uruguay Round, and call for interpretative 'understandings' of agreements to that effect. For the developed countries (DCs) this is unacceptable. They argue for technical assistance to increase the capacity of LDCs to take better advantage of existing agreements.

46. The Integrated Framework for Technical Assistance for LDC Trade, to be administered by the United Nations Development Programme (UNDP), with the support of the WB, the International Monetary Fund (IMF), the International Trade Commission (ITC), the United Nations Commission for Trade and Development (UNCTAD) and the WTO, was initiated in response to this. The package contemplates measures to ensure greater market access to LDCs by widening generalised systems of preference (GSP), and provides for technical training for LDC negotiators, whose ability to negotiate effectively is hampered by a lack of knowledge of norms and instruments.

Agriculture and Services

47. The proposed negotiation of the liberalisation of agriculture and services has been blocked in large part because of fundamental divergences over the differentiated needs of developing and developed countries. Perhaps the greatest challenge will be to overcome the stalemate produced by the 'single undertaking' method of negotiating agriculture and services, whereby negotiations for one are not finalised and enforceable until negotiations for the other are also complete and operative. At present, the EU, the US and Australia all support a 'cluster approach' for the negotiation of interrelated services. The LDCs and the Cairns Group, on the other hand, are insisting on parallel negotiations for services and agriculture, although countries like Argentina, Brazil and Mexico, which seek agricultural liberalisation, are wary of the liberalisation of services. The LDCs seek to ensure agricultural liberalisation (which DCs such as those of the EU resist), and the DCs emphasise the need to liberalise trade in services (which some LDCs such as India resist as they wish to protect their fragile service industries).

Transparency

48. The WTO legitimacy crisis has been at least partially caused by a lack of information flow to a global public and by a lack of transparency even among members states. Again, members are divided on this issue. As far as internal transparency is concerned, the decision to ensure that 'private' meetings arranged between groups

of countries publicise their discussions is a positive step. More contentious are how much and which information should be made available to the public, and what kind of relationship should be established with NGOs. At present, LDCs tend to be resistant to more openness, but greater transparency is essential for the medium and long run internal and external legitimacy of the WTO.

Labour, Poverty and Inequity

49. The subject that has proved most difficult to get around is related with labour conditionality. The emphasis on the need for social conditionality by some states and resistance to it by others constitutes a major stumbling block to negotiations. WTO member states may determine that the ILO is the institution that should deal with this issue; whatever the decision, the principles and actions that should govern labour standards must be debated and a consensus must be reached. The issue of labour standards is closely related to what is perhaps the major challenge faced by countries participating in the global market: poverty and inequity. WB figures show that the problem is a very real one. It is estimated that out of a world population of 6 billion, 1.2 billion (over a sixth) live in extreme poverty, on less than $1 a day. Around 10 million children under five died of mostly preventable diseases in 1999. More than 113 million primary school age children do not attend school. These figures present a slight improvement compared with 1990, but the challenge remains immense.

50. What President Fernando Henrique Cardoso called 'globalisation in solidarity' (*globalização solidária*) is far from being a reality. Although the Cold War is over, the conflict that pitted economic and political neo-liberals against social democratic forces favouring mixed economies with state intervention in aid of greater social justice is still very much unresolved. In the drive to institute global free trade it is often forgotten that free trade is not an end in itself, but a means to an end: human well being. Trade liberalisation is part of the answer. According to Michael Moore, head of the WTO, improved market access is part of poverty alleviation, as three quarters of the benefits of liberalisation would go to developing countries. As he notes, the elimination of agricultural subsidies would, according to the WB, represent more than 3.5 times all Official Development Assistance (ODA) for 1999. However, liberalisation is not all: it is forgotten that the market requires correcting mechanisms to ensure that distribution accompany wealth creation. Such mechanisms are necessary not merely at the national but, increasingly, at the global level.

The Technology Gap

51. The answer lies also in promoting policies to ensure more equality in terms of the capacity to utilise new information and communications technologies. Economic inequality is increasingly linked to gaps in access to technologies and education. There are also fears that, despite much talk of a global village induced by the emergence of new communications technologies, particularly the Internet and 'global TV' such as CNN, the consumption of news is declining and the bank of the 'newsworthy' is increasingly narrow, with the creation of informational monopolies. However, new communications technologies provide as many opportunities as they present dangers, as previously isolated communities and unknown grievances can be known and aired. Indeed, educating and enabling communities to take advantage of these technologies must be a component of any distributive and social justice policy today.

52. There is growing recognition of these problems. The UN has played a key role in mobilising against poverty and inequity, with the results of a series of conferences in the 1990s encapsulated in the resolutions adopted by the Millennium Summit of September 2000, and subsequently taken on board by the WB, the IMF and the OECD. In June 2000, the meeting between 14 social democratic heads of state in Berlin, 'Progressive Governance for the Twenty First Century' focused on the need to reduce inequalities as a priority. The 'Berlin Consensus' provides a potential alternative to the 'Washington Consensus' model, but it must be deepened and debated by decision-makers with a commitment to change.

53. Achieving these goals will not be easy. The persistence in separating the 'hard' issues of trade from the 'soft' concerns of development co-operation to alleviate poverty must be overcome. In this sense, WTO members must seriously consider how the organisation can contribute not merely to free trade, but make such an aim compatible with greater social equity, both within the societies of participating states and between them. Failure to address these issues could mean that demonstrations such as Seattle and Genoa cease to become the activities of western radicals and NGOs, and the violent expression of the 'excluded' of the global trade system.

Qualified Universalism vs. Enforcement and Accountability

54. The new multilateralism is emerging in an asymmetric system, with heterogeneous actors participating in varying depths. This poses a key danger: that of a 'qualified universalism', which could, if not remedied over the medium-term, lead to disenchantment with the aim of multilateral governance and universal jurisdiction for

human well being. If this is to be avoided, the passage from selective to global norm making to norm enforcement has to be made. In addition, transparency and account-ability, and a more democratic decision-making method have to be instituted at the multilateral level. Today's emerging global citizen demands participation in the global policy-making process, and the right to know what is being decided in his/her name. It must be possible to hold multilateral institutions accountable, and to ensure the wider participation of non-state actors in the policy process.

KEY CONCEPTS

• The new multilateralism is conditioned by the willingness of the US to exempt itself from the global rules it helps to create and by its self-reserved right to intervene unilaterally as a last resort • A 'power politics multipolarity' would pit European against US power • It is in the interest of the EU to multilateralise US foreign policy, as it is for other regional integration projects such as the Mercosul • The EU seeks to 'externalise' its internal system of regulated interdependence, to project it globally and make it the core of the new multilateralism • The greatest challenge to the new multilateral project is the powerlessness and impotence of the UN system to respond to the needs of human beings around the world • Powerlessness poses the danger of a 'qualified universalism' that could de-legiti-mise a new emerging multilateralism •