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GLOBAL DEMOCRATIC GOVERNANCE AND THE REFORM OF INTERNATIONAL INSTITUTIONS

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International Center for a Democratic Culture

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UBUNTU is an age-old African term for humaneness - for caring, sharing and being in harmony with all of creation. As an ideal, it promotes co-operation between individuals, cultures and nations.

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TABLE OF CONTENTS

- Introduction----- page 4
- 1. The logics of United Nations reform----- page 6
 - 1.1 The political roots of the reform dilemma----- page 7
 - 1.2 Bureaucracy and administration----- page 8
 - 1.3 Democracy and development----- page 9
 - 1.4 The Security Council----- page 10
 - 1.4.1 Representation----- page 10
 - 1.4.2 Power of veto----- page 12
 - 1.5 Peace and security in the UN of the 21st century----- page 13
 - 1.5.1 Regional alliances----- page 13
 - 1.5.2 The permanent force----- page 13
- 2. The reform of international financial institutions----- page 15
 - 2.1 The evolution of the World Bank and IMF mandates----- page 16
 - 2.1.1 Democratising internal decision-making power----- page 18
 - 2.1.2 Increasing transparency and accountability----- page 18
 - 2.1.3 Strengthening the IFI's commitment to social well being and sustainable development----- page 18
 - 2.1.4 Strengthening the IFI's commitment to environmental conservation----- page 20
 - 2.1.5 Institutionalising gender issues----- page 20
 - 2.1.6 Integrating IFIs into the United Nations system----- page 20
- 3. The World Trade Organisation----- page 22
 - 3.1 Domination by corporations and the United States----- page 22
 - 3.2 TRIPs and TRIMs----- page 22
 - 3.3 Problems of democracy and transparency----- page 23
 - 3.4 Proposals for WTO reform----- page 24
- 4. Conclusions and possibilities for action----- page 26

INTRODUCTION

The present world panorama is grim and uncertain. The climate of optimism established at the end of the Cold War and increased on the eve of the new century has now been utterly dispelled.¹ The new millennium was heralded in by terror and war, and by horrifying images of people driven to desperation by the social consequences of an unjust world economy dominated by the multinationals. There is a logical thread linking the events of September 11 in New York and Washington, the images of the war in Afghanistan and economic disaster in Argentina: globalisation without rules. This is the context in which we explore the problem of building global democratic governance, a complex problem of inevitably technical dimensions, highly specialised in many aspects. At its core, however, is an age-old issue: power struggle and the legitimate institutions that can regulate it.² This is, by its very nature, an eminently political question, for which reason a number of ethical decisions must inevitably be taken with regard to our evaluation, theories and proposals regarding global democratic governance.

This is not the first time that the problems of world governance have been posed in their planetary dimensions. As long ago as 1795, in its most illustrious predecessor³, immediately after the signing of the Basle peace treaty, Kant linked the chance of world peace -perpetual, no less- to the establishment of a government of governments, cosmopolitan law and world citizenship. It is true that Kant conceived not the institutional system of democratic governance we now propose, but a world government formed by a federation of states to create effective conditions for peace.⁴ But it could not have been otherwise, thinking, as he did, from within the system of sovereign states whose absolute legal power was consecrated in the 1648 Peace of Westphalia, which brought into being what is known by the experts as the Westphalian order or system.

What were the main pillars of this order?⁵ One, that nation-states were the only sovereign bodies. Two, that this sovereignty was exercised over a geographical territory through the establishment of physical frontiers. Three, that the nation-states' central governments were the agents with the greatest power in the world. Four, that no law could exist above that of the nation-state, and that international law was that deriving from treaties signed by sovereign states, consecrating the inalienable right of non-interference. Finally, five, as a corollary of the above, that, in the absence of supranational law, war between sovereign states was legitimised

as a means of resolving disputes. Hence the subsequent efforts to "civilise" war.

This order, now nearly three hundred years old, is now being questioned by the transformations accelerated or created by the globalisation process.⁶ This crisis constitutes the hub of our concern about global democratic governance since, without rules, ungoverned globalisation becomes an important source of world instability, disorder and ungovernability.⁷ What are the changes which make the present situation new? Firstly, that nation-state governments are no longer the sole source of legal sovereignty. Degrees of sovereign power have been transferred to other instances -supranational, sub-state or non-state. Secondly, systems of authority based on the idea of geographical territory are under question, and power, often faceless⁸, is exercised beyond and despite frontiers. Thirdly, national states are no longer alone on the international scene: other political forces have emerged which take part, often with even greater force, in international power struggles.⁹ Fourthly, many elements forming the bases of a supranational law have appeared in recent decades -protection of human rights, of the environment, of humanitarian law- curtailing states' absolute sovereignty. And, fifthly, despite the present conditions, international opinion is clearly turning against war, at least in its Westphalian interpretation as a legitimate and "natural" resource. Having said this, we must immediately state the proviso that, since the globalisation process is uneven and asymmetrical, although all the nation-states were affected by these trends, some have been more affected than others. It is no doubt the states in the countries of the South that have most seen their relative power curtailed. And the situation prior to this was already considerably asymmetrical and hierarchical.

The creation of the United Nations Organisation in 1945 was marked by the compromise between the logic of the Westphalian international legal system and the logic of a legal system based on the broader international community, even if the latter played a subordinate role. The factors contributing to this compromise were the horrific experience of two world wars, the emergence in reaction to it of a humanist consciousness led by a generation of visionaries and, we should not forget, the incipient conflict of the Cold War between two systems, two ideologies and two nuclear superpowers who, in their dispute, opened up a space for this compromise.

Since then, these two logics -that of states and that of the broader international community- have systematically clashed in successive efforts to establish the institutions for global democratic governance.¹⁰ And different power groups or alliances have formed around them which not always -in fact, hardly ever- express a diaphanous conflict between states as unique, privileged actors in a system of international relations in crisis, and the organisations, activists and intellectuals of cosmopolitan citizenship. In any case, if it had, all the developments which have occurred in spite of all would probably not have come about. Governments, without an international body formally charged with thinking about the problem of global democratic governance, might well have reduced the debate to the often insipid, banal language of tawdry diplomatic compromise. Intellectual bodies, for its part, despite their interesting and coherent formulations, have often failed to take into account the conditions necessary for making proposals for institutional change possible. Let us look now at some of these processes for building global democratic governance.

¹ Markets and liberal reason were proclaimed as the sole agents of progress and freedom, the final stage in human history. Fukuyama, F., *The End of History and the Last Man* (London: Hamish Hamilton, 1989).

² We take as understood as the background to this debate the process by which a specific type of power -political power- became expressed in the State, and why democracy became associated with this sphere of power and not with others -economic power, for example. Held, David, *La democracia y el orden global. Del Estado moderno al gobierno cosmopolita* (Spain: Paidós, 1997).

³ Kant, Emmanuel, *La paz perpetua* (Mexico, Editorial Porrúa, 1995).

⁴ Although the concept of governance is much criticised due to its conservative origins, it is used here with the same meaning as Dror assigns it: "the political and institutional conditions to intermediate between interests and political support to govern". Dror, Y., *La capacidad de gobernar. Informe al Club de Roma, FCE, Mexico, 1996.*

⁵ Valaskakis, Kimon, "Westfalia II: por un nuevo orden mundial", *Futuribles* 265, June 2001.

⁶ It is not necessary here to enter into the debate on globalisation which has occupied so much time over the last decade. Ulrich Beck has demonstrated its broad, complex nature. ¿Qué es la globalización? *Falacias del globalismo, respuestas a la globalización* (Spain: Paidós, 1988). The term is used here in the sense employed by Beck. See also, for an overview of interpretations of the concept of globalisation, Held, David y Anthony McGrew, "Globalization", entry in the *Oxford Companion to Politics*. www.polity.co.uk/global/global-bocp.htm

⁷ This thesis was expounded in *Gobernar la Globalización. La política de la inclusión: el cambio de responsabilidad compartida*. (Mexico: Editions DEMOS-UNESCO, 1997).

⁸ Prera, Anaisabel, "El poder sin rostro", working document, France, 1999.

⁹ It should be remembered that of the 100 most powerful bodies economically, 51 are transnational companies. And that the agendas of all the UN's world summits were put to international debate by non-governmental organisations, not to mention organised trafficking organisations or non-state networks of violence, or code societies.

¹⁰ As Held powerfully puts it, "At the heart of this turn resides a conflict between demands in favour of individual states and demands in favour of an alternative organised principle for world affairs: in the final instance, a global democratic community", (op. cit., p. 112)

1. THE LOGICS OF UNITED NATIONS REFORM

Those who propose UN reform tend to work from one of two viewpoints: they either see an organisation which is costly to run and which, if conserved, ¹¹ should become a figurehead of such values as honesty and effectiveness, or they see it, and particularly the Security Council, as an undemocratic organisation which does not attend to the needs of the world's people.

It is no surprise that this first line of criticism tends to be supported by the powerful First World states that dominate such important institutions as the Security Council and specialised economic agencies such as the World Bank and the IMF. Neither is it surprising that concerns about democracy and the position of the poorest UN members tend to be taken up by representatives from Third World countries or non-governmental organisations (NGOs) concerned principally with issues of peace, justice and development.¹²

The four principal areas of reform and proposals for reform of UN administration and operation are:

Democracy and development: These issues lie at the core of criticism and reform proposals put forward by Third World representatives and many non-governmental organisations.

Bureaucracy and administration: This area includes proposals to decrease the number of UN officials, particularly those working in the Secretariat, to eradicate corruption, to reduce costs and duplication of

administrative functions and to use the new communication technologies to improve coordination.

The Security Council: Should this UN deliberative and executive body be enlarged to give greater representation to non-western countries? Should the right of veto be extended to the most representative Third World countries? What are the greatest obstacles to Security Council reform?

Peacekeeping: UN peacekeeping activities began in the late-1980s and early-1990s with missions in Central America, the Balkans, southeast Asia and other places. But serious questions have been posed about UN action, particularly in Somalia, former Yugoslavia and Rwanda.

A communication of this type can hardly do justice to the broad range of UN reform initiatives put forward. For example, calls for better communications between non-governmental organisations and the world body are but briefly touched on.¹³ Other issues not dealt with in detail are the International Penal Court initiative, female representation in UN structure and decision-taking processes and proposals for funds for the eradication of world poverty and for the preservation of the world habitat, put forward by the 2000 Millennium Forum.

Experts on international organisations have long been pointing to a clash between the supranational

¹¹ Some isolationist elements in US politics call for the abolition of the UN. This is the view offered by William Norman Grigg in the John Birch Society publication *New American*, written in October 2001: "The UN long ago defined itself as an ally of terrorism and an enemy of the American way of life (...) The UN is a haven for foreign thugs, tyrants, and terrorists... a vehicle through which corrupt, power-seeking elites in this country and elsewhere intend to acquire power over the entire world" http://www.thenewamerican.com/tna/2001/10-22-2001/vol17no22_un_not_friend.htm Such comments may be more extreme than most, but they are not qualitatively different from those made by many critics popular in the US.

¹² In his overview of "The Historical Development of Efforts to Reform the UN," Maurice Bertrand draws a parallel distinction between "American and more generally North (including East and West) understanding of the problem" regarding "reform of the structure of the Secretariat", "suppressing obsolete programmes" and "reorganising the inter-governmental machinery to make it more efficient or more representative of the international community ... without reforming the Charter"; and "representatives of developing countries who generally insist on enlarging membership of committees" and who increasingly stress the UN's obligations with regard to UN development. See Adam Roberts and Benedict Kingsbury, eds., *United Nations, Divided World: The UN's Roles in International Relations* (Oxford: Oxford University Press, 1993), pp. 420-21. James Paul of the Global Policy Forum also affirms that "The UN needs reform. On that everyone agrees. But people disagree sharply on what kind of reform is needed and for what purpose. NGO leaders aim for a more democratic UN, with greater openness and accountability. Technocrats seek more productivity and efficiency from the UN's staff. Delegates favour reforms that conform to national interests and promote national power. Idealists offer plans for a greatly expanded body, that would reduce states' sovereignty. While conservatives push for a downsized UN with sharply reduced powers. Agreement is exceedingly hard to come by". Paul, "UN Reform: An Analysis," *Global Policy Forum*, (1997), file:///http://www.globalpolicy.org/reform/analysis.htm See also, for specific initiatives, www.earthaction.org.

1.1 THE POLITICAL ROOTS OF THE REFORM DILEMMA

logic of global democratic governance and the influence of state sovereignty, which continues to be a powerful force. The United Nations was conceived, after all, to be an inter-governmental organisation, even if committed -in a subordinate way- to the logic of the broader international community. The United Nations is, then, "an organisation which was born of and remains subject to politics", and its effectiveness depends, to a large extent, on the commitment shown by nation-state leaders. Such commitment has often been unreliable or simply, non-existent. As the Commission for Global Governance pointed out in the mid-1990s, "National behaviour is a product of national decisions and policies: it is here where the strengthening of the United Nations should begin. Valuable reform of UN structures should continue... but the UN's greatest failings have not been structural: they have been collective failings of Member States... When we deplore the extent to which the world organisation has fallen short of the promise of economic and social progress for all peoples enshrined in the Charter, it is not the failure of a monolithic supranational body we are lamenting, but the errors of United Nations members -of governments and, to a certain degree at least, of peoples".¹⁵

According to this viewpoint, the strengthening of the United Nations is interpreted by many powerful countries as the potential diminishment of their own sovereignty and international position. In no case is this clearer than in that of the United States. The United States played a central role, probably the central role, in establishing the organisation. However, the United Nations has been criticised more and more, particularly since the decolonisation period caused the United States and its allies to lose control of the General Assembly, for its "anti-American" stance in world affairs. The reasoning behind these attacks is that the United Nations, since it receives United States support, should in turn back the objectives of US policy. As Senator Jesse Helms said in his speech to the Security Council in January 2000, "... Most Americans do not regard the United Nations as an end in itself. They see it as just one aspect of America's diplomatic arsenal. A United Nations that insists on trying to impose a utopian vision on America and the world will collapse under its own weight.. If the United Nations respects the sovereign rights of the American people and serves them as an effective tool of diplomacy, it will earn their respect and support. But a United Nations that seeks to impose its presumed authority on the American people without their consent begs for confrontation and, I want to be candid, eventual US withdrawal."¹⁶

¹³ The Commission for Global Governance, for example, calls for the creation of an Annual Civil Society Forum with representatives from NGOs accredited before the General Assembly to inform and take part in the Assembly on relevant issues. The Commission calls for the establishment of the "right of petition" for international society, expressed through a Council of Petitions appointed by the Secretary General with the approval of the General Assembly. This Council would be able to make recommendations to the Secretary General, the Assembly and the Security Council.

¹⁴ Stephen Schlesinger, "Can the United Nations Reform?," *World Policy Journal*, 14: 3 (autumn 1997), file:///http://www.mtholyoke.edu/acad/intrel/schles.htm

¹⁵ Commission on Global Governance, "Reforming the United Nations," file:///http://www.cgg.ch/chfive.htm Secretary General Kofi Annan frankly recognised the difficulties in his report "ReNEWing the United Nations," drawn up in preparation for the Millennium Summit in 2000: "In many areas we cannot do our job because disagreements among Member States preclude the consensus needed for effective action. This is perhaps most obvious with respect to peace operations, but it affects other areas as well. Moreover, the highly intrusive and excessively detailed mode of oversight that Member States exercise over our programme activities makes it very difficult for us to maximise efficiency or effectiveness." Annan, "ReNEWing the United Nations," <http://www.un.org/millennium/sg/report/ch5.pdf> "We the Peoples: The Role of the United Nations in the 21st Century,"

¹⁶ "Jesse Helms Speech to Security Council Criticizing UN", *Third World Traveller*, file:///www.thirdworldtraveler.com/United_Nations/JesseHelms_UNspeech.html

1.2 BUREAUCRACY AND ADMINISTRATION

For many First World voices, United Nations operations are little more than a "miasma" of corruption and waste in urgent need of a clean-up. A typical assessment is that of Stefan Halper in Policy Analysis: "Existing evidence indicates that corruption and mismanagement go beyond the routine fraud, waste, and abuse of resources that mark all public-sector enterprises. UN budgets are shrouded in secrecy, and the actual performance of the myriad of bureaucracies is translucent, if not opaque. There is no reliable way to determine whether the various and often competing specialised agencies (at least two dozen UN agencies are involved in food and agricultural policy) are doing their jobs, and many UN activities, even if they are of some value, can be carried out better and more efficiently by other groups. Other activities should not be undertaken at all ... Given the above and all the failed attempts to put things right, even on a limited basis, optimism about meaningful reform may be an exercise in wishful thinking".¹⁷

Perhaps as a reflection of the financial and political climate in the First World countries, the United Nations has devoted most of its efforts at reform in recent years to dealing with the concerns expressed by critics of UN bureaucracy and administration. The process began in 1992, when then secretary general Boutros Boutros-Ghali launched the first round of reforms.¹⁸

According to the UN, these reform efforts have produced positive results.¹⁹ Nonetheless, critics claim that reform initiatives are not aimed at improving

UN efficiency but at withdrawing the organisation from spheres where activities may go against the interests of the developed world. James Paul notes that the first round of "restructuring" seems to have been strongly influenced by the US mission to the UN. For example, the virtual closure in 1992 of the Centre on Transnational Corporations for budgetary reasons effectively decapitated "one of the most respected UN bodies" and was, according to Paul, the result of "a long campaign by the International Chamber of Commerce" to deactivate its influence. These developments suggest that reform initiatives are aimed excessively at "appeasing corporations and neutralising corporate hostility towards the UN... (they) expect too much from a programme based on corporate good will, as opposed to regulation or formal codes of conduct".²⁰

There can be little doubt that UN administration and bureaucracy need to be rationalised in order to provide a check to the high level of decentralisation which has marked the UN since its founding. However, the temptation in rounds of budgetary cuts is also to undermine the work of the more progressive and effective UN agencies and to make the organisation less answerable to most of its members, a move symbolised by the distancing of the UN from development aid and by a more technocratic approach to this.

¹⁷ Stefan Halper, "A Miasma of Corruption: The United Nations at 50," Policy Analysis no. 253, April 30, 1996, <http://www.cato.org/pubs/pas/pa-253es.html>

¹⁸ See Paul's comments: "Though the working groups discuss extremely important issues that can effect the lives of all the world's citizens, their discussions proceed without any public accountability. There is great potential for abuse of power here, as governments with financial and military muscle can threaten others to get their own way. The reform negotiations epitomise the antidemocratic pressures in the UN system, as states that themselves are formally democratic hide behind sophisticated propaganda and charge the UN with incompetence, inefficiency, and "elephantine" bureaucracy to push through self-serving changes." Paul, "UN Reform"

¹⁹ "United Nations Reform: an Update," United Nations Information Centre, March 17, 1999.

²⁰ See "UN Reform? Not Anytime Soon, But ...," Mondial (a publication of the World Federalists of Canada), October 1999, file:///http://www.globalpolicy.org/reform/jap-wfm.htm>

1.3 DEMOCRACY AND DEVELOPMENT

Nowhere is the difference in priorities and strategies between the richer and poorer countries more clear than in the debate about the UN's most appropriate role in economic and social development. As Maurice Bertrand writes, "There is still an economic and social gap between North and South. Diplomats from developing countries continue to press for the extension of UN committees and for the development of an economic and social programme. North countries have little interest in most UN economic and social activities and prefer to back the IMF and the World Bank (institutions they themselves control). The so-called North-South dialogue is over".²¹

In 1997, the Group of 77 -set up by Third World countries to counter the G7 group of industrialised nations- transmitted the essence of developing countries' criticism of the United Nations and the need for greater emphasis on development issues in line with the Charter's original goals. "We attach high political importance to the strengthening of the role of the United Nations in promoting international cooperation for economic and social development. We strongly believe that the United Nations should be allowed to develop its full potential in the field of international economic cooperation. To that end, the realisation of the right to development should be given utmost priority by the United Nations ... The reform process must strengthen the UN's ability to fulfil its role and functions in the development field ... The reform process should be carried out with the primary objective of strengthening the capacity of the Organisation to address development issues and to respond effectively to the needs of developing countries. It should not be motivated by the aim of downsizing the United Nations and achieve savings... The developmental tasks of the United Nations are of fundamental importance and may not be treated as secondary to its peacekeeping, human rights and humanitarian functions... The United Nations, by virtue of its universal membership, is the most credible organisation for performing developmental tasks".²²

Although calls for greater emphasis on development go back to the decolonisation period of the 1960s, their intensity has grown over the last decade. According to NGO steering committee documentation at the Social Summit, three reform initiatives are required in order to give economic and social rights the place they deserve within the rights family: 1) ...the integration of international finance

institutions and the WTO into processes for establishing UN standards; 2) greater civil society access and influence in ECOSOC; and 3) greater commitment on the part of states to equal economic, social and cultural rights within the rights family and, as such, reinforced support by the United Nations system for this type of commitment".²³

The United Nations has to a certain extent recognised these concerns and has included (or re-included) them on its agenda. Addressing negotiators from 150 countries debating the "Monterrey Consensus" (ahead of the United Nations conference on investment for development in Monterrey, Mexico, in March 2002) Secretary General Annan called for "foreign aid expenditure to be doubled in the next three years". A number of NGOs and developing countries pressed for countries to meet the earlier call to devote 0.7% of national budgets to development aid. These proposals were brusquely opposed by the US government as exemplified in Ambassador Sichan Siv's argument that "Pouring money into the developing countries is not the only answer".²⁴ Once again, the desire of most UN members -that the organisation increase its social and development role- was frustrated by the resistance of its principal economies, led by the United States.

Hence the emphasis on economic democratisation through the distribution of wealth. But there is also a dimension of political democratisation implicit in the criticisms of the Third World and NGOs. "Save for rare glimpses of what might be -such as during Dag Hammarskjöld's Secretary Generalship- the people of the world never developed a sense that the UN was theirs. It did not belong to them. It belonged, if to anyone, to governments -and then only to a few of those. It was the domain of high politics. It touched the lives of people in ultimate, not proximate, ways... The United Nations was there to be used, and not infrequently abused; to be an instrument of national interest where it could be; and to be bypassed where it could not be made to serve that interest."²⁵

1.4 THE SECURITY COUNCIL

Few aspects of UN reform have attracted so much academic comment and interest in recent years as proposals to reform the Security Council, the organisation's main body for conflict prevention and resolution. Reform initiatives range from those that consider the Security Council to be a valuable and important institution to others claiming that the Council is outmoded and irrelevant in a multi-polar world, different to the period immediately following the Second World War. Michael Hirst points out both the value and the shortcomings of the Security Council as we enter the 21st century: "To many nations, today's Security Council may seem more like a domineering Star Chamber than a fount of international jurisprudence. The council's image would certainly benefit if other major powers such as Germany and Japan were made permanent members, thus ridding it of its World War II-era mustiness. But flawed or not, the Security Council still has unique potential. It is the only effective tribunal and repository for international case law for dealing with ethnic cleansing and other humanitarian horrors. As such, it must continue to act as the arbiter of interventions".²⁶

Most Security Council reform proposals focus, according to the Chairman of the General Assembly Razali Ismail of Malaysia, "on improving its representativeness, credibility, legitimacy and authority".²⁷ In September 2000, leaders attending the Millennium Summit used similar language, calling for the "rapid reform and enlargement of the Security Council, making it more representative, effective and legitimate in the eyes of everyone in the world".²⁸

The Security Council has made efforts to attend to these concerns. In January 2000, for example, the

new Security Council chairman outlined "new procedures aimed at keeping non-members of the Council better informed about the state of its deliberations" and proposed that "there should be more resources for public meetings... at which non-members could take part in accordance with the United Nations Charter". Such meetings would "allow non-members whose interests were particularly affected by the subject under consideration to take part, such as, for example, the parties in conflict." However, these reforms fail to deal with the core issue in criticism of the Security Council, which tends to revolve around two key subjects: representation and the power of veto.

1.4.1 Representation. Like other aspects of United Nations operations, proposals for Security Council reform tend to be supported or rejected according to whether those putting them forward are First or Third World powers. In 1997, the Toronto Globe and Mail noted that "the influential nations continue to oppose an increase in the number of permanent Council members, particularly if they are to be given the power of veto the "Big Five" Permanent Members currently enjoy."³⁰

But developing countries' concerns about greater representation on the Council have not fallen entirely on deaf ears.³¹ Individual UN members have launched their own initiatives and have spoken of the need for Security Council reform. In a speech addressed to the Security Council in 1997, Australian Minister for Foreign Affairs Alexander Downer stressed his country's commitment to the inclusion "as permanent members important powers able to make a major contribution to international peace and security, particularly at this time Japan and

²¹ Bertrand, "Historical Development," pp. 432-33.

²² "Statement of Principles on UN Reform," adopted by the 22nd Meeting of Chairmen/Coordinators of the Group of 77 Chapters, Geneva, July 7-9, 1997 file:///http://www.globalpolicy.org/security/reform/group77.htm

²³ Peggy Teagle & John W. Forster, "UN Futures, UN Reform and the Social Agenda," United Nations Association in Canada, December 1997 <http://www.unac.org/unreform/foster_teagle.html>

²⁴ Edith M. Lederer, "U.S. Opposes Call for More Foreign Aid," AP dispatch, January 29, 2002.

²⁵ Commission on Global Governance, "Reforming the United Nations."

²⁶ Michael Hirsh, "Calling All Regio-Cops: Peacekeeping's Hybrid Future," Foreign Affairs, November/December 2000, p. 5. For a similar analysis, see Morris B. Abram, "Reform Needs a Radical Approach," The Earth Times, October 1-15, 1997 file:///http://www.unwatch.org/pbworks/radapprch.html-(visited 6 February 2002). Abram writes: "Of course the Security Council is a relic of the past. It enables the Permanent Five to retain the power they enjoyed in the aftermath of their World War II victory... However, this "relic" has been of some use in maintaining a sense of world order, particularly since the end of the Cold War. ... If enlargement is necessary, then reformers will be face to face with some controversial questions."

²⁷ "Assembly President Proposes Increase in Security Council Membership to 24 by Adding 5 Permanent, 4 Non-Permanent Members," United Nations Press Release GA/9228, March 20, 1997, <http://www.cgg.ch/ga.htm>

Germany. It should also include permanent seats for under-represented regions as well as additional non-permanent seats."³² Even the United States, the country which could be expected to protect present arrangements most jealously expressed in 1997 its willingness to consider accepting three developing nations as members, one each from Asia, Africa and Latin America and the Caribbean. Nonetheless, we still find opposition to the idea of giving these new members the right of veto.³³ Brett D. Schaefer of the Heritage Foundation argued that "expanding the Security Council would reduce US influence, lead to gridlock and inefficiency... if the US Administration truly wishes to create a Security Council that reflects the current global power structure, it should propose to reduce -not increase- the number of permanent members. Only the United States has the resources, will, and broad-based interests to accomplish the mandate of the Security Council: to defuse, contain, or confront threats to global security... Because the UN membership certainly will not accept the United States as the sole permanent, veto-wielding member of the Council, the best solution is to restrict that power to the current permanent five."³⁴

The likelihood is, however, that we shall eventually see expansion of the Security Council to include Third World countries and more permanent members. As this possibility gathers force, a number of leading countries have begun manoeuvring to take advantage of it.³⁵ These political manoeuvres are understandable, but they may well become one of the greatest obstacles to Security Council expansion

and reform. The fact is that the UN's origins in a system of sovereign states with nationalist and even chauvinistic interests are not limited only to powerful First World countries. The divisions between relatively weak Third World countries may turn out not to be less wide than those between the First and Third Worlds. We shall have to wait and see, therefore, whether the movement towards a more representative Security Council breaks down due not only to the resistance of the industrialised nations, but also because of rivalry between their colleagues in the developing world.

The question remains, also, as to whether expansion of the Council would decrease its effectiveness, increasing the number of possible "conflict situations" amongst members. This is one of the claims put forward by the Heritage Foundation which suggests that "even" among developing countries, there is a belief that too much expansion in the Security Council will lead to inefficiency. These concerns are not limited to developed countries or to the Five Permanent members of the Security Council. Modesto Seara-Vazquez, an expert on international organisations and professor at the National University of Mexico, cautions that expansion would lead to inefficiency and marginalisation, citing the "precedent of the largely ineffectual Economic and Social Council, whose membership was increased from the original number of eighteen to the current fifty-four."³⁶

²⁸ "UN Summit Draft Calls for Enlargement of Security Council," Kyodo News Service, August 3, 2000, file:///http://www.globalpolicy.org/security/reform/millref/000803.htm>

²⁹ "Security Council Takes New Step to Enhance Transparency of its Work," UN News Service, January 4, 2000, file:///http://www.globalpolicy.org/security/reform/transpar.htm>

³⁰ Paul Knox, "UN Veto a Divisive Reform Issue," The Globe and Mail, July 19, 1997, file:///http://www.globalpolicy.org/security/reform/globmail.htm>

³¹ "Report of the GA Working Group on the Security Council for 2000," General Assembly Official Records, Fifty-fourth Session, Supplement No. 47 (A/54/47), <http://www.globalpolicy.org/security/reform/oewg/scref00.htm>

³² "Reinvigorating the United Nations: Reform, Rights and Reconfiguration," speech by the Hon. Alexander Downer, MP, Minister for Foreign Affairs, at the 52nd General Assembly of the United Nations, New York, 3 October 1997, file:///http://www.dfat.gov.au/media/speeches/foreign/1997/unga3october97.html>(visited 6 February 2002).

³³ See Barbara Crossette, "US Ready for Much Larger Security Council," The New York Times, April 3, 2000, <http://www.globalpolicy.org/security/docs/ussezok.htm>

³⁴ Brett D. Schaefer, "The United States Should Oppose Expansion of the UN Security Council," The Heritage Foundation Roe Backgrounder No. 1140, September 22, 1997, <http://www.heritage.org/library/categories/forpol/bg1140.html>

³⁵ See, for example, the declaration made by the Indian Ambassador to the United Nations, Kamallesh Sharma, criticising the "unrepresentative and anachronistic" Council, adding that: "We believe that on any objective grounds, India would be considered as qualified for permanent membership". Sharma spoke of the "imperative of enlarging the membership of the council... to make it more representative of general membership and, in particular, of the vast majority of developing countries". See "India Defends Claim to Permanent Seat on UN Security Council," PTI Indian News Agency, November 1, 2001, file:///http://www.globalpolicy.org/security/reform/cluster1/2001/1101india.htm>

1.4.2 Power of veto. For an organisation supposedly "founded on the principle of the sovereign equality of all its members", the enduring situation in which the great powers -the United States, Great Britain, Russia, France and China as things stand at present- have the power of veto is open to accusations of being undemocratic, serving merely to freeze a convenient power balance. A typical claim is that made by an editorial in the Canadian London Free Press, arguing that "The veto and closed-door antics of the five permanent members of the United Nations Security Council are behind a lot of what's wrong in the dysfunctional UN these days. Narrow national objectives, not international good, are what drives decisions. An altruistic ideal of nations has been subverted. And a power structure based on the world 55 years ago has no place at the UN today".³⁷

Other commentators, however, generally from the Great Powers, have pointed out the practical utility of the veto. Stephen Schlesinger, for example, argues that "... the veto is as vital to the operation of the United Nations today as it was to the founding of the organisation in 1945. Fifty years ago, the United States and its four allies made it clear that they would not participate in such a global organisation unless they possessed that power. In Washington's thinking the demise of the earlier League of Nations was attributable to the failure of its organisers to restrict the veto to the leading powers of the day... As Yale scholar Jean Krasno has observed, while the veto is surely not democratic, it keeps the big players in the game, and there is no game without them."³⁸

Other voices favourable to the cause of reform opine that "extending the power of veto would be to undertake a journey into the unknown";³⁹ whilst Bruce Russett also warns that "a council made lame due to new States using or threatening to use their

right of veto might be unable to act quickly and decisively in a crisis, or perhaps even to act at all... Relevant change in the veto... would require extremely complex negotiations about the formula, and it would appear to be too late to attempt this".⁴⁰

Such a development, however, would require a decisive return to multilateralism on the part of the United States, something which, unfortunately, does not appear imminent. After the September 11 attacks on New York and Washington, many commentators predicted just these changes in United States foreign policy, but recent analyses have been much more pessimistic. US withdrawal from the Anti-Ballistic Missile Treaty and from the international conference to eradicate biological weapons in the world appear to mark the return to the old unilateral approach. As Mark Matthews noted in the Baltimore Sun in December 2001: "Most or all of these moves are widely viewed as internal administration victories by hard-liners, most often identified with the Pentagon leadership, who are deeply wary of international agreements that constrain American freedom of action in the world and impatient with the sticky process of gaining a consensus among allies."⁴¹ With the increasing relative power of the United States in the security domain over coming years due to massive budget increases proposed by the Bush administration in January 2002, there is very little likelihood of the US leading Security Council reform or even accepting the initiatives of others in this direction.

³⁶ All quotations in this paragraph are from Schaefer, "The United States Should Oppose ..."

³⁷ "Blessed Little Security", editorial in the London Free Press, 3 January, 2000, <http://www.globalpolicy.org/security/docs/ussezok.htm>

³⁸ Schlesinger, "Can the United Nations Reform?"

³⁹ Abrams, "Reform Needs a Radical Approach", The Earth Times, 1-15 d'octubre de 1997. <<http://www.unwatch.org/pbworks/radapprch.html>>

⁴⁰ Bruce Russett et al., "Breaking the Restructuring Logjam," in Russett, ed., The Once and Future Security Council (New York: St. Martin's Press, 1997), p. 162.

⁴¹ Mark Matthews, "Unilateral approach revisited," Baltimore Sun, December 13, 2001.

1.5 PEACE AND SECURITY IN THE UN OF THE 21ST CENTURY

The latest UN reform initiative was the increase in peacekeeping missions all over the world. Peacekeeping, a role not originally foreseen for the UN, has become one of the dominant aspects of the organisation's operations. Along with humanitarian operations, UN "blue helmets" (peacekeeping forces from different member nations) are probably the organisation's most visible face in many countries and in the media all over the world.

In October 2000, the UN published its "Report of the Panel on United Nations Peace Operations", chaired by Lakhdar Brahimi of Algeria. The report was produced due to three painful UN peacekeeping failures in the 1990s: Somalia, Bosnia Herzegovina and Rwanda. In view of this recent record, the Brahimi report begins appropriately in pessimistic tone, declaring that, in terms of conflict prevention and resolution, "Over the last decade, the United Nations has repeatedly failed to meet the challenge (of peacekeeping), and it can do no better today. Without renewed commitment on the part of Member States, significant institutional change and increased financial support, the United Nations will not be capable of executing the critical peacekeeping and peace-building tasks that the Member States assign to it in coming months and years. There are many tasks which United Nations peacekeeping forces should not be asked to undertake and many places they should not go. But when the United Nations does send its forces to uphold the peace, they must be prepared to confront the lingering forces of war and violence, with the ability and determination to defeat them."⁴²

As this paragraph indicates, the Brahimi Report places great emphasis on the "need for robust doctrine and realistic mandates", along with the strategic support of member states. It proposes that the Executive Committee on Peace and Security (ECPS) should present to the Secretary General a plan to "strengthen the permanent capacity of the United Nations to develop peace-building strategies and to implement programmes in support of those strate-

gies." The report goes on to stress the need for "rapid deployment standards", pointing out that "the first 6 to 12 weeks following a ceasefire or peace accord are often the most critical ones for establishing both a stable peace and the credibility of a new operation". According to the report, the United Nations should be prepared "to fully deploy traditional peacekeeping operations within 30 days of the adoption of a Security Council resolution establishing such an operation, and within 90 days in the case of complex peacekeeping operations". To this end, the Panel recommends that the United Nations standby arrangements system (UNSAS) be developed further to include several "coherent, multinational, brigade-size forces and the necessary enabling forces", created by Member States committing themselves to send them quickly and efficiently better meet the need for the peacekeeping situation.

1.5.1 Regional alliances. Just as its increasingly close working relations with non-governmental organisations has attracted considerable attention in recent years⁴³ under a number of reform proposals, so too has its potential for closer cooperation with regional powers and security mechanisms as a way of fostering more effective efforts in peacekeeping procedure all over this world. This would entail a kind of subsidiarity of peacekeeping and security responsibility for United Nations membership.⁴⁴

1.5.2 The permanent force. As the 2001 Brahimi Report noted, the United Nations called on members to contribute to the creation of "permanent brigades". This could be seen as a step towards the establishment of a permanent UN military force. The lack of such a force has often led the UN to be accused of having no "teeth" and of being able to intervene only when its members agree to provide, transport and deploy peacekeeping contingents - a time-consuming process which is often politically impossible. Whilst calls for a more permanent power structure are welcomed in some quarters, others have taken the idea of a standing army further. The academic Israel W. Charny, for example, calls for the

⁴² "Report of the Panel on United Nations Peace Operations," executive summary, October 20, 2000 file:///http://www.un.org/peace/reports/peace_operations/report.htm

⁴³ See, Antonio Donini, "The Bureaucracy and the Free Spirits: Stagnation and Innovation in the Relationship Between the UN and NGOs", in Thomas G. Weiss and Leon Gordenker, ed., *NGOs, the UN, & Global Governance* (Boulder and London: Lynne Rienner, 1996), pp. 83-101.

⁴⁴ Barnett, "Partners in peace?" *Review of International Studies*, 21, 1995, p. 423. Barnett adds (p. 433) that: "The emerging architecture of peace operations suggests that the real subject is not whether handling security has a regional or global nature, but the relation between the two".

creation of an "international peace army" which would "enter into action automatically whenever confirmed reports were received of the mass assassination of any unarmed group of civilians..."⁴⁵

The difficulties of this proposal in the logic of global democratic governance, an ambitious and, in the eyes of some, utopian enterprise, is that, once more, it goes against the system of sovereign states. It would require states to be in favour of setting up a potential military rival, subject solely to situational requirements rather than to the dictate of the Security Council. Such a possibility appears remote at present, and until a political coalition capable of achieving the necessary changes can be built, efforts to strengthen peacekeeping -or the UN's more general role in collective security- will probably be restricted to modification in existing arrangements.

Of course, problems of peace and security cannot all be completely resolved today within the frame of UN action. It is clear that in a world that has undergone so many changes -new wars, new conflicts, new forms of militarism-⁴⁶ politics and realistic interpretations of international relations are completely overwhelmed. Though at first sight the attacks of 11 September 2001 appear to vindicate the traditional (that is to say, realistic) vision of security, in reality they highlight some of the new tendencies. For example, the aggressor is not a State, the aggression is not, *strictu sensu*, a military attack, it is not a war in the conventional sense of the term. Unlike a territorial war, it is not clear what "winning" means in a confrontation of this type, amongst other reasons because neither the

battle fronts nor the identity of the belligerent parties are known with any certainty. Neither can the global yet private nature of the threat nor the blurred line between political violence and international organised crime be accommodated by traditional conceptions of security. All this points to a decisive problem for achieving peace and security within the framework of international law at present: no agreed definition of terrorism exists, since it depends on the casuistic convenience of those who judge it.

In the early-1990s, attempting to define the nature of the international system after the Cold War, Joseph Nye⁴⁷ affirmed that five possible responses existed: unipolar hegemony, return to bipolarity, formation of three economic blocks and interdependence at multiple levels. These scenarios continue to be valid today, perhaps with slight variations in emphasis. In any case, from the point of view of building global democratic governance, the proposal put forward of organising an international conference on peace and security⁴⁸ is fundamental. Such a conference could lead launch a new concept of security. The alternative may be chaos and discord.

⁴⁵ Israel W. Charny, "An International Peace Army: A Proposal for the Long-Range Future," in Charny, ed., *Encyclopedia of Genocide* (ABC-CLIO, 1999), pp. 649-653.

⁴⁶ Kaldor, Mary, *Las nuevas guerras. Violencia organizada in la era global* (Spain: Tusquets, 2001); and "Más allá del militarismo: el armamentismo y su control", at the website of The Centre for the Study of Global Governance.

⁴⁷ Joseph Nye, "What New World Order?", in *Foreign Affairs*, spring 1992.

⁴⁸ Mayor, Federico,

2. THE REFORM OF INTERNATIONAL FINANCIAL INSTITUTIONS

Reform of international financial institutions (IFIs) is a highly complex subject. This document will limit discussion to proposals for reform of the three principal such institutions -the World Bank, the International Monetary Fund and the World Trade Organisation- although First World powers have recently sought more and more to "divert ... the resolution of some subjects (particularly financial market supervision and regulation) away from the Bretton Woods institutions and towards their counterparts in Basle "⁴⁹

⁴⁹ Roy Culpeper, "The United Nations and the World Economy: Fixing the System" <http://www.unac.org/unreform/culpeper.html>

2.1 THE EVOLUTION OF WORLD BANK AND IFM MANDATES

As Brett Schaefer argues, "The IMF and the World Bank were conceived and designed as complementary actors. Their creation was based on the premise that 'private capital markets (at least long-term ones) had been effectively destroyed during the Great Depression' and that governments had to create a public sector source of capital (the World Bank) to fill the need. The Bank also was tasked with providing capital to the developing world on the premise that private markets would be reluctant to finance their development efforts. The IMF was established to prevent the disruption of foreign exchange markets and to strengthen monetary and credit systems by overseeing the system of fixed exchange rates. To do so, it supervised a complex system that set members' currency values in relation to gold, consulted with members before they adjusted that value, and advised them on economic policies that might affect currency values."⁵⁰

However, in subsequent decades, the World Bank and IMF mandates changed dramatically and in some aspects began to overlap. After the collapse of the Bretton Woods fixed exchange rate following United States withdrawal from the gold standard in 1971, the IMF began to move towards a more direct role in long-term loans for development (traditionally the World Bank's task) and stabilising states affected by large-scale economic crises, particularly those concerning foreign debt repayment. More and more, its operations became a synonym for "structural adjustment" policies imposed on receiving countries and which, in the opinion of many, have done more to retard than to promote development in such coun-

tries. Meanwhile, the World Bank began to increase its Structural Adjustment Loans only for specific projects and not to support long-term development goals.⁵¹ It demanded the same type of "conditionality" for its development loans as the IMF required for short-term structural aid. The problem of the overlapping mandates was at the heart of recent attempts to develop larger-scale proposals for the reform of the World Bank and the IMF, put forward by the International Financial Institution Advisory Commission, chaired by Alan Meltzer, and which reported to the United States Congress in March 2000.⁵²

The question posed most broadly by critics from right and left alike, is whether development and structural adjustment initiatives promoted by the World Bank and the IMF have been successful in their aim of stabilising economies and fostering national development. Surprisingly, the analysis made by the Heritage Foundation's Brett Schaeffer suggests that "in many cases, the recipients of IMF and World Bank loans are worse off today--after decades of international assistance--than they were before that aid began. The reason: bailout packages have removed the risk for faulty economic decisions and frequently leave recipient countries with greater debt, lower standards of living, higher unemployment, and less saving... Among countries for which data are available, growth in per capita GNP was significantly higher, on average, in eligible countries that did not receive IMF concessional assistance than in countries that did receive it. Specifically, among 54 countries receiving IMF concessional assistance from 1986 to 1997, total growth in per capita GNP measured 4

⁵⁰ Brett D. Schaefer, "Reforming International Financial Institutions," in The Heritage Foundation, "Priorities for the President," Ch. 15 <<http://www.heritage.org/mandate/priorities/chap15.html>> . For other descriptions of the founding and early operations of the Bretton Woods institutions, see Susan George, *Faith and Credit: The World Bank's Secular Empire* (London: Penguin, 1994), chapter 1; and Robert E. Wood, *From Marshall Plan to Debt Crisis: Foreign Aid and Development Choices in the World Economy* (Berkeley and Los Angeles: University of California Press, 1986).

⁵¹ Schaefer, "Reforming International Financial Institutions", no. 15.

⁵² Allan H. Meltzer, "Reforming the International Financial Institutions: A Plan for Financial Stability and Economic Development," *Economic Perspectives*, February 2001 <http://www.usembassy.it/file2001_02/alia/a1021410.htm> Meltzer pays considerable attention to the distinction between the World Bank's mandate and that of regional banks, which he believes are more efficient for regional development initiatives. "Steps also must be taken to address the "overlap" problem between the World Bank and the regional development banks. The World Bank has started to create field offices in loan-recipient countries. This is a waste of resources by an overly large and ineffective bureaucracy. The regional development banks already have offices in all of the relevant countries. Many governments and their constituents have closer ties of language, culture, and understanding to the regional agencies. Effectiveness would be improved, and costly overlap reduced, if the regional banks assumed sole responsibility for many of the programs in their regions. The World Bank's direct role should be limited to regions without a development bank and to Africa, where poverty problems are most severe and difficult to solve, and where the regional bank has less experience. The World Bank should continue to supply technical assistance and promote knowledge transfer in all regions."

percent from 1986 to 1997. By comparison, countries that were eligible for but did not receive or request concessional assistance from the IMF averaged a 24 percent change in per capita GNP over that 12-year period.⁵³ Other critics reach similar conclusions, though citing different reasons for them.⁵⁴

No aspect of World Bank and IMF policy has come in for such fierce criticism as their Structural Adjustment Programmes (SAPs), often referred to as "austerity policies" and which normally accompany the distribution of funds for development and short-term balance of payment aid.⁵⁵ SAPs "typically require adjustment loan recipients to implement such measures as decreasing barriers to trade and investment, devaluating their currencies, reducing or eliminating subsidies, price controls and social programmes and privatising state companies... Structural adjustment policies are part of a broader, neo-liberal development model which sees privatisation, deregulation, trade liberalisation and globalisation as the road to economic salvation."⁵⁶

For many observers, the impact of these policies has been catastrophic on societies which have applied them. Particularly pernicious, they say, is the fact that structural adjustment policies are designed above all to strengthen First World economies and the corporations that dominate them -through the removal of protectionist measures in favour of local industry- and to ensure that private creditors, generally First World banks and corporations, do not lose money when a country is hit by economic collapse, one of the disputes currently ongoing in Argentina. Economy Noble laureate Joseph Stiglitz asks a series of questions forming a denouncement: "What evidence suggested, for example, that liberalising capital markets in the poor countries would produce faster growth? ... What proof was there that high interest rates would help to stabilise exchange rates

in countries threatened by short-term debt?... Why argue that governments should not intervene in markets because markets are efficient but intervene anyway in exchange market? Why were millions of dollars made available to save the banks, but it was not possible to spend a few million to subsidise food and fuel for the poor in Indonesia? How is it that a few oligarchs can squeeze thousands of millions of dollars out of Russia from assets given to them by the State under privatisation schemes promoted by the IMF, but there was not enough money to pay the miserable old age pensions? ... All policies have advantages and disadvantages. Some entail greater risks than others. The best thing is to let each country's political processes decide what policy to adopt. This decision should not be usurped by international bureaucrats, no matter how competent they are. By considering policy decision to be mere technical questions, economists violate basic ethical and professional precepts."⁵⁷

For these critics, the irony is that "the options available to the developing countries are precisely those which were rejected by each successful developed State, including those in Western Europe, North America and southeast Asia. All these countries developed their economic industrial base behind barriers of high tariffs and other protectionist measures."⁵⁸ And these protectionist measures remain in place despite the WTO, making a mockery of the rules the IFIs lay down for the Third World. "While espousing the virtues of free trade, the United States, Japan, members of the European Union and other rich countries continue to employ various means -including high tariffs, export subsidies and hygiene restrictions- to shelter their own industries, effectively preventing developing countries from gaining greater share in the markets in which they can compete most effectively. Last year (2000) the 25 wealthiest nations in the Organisation for

⁵³ Schaefer, "Reforming International Financial Institutions."

⁵⁴ See, for example, Gabriel Kolko, *Confronting the Third World: United States Foreign Policy 1945-1980* (New York: Pantheon, 1988), p. 232: "If the multilateral banks had not existed as highly developed instruments in the mid-1960s, it would have been essential for Washington to create them, but they stand out as a brilliant example of US presence after 1945 and how it sought to extend its hegemony over the world economy. Without them, America's economic power and its control over basic economic trends would have declined much more than it did."

⁵⁵ See Walden Bello, "Building an Iron Cage: The Bretton Woods Institutions, the WTO, and the South," in Sarah Anderson, ed., *Views from the South: The Effects of Globalization and the WTO on Third World Countries* (San Francisco: Food First Books, 2000), pp. 65-66.

⁵⁶ Michael Renner, *Fighting for Survival: Environmental Decline, Social Conflict, and the New Age of Insecurity* (New York: W.W. Norton and Company, 1996), pp. 85-86, 88.

⁵⁷ Stiglitz, Joseph, "Cambio de guardia in el FMI", *El País*. www.elpais.es

⁵⁸ Noam Chomsky, "The Passion for Free Markets: Exporting American Values Through the New World Trade Organization," *Znet* <http://www.zmag.org/chomsky/articles/z9705-free-markets.html>

Economic Cooperation and Development spent more than \$360 billion on agricultural subsidies -a sum equivalent to the gross national product for all of sub-Saharan Africa.⁵⁹ Martin Khor of the Third World Network calculates that, "in low-tech industries alone, the South nations lose 700,000 million dollars every year due to trade barriers. This is the equivalent of four times the annual average flow of foreign private capital in the 1990s (including direct foreign investment)."⁶⁰

The idea that the World Bank and the IMF exist to conserve the subordination of the Third World to the First has become a more and more evident truth in recent decades.⁶¹ Nonetheless, the Bretton Woods institutions have their defenders, including Nancy Birdsall, who thinks that, far from being the lapdogs of First World government and corporate interests, the IFIs offer one of the few reasonably democratic forums in which Third World concerns can be expressed.⁶²

If, as a minimum programme, these institutions should be reformed and transformed, there are a number of possible paths reform proposals might take. We have already noted proposals for review of World Bank and IMF mandates to eliminate overlap and the tendency towards micro-management of Third World economies.⁶³ Other reform proposals include:

2.1.1 Democratising internal decision-making

power. Although this is a complex subject from the political engineering point of view,⁶⁴ it would not be impossible to draw up proposals giving more power to the South countries compared to those of the North, which at present monopolise decision-taking and advantages.⁶⁵

2.1.2 Increasing transparency and accountability.

As Brett Schaefer points out: "greater transparency and accountability seems to be the one area of reform on which all critics agree. This is to be expected. Whether critics want the institutions to do more or less, facilitate globalisation or curb it, or extend more financing or less, they all realise that greater transparency is necessary to assess whether their objectives are being advanced."⁶⁶

2.1.3 Strengthening the IFIs' commitment to social well-being and sustainable development.

As we have seen, then, many critics stress the catastrophic socio-economic impact of the adjustment measures imposed by the international financial institutions. They point out that structural adjustment programmes lead to increased unemployment and social exclusion and heap even greater misery on the poor. They also argue that such programmes are linked to ecological deterioration, as poor countries try to strengthen their trade balances by increasing exports of natural raw materials, opening up more and more areas to exploitation and eventual destruction.⁶⁷

⁵⁹ William Drozdiak, "Poor Nations May Not Buy Trade Talks," The Washington Post, 15 May 2001.

⁶⁰ Khor, Martin, *La globalización desde el Sur. Estrategias para el siglo XXI*, (Spain: Icaria, 2001).

⁶¹ "Complete text of President Castro's speech at the opening session of the South Summit, April 12, 2000" <<http://www.globalsolidarity.org/articles/castrospeech.html>>

⁶² Birdsall, Nancy, "The World Bank of the Future: Victim, Villain, Global Credit Union?," remarks pronounced at "Promoting Dialogue: Global Challenges and Global Institutions," American University, Washington, DC, 13 April 2000 <http://www.odc.org/commentary/birdsau.html> Birdsall prefers to pass the responsibility on to the developing countries: "A better World Bank credit union depends in the end on more open and democratic systems in each of its member shareholders. Indeed, the ultimate fate of the people in developing countries depends on their own governments and their own societal decisions-far more than on any decisions, impositions, or conditions agreed with the World Bank staff. The sensible and constructive left in the north-disinterested backers of social justice and sensible use of the earth's resources-would do well to concentrate more of their effort on alliances with and support for the forces openness and democracy in the south."

⁶³ According to Schaefer, "The IMF and World Bank today have neither the resources nor the authority to manage or control the vagaries of the global economy. Moreover, the institutions lack the knowledge to micromanage over 60 economies around the world, as they currently attempt to do to a great extent, with the predictable result that countries are often forced to adopt generic reform agendas that may not be appropriate for their economies or their situation." Schaefer, "Reforming International Financial Institutions."

⁶⁴ Sanahuja, José Antonio, "Globalización y democracia: propuestas para democratizar las instituciones financieras internacionales" ("Globalisation and Democracy: Proposals for Democratising the International Financial Institutions"), Centro de Investigación para la Paz. <www.cip.fuhem.org>

⁶⁵ Nye, Joseph, "El déficit democrático de la globalización" in *Foreign Affairs en español*, autumn-winter 2001.

⁶⁶ Schaefer, "Reforming International Financial Institutions."

One of the most recent -and surprising- efforts at reconceptualising relations between the Third World and the "globalisation" process dominated by the developed countries, and the IFIs' development and globalisation is the Resolution for Global Sustainable Development, subscribed by an alliance of US congress members, trade unions, non-governmental organisations and independent consultants.⁶⁸ The specific reform measures proposed include the following:

-Global Sustainable Development Agreement: a series of conferences like those at Bretton Woods in the 1940s.

-A US Commission on Globalisation and parallel Commissions around the world to "develop the broadest possible dialogue about the future of the global economy".

-Global Sustainable Development Financial Strategy: "To restructure the international financial system to avoid global recession, protect the environment, ensure full employment, reverse the polarisation of wealth and poverty, and support the efforts of policies at all levels to mobilise and coordinate their economic resources." The strategy will also include an international tax on all foreign currency transactions.

-Global Economy Truth Commission: to "investigate abuses in the use of international funds and abuses of power by international financial institutions".

-Code of Conduct for Transnational Corporations, including "regulation of labour, environmental, investment, and social behaviour."

-Reform of International Trade Agreements: "IMF, WTO, the World Bank and all other agreements regulating international trade would be renegotiated to their policies and programmes".⁶⁹

Other proposals have been put forward aimed at solving Third World countries' development deficit and making them less vulnerable to the type of economic crisis that usually leads them to turn in the first place to the World Bank and the IMF. An obvious strategy would be to pardon the debt on a large scale or to form "debtors cartels" to negotiate favourable terms with Third World banks. Anuradha Mittal, for example, calls for the "unconditional cancellation of the debt".⁷⁰ In the case of Latin America, the economic and political reasons put forward by Carlos Alzamora are incontestable.⁷¹

⁶⁷ According to Bello and Cunningham, " IMF and World Bank-supported adjustment policies have been among the major contributors to environmental destruction in the Third World. By pushing countries to increase their foreign exchange to service their foreign debt, structural adjustment programs have forced them to superexploit their exportable resources ... The World Banks' structural adjustment programs have been among the prime causes of impoverishment, and thus a central cause of ecological degradation... Impoverishment, claims the World Bank, is one of the prime causes of environmental degradation because "land hungry farmers resort to cultivating erosion-prone hillsides and moving into tropical forest areas where crop yields on cleared fields usually drop after just a few years."

What the World Bank fails to acknowledge is that its structural adjustment programs have been among the prime causes of impoverishment, and thus a central cause of ecological degradation." Bello and Shea Cunningham, "The World Bank & The IMF," Znet <http://www.zmag.org/ZSustainers/ZDaily/2000-04/06bond.htm>

⁶⁸ Jeremy Brecher and Brendan Smith, "You Mean There's An Alternative," Znet, 20 November 1999 <<http://www.globalsolidarity.org/articles/castrospeech.html>> (visited 16 February 2002). The full text of the resolution can be found at <<http://thomas.loc.gov/cgi-bin/query/z?c106:H.RES.479:>>

⁶⁹ The quotations in this passage are from the summary at <http://bernie.house.gov/imf/global_summary.asp>

⁷⁰ Anuradha Mittal, "The South in the North," in Anderson, ed., Views from the South, p. 172. Michael Renner also supports "large-scale debt cancellation": "Bilateral and multilateral creditors need to reduce the huge debt load of the world's poorest countries. Failure to do so -pretending that these debts can be paid- might look good on creditors' balance sheets, but will continue to add to instability and social unrest in debtor countries which may, in turn, need an injection of emergency expenditure later on." Renner, Fighting for Survival, pp. 144-45.

⁷¹ Alzamora, Carlos, La capitulación de América Latina. El drama de la deuda latinoamericana: sus orígenes, sus costos, sus consecuencias, (Peru: Fondo de Cultura Económica, 1998).

Many commentators -particularly the ATTAC organisation- also back United States economist James Tobin's proposal for the so-called "Tobin Tax".⁷² Under this, a small tax would be imposed on the thousands of millions of dollars in speculative investments that circulate in the world every day. Tobin himself proposed a tax of just 0.1%, but others, including Fidel Castro, have argued for a "minimum of 1%, which would permit the creation of a large indispensable fund -in excess of one trillion dollars every day to promote real, sustainable and comprehensive development in the Third World."⁷³

2.1.4 Strengthening the IFIs' commitment to environmental conservation. The World Bank in particular has been pursued for decades by accusations that its programmes cause damage to the environment.⁷⁴

2.1.5 Institutionalising gender issues. As in the social sphere in general, feminist criticism have long pointed out that World Bank and IMF policies have a negative impact on women, who account for the majority of poor adults. As in environmental questions, suggestions for reform in this area tend to stress the need to integrate gender into all aspects of IFI policies. According to Gwin and Bates, "A 1995 internal World Bank review surveyed the entire portfolio of the Bank and found that 615 out of 4,955 projects from 1967 to 1993 included at least minimal measures to address explicitly the needs of women... There is in the Bank an intellectual consensus surrounding the importance of investing in women in the social sectors that does not exist with regard to women's roles in economic development. This orientation stems from a disproportionate early emphasis by the Bank (and indeed by development

theorists in general) on women's fertility behaviour as well as from societal perceptions of women's "natural" roles. ..."⁷⁵

2.1.6 Integrating IFIs into the United Nations system. According to Roy Culpeper's analysis, "Since the early-1960s... with regard to global economic questions, the industrialised nations of the west have swung increasingly to the Bretton Woods institutions, moving away from the UN. Their preference for the IMF and the World Bank reflected the fact that weighted voting structures gave (and continue to give) decisive influence to the industrialised countries in those organisations compared to the UN, where they were a minority."⁷⁶

As a result of this state of affairs, a number of agencies, working parties and individuals have proposed the full integration of IFI activities into the UN, which is seen broadly as a forum where Third World countries can exercise an influence they do not have in the IFIs. To give an example, NGO representatives at the recent Millennium Forum in New York "proposed ...that the International Monetary Fund, the World Bank and World Trade Organisation should be absorbed into the UN to reform and democratise all levels of decision-making within those institutions."⁷⁷ Many other proposals could also be mentioned here. Culpeper considers those put forward by the Commission on Global Governance, the Uppsala Proposals (Childers-Urquhart) and the Report of the Independent Working Group on the Future of the United Nations.⁷⁸

A final reform keenly proposed by many sectors in the South stresses the potential role of the United Nations Conference on Trade and Development

⁷² "In 1978, Nobel economy laureate James Tobin suggested that a tax should be placed on currency transactions to stop the haemorrhage of capital from the real economy (trade and investment) to the financial manipulations which currently make up 95% of this type of transaction (compared to the 10% they accounted for of a smaller total in 1970). As Tobin observed at this early stage, these processes would lead the world towards a world of low wages and growth." Noam Chomsky, "Democracy and Markets in the New World Order," in Chomsky, Powers and Prospects: Reflections on Human Nature and the Social Order (Boston, MA: South End Press, 1996), p. 130.

⁷³ "Complete text of President Castro's speech ..."

⁷⁴ Andrea Durbin and Carol Welch, "Greening the Bretton Woods Institutions: Sustainable Development Recommendations for the World Bank and International Monetary Fund," www.foe.org/international/greenifis.pdf

⁷⁵ Mayra Buvinic, Catherine Gwin and Lisa M. Bates, "Investing in Women: Progress and Prospects for the World Bank" (summary of the report drawn up for the Overseas Development Council, April 1996) <http://www.google.com/search?hl=in&q=durbin+welch+greening+bretton+woods+institutions>

⁷⁶ Culpeper, Roy, "The United Nations and the World Economy: Fixing the System." <http://www.unac.org/unreform/culpeper.html>

⁷⁷ "NGOs Urge UN to Abolish Veto, Absorb IMF, WTO, World Bank," Kyodo News Service, May 27, 2000 www.globalpolicy.org/security/reform/ngo.htm

⁷⁸ Culpeper, "The United Nations and the World Economy."

(UNCTAD), for some time the most visible and effective forum for Third World economic concerns, increasingly sidelined by First World preferences for working with the Bretton Woods and Basle institutions. Even in its more restricted form, UNCTAD has played an extraordinarily important role. According to Walden Bello, "UNCTAD should ...put forward an arrangement where trade, development, and environment issues are formulated and interpreted by a wider body of global organisations. UNCTAD should become a "world parliament on globalisation".⁷⁹

⁷⁹ Walden Bello, "UNCTAD: Time to Lead, Time to Challenge the WTO," <http://www.focusweb.org/publications/2000/UNCTAD.htm>

3. THE WORLD TRADE ORGANISATION

Since its establishment in 1994 as the successor to the General Agreement on Tariffs and Trade (GATT), the World Trade Organisation has become the focus of protests by activists opposed to the international financial system. Unlike the World Bank and the IMF, criticism and proposals to reform the WTO have come mostly -or almost exclusively- from the Third World and its progressive "allies" in the developed world. Criticism and proposals for the reform of the WTO are similar to those for the Bretton Woods institutions.

3.1 DOMINATION BY CORPORATIONS AND THE UNITED STATES.

Like most critics of the Bretton Woods IFIs, opponents of the WTO point particularly to the high degree of control exercised over its policies by the US and industrialised countries. Indian activist Vandana Shiva refers to the WTO as the "World Tyranny Organisation."⁸⁰

Noam Chomsky considers the WTO to be the United States' principal instrument for imposing its free trade agenda on the world. "The expected consequences of the victory for "American values" at the WTO are: (1) a "new tool" for far-reaching U.S. intervention into the internal affairs of others; (2) the take-over of a crucial sector of foreign economies by U.S.-based corporations; (3) benefits for business sectors and the wealthy; (4) shifting of costs to the general population; (5) new and potentially powerful weapons against the threat of democracy."⁸¹

Walden Bello's analysis leads to a similar conclusion: "It has been Washington's changing perceptions of the needs of its economic interest-groups that have shaped and reshaped the international trading regime. It was not global necessity that gave birth to the WTO in 1995. It was the US's assessment that the interests of its corporations were no longer served by a loose and flexible GATT but needed an all-powerful and wide-ranging WTO."⁸²

3.2 TRIPS AND TRIMS

Perhaps the most controversial components of the WTO mandate are the agreements hammered out over Trade-Related Investment Measures (TRIMs) and Trade-Related Intellectual Property Rights (TRIPs). In the case of TRIMs, "the most important point is that national policies relating to foreign investment have now fallen under the influence of the GATT-WTO system...In the final TRIMs agreement "investment measures" such as that on local content (obliging foreign companies to use a specified minimum amount of local raw materials) will be eliminated. This will certainly have serious implications in terms of promoting measures to promote local industry. By implementing TRIMs, developing countries will lose a number of important political options for furthering industrialisation."⁸³

A particularly controversial subject is the application of TRIMs to services which "represent thousands of billions of dollars-worth of commercial transactions".⁸⁴ The inclusion of services marks one of the

⁸⁰ Vandana Shiva, "This round to the citizens," The Guardian (UK), 8 December 1999 <http://www.guardian.co.uk/Archive/Article/0,4273,3939018,00.html>

⁸¹ Chomsky, "The Passion for Free Markets." Chomsky refers to "some of history's striking regularities, among them, that those in a position to impose their projects not only hail them with enthusiasm but also typically benefit from them, whether the values professed involve free trade or other grand principles-which turn out in practice to be finely tuned to the needs of those running the game and cheering the outcome."

⁸² Walden Bello, "Why Reform of the WTO is NOT the Agenda," Znet <http://www.zmag.org/CrisesCurEvts/Globalism/notreformbello.htm>

⁸³ Martin Khor, "How the South is Getting a Raw Deal at the WTO," in Anderson, ed., Views from the South, p. 28. "In their drive to industrialise", writes Bello, "NICs like South Korea and Malaysia made use of many innovative mechanisms such as trade-balancing requirements that tied the value of a foreign investor's imports of raw materials and components to the value of his or her exports of the finished commodity, or "local content" regulations which mandated that a certain percentage of the components that went into the making of a product was sourced locally... Thanks to the TRIMs accord, these mechanisms used are now illegal." Bello, "Why Reform of the WTO is NOT the Agenda."

substantial differences between the WTO and its predecessor, the GATT, which was concerned only with industrial assets. The pressure to abolish certain measures of state control over the service sector (for example, through the preferential adjudication of contracts to local bidders) is seen as one of the most severe and potentially most damaging conditions for the Third World.

The agreement on Trade-Related Intellectual Property Rights (TRIPs), meanwhile, has been attacked as the most elitist and First World-oriented points on the WTO agenda. The TRIPs agreement obliges signatory countries to "introduce intellectual property rights legislation with similar standards of protection as in North countries," although "the now-industrialised countries did not have patents or intellectual property rights or laws as strict as those imposed by TRIPs at the time they were becoming industrialised, and this allowed them to employ foreign technology in their local systems." TRIPs also extends to agricultural and medical products, as seen recently in the attempt by US and European pharmaceutical companies to press Third World countries like Brazil to abandon their programmes offering generic drugs to Aids patients. More, the TRIPs agreement "opens the door to patents of life forms such as micro-organisms and genetically-modified materials...(which) will probably accelerate loss of biodiversity and might threaten natural ecosystems."⁸⁵ According to Vandana Shiva,

the trend of patenting living organisms also "encourages biopiracy... the theft of (Third World) biodiversity and indigenous knowledge through patents."⁸⁶

3.3 PROBLEMS OF DEMOCRACY AND TRANSPARENCY

Like its Bretton Woods counterparts, the WTO has been widely criticised for the elitist and secretive nature of its policy-forming processes and review panels. "The WTO is so undemocratic", writes Walden Bello, "that its decisions are taken informally by committees called in the corridors of ministerial meetings by the great trade powers. The formal sessions are reserved for speeches."⁸⁷ According to Susan George, "The conditions under which the WTO's panels, which have settled more than 170 disputes so far, are appointed as obscure. The names of the "experts" who sit on them and who meet behind closed doors and hear no outside witnesses are not made public... Without warning, the WTO has in this way created an international court of "justice" that is making law and establishing case law in which existing national laws are all "barriers" to trade and is sweeping aside all environmental, social or public health considerations."⁸⁸

However, this notion is not without its challengers.

⁸⁴ Susan George, "Globalising designs of the WTO," *Le Monde diplomatique*, July 1999 <http://www.in.monde-diplomatique.fr/1999/07/05george> "These seemingly innocent terms take in almost every imaginable human activity: distribution, wholesale, retail and franchising; construction, architecture, decoration, maintenance; civil, mechanical and other types of engineering; financial services, banking and insurance; research and development; real estate services, rental, credit and hire-purchase; communications, postal services, telecommunications and audio visual, information technologies; tourism and travel, hotels and restaurants; environmental services including road construction and maintenance, rubbish collection, sewage disposal, water delivery, protection of the landscape and urban planning; recreational, cultural and sports services, including entertainment, libraries, archives and museums; publishing, printing, advertising; transportation by every imaginable conveyance including space-travel; and also education (primary, secondary, tertiary and adult) and human and animal health. In all this covers over 160 sub-sectors and activities."

⁸⁵ Khor, "How the South is Getting a Raw Deal," p. 27.

⁸⁶ Shiva, "War against Nature," p. 117. Noam Chomsky cites the TRIPs agreement as further evidence that the WTO is not, in fact, interested in promoting development. "Under earlier patent regimes, you had process patents...Process patents meant that if some pharmaceutical company figured out a way to produce a drug, somebody smarter could figure out a better way to produce it because all that was patented was the process. So, if the Brazilian pharmaceutical industry figured out a way to make it cheaper and better, fine, they could do it. It wouldn't violate patents. The World Trade Organisation regime insists instead on product patents, so you can't figure out a smarter process. Notice that impedes growth, and development and is intended to. It's intended to cut back innovation, growth, and development and to maintain extremely high profits." Chomsky, "Unsustainable Non Development."

⁸⁷ Bello, "Building an Iron Cage," p. 86. In the same volume, Dot Keet argues that "for much of the Uruguay Round, most representatives from developing countries were little more than spectators at the so-called multilateral -but in fact bilateral- negotiations and agreements being built by the world's most powerful countries." Keet, "Implications for Developing and Least Developed Countries", in Anderson, ed., *Views from the South*, p. 127.

Philippe Legrain, former special adviser to the director-general of the World Trade Organisation, argues that the organisation "is already more democratic than you think. All agreements are reached by consensus. Every country has a veto-unlike at the UN, where only big powers do- and WTO agreements are ratified by parliament".⁸⁹ Legrain's defence is placed in doubt by the WTO's array of informal decision-taking mechanisms, though it is given a certain amount of substance by the recent apparent increase in the Third World's influence in the WTO corridors of power.

3.4 PROPOSALS FOR WTO REFORM

As with the Bretton Woods institutions, many critics of the WTO propose its abolition.⁹⁰ However, most commentators argue more for reforming the system than for complete dismantling. "If the WTO were to stop functioning tomorrow, the world would not stop trading. But without the WTO, the rules governing access to the market would probably be set by the powerful countries and their companies at the expense of the weak."⁹¹ Let us admit once more, as a minimum programme, the need for WTO reform. How could this organisation be reformed in response to the fierce criticism it has received?

In the case of the Bretton Woods institutions, many commentators consider that the most meaningful reform would be one giving more real power to Third World countries, along with greater recognition of

the social consequences of the WTO's neo-liberal agenda and the need for "positive discrimination" in favour of the poor peoples of the world. In short, the WTO is urged to develop a social conscience.⁹² What is not clear is how this social conscience should be expressed. A particularly interesting area of debate is that concerning discrimination based on "production processes and methods". Should countries have the right and even be encouraged to place barriers against products made by children, prisoners or in environmental unsafe conditions? Susan George, for example, answers this question affirmatively.⁹³ For many representatives from the developing countries, the subject is not so simple, however. There is often the suspicion that slurs on production processes and methods mask attempts to restrict free trade. "With a jealous eye to the only halfway effective bargaining counter they have -low wages and cheap, pollution-generating production methods- some Southern governments see the introduction of rules in these areas as a disguised form of protection."⁹⁴

Erosion of state control over the national economy is a concern which seems to unite most critics of the WTO. Pointing to the history of the developed world's state-driven industrialisation, such critics argue for the need to allow Third World countries to use protectionist measures when necessary for social stability and economic growth.⁹⁵ This implies a process of "de-globalisation" aimed at creating a strong internal market, reorienting the real economy towards it and avoiding excessive dependence on foreign investment."⁹⁶

⁸⁸ Susan George, "Trade before freedom," *Le Monde diplomatique*, November 1999 <<http://www.in.monde-diplomatique.fr/1999/11/02george>> (visited 16 February 2002). Juniper and Denny argue similarly that "WTO panels for resolving disputes are held in closed session by unelected bureaucrats. National governments do not have decision-making power: Nor do European Union consumers concerned about the environmental impact of genetically-modified crops or about banana growers in the Caribbean, whose livelihood is threatened by the "competition" of huge US fruit production companies." Tony Juniper and Charlotte Denny, "Planet profit," *The Guardian* (UK), 17 November 1999. <<http://www.guardian.co.uk/Archive/Article/0,4273,3931052,00.html>>

⁸⁹ Philippe Legrain, "Dump those prejudices," *The Guardian* (UK), 12 July 2001 <<http://www.guardian.co.uk/Archive/Article/0,4273,4220221,00.html>>

⁹⁰ Bello, "Why Reform of the WTO is NOT the Agenda."

⁹¹ Juniper and Denny, "Planet profit."

⁹² See Mittal, "The South in the North," p. 171: "Markets do not have the first nor the last word in human development. Much of what is essential for human development comes from outside the market, but is being flattened and destroyed by the pressures of global competition. When the market dominates social and political outcomes, the rewards of globalisation are distributed unequally... When the urge for utility loses control, respect for justice and human rights is sacrificed."

⁹³ George, "Fixing or nixing the WTO."

⁹⁴ George, "Fixing or nixing the WTO."

⁹⁵ Bello, "Building an Iron Cage," p. 76.

⁹⁶ See Walden Bello, "The Struggle for the Future: De-Globalization," *Economic Justice Journal On Line*, 3: 4 (September 2000), <http://www.50years.org/ejn/v3n4/bello.html> (visited 16 February 2002). See also the summary of proposals for a new alignment of the World Social Forum of Porto Alegre, Brazil, at http://www.forumsocialmundial.org/br/esp/rofiaial_podermundial_por.asp

Many have also pointed to the need for WTO solidarity with the Third World -greater monitoring of internal policy processes, for example, along with analyses of the implications of WTO policies for the developing world. Here, coalitions and consensus-building are crucial. Dot Keet writes that "the WTO is not an assembly of nations or a debating chamber like the UN. It is a negotiating chamber which, in the final analysis, reflects the balance of economic and political power and tactical ability. In this context, it is essential for developing countries to form strategic alliances amongst themselves to uphold their common interests vis-à-vis the hegemonic powers and to agree tactical exchanges on specific issues where they differ amongst one another."⁹⁷

Something along these lines is beginning to occur. Third World countries and their allies in developed countries are beginning to coordinate their efforts to establish a greater presence in WTO policy processes. The surprising thing about this movement are the differences between Third World countries' negotiating positions and the agenda put forward by activists in the west, which tend to be highly sceptical of the prevailing free trade regime. Some leading Third World powers, however, support free trade, though under their own terms.⁹⁸ This complex situation is likely to become even more complicated in the coming years, when alliances and power swings impossible to predict at present are likely to emerge.

⁹⁷ Keet, "Implications for Developing and Least Developed Countries," p. 148.

⁹⁸ Rana Foroohar, "The Poor Speak Up," Newsweek International, 11 February 2002 <http://www.msnbc.com/news/698916.asp>

4. CONCLUSIONS AND POSSIBILITIES FOR ACTION

The above analysis suggests that obstacles to the large-scale reform of the United Nations' institutions and prospects and of international financial institutions reside, more than anything, in the mixed nature of the organisation, in the compromise between two logics in which one is pre-eminent: the logic of states. Formed by delegates from sovereign states, the United Nations has been hamstrung from the first by the disparities and rivalries inherent in the system of states. The struggle for reform has revealed, more than anything else, the mutually irreconcilable visions which exist with regard to the UN's role. Simplifying greatly, the First World view that the organisation should serve as an extension of the foreign policy of the most powerful nations, and the Third World stress on greater democracy in decision-taking and the development goals of the poor countries. Reform will therefore require a decrease in the great powers' international influence and commitment on the part of Third World states in their dealings with the rich countries, as well as active engagement and intellectual daring on the part of individuals and organisations on the side of the logic of global democracy. In many cases, it is from the organisations that the greatest impetus has come for the construction of a global system of governance, in association with committed workers from the organisations themselves and groups of countries from the South and, on occasion, the North.

The crucial missing ingredient here is the necessary political will. "We have the sobering paradox that while the objective need for the United Nations is even greater now than it was when it was created, there is little evidence of the enlightened political will and vision that gave rise to the creation of the UN and Bretton Woods institutions in the aftermath of World War II. Without a revitalisation of enlightened political will inspired by a transcending vision of the risk and opportunities that confront the human community as we move into the 21st century, there is little likelihood of effecting the fundamental changes required in these institutions to enable them to respond effectively to these needs."⁹⁹ This statement is valid not only for UN reform processes

but also for all processes of building global democratic governance. As she says for the specific case of the WTO, but which is valid for the whole process, reform leaders and activists should "keep up the mobilisation and pressure, and mount an offensive of counter-proposals with the ultimate objective of building genuine international democracy." Thus, rightly, says Susan George, adding that "this will call for a sustained collective effort, for discussion and action. It cannot be planned in every detail at this time."¹⁰⁰

Can the political will necessary to achieve global democratic governance conceivably be built? A unilateral outlook will probably continue to dominate the foreign policy of the most powerful state in the world, making this will extremely difficult to muster. But there exists the possibility that a coalition of Third World states seeking to broaden their margins of autonomy, along with allies found amongst the more progressive nations in the developed world and the effective initiative of international civil society might arise to counter the United States' unilateral tendencies and press for meaningful reform. In many areas, such moves would encounter resistance from the only superpower. But even unilateral powers can be persuaded by the use of concerted action to modify or reverse their course. Although enormously difficult, it is possible that such a force might be able to nudge world politics in a more positive direction. Any attempt to build such a coalition would, no doubt, first have to overcome internal difficulties and disagreements. This is perhaps the most important political challenge in the present situation, the Gordian knot in the construction of global democratic governance. It is difficult to see, if such an initiative is not forthcoming, how attempts to reform the United Nations can be transformed from being merely cosmetic or elitist into visionary movements in tune with the needs of humanity.¹⁰¹

In the process of building global democratic governance, the two logics which co-exist on the ever-shifting and changing international scene multiply as in a kaleidoscope. A network like this one might act wisely to build the necessary political will

⁹⁹ Strong, Maurice, "The United Nations at 50" speech at Saskatoon, March 3, 1995. <http://www.ecouncil.ac.cr/about/speech/strong/saskatoo.htm>

¹⁰⁰ George, "Fixing or nixing the WTO."

¹⁰¹ Mayor, Federico, *Un mundo nuevo*, (Spain: UNESCO Eds., 2000).

without which such a difficult situation as the present one cannot be tackled. The essence of building global democratic governance is political in nature. This network, halfway between the Club of Athens and the Porto Alegre World Social Forum, may find its mission in liaising between the expressiveness of those who won the streets long ago and the instrumental capacity of those with experience in building a world order. Fostering fresh dialogue between North and South, returning issues of development - and sustainable development- to the international agenda. Regionalising and decentralising initiatives and spaces for encounters to build democracy. Showing those who believe there is no alternative to the present situation the error of their ways. And, above all, speaking clearly: we must avoid a new silence being added to the old one of those who have been silenced and the new one of those who prefer to remain silent,¹⁰² the silence of those who speak.

¹⁰² Mayor, Federico, *La nueva página*, (Spain: Galaxia Gutemberg, 1994).



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