

COUNCIL *on* FOREIGN RELATIONS

1777 F Street, NW, Washington, DC 20006
tel 202.509.8400 fax 202.509.8490 www.cfr.org

International Institutions and Global Governance Program World Order in the 21st Century A New Initiative of the Council on Foreign Relations

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The Council on Foreign Relations (CFR) has launched a comprehensive five-year program on international institutions and global governance. The purpose of this cross-cutting initiative is to explore the institutional requirements for world order in the twenty-first century. The undertaking recognizes that the architecture of global governance—largely reflecting the world as it existed in 1945—has not kept pace with fundamental changes in the international system, including but not limited to globalization. Existing multilateral arrangements thus provide an inadequate foundation for addressing today's most pressing threats and opportunities and for advancing U.S. national and broader global interests. The program seeks to identify critical weaknesses in current frameworks for multilateral cooperation; propose specific reforms tailored to new global circumstances; and promote constructive U.S. leadership in building the capacities of existing organizations and in sponsoring new, more effective regional and global institutions and partnerships. This program is made possible by a generous grant from the Robina Foundation.

The program draws on the resources of CFR's David Rockefeller Studies Program to assess existing regional and global governance mechanisms and offer concrete recommendations for U.S. policymakers on specific reforms needed to improve their performance, both to advance U.S. national interests and to ensure the provision of critical global public goods. The program will take an issue area approach, focusing on arrangements governing state conduct and international cooperation in meeting four broad sets of challenges: (1) Countering Transnational Threats, including terrorism, proliferation of weapons of mass destruction, and infectious disease; (2) Protecting the Environment and Promoting Energy Security; (3) Managing the Global Economy; and (4) Preventing and Responding to Violent Conflict. In each of these spheres, the program will consider whether the most promising framework for governance is a formal organization with universal membership (e.g., the United Nations); a regional or sub-regional organization; a narrower, informal coalition of like-minded countries; or some combination of all three. Building on these issue-area investigations, the program will also consider the potential to adapt major bedrock institutions (e.g., the UN, G8, NATO, IMF) to meet today's challenges, as well as the feasibility of creating new frameworks. It will also address the participation of non-state actors.

The program falls squarely within CFR's historic mission as an independent, nonpartisan membership organization, think tank, and publisher dedicated to being a resource for its members, government officials, business executives, journalists, educators and students, civic and religious leaders, and other interested citizens in order to help them better understand the world and the foreign policy choices facing the United States and other countries. In fulfilling its mandate, the program draws on the CFR's unique attributes as a premier think tank on matters of foreign policy; as a prominent forum for convening American and international statesmen and opinion leaders; and as a platform for forging bipartisan consensus on the priorities, terms, and conditions of the nation's global engagement. Throughout its activities, CFR will engage stakeholders and constituencies in the United States

and abroad, including governments, non-governmental organizations (NGOs), civil society representatives, and the private sector, whose input and endorsement are critical to ensure the appropriateness and feasibility of any institutional reforms. The program is led by Senior Fellow Stewart Patrick.

This concept note summarizes the rationale for the program, describes potential areas of research and policy engagement, and outlines the envisioned products and activities. We believe that the research and policy agenda outlined here constitutes a potentially significant contribution to U.S. and international deliberations on the requirements for world order in the twenty-first century.

RATIONALE AND CONTEXT

The Significance of the Issue

The creation of new frameworks for global governance will be a defining challenge for the twenty-first century world, and the attitude of the United States will be among the most important factors in determining the shape and stability of the world order that results from these efforts. The need for a reformed, robust system of multilateral cooperation has never been more obvious. Today's global agenda is dominated by a host of issues—from terrorism to climate change to the proliferation of weapons of mass destruction—that no single country, no matter how powerful, can address on its own. Tomorrow's challenges and policy agendas will only be more transnational in scope. At the same time, existing multilateral institutions are increasingly divorced from global realities, hindering their capacity to deliver global public goods and mitigate global "bads." Since the end of the Cold War, world politics have been transformed in fundamental ways. As outlined in the accompanying box, these changes include an ongoing shift in global power to non-Western countries; the rise of transnational threats to the top of the global security and development agendas; a growing concern with state weakness, as opposed to state strength; the emergence of agile and increasingly powerful non-state actors (both malignant and benign); the evolution of new norms of state sovereignty and new criteria for armed intervention; the proliferation of regional and sub-regional organizations; the increasing importance of cross-border networks; and a growing reliance on ad hoc "coalitions of the willing" as an adjunct to—and sometimes a replacement for—more formal, standing international bodies.

A New World The point of departure for the program is a recognition that the world of 1945 has evolved dramatically, fundamentally, and irrevocably. New rules and institutions of global governance will need to take into account several fundamental changes in world politics. These include:

– *A shift in power to the global "South."* While the United States remains at the apex of the international system, the global distribution of power—political, economic, demographic, technological, and to some degree military—is shifting toward the developing world, driven by the rise of China, India, Brazil, and other nations (and the relative decline of Europe). Core international institutions, from the UN Security Council to the Group of Eight industrialized nations (G-8), have not yet adapted to accommodate these seismic shifts, reducing both their perceived legitimacy and their practical effectiveness.

– *The rise of transnational threats.* While great power war will always be possible in a system of sovereign states, the principal foreign policy challenges of the twenty-first century are likely to be transnational threats—from terrorism to pandemics to climate change. Such challenges will necessitate new forms of institutionalized cooperation and pose particular challenges to the United States, historically ambivalent toward multilateral institutions.

- *The specter of weak and failing states.* For the first time in modern history, the main threats to world security emanate less from states with too much power (e.g., Nazi Germany) than from states with too little (e.g., Afghanistan). The goal of collective security has thus shifted from counter-balancing aggressive powers to assisting fragile and post-conflict countries in achieving effective sovereign statehood, including control over “ungoverned spaces.”
- *The mounting influence of non-state actors.* A corollary to state weakness is the rise of non-state groups and individuals that are capable of operating across multiple sovereign jurisdictions. These include illicit organizations motivated by political grievance (e.g., al-Qaeda) or simple greed (e.g., Russian crime syndicates). But non-state actors also include more benign forces, such as humanitarian NGOs and civil society actors, philanthropic institutions like the Gates Foundation, and “super-empowered” individuals like Bono, all clamoring for entrée into decision-making forums that have traditionally been the purview of states alone. How to integrate these new stakeholders into multilateral deliberations remains a major challenge for global governance.
- *Evolving norms of sovereignty and intervention.* There is growing recognition that each state owes certain fundamental obligations to its own citizens and to wider international society. These responsibilities include an obligation not to commit atrocities against one’s own population; a prohibition against sponsoring or providing a safe haven to transnational terrorist groups; and a duty to prevent the proliferation of weapons of mass destruction. Yet the effort to make these new norms operational and enforceable remains a Herculean challenge.
- *The spread of regional and sub-regional organizations.* Although the UN Charter of 1945 explicitly endorsed regional organizations, such bodies truly began to flower only with the end of the Cold War, both as complements to universal-membership organizations and as substitutes for them. The task for U.S. policymakers is to assess the comparative advantages of different institutions and encourage a judicious division of labor (between, say, the UN and the African Union) that ensures effective burden sharing, rather than unwarranted “burden shifting.”
- *The increasing prominence of transnational government networks.* In past decades, the process of multilateral cooperation and rule-making tended to be hierarchical and centralized, reflecting formal negotiations among high-level national delegations. In the twenty-first century, multilateral cooperation frequently unfolds in a distributed and networked manner, through the collaboration of transnational networks of government officials from regulatory agencies, executives, legislatures, and courts.
- *A growing reliance on coalitions of the willing.* A recent trend in global governance has been to rely less on large, formal organizations (like the UN), which are vulnerable to paralysis and inaction, than on narrower collective action among like-minded countries, as in the Proliferation Security Initiative (PSI). An ongoing dilemma for U.S. policymakers will be to exploit the flexibility of such coalitions without undercutting formal, large-membership organizations whose technical expertise, legitimacy, and resources the United States will need over the long haul.

Despite these tremendous changes in the context, content, and conduct of international relations, there has been no “act of creation” analogous to the flurry of institution building that occurred in the 1940s and early 1950s. Indeed, many of the central institutions of global governance, such as the UN, the North Atlantic Treaty Organization (NATO), the World Bank, and the International Monetary Fund (IMF), remain substantially unchanged since the days of Roosevelt, Truman, Churchill, and Stalin. Recent efforts to reform the architecture of global governance, including at the UN High Level Summit of September 2005, have produced at best incremental change, as states disagree over how to reallocate power and authority in existing organizations and bring old rules in line with new realities. The world community thus makes do with creaky institutional machinery that is increasingly obsolete, ineffective, and unrepresentative, and which makes few allowances for the potential role of the private sector and global civil society in shaping and addressing the global agenda. As hard as it is to create rules of global governance, it is even harder to re-write them when institutions already exist.

The United States and its partners have a critical window of opportunity to update the architecture of international cooperation to reflect today’s turbulent world. The creation of a more effective framework for global governance will depend on a clear and common understanding among the world’s major nations of the new dynamics and forces at play in world politics, and their recognition that there can be no one-size-fits-all solution to the management of transnational problems. It will also depend on the willingness of the United States to exercise the same creative, enlightened leadership that it exercised in the mid-twentieth century, when it chose to champion and defend new forms of international cooperation.

A New Era of American Leadership?

Among the most important factors determining the future of global governance will be the attitude of the United States, likely to remain the world’s most prominent actor at least until 2050. Historically, Americans have adopted an ambivalent and selective posture toward multilateral cooperation. On the one hand, no country has done as much to create the institutional infrastructure of world order, including the bedrock institutions dating from the 1940s, such as the United Nations, the Bretton Woods Institutions, and NATO. Over the past six decades, the United States has benefited tremendously from this architecture, which has helped to legitimate U.S. global leadership, improve predictability in world affairs, and permit the joint pursuit of shared objectives across a wide range of countries.

On the other hand, few countries have been as sensitive as the United States to restrictions on their freedom of action or as jealous in guarding their sovereign prerogatives. This ambivalent orientation can be attributed to at least three factors: America’s overwhelming power, its unique political culture, and its constitutional traditions. First, given its massive weight, the United States enjoys unparalleled unilateral and bilateral options, as well as a plausible claim to special exemption from some rules binding on others, since it serves as the ultimate custodian and guarantor of world order. Second, the country’s longstanding tradition of liberal “exceptionalism” inspires U.S. vigilance in protecting the domestic sovereignty and institutions from the perceived incursions of international bodies. Finally, the separation of powers enshrined in the U.S. Constitution, which gives Congress a critical voice in the ratification of treaties and endorsement of global institutions, complicates U.S. assumptions of new international obligations.

This instinctual skepticism toward multilateral cooperation, which was particularly pronounced in the first term of the administration of George W. Bush, is unlikely to disappear. Nevertheless, the first years of the new millennium have also demonstrated limits to unilateral U.S. action, military or otherwise, in mitigating the threats and taking advantage of the opportunities posed by globalization. Regardless of whether the administration that takes office in January 2009 is Democratic or Republican, the thrust of U.S. foreign policy is likely to be multilateral to a significant degree.

Multilateralism can come in many forms, however. From a U.S. perspective, the ideal vehicle for international cooperation in a given instance will depend on a number of factors, including whether other countries share a common conception of the nature of the policy challenge (to say nothing of its appropriate remedy). Although the United Nations has distinct advantages, given its perceived international legitimacy and universal membership, it will not always be the instrument of choice; regional organizations or narrower affinity groups sharing common purposes may have a comparative advantage. The United States and other countries are likely to require a diverse array of frameworks—formal and informal, universal and regional, and functional—to address particular tasks. In some cases, effective governance may require public-private partnerships involving a range of stakeholders, including private corporations and non-governmental organizations. Accordingly, global governance in the twenty-first century may well come to resemble what Francis Fukuyama terms “*multi-multilateralism*.”

New Thinking for a New Era

The program on international institutions and global governance aims to assist the architects of U.S. foreign policy and their counterparts in other countries and in regional and global organizations in drafting the blueprints for new structures of international cooperation that are more closely tailored to global realities, consistent with long-term U.S. national interests, and sensitive to historic U.S. concerns about domestic sovereignty and international freedom of action. The program’s approach to global governance will remain a pragmatic and flexible one, emphasizing customized solutions rather than “one-size-fits-all” responses.

The process of formulating policy recommendations will be an open and consultative one. CFR research staff will meet with and solicit input from the main constituencies—American and foreign, public and private – with a stake in the relevant deliberations. For example, discussions on strengthening the Organization for the Prohibition of Chemical Weapons (OPCW) would necessarily involve both arms control advocacy organizations and major chemical firms, among others. In a similar manner, deliberations on a post-Kyoto framework to respond to climate change would solicit views from environmental groups, industry representatives, developing country officials and civil society, and U.S. officials at the federal, state, county, and municipal levels. Such consultations are imperative to ensure a comprehensive understanding of the stumbling blocks to change, the trade-offs of alternative institutional options, and the feasibility of new arrangements.

CFR recognizes that identifying where current international institutions are deficient and where new ones are appropriate is but one dimension of reforming global governance. The harder chore is to persuade the relevant parties to adopt a new way of doing business, including (in some cases) the loss of current privileges. For this reason, CFR will include in any proposed recommendations a practical strategy to win multilateral support for needed changes, as well as forging domestic consensus among the major U.S. stakeholders.

PROGRAM DESCRIPTION

The agenda of the program on international institutions and global governance is potentially vast. To make it more tractable, we have adopted a sector-based approach, in which we will assess the institutional arrangements governing specific global challenges. In each case selected, the program will work with CFR fellows to examine (a) how the nature of this particular challenge has changed in recent decades; (b) what international regimes and frameworks—informal and formal, permanent and temporary, global and regional—exist to regulate behavior or advance cooperation in this issue area; (c) whether these mechanisms are adequate to the task at hand or must be modified; and (d) what institutional reforms and new divisions of labor would be appropriate, consistent with long-term U.S. national interests, and sustainable within the U.S. domestic context. In conducting this analysis, the program will draw on expertise of many of the fifty-five full- and part-time fellows in the CFR’s Studies Program. CFR would also seek out expertise in those areas where it does not currently exist in-house. The program will employ several standards to

judge the adequacy and appropriateness of existing regimes, organizations, and other arrangements of global governance. These criteria will include:

- *Effectiveness*, in terms of actual performance in accomplishing the stated objective(s), ideally measured through independent monitoring and evaluation.
- *Legitimacy*, assessed in terms of whether existing arrangements accurately reflect the current distribution of global political power and interest, are consistent with international legal regimes, and reflect broadly accepted procedures for multilateral decision-making.
- *Accountability*, evaluated according to whether the institutional agents can be held to account for their performance and whether the institution provides opportunities for expressions of democratic will both in the United States and abroad.
- *Consistency with U.S. interests and values*, including whether the proposed framework promises to advance U.S. national security and welfare, legitimate U.S. purposes abroad, and resonate with the democratically-expressed will of the American people.

Building on this sector-based audit and analysis, the program will likely recommend reforms to a number of “bedrock” institutions of world order—including the UN (particularly the composition of the Security Council), the G-8, NATO, and the Bretton Woods institutions—as well as major regional organizations, such as the European Union (EU), the Association of Southeast Asian Nations (ASEAN), the African Union (AU), and the Organization of American States (OAS). Where appropriate, the Council will also explore the potential for global governance arrangements that are less state-centric. Recommendations for major institutional reform will proceed from (rather than precede) this issue area analysis. Moreover, wherever such reforms are recommended, the Council will include a plausible strategy for winning international backing for this new governance framework.

Issues and Sectors for Analysis

The program has identified four critical areas of global governance where current frameworks for multilateral cooperation are increasingly outdated. These include (1) Countering Transnational Threats; (2) Protecting the Environment and Promoting Energy Security; (3) Managing the Global Economy; and (4) Preventing and Responding to Violent Conflict. In this section, we highlight what we consider to be the most compelling issues within these four broad clusters, and where the program might add value through policy research and engagement over its five year time frame. These clusters include:

(I) Countering Transnational Threats

– *Terrorism*. The struggle against Salafist-inspired Islamist terrorism is likely to be a generational one for the United States and the world community, and an effective response will require a variety of international partnerships. To date, however, the “Global War on Terrorism” has often borne a “made in the USA” stamp, rather than representing a genuinely multilateral undertaking. The United Nations has made some progress in enlisting member states in the struggle against al-Qaeda and affiliated organizations, including through UN Security Council Resolution 1373, which established the UN Counter-Terrorism Committee, as well as multilateral efforts to combat terrorist financing. The United States has also expanded its intelligence cooperation on counterterrorism matters with scores of states. Nevertheless, the global anti-terror campaign has been less multilateral than it might be, both in terms of consolidating new norms (e.g., a common definition of terrorism) and ensuring robust operational responses to the threat (including building the counterterrorism capacity of weak but willing states). The program will work with

Council Fellows to review promising multilateral initiatives and needed reforms within both UN and regional organizations that are essential if the struggle against terrorism is to become a more effective effort.

– *Proliferation of Weapons of Mass Destruction.* The spread of catastrophic technologies has placed the ability to kill vast numbers of people in the hands of a growing number of governments and non-state actors. At the same time, the international regimes and institutions charged with controlling the spread of nuclear, biological, and chemical weapons—from the Non-Proliferation Treaty (NPT) to the International Atomic Energy Agency (IAEA) to the Biological and Toxic Weapons Convention—are under increasing strain. Despite high hopes, the Outcome Document of the UN High-Level Summit of September 2005 failed to include a single significant reform to global non-proliferation regimes. Frustrated by the shortcomings of established frameworks to halt proliferation, the United States in recent years has experimented with a number of ad hoc, flexible groupings, such as the Proliferation Security Initiative (PSI). It has also adopted a differentiated response to proliferators – most notable in the case of India’s nuclear program – that grants special treatment to regimes that Washington believes can be trusted. The program will work with CFR’s experts in arms control and international security to assess needed reforms to existing nonproliferation regimes, including the potential creation of an international facility to provide nuclear fuel to participants in the NPT regime. The program will also evaluate the appropriate balance between such formal organizations and treaties like the IAEA and NPT and narrower, informal arrangements of like-minded parties, such as PSI, the Nuclear Suppliers Group, and the Missile Technology Control Regime.

– *Homeland Security.* The rise of transnational terrorist networks and the spread of catastrophic technologies have made homeland security a priority for all nations, particularly Western democracies. The United States and other countries face a number of common challenges, including policing maritime and land frontiers and national airspace; protecting civil aviation; improving border control; regulating immigration; hardening critical infrastructure; inspecting cargo; and tagging and tracking suspicious individuals and shipments. Effective homeland security increasingly relies on creative multilateral partnerships, such as the Container Security Initiative, which among other things implies the placement of U.S. customs officials in foreign ports (and vice-versa). It also requires deeper intelligence- and information-sharing and more intensive law enforcement cooperation. These innovative partnerships have forced the United States and its allies to tolerate some sacrifice of national sovereignty, reconcile distinct constitutional and legal traditions, and (at times) overcome divergent threat perceptions. The program will work with CFR scholars to assess promising areas for expanding and formalizing multilateral cooperation in this arena.

– *Infectious Disease, Biosecurity, and Global Public Health.* Among the most sobering concerns on the global security agenda is the specter of massive death at the hands of naturally occurring or man-made pathogens. Over the past three decades, the world has experienced the emergence of more than thirty previously unknown disease agents, including HIV/AIDS, Ebola, SARS, and avian influenza, for which no cures are yet available, as well as the reemergence and spread of more than twenty well-known diseases, including TB, malaria, and cholera, often in more virulent and drug-resistant forms. At the same time, the U.S. and other governments are increasingly fearful of the purposeful design and release of biological toxins by international terrorists. Unfortunately, as the belated response to SARS revealed, serious shortcomings exist in national and global systems for epidemiological surveillance, preparedness, and response. The program will work with CFR fellows to identify what reforms to current frameworks of global health governance, including the World Health Organization, are required to meet this burgeoning threat.

(2) Protecting the Environment and Ensuring Energy Security

– *Global Climate Change.* New international institutions to mitigate the degradation of the global commons will likely be a defining feature of global governance in the twenty-first century. The global environmental agenda includes a broad array of oceanic, terrestrial, and atmospheric challenges, from the exhaustion of marine resources like fish

stocks and coral reefs to deforestation and desertification, the loss of biodiversity and endangered species, air pollution, and the depletion of the ozone layer. Nowhere is the need for a new global compact more imperative, however, than in the case of climate change, which unless corrected will irrevocably alter the biosphere on which all humanity depends. Moreover, the effects of global warming are predicted to affect most dramatically some of the most fragile, poor and unstable developing countries that are least equipped to adapt. The program will work with CFR fellows in examining the institutional preconditions for a post-Kyoto framework agreement to which the United States and the major developing countries, including China, India, and Brazil, can agree, as well as a potential expansion of the Global Environmental Facility to create incentives for carbon-neutral development.

– *Energy Insecurity.* The recent dramatic rise in global petroleum prices—combined with the exhaustion of many proven oil reserves, the insatiable Chinese appetite for fossil fuels, political instability in oil-producing regions from Nigeria to Iraq, and the rise of “petro-autocracies” from Russia to Venezuela—has focused the attention of U.S. policymakers on the security of world energy supplies. The United States and its international partners need new frameworks to ensure adequate global production, refining and transportation capacity, and new strategies to prevent potential interruption of supplies. There is also growing awareness that shifting the U.S. economy away from its current heavy reliance on fossil fuels—particularly from the Middle East—makes good strategic sense. New frameworks of multilateral cooperation will be essential components of any U.S. strategy to improve global energy security and create the incentives for international movement toward cleaner and more reliable forms of energy. The program will work with CFR fellows to examine promising steps, including through the International Energy Agency, to improve long-term global and U.S. energy security.

(3) Managing the Global Economy

– *The International Financial System.* The program will support the work of the Center for Geoeconomic Studies (CGS) in casting a sober eye on the current framework of global financial and monetary relations, including rules governing exchange rates, proposals to create regional currency unions, and initiatives by individual countries to dollarize or euro-ize. It will promote work by CFR fellows to evaluate current trends in the global financial system—including strains caused by the twin U.S. deficits, the emerging role of China in the global monetary system, and the rise of alternative reserve currencies (including the euro)—and explore promising means to improve coordination among the world’s major governments and central banks in dealing with structural weaknesses. The program will also support CFR’s work in reevaluating the mandate of the IMF, which has lost much of its relevance with the growth of private capital markets.

– *International Trade:* The stagnation of the current Doha Round of World Trade Organization (WTO) negotiations and the ongoing expansion of bilateral and regional trade arrangements have called into question the commitment of the United States and other major countries to the vision of an open, reciprocal, and non-discriminatory system of international trade and payments. Stumbling blocks in the current WTO round include the resistance of wealthy countries in the Organization for Economic Co-operation and Development (OECD) to liberalize trade in protected agricultural commodities and the unwillingness of developing countries to quicken their own embrace of Western standards on foreign investment, intellectual property, and trade in manufactures. In the absence of sustained forward movement on global trade liberalization, we are likely to see an increased fragmentation of world trade into regional—and potentially discriminatory and protectionist—blocs. The program will support the ongoing work of the CGS in examining the preconditions for a North-South compromise, and in assessing the trade-offs for the United States of bilateral, regional, and global approaches to trade liberalization. The program will also seek to advance CFR’s work on new regional and international frameworks to regulate global labor mobility.

– *International Investment.* The economic gains from cross-border investment are as great as those from cross-border trade, and corporate investment in multi-country supply chains is a large driver of growing trade flows. Moreover, the

rapidly growing sovereign wealth funds of several East Asian countries and energy-exporting states are complicating the picture. The huge capital surpluses now in the hands of foreign governments may trigger a political backlash in the countries where these funds are invested). Yet international investment is not subject to any multilateral regime comparable to the World Trade Organization. Instead, a crazy-quilt of bilateral investment treaties, together with an OECD-effort led by the OECD, attempt to set global norms for investment rules. In the 1990s an effort to upgrade this framework with a Multilateral Agreement on Investment was defeated by civil society critics. The program will support work by CFR fellows to consider the case for a global investment agreement, as well as to examine the need for rules to govern sovereign wealth funds and the recipients of their capital.

– *Global Development Policy*. Contemporary policy discourse concerning global development has been dominated by two extreme camps: advocates of enormous expenditures of foreign aid to achieve the Millennium Development Goals, on the one hand, and skeptics of development assistance, on the other, who contend that it is wasteful, redundant (given private sources of investment) and often counterproductive (since it breeds dependency). Often missing from this dialogue of the deaf is a careful appraisal of what targeted foreign aid can (and cannot) accomplish, as well as a recognition that aid is but one component—and rarely the most important—in development outcomes. The program will support efforts by CFR fellows to evaluate the continued relevance and appropriate mission of the World Bank, the regional multilateral development banks, the UN Development Program, and other UN development agencies, with an eye to assessing how their aid windows and technical expertise complement one another and the capacities of donor governments. The analysis will also consider arguments for institutional reforms, such as transforming the governing structure of the World Bank and correcting the UN’s fragmented approach to global development. It will consider ways to harness the growing interest of the private sector in corporate social responsibility programs in developing countries: While spending by multinational corporations on development is growing, the sophistication with which these funds are disbursed is perhaps two decades behind that of the public sector. This work will be undertaken in collaboration with the CGS.

(4) Preventing and Responding to Violent Conflict

– *Preventing State Failure and Internal Conflict*. In an age of transnational threats, states that cannot control their borders and territory and that collapse into violence pose a danger not simply to their own populations but indeed to the entire world. Unfortunately, the international community continues to struggle in its efforts to prevent states from sliding into failure and internal violence. To date, no major international actor—whether the United States, other major governments, or international institutions like the United Nations, World Bank, and African Union—has made prevention a strategic priority. Notwithstanding the UN’s rhetorical commitment to conflict prevention, its actual policy remains modest, ad hoc and reactive, limited in most cases to occasional “good offices” efforts by the Secretary-General. The G8, likewise, has devoted little attention to reducing critical sources of insecurity and instability in the developing world, including cutting the illicit revenue streams that fuel corruption and violence in weak states and conflict zones, curbing illegal trade in weapons, shutting down offshore financial havens for the ill-gotten gains, and insisting on transparent management of natural resource revenues. The program will collaborate with CFR’s Center for Preventive Action (CPA) to assess what institutional reforms can be made to improve the capacity of the UN, G8, World Bank, AU and other international frameworks and partnerships to address the underlying sources of instability and mitigate and manage conflict in the world’s most vulnerable states through a mixture of diplomatic, economic, political, and military means. It will also address private sector and public-private initiatives to reduce conflict, such as the Extractive Industries Transparency Initiative (EITI) and the Kimberley Process for conflict diamonds.

– *The Use of Force*. Today more than at any other time in the past sixty years, the rules governing the use of armed force are up for grabs. The diplomatic deadlock over Iraq during 2002-2003—like the preceding Kosovo crisis of 1999—raised fundamental questions about the recourse available to the United States when disagreement among the Permanent Five blocks Security Council action. In the aftermath of both episodes, some observers have suggested the

need for alternative (or surrogate) sources of legitimacy for armed force, whereas others have cautioned against setting a dangerous precedent. At the same time, there has been growing international support—particularly among Western governments—for a doctrine of contingent sovereignty, whereby countries guilty of genocide, terrorism, and pursuit of weapons of mass destruction would forfeit their presumption against external intervention. Despite these normative shifts, however, the United States and its international partners have made little headway in determining the circumstances in which the Security Council might be legitimately bypassed or the evidentiary criteria required to justify armed intervention into a sovereign state. The program will work with CPA and CFR fellows to clarify these criteria, building on the CFR’s previous work on such questions, including on the “Responsibility to Protect” doctrine.

– *Peace Operations and Post-Conflict Peace-Building.* Notwithstanding setbacks and shortcomings in UN peace operations since the end of the Cold War, the United Nations is being called upon as never before to keep – and in some cases enforce – peace between warring parties, as well as to pick up the pieces when the shooting stops. Today, more than 100,000 blue helmets are deployed in a score of operations around the globe – more than at any time in the UN’s history. Yet the complexity and pace of such multidimensional efforts have strained the modest capacities of the UN Department of Peacekeeping Operations, which struggles on its modest budget and capabilities to develop a robust doctrine; to procure logistical support from member states; to ensure the quality and discipline of contributed troops; to negotiate an effective division of labor with regional organizations (such as the AU); and to realize the vision of “integrated missions” that unite the humanitarian, reconstruction, governance, and security components of international interventions. Meanwhile, the UN Peacebuilding Commission—one of the few significant results of the 2005 UN High Level Summit—has thus far failed to live up to its potential in ensuring effective state-building and sustainable recovery in war-torn societies. The program will collaborate with the Center for Preventive Action and CFR fellows on proposals to deepen recent UN reforms, as well as explore potential partnerships between the UN and the AU as well as other regional and sub-regional bodies.

In advancing this ambitious agenda, the program will draw on both core program staff and also the fifty-five other permanent and adjunct members of CFR’s Studies Program. This will permit the program to generate a steady stream of research, publication, and policy engagement in all four clusters over the five-year span of the program.

Reforming the Bedrock Institutions of World Order

Building on these issue-area investigations and the identified shortcomings of existing organizations and frameworks, the program will, over five years, seek to propose reforms to some of the bedrock institutions of world order, including the United Nations, regional organizations, and major ad hoc groupings.

– **The United Nations Security Council.** Among the biggest disappointments of the UN High-Level Summit of September 2005 was the failure of UN member states to cut the Gordian knot with respect to UN Security Council Membership, particularly the extension of permanent (or semi-permanent) membership to accommodate the shifting balance of world power since 1945. Although the UN Secretary-General’s High-Level Panel outlined two realistic and balanced alternatives for enlargement, forward progress was blocked by a combination of regional rivalries, intra-European differences, and U.S. disengagement. The program will examine prospects and preconditions for a renewed reform effort that would satisfy the aspirations of critical players (including Japan, India, Germany, and Brazil) while extending Security Council representation to Africa and the Middle East.

– **The Group of Eight.** The obsolescence of current mechanisms of global governance is increasingly apparent in the management of the world economy, not least during the annual summits of the G-8. It simply makes no sense to exclude from this ostensible global directorate the world’s largest emerging economies, including China, India, and Brazil, as well as multiple other middle powers. The program will examine the merits of recent proposals to expand

the membership of the G-8 (such as the “L-20” proposal championed by former Canadian Prime Minister Paul Martin); as well as to create unique groupings tailored to discrete political, economic, or functional issues (e.g., energy or migration).

– **Regional and Sub-Regional Organizations.** One of the hallmarks of the past two decades has been the formation, deepening, and enlargement of formal regional organizations in many corners of the globe. The mandates, competencies, capacities, and effectiveness of these heterogeneous bodies vary enormously. The United States has a critical interest—and a central role to play—in ensuring that these bodies play their full and appropriate role in managing global insecurity and in providing public goods for their respective regions. The program intends to examine the current status and potential role of multilateral bodies in at least *some* of the following regions, drawing on relevant CFR scholars:

– **Europe**, including the North Atlantic Treaty Organization, the European Union, and the Organization for Security and Co-operation in Europe (OSCE).

– **Asia-Pacific**, including the Asia-Pacific Economic Cooperation (APEC) forum, the Association of Southeast Asian Nations (ASEAN), the ASEAN Regional Forum, and potential sub-regional security architecture for Northeast Asia.

– **Africa**, notably the African Union (including its new Peace and Security Council), the New Partnership for African Development (NEPAD), the Economic Community of West African States (ECOWAS), the Southern African Development Community (SADC), and other relevant organs.

– **South and Central Asia**, including the South Asian Association for Regional Cooperation (SAARC), the Shanghai Cooperation Organization (SCO), and other potential multilateral arrangements for these two sub-regions.

– **Latin America**, including the Organization of American States, the Summit of the Americas, sub-regional trade groupings (e.g., NAFTA, CAFTA, Mercosur), and potential groupings of like-minded countries to manage transnational challenges like energy security, migration and narcotics.

– **The Middle East**, including the G-8 sponsored Forum for the Future, the Arab League, and the Organization of the Islamic Conference (OIC).

Big Picture Issues

As we explore the most appropriate international frameworks to address today’s global agenda, the program will seek to break new ground on three big picture issues: the changing nature of sovereignty in an age of globalization; the challenges of accommodating non-state actors in global decision-making; and the preconditions for democratic accountability in multilateral institutions.

– *Re-conceptualizing “sovereignty” in an age of globalization.* The post-Cold War era has posed challenges to traditional concepts of state sovereignty, in at least four respects. First, some failing and post-conflict states have become wards of the international community, submitting to a form of UN “neo-trusteeship.” Second, some countries by their conduct have lost their immunity from intervention, as part of an emerging doctrine of “contingent sovereignty.” Third, nearly all states – including the United States – have voluntarily forfeited some historic freedom of action to

manage transnational threats and exploit international opportunities. Finally, some countries, particularly in the EU, have chosen to “pool” their sovereignty in return for economic, social, and political benefits. The program could provide a valuable intellectual contribution by tracing the scope and implications of these transformations.

– *Accommodating non-state actors in global governance.* Although states remain the foundation of international order, they face growing competition as wielders of influence and (often) legitimacy from non-state actors. In designing new frameworks of global governance, the United States and other governments must provide opportunities for partnership with and input from interested stakeholders, including civil society actors, advocacy groups, and corporations—without allowing the global agenda to be hijacked by unrepresentative interests. The program can identify lessons from recent experience about how to strike this delicate balance.

– *Overcoming the “democratic deficit” in global governance arrangements.* Efforts at international cooperation, particularly of a supranational character (as in the European Union), often become divorced from the democratic will of the national publics of member states. By examining multilateral institutions across a variety of sectors, the program may generate useful insights about how to improve the democratic accountability of multilateral bodies. It might also evaluate the frequent contention that an Alliance of Democracies represents a plausible framework for global order and a realistic alternative to the UN (which obviously includes authoritarian as well as democratic regimes).

THE PROGRAM’S VALUE ADDED

CFR’s program on international institutions and global governance seeks to make a significant contribution to U.S. and international understanding of the institutional infrastructure required for effective multilateral cooperation in the twenty-first century. The program is envisioned as a multi-year effort, rather than a one to two-year project geared toward a specific event or electoral cycle. This relative permanence will hopefully permit CFR to become a center of excellence in thinking about global governance, and a repository of useful knowledge and lessons learned available to other scholars and institutions. It will also facilitate the difficult process of building domestic political consensus—within the executive and legislative branches, the policy community, and the informed public—about the appropriate parameters of U.S. engagement in multilateral cooperation.

The program’s location within the Council on Foreign Relations will prove invaluable in furthering its ambitious aims. The program will exploit the CFR’s convening power, offering forums in New York, Washington, and around the country where domestic and international opinion leaders can debate proposed institutional reforms with the Council’s membership. Through co-hosting events with partner institutions in the United State and abroad, the program will solicit input and buy-in from foreign governments and publics, as well as representatives from civil society and the private sector, for proposed recommendations on global governance. Finally, the program will serve a broader role in bipartisan consensus-building and public education by engaging administration officials and members of Congress on new directions in global governance, and by making its products widely available through a variety of media.