Global Social Governance Reform

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Summary

This policy brief addresses the prospects for improved social governance at the global level. It concludes by focusing not on the reform of institutions or policies but on new international policy action and implementation processes that seem to be enabling international stakeholders to by-pass ossified institutional structures and the current impasse in policy debates. This is followed by suggestions and recommendations as to how Finland and other like-minded developed Northern countries might best advance global social governance reform in the direction of a rule based and equitable world order in the light of this analysis.

The message of the policy brief is that while there are on the international policy agenda a number of desirable institutional reforms that should be implemented at the global level and while the struggle to shift global policy from its neo-liberal character to something more socially responsible continues the actual focus of much international effort to improve the world's management of global social issues is centred upon networks, partnerships and projects. The question for Finland and like-minded countries is how it positions itself in relation to these activities. The brief concludes with four principles that might enable Finland and like-minded countries to have the influence they would wish both at the traditional levels of institutional reform and policy change and enable them to engage effectively with emerging networks, partnerships and projects. The brief argues that global political alliances need to be fashioned to enable practice in these networks to be guided by principles rather than pragmatism. These principles entail:

1. Forging alliances with global Southern country partners and groups within which southern voices are heard.
2. Supporting approaches to world regionalism within which the social dimension of trading arrangements is given due attention.
3. Working always to achieve a more equitable access to services and provision.
4. Establishing within-country policy synergy towards global questions across all Ministries.
Global Social Governance Reform Issues

Institutional Fragmentation and Competition

At the global level there are a number of competing and overlapping institutions and groupings of countries all of which have some stake in shaping global social policy towards global social problems.

The fragmentation and competition takes place between:

- The World Bank/IMF, WTO and the UN system. (The Bank's health, social protection and education policy for countries is not the same as that of the WHO, ILO or UNESCO.)
- The UN secretariat and UN social agencies. (The Secretary General's initiatives such as the Millennium project bypass the comprehensive social development policies of the UN's Department of Economic and Social affairs and these may differ again from the approach of the UNDP, ILO or WHO.)
- The G8, G20, G16 and G77 and other groupings of countries. (While the rich G8 continue to assume the right make global policy the newer G20 is struggling to forge a broader global consensus and the G77 remains more a party of opposition to Northern agendas)

International Finance for Global Public Goods

The increased recognition of and attention to cross border social problems such as disease transmission, illegal economic migration and international drug running has put the idea of global public goods on the international agenda. Among the associated issues are:

- The perpetuation (decline) of AID versus new forms of international finance. (Despite the Monterrey UN Finance for Development Conference, the UN struggles to maintain an authority to even consider innovative forms of international financing.)
- Moves within the OECD and elsewhere to outlaw tax havens. (Progress within the OECD to name and shame tax havens is taking place but any moves to standardise tax rates are firmly resisted by some.)
- The definition of global public goods. (While economists contributing to the debate retain a strict technical definition of public goods, others would extend the definition to what they regard as desirable international public provision.)
- The emergence of global public-private partnerships, such as the GAVI and the Global Fund for AIDS/TB/Malaria, and the ad hoc international regional initiatives such as the 'Marshall Plans' for Africa/Asian countries/Asian countries and the Balkans. (These new partnerships and funds and initiatives attempt to fill the gap, but are themselves open to the same donor-pledging shortfall and to the additional criticism that the governing bodies of such initiatives are unaccountable to the UN.)

Global Social Regulation

While neo-liberals see little need for the social regulation of the international economy, those who do perceive this need are confronted with a number of seemingly intractable international policy stalemates. Among the issues are how to:

- Preserve and improve global labour standards. (While expressions of Northern protectionism have given way to a more nuanced approach by the EU, there is still a North-South impasse between those in the North who would legislate to outlaw 'unacceptable' labour standards and those in the South who argue that such improvement will arise only out of a future struggle in the South.)
- Establish a global set of social policy principles. (This idea fell foul of the understandable Southern suspicion that such standards would be used as a new set of social conditionalities imposed on the South while the North still failed to fund their realisation in practice.)
- Regulate the emerging international markets in private health, education and social protection. (The case for international regulation of these new international...
providers is only now being articulated. How equitable access to these service providers might be secured is even further down the agenda.)

• Establish voluntary or mandatory guidelines for corporate social responsibility. (Attempts to ensure Corporate Social Responsibility are currently focussed on the usefulness of the OECD's guidelines on Multinational Enterprises and the extent to which the UN's Global Compact will actually change business behaviour or merely change business images.)

Global Social Rights

Citizenship claims have historically been articulated within confined borders and addressed to territorial entities. Globalisation is rendering this territorial basis of citizenship obsolete. Identities are increasingly cross border and solidarities arise as much within confessional groupings and ethnicities as within secular states. This raises the issue of international citizenship rights, entitlements and duties. Among the issues here are:

• Moves to strengthen the attention given to social rights within the UN's international rights agenda and procedures. (The Secretary General is proposing one annual country report to the High Commissioner for Human Rights that will cover the full range of international human rights treaties to which they are a party)

• Tension between this trajectory of reform and the increased attention being given to cultural and regional diversity. (A sharpening of the dissent expressed by some Islamic countries and the Vatican to established UN Human Social and Cultural Rights has taken place.)

• The implications of international labour mobility (both legal and illegal) for the social rights of migrants. (The call for dual-citizenship rights for migrant workers is one expression of this.)

• The extent to which all international agencies should sign up to the concept of global human rights? (The World Bank has recently set up a working group to evolve its own approach to human rights.)

Global Social Governance

Players and Forums

One of the complications of the global social governance reform issue is the large number of forums where agenda setting, policy debates and opinion formation take place. Among these are:

• The Boards of the World Bank and IMF and the joint World Bank/IMF Development Committee.

• The Annual Assemblies and periodic Ministerial meetings of the UN Social agencies (ILO, WHO and UNESCO) and the WTO.

• The ad hoc reports to the UN Secretary General, UN DESA and UN agencies on aspects of globalisation, for instance, the WHO Commission on Macroeconomics and Health reported in December 2001 and the ILO's World Commission examining the Social Dimension of Globalisation.

• The UN ECOSOC meetings together with the UN Commissions on Social Development and on Sustainable Development.

• The several UN Summits on aspects of social development.

• The policy pronouncements of major international NGOs and civil society organisations based in the North and South including Oxfam, ICSW, TNI, ICFTU, TWN and Focus on the Global South.

• The work of the OECD, in particular its recent activities on tax havens and international development targets.

• Policy making processes in international political alliances such as the Second International.

• International scholarly gatherings and invisible college processes often allied to agenda setting activities (Stiglitz's Centre for Global Policy alternatives at New York's Colombia University).

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Substantive proposals to reform the institutions of global social governance and strong arguments to reform global social policy have emerged from all of these forums.

Ambitious Global Social Governance Reform

There have been a number of calls for global institutional reform and global social policy change in the past decade. These have included:

- The establishment of a global tax authority;
- The expansion of the G20 to include regional groups of countries;
- The further democratisation of the UN via a world people’s assembly;
- Mechanisms to make the Breton Woods institutions more accountable;

A major review of the Bank and the UN, *Dinosaurs or Dynamos* by Bergesen and Lunde (1999), concluded that the UN should retreat to fulfilling a normative function - setting guidelines and rules and doing this well - and should leave the Bank to implement development in practice. Alternatively, it suggested the Bank could be a global repository of knowledge on development questions but this would perpetuate the UN/Bank tension in which both compete to define good policy and practice.

Deepak Nayyar (2002) in *Governing Globalisation* calls for three institutional changes in the sphere of social policy:

a) Full or partial independent UN funding;  
b) The establishment of a Global Peoples Assembly; and  

Townsend’s (2002) manifesto for international action to defeat poverty makes 18 points including the global legal enforcement of a right to an adequate standard of living, the global legal requirement on all developed countries to contribute 1% of GNP to overseas development, and the introduction of new international company law.

While these proposals represent an ambitious agenda for institutional reform and policy change, some of these issues do surface in the latest Report of the Secretary General to the 57th session of the UN which is entitled "Strengthening of the United Nations: an agenda for further change". It recognises (para.19) the growing role of the UN in helping to forge consensus on globally important social and economic issues and calls for the corresponding strengthening of the principal organ concerned with those issues, namely the Economic and Social Council (ECOSOC). At the same time, the report (para.130) proposes that the Department of Economic and Social Affairs should be strengthened with the appointment of a new Assistant General Secretary and the creation of a policy-planning unit within it.

Obstacles to Ambitious Global Social Governance Reform and Likely Pragmatic Developments

In practice, of course, there are many political and institutional obstacles to such radical reforms. Even the modest proposal to make the ECOSOC an effective body will not be easy to realise. While countries do not have a coherent and joined-up policy towards global economic and social issues such that each Ministry, and hence each UN delegate speaks to the same coherent country brief, it is impossible to expect ECOSOC to evolve a coherent global economic and social policy through debate. Even forging a coherent global economic and social policy within the Executive of the UN is problematic. The Department of Social Policy and Development does not always collaborate with the Department for Public Economics and Public Administration while thinking within the UNDP develops independently of these.

This in-house fragmentation is leading in the meantime to the creation of a Secretary-General’s UN Economic and Social Policy that emerges in practice through the networked processes of the Global Compact and the Millennium Project. These initiatives bypass those charged within UNDESA to fashion such a policy in dialogue with country delegates in ECOSOC, The Commission on Social Development etc.”
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The obstacles to such major institutional reforms or such mould-breaking global policy initiatives are greater than these institutional shortcomings. They include:

- **Southern resistance to the Northern reform agenda** favouring de-globalisation. A number of writers from the South have pointed out that the history of Northern imposed conditions in the context of structural adjustment means that even well-intentioned Northern reform ideas are unlikely to be received readily. At the same time, there is criticism of what might be regarded as a giganticist project trying to fit all into one global-governance framework when a de-globalised world is needed. (www.focusweb.org), (www.global-South.net), (www.undp.org/tscd)

- **Northern 'neo-liberalism's' alliance with this Southern resistance** that champions global neo-liberalism and unfettered increased free trade as in the interests of the South. The UK, in criticising some of the EU’s and the USA’s worst policies of protectionism, are champions of Southern empowerment and development through trade (www.dfid.gov.uk). This is potentially a powerful North-South alliance that needs to be engaged with by those more concerned to establish global social ground rules and effective global social institutions. (See e.g. Brown, *A New Deal for the World* www.fabianglobalforum.net)

- **The continued appeal of national sovereignty** combined with a limited popular constituency for radical global reform and the appeal of cultural diversity will ensure that any attempt to construct a more effective system of international governance will meet with resistance. The national basis of democratic process feeds this conservatism. Unless the global reform agenda urgently addresses the case for a culturally pluralist world, progress will be limited.

Therefore a reform agenda that is more circumscribed than Ambitious Reformism is likely to unfold in the coming few years. This pragmatic process of change might embody elements of:

- Moves to constructive regionalism with a social dimension as a building block to an inter-regional globalisation that acknowledges the case for pluralism.
- Increased International Institutional Cooperation and Policy Convergence rather than a realignment of power between the World Bank and the UN.
- Funding and mechanisms to facilitate a more effective Southern voice(s) in the global debates and institutions such as the WTO.
- The strengthening of the UN’s Global Compact to encourage ‘socially responsible’ TNCs.
- More task forces and ad hoc initiatives like the Millennium Project demonstrating in practice how global social policy change might be forged.

**Global Networks, Partnerships and Projects or Global Political Alliances?**

Because significant global institutional reform seems check-mated, major global social policy change is difficult to achieve, and because there are now so many loci of action and initiatives on global social issues, we may be witnessing a shift in the locus and content of policy debate and activity from those more formally located within the official UN policymaking arenas (whether of ECOSOC in New York or in the councils of the ILO and WHO in Geneva) and focussed on UN/Bretton Woods institutional reform such as the establishment of an Economic Security Council to a set of practices around Networks, Partnerships and Projects which in some ways bypass these institutions and debates and present new possibilities for actually making global change in particular social policy arenas.

governance is increasingly being undertaken by a variety of networks, coalitions and informal arrangements which lie a little further beyond the public gaze and direct control of governments. It is these forms of governance that need sustained and focussed attention to bring to light whose interests they further and to whom they are accountable.”

Among examples of these networks, partnerships and projects are the UN Secretary General’s Millennium Project involving ten task forces to manage the implementation of the Millennium Development Goals. The essence of this emerging networking and partnership form of policy development and practice-shifting is the collaboration between stakeholders in international organisations, the global corporate sector, international NGOs and civil society organisations. *Such a shift in the locus and substance of global policy-making and practice* has received support recently from commentators coming from very different intellectual positions. Rischart (2002), The World Bank’s Vice President for Europe in *High Noon: 20 Global Issues and 20 Years to Solve Them* argues that global multilateral institutions are not able to handle global issues on their own, that treaties and conventions are too slow for burning issues, that intergovernmental conferences do not have adequate follow up mechanisms and that the G7/8 type groupings are too exclusive. Instead, what is needed are Global Issues Networks (GINs) involving governments, civil society and business facilitated by a lead multilateral organisation to create a rough consensus about the problem to be solved and the task to be achieved, to establish norms and to offer practice recommendations and then to report on failing governments and encourage good practice through knowledge exchange and a global observatory which feeds a name-and-shame approach. Charlotte Streck (2002) in *Global Environmental Governance: Options and Opportunities* argues for Global Public Policy Networks (GPPNs) which bring together governments, the private sector and civil society organisations. She insists that recent trends in international governance indicate that the focus has shifted from intergovernmental activity to multi-sectoral initiatives from a largely formal legalistic approach to a less formal participatory and integrated approach. Such GPPNs can agenda-set, standard-set, generate and disseminate knowledge, and bolster institutional effectiveness. Streck is building here on the work of Witte, Reinicke and Benner (2000) who argued that International Organisations had a particular role they could play in GPPNs as convenor, platform, net-worker and sometimes partial financier. (*see also* www.gppi.net)

Policy-making has become projectised and task centred. A key question is how intervention in these tasks and projects might be anything other than opportunistic or self interested or pragmatic. Because so much of this kind of work is subcontracted in terms of its intellectual and policy content and in terms of implementation, principles that guide these actors become important. This raises the question of how these principles are to come into being. There is a case therefore for longer term *global political alliances* that might fashion sets of principles that help steer members of the projects and task forces. If intervention to mend neo-liberal globalisation is currently project based, then the actors in those projects need a solid ethical reference point and set of policy principles against which they can assess their proposals for action. We are back to global social policy, but not a policy to be debated and won in the chambers of the UN or won in intellectual dialogue with Bank experts (though these activities need to continue). Instead, a policy implemented in practice by those who find themselves on such projects. *A global reformist political alliance* would act as a reference point for actors in practice.

Attempts to forge such global policy/political frameworks to guide practice exist. The second socialist international is one such mechanism that fosters a common approach to international policy issues in all countries that are run by parties affiliated to it but, of course, risks becoming less effective as power shifts from governments to networks. A novel alternative is the International Simultaneous Policy Organisation (ISPO) (www.simpol.org) which attempts to foster a common policy agenda such as the Tobin tax among all governments at the same time. Some global foundations have turned recently

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to global policy advocacy in an attempt to shift international practice. Rockefeller has a Global Inclusion project. Carnegie, within the framework of its Global Policy Programme, set up a Managing Global Issues Project to learn lessons within a value framework from attempts to solve different global problems. The Helsinki Conference for Democracy and Globalisation might be another such mechanism seeking 'Transformative Global Partnerships.' (www.helsinkiconference.fi )

A Strategy for Finland and Like-Minded Countries

The Report on Globalisation of the Ministry of Foreign Affairs of Finland to the Foreign Affairs Committee of Parliament in 2001 stated "Finland supports the development of the UN as the principal actor in the democratic management of globalisation". Finland "aims at managing globalisation by developing more comprehensive and effective mechanisms and rules for international cooperation". Some other like-minded countries have begun to articulate similar globalisation policies.

It might be hoped that Finnish and like-minded government policy on Global Social Governance will develop towards a more comprehensive and radical policy that embraces some elements of the ambitious reform agenda described earlier. Thus it might aim for a more powerful role for the UN in global economic and social affairs and for the introduction of new international taxation to pay for global public goods.

At the same time, such countries need to engage with the networks, partnerships and projects seeking to change international practice. Among the tactics and strategies available to the Finnish and like-minded governments for both furthering the more ambitious aims and for helping to ensure that the current emphasis on projects and task forces is governed by principle rather than just pragmatism might be the following.

1. Working within the EU to strengthen its voice as a 'progressive' global player.
2. Collaborating via the EU with the G77 to secure a greater EU-South understanding on global governance issues.
3. Increasing funding opportunities for South-South collaboration and Southern empowerment in the international governance system.
4. Utilising the placement of Finnish civil servants and experts in secondments to International Organisations and Task forces to spread by 'soft means best' social policy practice.
5. Working to strengthen those actors in the UN system who are finding ways of applying the Nordic traditions of equity and universalism on an international scale (UNRISD, UNICEF and ILO-SES).
6. Maximising the impact of the Finnish joint Presidency of the ILO World Commission by engaging directly on the global political stage with other key national players such as the UK who are adopting a more neoliberal global agenda.
7. Work with like-minded countries such as Canada to give greater credence to the role of the G20 and especially argue for its potential for being a world economic authority that involves Southern regional blocs as members.
8. Encourage Finnish-based business to lead the way in accepting the importance of international social regulations rather than weaker international voluntary agreements.
9. Encourage (maybe after the ILO Commission has reported) the regular meetings of like-minded national and international actors who favour a reformed globalisation. One possibility is working to build upon the regular UNRISD retreats of UN Social Agencies and arguing to expand these to include individuals in the World Bank, WTO as well as other key sympathetic global players such as those in the G20 and G77 in order to construct a global political alliance for global social governance reform.

Four principles may be drawn out to guide the policy and practice of Finland and like-minded countries as they engage in the kinds of activities listed above.

- Forging alliances with global Southern country partners and groups within which Southern voices are heard. Empowering developing countries in international forums should be a priority for Northern governments.
Globalism and Social Policy Programme

www.gaspp.org

"Contributing to an equitable and ruled based globalisation must become the pair of lens through which all government policy is filtered."

- Supporting approaches to world regionalism within which the social dimension of trading arrangements is given due attention. This way an alternative to global neo-liberalism can be built.
- Working always to achieve a more equitable access to services and provision both within and between countries.
- Establishing within-country policy synergy towards global questions across all Ministries. Contributing to an equitable and rules-based globalisation must become the lens through which all government policy is filtered. This point is developed below.

Key is within country synergy on a progressive approach to globalisation

We conclude by insisting that, in order to secure a more effective role within the global governance reform debate and practice, a requirement is that all Finnish Ministries and government agencies, (and to a lesser extent Finnish business and civil society) act with a common policy on globalisation that is guided by the equitable and rules-based principles suggested earlier.

This is a reflection on the point made earlier about the difficulty at the UN level of forging a common consensus and compromise on globalisation policy when countries themselves do not have such a coherent approach.

International equitable and sustainable social development should become not only the policy of the Finnish Development Agency and Finnish Social Policy but also the policy of the Ministry of Trade and the Ministry of Finance.

Policy synergy is the key to effective national action on the global stage. Policy coherence between the UN Social agencies and the World Bank/WTO/IMF is predicated upon policy coherence between National Ministries of Social and Development Affairs and National Ministries of Finance and Trade and Agriculture.

For Finland and other like-minded countries the priority would seem to be a series of within country inter-Ministerial meetings to ensure a greater degree of policy coherence centred on achieving a progressive role for Finland in the international debates and practices with regard to the social dimension of globalisation. All Ministerial policy of all Ministers needs to be assessed against this benchmark.

References


