



Valdai Papers

#22 | July 2015

# Multilateralism à la Carte: The New World of Global Governance

Stewart Patrick

Among the many casualties of Barack Obama's presidency has been the illusion that the time is ripe to overhaul the multilateral system—and that the United States is poised to lead this transformation. Back in 2007, then-candidate Obama pledged that if elected he would not only reverse the disastrous unilateralism of the George W. Bush years but spearhead a new era of international cooperation. In the mid-1940s, far-sighted American leaders had “built the system of international institutions that carried us through the Cold War.”<sup>1</sup> Today's challenge was to update these creaky organizations to twenty-first century threats and opportunities.

Alas, Obama's vision was based on two shaky premises. The first was that the main object of statecraft was no longer navigating great power rivalries, as in the past, but managing the shared vulnerabilities of interdependence. As the president declared in his first National Security Strategy, “power, in an interdependent world, is no longer a zero-sum game.”<sup>2</sup> The second was that the United States had the capacity and will to engineer a grand bargain between established and rising powers on the contours of institutional reform. Established players would grant emerging players a seat at the global high table. In return, rising powers would help to sustain and manage an agreed global order.

Both assumptions proved wrong. This was not a moment of creation—or even of “re-creation”—akin to the mid-1940s. The world remains far more conflictual, more red-in-tooth-and-claw, than Obama's technocratic vision of world politics suggests. And even where broad interests and values are aligned, formal international organizations resist fundamental reform. Despite massive changes in the global distribution of power, for instance, permanent membership of the United Nations Security Council (UNSC) remains unchanged since 1945. The International Monetary Fund (IMF), meanwhile, has not implemented governance reforms laboriously negotiated in 2010, thanks to resistance on Capitol Hill.

That is the bad news about global governance. The good news is that international cooperation still flourishes within a diverse, dense, and expanding ecosystem of alternative frameworks of collective action. To be sure, the United States and other governments remain members of anchor institutions like the UN, World Bank, IMF, and WTO. But, when confronting logjams in such formal, universal bodies, U.S. and foreign policymakers increasingly pursue their national objectives through narrower and more flexible frameworks whose membership varies with situational interests, shared values, and relevant capabilities. In sum, governments increasingly bypass formal international organizations for a more nimble approach to international cooperation.

Pundits and scholars have given this phenomenon various labels, among them “multi-multilateralism,” “minilateralism,” “plurilateralism,” “messy multilateralism,” “contested multilateralism,” and “networked” global governance.<sup>3</sup> I prefer “multilateralism à la carte”—a phrase

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<sup>1</sup> Из обращения сенатора Барака Обамы к Чикагскому совету по глобальным делам 23 апреля 2007 г. <http://www.cfr.org/elections/remarks-senator-barack-obama-chicago-council-global-affairs/p13172>

<sup>2</sup> The White House, National Security Strategy of the United States of America (Washington, DC: 2010).

<sup>3</sup> Francis Fukuyama Fukuyama, *America at the Crossroads: Democracy, Power, and the Neoconservative Legacy* (New Haven: Yale University Press, 2006), pp. 155-180. Moises Naim, “Minilateralism: The Magic Number to Get Real International Action,” *Foreign Policy* (June 21, 2009), <http://foreignpolicy.com/2009/06/21/minilateralism/>. Miles Kahler, “Multilateralism with Small and Large Numbers,” *International Organization* (1992). Richard N. Haass, “The Case for Messy Multilateralism,” *Financial Times*. Julia C. Morse and Robert O. Keohane, “Contested Multilateralism,” *Review of International Organizations* (23 March, 2014) <http://link.springer.com/article/10.1007/s11558-014-9188-2>; Anne-Marie Slaughter, *The Real World Order* (Princeton: Princeton University Press, 2004).

that distinguishes it from the “prix fixe” menu of international organizations.<sup>4</sup> But whatever one calls it, its basic contours clear. It implies cooperative frameworks that are ad hoc instead of standing and permanent; informal and voluntary rather than formal and legally binding; disaggregated as opposed to comprehensive; trans-governmental instead of inter-governmental; and (often) multi-level and multi-stakeholder rather than purely state-centric.

But what accounts for the rise of à la carte multilateralism? What forms has it taken in different areas? Most importantly, is this variable geometry a good or a bad thing, on balance?

At first blush, flexible multilateralism has much to recommend it. Rather than relying on obsolete, sclerotic institutions, governments can create new ones adapted to present geopolitics and fit for purpose. Such a selective and ad hoc approach seems particularly attractive to the United States which, thanks to its still unmatched power, has unrivaled ability to pick and choose among alternative coalitions and networks—expanding its diplomatic options and freedom of action in the process.

Still, the hypothetical rewards of multilateralism à la carte should not blind us to its potential drawbacks. The risk of rampant international ad hocery is that it will fail to deliver results, while undercutting formal organizations upon which the world continues to depend.

## *The Context: Blockage in Global Governance Reform*

In retrospect, it should have been clear to the Obama administration how far removed our era is from the 1940s—and how fierce are the headwinds against global governance reform. Four major differences between our own world and that of the “wise men” make reconfiguring the bedrock institutions of world order a Herculean challenge.

First, the world is no longer a clean slate. In the 1940s, U.S. architects of postwar order could design institutions out of whole cloth, without dismantling existing institutions or reallocating power and privilege within them. They were, as Dean Acheson titled his memoirs, “present at the creation.” The Obama administration has no such luxury, and confronts a landscape teeming with international organizations and treaties. Today, the United States is party to over six hundred multilateral treaties (to say nothing of thousands of bilateral treaties). Member states and agency bureaucrats fiercely resist efforts to alter the mandate, membership, management, and funding of existing treaty bodies. Consider the UN Security Council, to which Russia and China adamantly oppose adding any permanent members—or the International Energy Agency (IEA), whose own membership remains limited to OECD countries and in which voting shares still reflect oil consumption in the mid-1970s. Within the UN system, especially, retrofitting existing institutions has proven even more daunting than creating them in the first place—encouraging the search for workarounds.

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<sup>4</sup> Stewart Patrick, “Prix Fixe and à la Carte: Avoiding False Multilateral Choices,” *The Washington Quarterly* (October 2009).

Second, the urgency of the 1940s is absent. In the absence of major policy failure, institutions evolve incrementally at best. In a perverse way, Acheson's generation had it easy, operating on the heels of the most devastating economic crisis and most destructive war in human history. Our generation has been spared such catastrophes, but the very absence of crisis reinforces institutional inertia. The exception that proves the rule is the Great Recession of 2007-2008, when fears of economic implosion created a transitory incentive for world leaders to adopt significant reforms to global economic governance, including by elevating the Group of 20 (G20) to the leaders' level, creating a new Financial Stability Board, and adopting the Basel Three capital account requirements for major banks.

Third, the global agenda is more ambitious and intrusive than immediately after World War II, making major breakthroughs elusive. Much of the "low-hanging fruit" of multilateral cooperation has long been picked. Consider trade: Early GATT rounds focused on lowering tariffs and eliminating subsidies. Much of today's trade agenda is about harmonizing behind-the-border standards and regulations on matters like fiscal policy, health and safety, or intellectual property. Such agreements impinge deeply on state sovereignty. The world is also more crowded—with states. At its founding, the UN had only fifty members. Today it has 193, many wedded to bloc identities and entrenched regional positions, complicating global consensus within forums like the General Assembly.

Fourth, the global distribution of power has changed since the 1940s. The Roosevelt and Truman administration operated at the zenith of American hegemony. During the Cold War decades, the United States and its Western allies dominated the capitalist world economy. By 1990, the members of the Organization for Economic Cooperation and Development (OECD) represented more than three-fifths of global GDP. Today, the OECD share has slipped to 47 percent, despite the addition of a dozen new members, while the BRICS countries account for almost 25 percent of global output.

To the degree that emerging and established countries share values and preferences, this power shift can be managed. But integrating emerging powers is not just about a matter of offering them a place at the global high table and expecting them to foot the bill. It implies allowing them to shape the agenda. Unfortunately, major Western and non-Western countries often diverge over important international norms, such as the boundaries of national sovereignty, the criteria for humanitarian intervention, the role of the state in the market, and the balance between security and civil liberties. Such considerations help explain why the Obama administration has chosen not to pursue Security Council reform, despite its initial sympathy for that agenda. Senior U.S. officials ultimately concluded that the most likely developing world aspirants to permanent membership—even fellow democracies like India, Brazil or South Africa—would often oppose U.S. preferences.

## *The Reaction: Multilateralism, à la Carte*

Faced with blockages in formal international organizations, the Obama administration and its counterparts abroad are increasingly experimenting with informal, ad hoc, and selective approaches to global cooperation. While there is no single model of à la carte multilateralism, four recurrent features stand out.

The first is reliance on flexible, purpose-built groupings of the interested, capable, and/or likeminded. In recent years, analysts have debated whether we live in a G2, a G20, or even a “G Zero” world.<sup>5</sup> In truth, ours is a “G-x” world in which the entity and number of parties at the head table varies by issue area and situation.<sup>6</sup> Thus, even as the United States recognizes the G20 as the premier forum for global economic coordination, it has redoubled its attachment to the G7 (with authoritarian Russia ejected from the G8) as a narrower partnership of advanced market democracies whose members share values, interests and policy preferences. At times, a “G-x” approach to global governance may produce unusual coalitions, such as the armada formed to combat Somali piracy in the Indian Ocean. It included vessels not only from the United States and its NATO allies but also from China, India, Indonesia, Japan, Malaysia, Russia, Saudi Arabia, and South Korea, among others.

Another feature of this flexible multilateralism is informality—namely, a preference for voluntary commitments over binding conventions. After two decades of fruitless negotiations over a treaty to succeed the Kyoto Protocol, the parties to the UN Framework Convention on Climate Change (UNFCCC) have adopted a looser “pledge and review” system. Endorsed at the Lima COP 20 in December 2014, this approach leaves it to each state to determine how it will contribute to global emissions reductions. Parties agree to publish online their “intended nationally determined contributions,” allowing peers (as well as scientists) to assess their impact. The Nuclear Security Summit process has involved something similar, with governments expected to arrive with voluntary “gift baskets” enumerating separate national commitments.

Governments are also making greater use of codes of conduct. This is particularly true in the global commons, as these become increasingly congested, competitive, and contested.<sup>7</sup> Consider outer space. The emergence of new “space-faring nations” like China, Brazil, and India, as well as dozens of private space companies requires common international rules of the road to mitigate debris, reduce risks of collision, and discourage militarization in outer space. Rather than trying to update the fifty-year old Outer Space Treaty, however, the United States endorses internationalizing the non-binding European Code of Conduct for Outer Space Activities to establish parameters for responsible behavior.<sup>8</sup>

The third recurrent theme is a piecemeal rather than comprehensive approach to global governance. Instead of trying to solve a complicated global puzzle like climate change in one fell swoop, as if it were a Rubik’s cube, governments are pursuing “global governance in pieces,”<sup>9</sup> breaking complex problems down into component parts. In the global health arena, the World Health Organization now shares space with other bodies and initiatives, ranging from the Global Alliance for Vaccines and Immunizations (GAVI) to the Global Health Security Agenda, UNAIDS, and the Global Fund for

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<sup>5</sup> Fred Bergsten, “A Partnership of Equals,” *Foreign Affairs* (July/August 2008). Ian Bremmer, *Every Nation for Itself: Winners and Losers in a G-Zero World* (New York: Penguin, 2012).

<sup>6</sup> Alan Alexandroff, “Challenges in Global Governance: Opportunities for G-X Leadership,” Stanley Foundation Policy Analysis Brief, March 2010, <http://www.stanleyfoundation.org/publications/pab/AlexandroffPAB310.pdf>

<sup>7</sup> Stewart Patrick, “Conflict and Cooperation in the Global Commons,” in Chester Crocker, Fen Hampson, and Pamela Aall, *Conflict Management in a Turbulent World* (Washington: United States Institute of Peace, 2015).

<sup>8</sup> Secretary of State Hillary Rodham Clinton, “International Code of Conduct for Outer Space Activities,” press statement, January 17, 2012, US Department of State, <http://www.state.gov/secretary/20092013clinton/rm/2012/01/180969.htm?goMobile=0>

<sup>9</sup> Stewart Patrick, “The Unruled World: The Case for “Good Enough” Global Governance,” *Foreign Affairs* (January-February 2014)

AIDS, Tuberculosis and Malaria.<sup>10</sup> An analogous regime complex is arising for cyberspace, with different institutions tailored to specific issues like cybercrime, data protection, technical standards and internet governance.<sup>11</sup>

The fourth distinctive attribute of today's multilateralism is a shift from traditional intergovernmental diplomacy toward reliance on alternative forms arrangements that are transgovernmental, multi-level, and multi-stakeholder. To begin with, foreign ministries have lost their monopoly over multilateral cooperation. Faced with complex challenges of globalization, national regulators and technical experts now engage their counterparts abroad directly, on an ongoing basis. Consider the problem of ensuring the safety and reliability of medicines in an era of complex supply chains. Recognizing its own limitations, the U.S. Food and Drug Administration has spearheaded the creation of an informal "global coalition of medicines regulators," intended to close global gaps in pharmacovigilance, particularly in major producers like China and India.<sup>12</sup>

Once the exclusive preserve of states, effective international cooperation now depends on innovative partnerships between states and non-state actors, both private and public. States, private companies, and civil society have jointly created multi-stakeholder mechanisms to serve as regulatory and standard-setting bodies, leveraging the capabilities of different stakeholders.<sup>13</sup> Perhaps the most well-known arrangement of this sort is the Internet Corporation for Assigned Names and Numbers (ICANN), an independent, nonprofit entity that operates under license from the U.S. Department of Commerce. Multi-stakeholder bodies are especially prominent when it comes to promoting global health (e.g., GAVI and the Global Fund) and in the regulation of conflict minerals (e.g., Extractive Industries Transparency Initiative and the Kimberly Process).

Lastly, contemporary global governance is multi-level. As humanity urbanizes, networks of cities are emerging as dynamic centers of policy innovation. Three years ago at the UN Conference at Sustainable Development in Rio, a coalition of mayors from around the world (including Michael Bloomberg of New York) announced a new confederation of cities—the C-40—dedicated to combating pollution and sustaining green growth.<sup>14</sup> More recently, at the Lima COP 20, UNFCCC members endorsed a standardized mechanism for cities, provinces and regions to report carbon emissions.

## *The Limits of Ad Hockery*

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<sup>10</sup> David P. Fidler, "The Challenges of Global Health Governance," CFR Working Paper (Council on Foreign Relations, May 2010), <http://www.cfr.org/global-governance/challenges-global-health-governance/p22202>

<sup>11</sup> Joseph S. Nye, "The Regime Complex for Managing Cyber Activities," Belfer Center for Science and International Affairs (November 2014), [http://belfercenter.hks.harvard.edu/publication/24797/regime\\_complex\\_for\\_managing\\_global\\_cyber\\_activities.html?breadcrumb=%2Fexperts%2F3%2Fjoseph\\_s\\_nye](http://belfercenter.hks.harvard.edu/publication/24797/regime_complex_for_managing_global_cyber_activities.html?breadcrumb=%2Fexperts%2F3%2Fjoseph_s_nye)

<sup>12</sup> Stewart M. Patrick and Jeffrey A. Wright, "Designing a Global Coalition of Medicines Regulators," Policy Innovation Memorandum No. 48, Council on Foreign Relations (August 20, 2014), <http://www.cfr.org/pharmaceuticals-and-vaccines/designing-global-coalition-medicines-regulators/p33100>

<sup>13</sup> Kenneth W. Abbott and Duncan Snidal, "The Governance Triangle: Regulatory Standards Institutions and the Shadow of the State," in Walter Mattli and Ngaire Woods, eds., *The Politics of Global Regulation* (Princeton, NJ: Princeton University Press, 2009), 40-88

<sup>14</sup> Benjamin R. Barber, *If Mayors Ruled the World: Dysfunctional Nations, Rising Cities* (New Haven: Yale University Press, 2013).

But is all this institutional diversity a good thing—and what does it mean for the United States? In principle, access to multiple forums could bring multiple benefits, including speed, flexibility, modularity, and opportunities to experiment. An à la carte world would seem especially attractive to the United States, which has an unmatched ability to create and pivot nimbly among purpose-built mini-lateral coalitions.

It would be a mistake, however, to ignore the limits and risks of ad hoc multilateralism as a foundation for U.S. foreign policy, much less for international order. To begin with, it is not yet clear that à la carte multilateralism can actually deliver what formal organizations have not. The disappointing record of the Major Economies Forum (MEF) provides a cautionary tale. The Obama administration had hoped that this grouping, comprised of the seventeen largest CO<sub>2</sub> emitters, would help break stalled negotiations within the UNFCCC. Its actual achievements have been negligible. Nor has the bottom-up, “pledge and review” process UNFCCC members endorsed in December 2014 delivered on its promise. This raises a larger issue: how credible should one regard commitments that lack the force of law or any enforcement?

More generally, flexible minilateralism is unlikely to resolve tough cooperation problems when great power interests and preferences diverge strongly. À la carte arrangements are most promising when participants’ interests and preferences are broadly congruent, but more encompassing bodies are blocked. If interests diverge significantly—as in the clashes between Russia and the West over Crimea, or between China and its neighbors in the South China Sea—simply shifting forums is no panacea. Another obvious drawback to creating new frameworks for each challenge—beyond the obvious transaction costs—is that it is harder to negotiate grand bargains across multiple issue areas, trading concessions in one area for gains in another.

Too great a reliance on ad-hockery may also do damage to formal institutions that have unique legitimacy grounded in international law and whose technical capabilities and financial resources are essential over the long term. Though there is some value in giving tired organizations healthy competition, the worry is that it will lead member states to marginalize rather than reform these bodies, and that a proliferation of new forums will create wasteful redundancies and global fragmentation.

A world of multi-multilateralism also encourages rampant forum-shopping—and not only by the United States. Emerging powers are moving swiftly to sponsor alternative institutions of their own, ranging from the Shanghai Cooperation Organization to the BRICS Bank, the BRICS Contingency Fund, and (most recently) the and Beijing-led Asia Infrastructure and Investment Bank (AIIB). The failure of the Obama administration to dissuade even its closest European allies from joining the AIIB as founding members offered a stark lesson that others can play this game too.

Finally, the rise of à la carte multilateralism raises questions of equity and accountability. Global governance by coalitions tends to privilege great power dominance within exclusive clubs over more egalitarian approaches to global governance in formal organizations with universal membership. Since its creation in November 2008, countries left outside of the G20 (the G-173, if you will) have complained that the new forum is becoming a global directorate, excluding smaller, poorer nations

from deliberations and decisions that have a profound impact on their fate. Though power dynamics are never behind the scene in world politics, formal international organizations grounded in international law tend to provide weaker players with opportunities to have their views, as well as mechanisms to cushion the brute realities of global hierarchy. Unlike the G20 and similar bodies, they also typically have secretariats with at least the pretense of political independence, staffed by international civil servants. Related to this question of equity is the challenge of accountability. Whatever the shortcomings of formal international organizations—and they are legion—they tend to be more rule-governed and transparent than in their deliberations and decision-making than unilateral coalitions. It is thus easier to hold them to account.

The challenges of global governance are too important to be left to international organizations alone. But enthusiasm for flexible multilateralism should not blind the United States and other major governments to the potential risks of overreliance on ad hoc solutions. In the twenty-first century, a stable, secure, and prosperous world order will rest not only on effective coalitions tailored to particular exigencies and issues but on revitalized universal institutions grounded in international law. The trick for the United States and other major governments is to design à la carte mechanisms that complement and reinvigorate, rather than undermine and marginalize, the *prix fixe* menu of formal international organizations upon which the world continues to depend.

### *About author:*

**Stewart Patrick**, Senior Fellow and Director of the Program on International Institutions and Global Governance, Council on Foreign Relations (Washington, USA).

The author thanks Naomi Egel for editorial assistance.