GLOBAL INSIGHTS

The “New” Multilateralism of the Twenty-First Century

Fen Osler Hampson and Paul Heinbecker

Our unipolar world is passing into history, as the economic center of gravity shifts eastward and southward and new centers of power emerge. Our international governance systems and institutions, constructed out of the ruins of World War II and the Great Depression, have been steadily lagging the steepening curve of change. Meanwhile, as the world struggles with the aftershocks of the global financial and economic crisis, terrorism, transnational crime and drug trafficking, climate change, food security and energy prices, the Arab Awakening, Japan’s triple crises, failing and fragile states, the dangers of nuclear proliferation, and so forth, the virtues of multilateral cooperation are being rediscovered. Many see renewed merit in pooling national sovereignty in cooperative institutional arrangements.¹ At the same time, the preeminent power in the international system, the United States, burdened by debt, hobbled by internal divisions, newly conscious of its limits, led by a president whose formative years are more North-South than East-West, is itself putting greater stock in partnership and multilateral cooperation.² In response to this unprecedented pace and scope of change, old institutions are innovating and new forms and varieties of international cooperation are being called into being.

Issues of legitimacy, accountability, social justice, and effectiveness are generating calls for change. Some, especially the emerging powers such as India, Brazil, and China would like to see a better representation of Southern values and interests in global summitry and in the major decisionmaking organs of the United Nations and Bretton Woods system. Western powers in the North privilege increased effectiveness. Still others, including the increasingly mobilized voices of civil society, want to see more accountability of the powerful to the less powerful, nationally and internationally, North and South. These continuing variances in what forms of cooperation are desirable pose formidable governance challenges.

Such new challenges seem likely to require new forms of multilateral diplomacy—especially minilateralism—centered on institutional innovations such as the Group of 20 (G-20). Diplomacy will have to be sensitive to the needs and wishes of emerging economies and the interests of new global powers. This means less presumption on the part of the West, fewer decisions de-
livered from “Mount Washington” and additional hands on the global steering wheel and feet on the brakes and gas, as well. But as we argue, it will also require a greater sense of international civic duty on the part of the emerging powers. The response to the Libyan crisis of the claimants to permanent member status in the Security Council, who all put ideology and rhetorical posturing before protecting the innocent, is an indication of the distance still to be traveled. Brazil, Russia, India, China, and South Africa (BRICS) seem more disposed to accept responsibility on economic as opposed to political issues on which some seem still wedded to old patterns of behavior.

In global economic summitry in the G-20, China, Brazil, India, and other emerging economies are playing an increasingly important global role. Power sharing has to mean burden sharing if the reform process is to be effective, legitimate, and ultimately accountable. But burden sharing also has to mean benefit sharing.

The Changing Meaning of Multilateralism
At its core, the concept of “multilateralism” centers on the collectively agreed norms, rules, and principles that guide and govern interstate behavior. Multilateral institutions are all based on the principles of generalized reciprocity, in which states make common undertakings and agree to act cooperatively. Multilateral arrangements typically cover four institutional domains: international orders like the Concert of Europe in the nineteenth century; international treaty regimes such as the Law of the Sea; international organizations, notably the UN; and international negotiating processes and forums that generate institutional or outcomes such as the Ottawa landmines treaty and the International Criminal Court. Multilateral “constitutive” rules generally tend to govern the behavior of states in these different domains. But as G. John Ikenberry argues, there is not a “single logic,” “fixed set of principles,” or “practice” to the liberal international order and the way it operates. The post-war internationalism of the second half of the past century, which was derived from Woodrow Wilson’s Fourteen Points and the regulatory principles of President Franklin Roosevelt’s New Deal, is yielding to what Ikenberry refers to as a “post-hegemonic liberal internationalism” that is based on an expanding membership of non-Western states, post-Westphalian “principles” of sovereignty (as reflected in emerging doctrines such as the Responsibility to Protect), and an expanded set of rules and cooperative networks. This is reflected in the remarkable proliferation of international organizations and international regimes that adhere to multilateral norms and principles since the end of World War II.

This evolution is also apparent in the different ways different countries and regions approach the challenges of international governance. China’s involvement in multilateral institutions, for example, is prefaced by a defen-
sive desire to ensure that its own sovereignty is not compromised and also by both Confucian and Taoist dispositions toward non-intervention and self-governance.9 Further, as Mengjiang Li argues, when it comes to matters of global governance and multilateralism, “China is likely to repeat what it has done in the East Asian regional multilateralism in the past decade: participation, engagement, pushing for cooperation in areas that would serve Chinese interests, avoiding taking excessive responsibilities, blocking initiatives that would harm its interests, and refraining from making grand proposals.”10

The number of participants in cooperative multilateral ventures also varies, from the universal participation of the UN General Assembly to the “minilateralism” of the exclusive G7/G8 or G-20. In minilateralism, cooperation is promoted and advanced through smaller group interactions that typically involve the most powerful actors in the international system.11 The role of the permanent members of the Security Council is an obvious example of minilateralism in practice, as is the voting shares distribution of the Bretton Woods institutions—the International Monetary Fund (IMF) and International Bank for Reconstruction and Development—where the most powerful and wealthy states have a disproportionate voice and influence in their management. The G-20, which is inherently minilateralist, has thus been a spur to the reform of the operations and membership of the Bretton Woods institutions.

At the same time, the tension between exclusive and inclusive clubs is clearly growing as demands for democratic accountability deepen generally around the world and newly “empowered” states chafe at the prospect of exclusion.12 There is no clear way to square this circle and tensions abound, although give-and-take dialogue can help alleviate frictions. Invariably, minilateral arrangements are necessary to make international institutions work—notably in climate change negotiations—and sometimes exclusive clubs are more effective than inclusive ones, as the response to the financial crisis has demonstrated. The trend toward a greater role, voice, and responsibility for the world’s emerging powers is, nevertheless, evident in the pressure for UN Security Council enlargement, in the form of IMF voting rights reform, and especially in the G8’s ceding of much of its responsibility for steering the global economy to the G-20.13

The Awakening of the Global South: Distributive, Decisionmaking, and Accountability “Deficits”

Many developing countries have long felt disempowered by international institutions and feel that they have not received commensurate benefits from their participation in post–World War, global multilateral economic, financial, and trading arrangements. They believe that the normative principles and political architecture of the Bretton Woods system and the World Trade Organi-
zation are biased toward the interests and values of the North and the most powerful states in the international system, with the South being on the “receiving end” of those norms and rules.\footnote{14} In the words of Kevin Watkins and Ngaire Woods, “Rich countries are ardent advocates of democracy all around the world. But when it comes to the International Monetary Fund and the World Bank, government of the many by the few is the preferred option.”\footnote{15} Colin Bradford contends that global governance institutions are undergoing an existential crisis, suggesting that they are “fragmented, unrepresentative and ineffective . . . increasingly fragile and unable to address the global challenges of the 21st century.”\footnote{16} At the same time, power and influence in international relations are not just products of the size of an economy, growth rates, population, and so forth, but also of purpose and will.

As emerging economies, Brazil, Russia, India, China, and South Africa—the BRICS countries—sit uneasily between the attitudes and interests of the North and of the South. India, for example, has been especially vocal in expressing the idea that the evolution of global governance institutions must be focused on mitigating and ameliorating economic inequalities in the developing world. However, the government of Prime Minister Manmohan Singh has turned down the volume on some of this rhetoric in recent years. Because the United States cannot currently lead a global economic recovery, China, Brazil, India, and other emerging market countries are coming to recognize that regaining international growth depends on their ability to shift government policies and spending to increase domestic demand, thus reducing their current account surpluses, and to support their citizens who bear the burden of adjustment. Neither the rich nor newly rich, however, are yet prepared to recognize that in today’s complex and interconnected world, national macroeconomic, structural, and regulatory decisionmaking needs increasingly to be assessed in light of its international impacts.

\textbf{Multilateralism and the Public}

Until relatively recently, much of the debate about (and research on) multilateralism focused almost exclusively on state-to-state or intergovernmental forms of international cooperation. However, there is growing dissatisfaction in some circles, especially in the richer countries but also in some emerging economies and BRICS members, that these institutions exclude the wider public they are presumed to be meant to serve.\footnote{17} This public participation deficit is thought to result in the systematic exclusion of key branches of civil society—especially the poor and otherwise marginalized—from participation in the powerful institutions of international governance.\footnote{18} Whereas traditionalist multilateralists argue that intergovernmental institutions were never intended to be democratic, “bottom-up” multilateralists argue that civil society is playing an increasingly important—even critical role—in many areas of international public policy.
Civil society groups are seeking to raise public awareness, affect the agenda, and press for new international treaties. Many of these groups, which doubt the ability of formal intergovernmental organizations like the UN to promote key human values on their own, seek greater and more direct civil society participation in deliberations. Accordingly, they want both to participate in intergovernmental organizations and to create new institutions and instruments of cooperation to harness the talents and interests of civil society. Some argue that a world parliament, for example, with powers akin to the European Parliament would bring greater accountability to the UN. Governments resist partly because of the unrepresentative character of civil society actors and because some, notably tobacco interests, are far from progressive.

Driving much of this change in global affairs, according to bottom-up multilateralists, is the globalization phenomenon. The communications revolution is allowing various messages to be carried on a global scale through broadcast satellite-based organizations such as Aljazeera and newer media like Twitter, Facebook, and the Internet. This revolution is also transforming individual and communal self-identities and images while empowering local communities in ways that were once unimaginable, as we have witnessed in the democratic revolutions that are transforming the political landscape of the Middle East.

In large democracies like India and Brazil, the pressures from civil society create their own special pressures and constraints on multilateral negotiations and institutions. As Rohan Mukherjee and David Malone observe (in this issue), India’s negotiators and diplomatic representatives are often forced to hold to dogmatic positions for fear of being insensitive to local interests. In the case of Brazil, its positions in various global conferences in the 1990s and early twenty-first century have also been shaped by the growing participation of civil society representatives in government-sponsored commissions and other instruments for public consultation. The Brazilian government and foreign ministry have become increasingly friendly toward nongovernmental organizations and social movements in the formulation of policy, most notably in the area of human rights. Such pressures, however, are less evident in China and Russia because of the nature of these countries’ political systems, which are still more closed than open. To the extent that domestic pressures are felt, they are more indirect than direct.

The Future of the G-20 and Its Place in Global Governance

After several years of increasingly insistent argument within the G8, advanced most strongly by Canada that the G8 was inadequate to the times, the G-20’s time came. In 2008, faced with the worst economic and financial crisis since the Depression in the 1930s, President George W. Bush convened the twenty most powerful economies in Washington, DC. That meeting was followed by
further summits in London (April 2009), Pittsburgh (September 2009),
Toronto (June 2010), and Seoul (November 2010).

Notwithstanding sometimes warranted criticism of the G-20, member
countries were effective in cooperating to stabilize financial markets, coordi-
nate regulatory reform, and launch a global economic stimulus. In doing so,
they succeeded in averting grievous harm to the global economy, including
quite possibly a depression. The group was largely effective in re-engineering
the financial system to prevent a recurrence of the crisis and in maintaining the
global flow of capital. It put issues on the table that were once regarded as the
exclusive province of sovereign governments, notably monetary policy, ex-
change rates, and debt levels, thereby taking preliminary steps toward longer
term global macroeconomic governance. The G-20 has, nevertheless, strug-
gled so far in addressing the highly political tasks of resolving the current ac-
count, trade, and budget imbalances conundrum, whose roots go deep into the
national economic and political philosophies of the world’s largest economic
players and touch their respective concepts of sovereignty.

The November 2010 Seoul summit registered the importance of the emerg-
ing economies in the G-20, both by virtue of its non-G8 locus and by the shift
in the content of the agenda. “Development” in the sense of economic growth,
rather than the traditional donor-recipient paradigm, was added to the
G-20 agenda. Seoul also put the issue of cross-border capital flows on the G-20
macroprudential regulatory agenda, advocating the creation of “financial safety
nets” to safeguard smaller states from the vicissitudes of volatile financial
flows. Leaders endorsed International Monetary Fund reforms that will give de-
veloping countries greater influence in the organization. China will become the
third largest IMF shareholder, bypassing Germany, as part of an overall trans-
fer of 6 percent of voting power to dynamic and underrepresented economies.
Progress in reforming the IMF has been made, but a clear and widely shared
view on the appropriate role and functioning of the Fund nevertheless remains
elusive. In some respects, the Fund has gone from acquiescing in G8, especially
US, views to acquiescing in G-20 views, which is progress of a sort.

Now that the worst has been averted, and in light of the reemergence of
large differences of national perspective, the question is whether G-20 coun-
tries can continue to provide the leadership that the world needs to prevent
economic crises or to achieve balanced, stable, and sustainable global growth
in an age of complex financial and economic interdependencies. The G-20 has
stuck close to its self-prescribed economic and financial mandate because, un-
doubtedly, it will be judged primarily on its success in this domain. For every-
one’s sake, G-20 leaders have to get the economic and financial issues right,
as well as the related reforms to the governing rules and regulations.

Sooner rather than later, G-20 leaders will probably extend their leader-
ship to a broader agenda, initially to issues that closely connect international
economics with foreign policy and international security. Notably, the world’s
most pressing hybrid issues such as the economic and financial dimensions of climate change, food and energy security, and support for the political transformation of the Middle East and North Africa. The experience of the G8 attests that, when leaders come together, the temptation is irresistible to take advantage of each other’s presence to discuss the pressing issues of the day, whatever they are and whatever the agenda may be of the meeting they are attending.

The group is unlikely to be a panacea for all that ails the world. But while the greater diversity of membership of the G-20 (than of the G8) means less commonality of interest, and possibly regressive, lowest common denominator agreements, there are offsetting advantages in terms of the breadth of support behind any agreement reached, and the capacity of the group to deliver on it. The G-20 is a potentially important addition to the institutions that help nation-states govern relations between themselves in the age of globalization.

**BRICS, the UN, and the G-20**

Although the UN works best when consensus reigns among the major powers, the latter are often at loggerheads in the organization. It is not always clear whether it is the intractability of the problems the UN handles that causes divisions, or the UN’s divisions that make the problems intractable. In any case, the countries of the North and the countries of the overlapping Non-Aligned Movement and Group of 77 (G-77)—of which India, China, and to a lesser extent Brazil have traditionally been leaders—are often at ideological odds with each other and working to cross-purposes. Against this background, the G-20, whose membership straddles the North-South divide, could make a major contribution to improving the effectiveness of the UN if it could iron out some of the differences that divide its members and import that agreement into UN deliberations. To the extent, therefore, that G-20 membership induces a sense of common purpose among the twenty and diminishes its members’ identification with geographic or other groups, cooperation under UN auspices would be made easier and more productive. As has been the case in the IMF, consensus by the G-20 on a particular need could be a powerful stimulus to action and reform at the UN. Conversely, the very existence of the G-20 and its evident capacity to act outside of UN parameters if non-G-20 UN members are dilatory or obstructive create an incentive in New York for action and cooperation. Those who cling to ideological positions could find the organization that they are obstructing bypassed altogether.

Much of the membership of the UN is apprehensive of the G-20. They recognize that the G-20 came into existence when and how it did because a myriad of political and structural problems prevented existing institutions, principally the G8 and the IMF, but also the UN proper, from addressing the global financial crisis effectively. They realize that similar impediments are
obstructing progress on other global issues more directly under the UN’s purview, and they are well aware that the G-20 is capable of circumventing the UN when disagreements prevent effective action. At the same time, they are troubled by the G-20’s structural shortcomings. Despite the presence at the G-20 table of some developing countries, no place is reserved for the poorest, least developed countries and no one is carrying their proxies. Also problematic, the capable smaller countries of the UN, such as Norway, Switzerland, Chile, Singapore, and New Zealand, are also absent from G-20 tables, effectively depriving G-20 deliberations of these countries’ generally constructive and frequently innovative diplomacy. Nor do these countries concede legitimacy to the G-20. Norwegian foreign minister Jonas Gahr Store, who presides over one of the most widely respected and effective small country diplomacies in the world, said bluntly in the lead-up to the G8 Muskoka and G-20 Toronto summits held in Canada in 2010 that “the spirit of the Congress of Vienna, where great powers assembled to effectively govern the world, has no place in the contemporary international community. The G-20 is sorely lacking in legitimacy and must change.”

Singapore permanent representative Vanu Gopala Menon, speaking on behalf of the Global Governance Group, an informal group of moderate countries who have joined forces in the hope of developing a constructive dialogue on coordination and cooperation between G-20 and non-G-20 members, made much the same point: “We firmly believe that the G-20 process should enhance and not undermined the UN. All countries, big and small, will be affected by how the G-20 deals with the issues it takes under its charge.”

It is in the interest of the countries of the G-20 to work out an effective relationship with the “G-172” (i.e., the UN members who are not also members of the G-20) because the more that the 172 are excluded, the less they will have confidence in the ultimate fairness and efficacy of the multilateral system and the less interest they will have in responding to G-20 wishes. Global problems require global solutions and, as Bruce Jones points out, “however much influence the G-20 have, the problems they confront are the kind where the weakest link can break the chain.” Unless smaller states see their views reflected in decisionmaking processes, or at least judge that their interests have been duly and fairly taken into account, they are unlikely to buy into the solution of whatever is at issue. This kind of unresponsiveness can have repercussions in, for example, the G-172’s attitudes toward illegal migration, transnational crime and the drug trade, international terrorism and piracy, evasion by unscrupulous industries of climate change regulations, prevention of the spread of pandemics of infectious disease, and collaboration on financial regulation notably regarding tax havens and banking reforms.

The G-20 needs to take outreach seriously and, in ways consistent with efficacy, inclusion as well. In order to ensure a voice for the G-172 at the G-20 table, especially for the poorest, it could be agreed that the UN Secretary-
General would attend the G-20 as a matter of right, as would the heads of the IMF and the head of the World Bank when economic issues were on the agenda. While the Secretary-General works for the G-20 as well as the G-172, it is in the latter capacity that this official can give voice to the absent. As is the case with the EU, the African Union and any other transcendent political unions could attend as a matter of convention. Further, the UN (and the Bretton Woods organizations) could be encouraged to contribute their perspectives and ideas at G-20 preparatory ministerial meetings and working groups.

Cooperation will also mean new, possibly issue-specific partnerships, of contemporary, even temporary, like-minded groups. Formal alliances seem less central in an age of global integration where major powers have not fought each other since the Sino-Indian conflict of 1962. Instead, new, informal partnerships in the realms of security, development, and global governance and international institutional innovation seem likely to emerge among countries that are not themselves “great powers” by the traditional definition, but that nonetheless have both compelling strategic interests in a peaceful, prosperous world and the diplomatic and, sometimes, military capacity and political disposition to make a significant difference. Global governance and regional arrangements seem unlikely to be left exclusively to the permanent members of the Security Council.

**Conclusion**

It is not yet possible to be categorical about what the future holds for multilateralism and what minilateralism, particularly the G-20, means for multilateralism. The G-20 is the best solution so far to the legitimacy/efficiency conundrum, combining inclusiveness and representativeness, albeit not universality, with capacity and effectiveness.\(^{28}\) The G-20 has shown that it can generate policy consensus and coordination and mobilize the requisite political will to drive reform on major global economic challenges. At the same time, it is not clear that China, India, and Brazil, among others, see the G-20 as more of an efficacious venue in which to pursue their interests than the UN is.

Consensus is easier to generate in smaller minilateral bodies than the UN General Assembly or large international conferences, but it is not yet clear how much easier it is to do so in practice. Ways of thinking and acting established over generations are not modified quickly, and interests rarely change suddenly or as a factor of the institution in which they are addressed. Most basically, there is a greater diversity in political cultures and less common purpose in the G-20 than there was in the G8. And it will take leadership, especially from key emerging global powers like India, China, and Brazil to overcome these issues.

Also remaining to be seen is the extent to which common ground among the world’s most powerful leaders will expand and a shared sense of responsi-
bility for global governance will emerge as they address themselves to the overarching, often intractable problems they face. It is not impossible that, in the smaller forum of the G-20, their differences will just be more starkly apparent but little easier to resolve. There is a risk that, if the expected benefits of small group dynamics are too slow to materialize in the G-20, it will become more of a mini-UN than a macro-G8. In that case, both the UN and the G-20 as well as the world itself would be the poorer.

Notes
Fen Osler Hampson is chancellor’s professor and director of the Norman Paterson School of International Affairs, Carleton University, Ottawa, Ontario, Canada. A fellow of the Royal Society of Canada, he is coauthor (with I. William Zartman) of The Global Power of Talk: Negotiating America’s Interests and (with Chester A. Crocker and Pamela Aall) Rewiring Regional Security in a Fragmented World. Paul Heinbecker, former Canadian ambassador and permanent representative to the United Nations, is a distinguished fellow of international relations at the Centre for International Governance Innovation and director of the Centre for Global Relations at Wilfred Laurier University, Waterloo, Ontario.


3. The BRIC (Brazil, Russia, India, and China) economic community came into existence in 2001 and has quickly grown to become one of the main economic players globally. At the end of 2010, South Africa was invited to join BRIC.

4. John Gerard Ruggie, “Multilateralism: The Anatomy of an Institution,” in John Gerard Ruggie, ed., Multilateralism Matters: The Theory and Praxis of an Institutional Form (New York: Columbia University Press, 1993), p. 8. Ruggie defines the “principles” of multilateralism as follows: (1) general principles, which specify conduct without regard to the particularistic interests of the parties; (2) principles that are indivisible among the parties with respect to the range of the behavior in question; and (3) relations that are marked by diffuse reciprocity (i.e., they yield roughly equal benefits to their members in the aggregate over time).

5. Ibid., p. 12.


7. Ibid., pp. 15–17.


13. Canadian, Korean, French, US, Mexican, Australian, and other G8 and G-20 Sherpas and officials interviewed by the authors, January–April 2011.


23. See, for example, Margaret E. Keck and Kathryn Sikkink, Activists Beyond Borders: Advocacy Networks in International Politics (Ithaca: Cornell University Press, 1998).

24. For a fuller treatment of the United Nations, see Paul Heinbecker, Getting Back in the Game: A Foreign Policy Playbook for Canada (Toronto, Ontario, Canada: Dundurn, 2011), from which some of this line of argument is derived.


