

GLOBAL GOVERNANCE INITIATIVE*

STATEMENT OF THE TASK FORCE

**An Initiative to Improve the State of the World*

Preface

The initiative described in this paper is an ambitious but necessary undertaking. We believe that it is well worth the effort and that it constitutes an essential step toward improving what is currently an uneven and flawed system of global governance. We fully understand that this assessment will obviously have some elements of subjective analysis, and we expect the process to evolve over time. To that end, we invite comments and critiques.

The project will be overseen by a Steering Committee composed of prominent individuals with expertise in the issue areas to be covered by the Report. They come from all regions of the world and from disparate backgrounds and organizations. All serve in their individual capacity, not as representative of any organization or constituency. The members of the Task Force that conceived the Global Governance Report, listed below, will form the initial membership of the Steering Committee.

World Economic Forum:

Claude Smadja, Managing Director, World Economic Forum, Switzerland

Philippe Sion, Programme Manager, World Economic Forum, Switzerland

Jacques Attali, President, PlaNet Finance, France

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Ethan Kapstein, Professor, Department of Economics and Political Science, INSEAD, France

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Moises Naim, Editor-in-Chief, Foreign Policy Magazine, USA

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Executive Summary

The Task Force convened by the World Economic Forum to assess the functioning of the global system has decided to launch a Global Governance Report. The Report will spotlight the gap between the vast scale of global problems and the inadequate mechanisms available to deal with them. Every year, the Report will rate the efforts of governments, inter-governmental organizations, and non-state actors to address global problems ranging from poverty to disease to environmental degradation to armed conflict.

The Report will encourage much-needed action on issues that pose serious threats to human well-being. Dire poverty blights the lives of nearly half the world's population. Environmental degradation is becoming so severe as to undermine the capacity of the planet to sustain human civilization. New and resurgent infectious diseases increasingly have no cure thanks to the widespread emergence of resistance to antibiotics. Growing inequality, economic instability, armed conflict and the threat of terrorism imperil millions. Governments have repeatedly promised to end these scourges in a host of treaties and declarations signed over the past few decades, most recently the Declaration of the United Nations' Millennium Summit. It is now time to take governments at their word and hold them accountable for achieving the goals they have proclaimed.

The goals to which governments have committed themselves are, for the most part, the ones that must be met if disaster is to be avoided, and the opportunities of globalization realized. These include: reducing the proportion of people living in extreme poverty by half by 2015; providing universal primary education by 2015; ensuring that the benefits of new technologies, especially information and communication technologies, are available to all; adopting a new ethic of environmental conservation and stewardship; safeguarding human rights and workers rights; and creating a truly non-discriminatory multilateral trade and financial system that would enable poor countries to grow economically. But such promises have become stale rhetorical exercises. Few newspapers even bothered to print the Millennium Declaration wherein many of these commitments were reiterated. Fewer governments have taken significant action based on these commitments. For the sake of the world's people, the political will that is now so conspicuously lacking must be brought to bear. The Report is intended as a first step in promoting the development of that political will.

The Report's Steering Committee will provide ratings of global efforts to address ten critical global problems. The focus is on deeply institutionalized changes to how the world is going about solving its problems, not isolated, one-time initiatives unless those look likely to be integrated into a lasting programme of change. The Report will spotlight where the world is doing relatively well, perhaps offering models for progress elsewhere, and where attention should be urgently concentrated. Where appropriate, the Steering Committee will seek to identify best practices and strive to accompany its ratings with constructive, pragmatic suggestions for improvements.

Global Governance

There is a growing perception that the existing system of global institutions is not meeting the needs of the world's peoples. Human well-being and global stability are under siege, threatened by dangers extending far beyond the current backlash against globalization. Some perils result from conscious choices: Governments have deliberately reduced the barriers that once separated countries from one another, creating unprecedented economic opportunities but also raising the prospect that financial volatility will ricochet around the world. Others emerge from the sheer size of humanity's presence on the planet, as six billion increasingly economically active people degrade the planet's ecosystems on a massive scale. Yet others are evils that have long plagued humanity, from dire poverty to widespread disease to armed conflict, but the consequences of failure to deal with them appropriately have become global in this era of permeable borders. This permeability makes it ever more likely that those who are suffering will export their misery, whether through unintentional contagion effects or by

deliberate action such as terrorism or crime. If the world is to find its way to a brighter future, people from all walks of life must work to develop much stronger instruments of cross-border cooperation than currently exist. The ultimate goal must be the creation of an international system with far greater ability to solve the problems we share, to anticipate the dilemmas we face and to spring back from the crises we fail to foresee.

At present, no one knows how far we are from achieving that goal. No one systematically monitors global efforts to redress global ills. To provide a means of monitoring the status of such efforts, the Task Force has decided to create a Global Governance Report that will rate the world's efforts in a series of crucial issue areas. Such a diagnosis is the essential precursor to significant improvements in global cooperation.

It is not utopian to think that substantial progress could be made on resolving global problems if such indicators were in place. Monitoring is a prerequisite for and an incentive to action. Many of the pieces needed to create a more effective system already exist. Governments have widely recognized the imperative of acting on a global scale. In September 2000, for example, nearly all the world's governments endorsed a common set of goals and values in the Declaration of the United Nations' Millennium Summit. They committed themselves not only to broad aspirations such as upholding human dignity, equality, and equity at the global level, but also to specific goals such as reducing by half the proportion of the world's people whose income is less than one dollar a day by the year 2015. In other documents, from the 1948 Universal Declaration on Human Rights to the International Labour Organization Declaration on Fundamental Rights at Work to the agenda developed at the 1992 United Nations Conference on Environment and Development, governments have overwhelmingly committed themselves to achieving a vast range of global values and goals.

A variety of actors exist that can be called upon to help governments meet these lofty goals. Many inter-governmental organizations, from the United Nations to the growing number of regional organizations, provide venues through which the international community can act. Businesses are increasingly taking on a new degree of social responsibility, befitting their growing international presence. And civil society organizations have emerged as vital elements in a host of efforts to solve global problems.

Unfortunately, all these pieces of a potentially effective system of global governance are not integrated into coherent structures that would enable humanity to meet its goals. Despite the noble intentions, a chasm exists between the widely shared aspirations outlined in the Millennium Declaration and its antecedents and the international arrangements and intergovernmental institutions currently available to attain them. The procedures of many of the existing international organizations need to be reviewed and strengthened, having been designed half a century ago before most of the world's current roster of countries had independent governments and before the extraordinary rise of global corporations and non-governmental organizations. On many issues, no serious effort has yet been made to devise international arrangements that could conceivably deal with the scale of the problem at hand.

The gap between promise and achievement stems from many causes. One is lack of knowledge. The vast changes wrought by information technology, economic integration and population growth have only recently begun to register. Few global leaders, whether in government, business or civil society, have systematically thought through the nature and scale of the problems the world faces and what reforms and innovations will be required to resolve (or at least manage) them. And although specialists have issued a plethora of publications and hosted an enormous number of conferences, efforts to engage the public in a serious debate about global problems remain woefully inadequate.

Another is inertia. Even where individuals are well aware of the need for global action, institutions remain mired in standard operating procedures geared to a different era. The climate change negotiations have disintegrated over intergovernmental squabbling despite the accumulating scientific

evidence of serious danger. The global financial architecture remains a vulnerable patchwork sewn together by institutions that date from a time before massive private capital flows.

Third, power and wealth are distributed so unequally around the world that the small handful of rich countries has long been able to advance their own interests with little attention to the needs and desires of others. The world's wealthy states maintain effective veto power in some international institutions in which voting power is tied solely to financial contribution or political history. In the absence of crises with direct, visible impacts on the wealthy countries, those governments have few short-term incentives to do more. And the Millennium Declaration and other similar global statements paper over serious divisions about who bears what share of the responsibility for addressing global issues.

Bridging the Gap: The Global Governance Report

None of these obstacles is insurmountable. But overcoming them requires going beyond the usual practices of holding conferences and issuing declarations. What the world needs now are monitoring tools that will focus attention on the gap between rhetoric and reality, making it possible to hold policy-makers to account.

The Report is not intended as a means of assessing progress towards a completely transformed world system. Overcoming the gap between the needs for broad cooperation and the capacities of the existing global mechanisms does not require the immediate invention of a whole new global system. No one wants a global government with the broad coercive authority that national governments legitimately command. Nor does the prospect of vast new international bureaucracies appeal to many.

Rather, the Report will assess the activities of the many existing players on the international stage, from governments to intergovernmental organizations to private businesses to citizens' movements. With regard to national governments, there is much government can do without the need for further international negotiation. Although attention has focused of late on the need for developing countries to improve their domestic governance, the industrialized countries have an enormous responsibility to act. It is they who control the bulk of global resources.

Second, the Report will assess the impacts of the efforts of existing intergovernmental organizations. The glaring inequities in the decision-making structures of intergovernmental institutions must be rectified so that they represent the world as it is and as it will be in the coming years rather than the world of the 1940s. Every opportunity to improve the functioning of these essential institutions must be seized. The democratic gap between their activities and the level of ordinary citizens must be reduced. And cooperation among these organizations must increase in all the aspects where their competencies overlap.

Third, the Report will assess the effectiveness of efforts to integrate new players – corporations and NGOs – into global governance. Governments cannot and need not do everything themselves. In the age of information technology, porous borders and increasingly active and informed citizenry around the world, the shift of power from governments to the private sector and civil society groups makes the involvement of these non-state actors essential.

The private sector has vast resources, but its primary role is as the engine for material growth and production. It cannot and should not be expected to take primary responsibility for solving global problems. But to the extent those problems result from spillover effects of business activities, the private sector can and should commit itself to high levels of social responsibility and ethical conduct. Two years ago in launching the Global Compact at Davos UN Secretary General Kofi Annan argued that without the active commitment and support of the private sector, "there is a danger that universal values will remain little more than fine words – documents whose anniversaries we can celebrate and

make speeches about, but with limited impact on the lives of ordinary people.” But with that commitment, corporations have it in their power to make an enormous contribution, both through their own employment and environmental practices, and through the political and economic pressure they can bring to bear on governments. The Report can highlight the growing number of cases of corporate social responsibility and assess where progress still falls short.

Civil society’s roles remain controversial. At their best, non-governmental organizations can provide needed expertise, analysis of long-term challenges and a channel for voices that otherwise go unheard. Civil society can create social trust across borders, just as it often does within them. Most important, civil society groups often shine the spotlight on governments, corporations, international organizations, and even one another, in ways that can help to shame all actors into behaving in the global public interest. There are vast differences among them, and not all deserve a place in global governance. But many have some reasonable claim to legitimacy (either via democratic representation of the interests of large groups, like labour unions, or due to acknowledged expertise in some issue), and they can help greatly in attaining the world’s shared goals.

This is particularly true as civil society groups are linking up across borders to an unprecedented degree, forming transnational networks that provide a powerful addition to the arsenal of instruments the world has available for managing global problems. In areas ranging from human rights to multilateral arms control to anti-corruption efforts to poverty reduction to the environment, such networks are providing a badly needed global perspective. Their emergence stems from a host of trends, from democratization to the spread of information technology, making it likely that their numbers and influence will continue to grow.

Perhaps the greatest cause for hope that the world’s major problems can be resolved lies in the emergence of partnerships among all sectors. It is becoming clear that global decision-making will require the combined efforts of governments, business and civil society. The private sector and civil society have already shown themselves capable of helping to devise and implement global rules that serve the broad public interest. In some cases, businesses that started improving their environmental and social practices under pressure from NGOs have come to see partnerships with those same groups as serving the enlightened self-interest of the corporations. Corporations and civil society organizations are beginning to join governments in setting transnational agendas, negotiating and implementing agreements (formal or informal), and monitoring and enforcing compliance with the standards of behaviour set by those agreements. And these non-governmental actors are joining together with inter-governmental organizations in a variety of innovative efforts, such as the United Nations’ Global Compact involving business, unions, and NGOs. Governments will retain their role as the ultimate regulators. But the greatest progress is occurring in the partnerships among governments, corporations and civil society. The Report will make it possible to assess where such partnerships are helping to achieve the goals laid out in the Millennium Declaration, spotlighting both successes that could be emulated and failures that need not be repeated.

Global Problems

The development of human potential is the ultimate goal of good governance, and threats to that development constitute the world’s major problems. People live in a physical and social infrastructure over which individuals have little control and which can constrain them from developing their abilities to their fullest capacity. Poverty, to take the most obvious example, reduces its victims to a hardscrabble existence. Environmental degradation inflicts massive hardship, ranging from toxic poisoning to the destruction of ecosystems on which human life depends. Human rights violations strike at the heart of human dignity. These are moral outrages that no civilization should tolerate. And in this global era, where we are all increasingly interconnected, they are also threats to the world’s political and economic stability.

The problems listed below are not all equal. Some are bigger than others are; some indeed are causes of others. Some, like managing the global economy, are merely means to the end of improving the human condition, while others, such as health, are part of the human condition itself. But all are crucial issues that absolutely must be addressed on a global scale by means of cooperative mechanisms. The Report will provide a rating on a one-to-ten scale of how much progress the world has made toward meeting its goals in each of these issue areas: poverty, inequality, health and disease, environmental degradation, international crime, armed conflict, human rights, education, access to technology and economic management.

Poverty

In the Millennium Summit Declaration, the world's governments made a bold claim, promising: "We will spare no effort to free our fellow men, women and children from the abject and de-humanizing conditions of extreme poverty... We are committed to making the right to development a reality for everyone and to freeing the entire human race from want." That aspiration faces a daunting challenge. Well over a billion people currently scrape by on an income of less than one dollar a day – the official international definition of poverty – and nearly half the world's population ekes out a meagre existence on less than two dollars a day.

The governments backed up their promise with a specific resolution to halve the number of desperately poor by the year 2015. It is difficult to see how that goal will be achieved under current conditions. Poverty rates have fallen in the past decade, but only slightly – from 28% to 24% of the population in developing countries from 1987 to 1998. Because of population growth, the absolute number of people living in extreme poverty has remained roughly the same. Some progress has been made. The multilateral financial institutions have recognized the necessity of addressing poverty directly. Due largely to the determined prodding of non-governmental organizations, governments and international financial institutions are beginning to take action to relieve the enormous debt burden that hangs over many developing countries. And a micro-credit movement has already improved the lot of millions around the world. But progress is frustratingly slow. Development assistance remains at low levels, with most industrialized countries providing far less than the 0.7% of GDP to which they have agreed. With global population likely to rise by two billion over the next 25 years, almost entirely due to increases in developing countries and particularly concentrated among the poor, achieving a significant decrease in poverty will be that much harder.

Inequality

Due to bad policies at both the national and international level, humanity remains sharply divided and in many cases the divisions are growing. On one side is a relatively small group of people enjoying an extraordinary standard of living, with access to revolutionary information technologies, high levels of healthcare, and an educational infrastructure that enables them to develop their capabilities. On the other are the poor and destitute, often lacking access to even rudimentary healthcare or basic literacy training. While there is a sizeable group in between, the world is increasingly polarized between these two extremes. Rather than the convergence between rich and poor countries predicted by economic theory, we are seeing an increasing divergence, with only a handful of developing countries closing the gap. This inequality has become so great that it poses a threat to the sustainability of global integration and to global stability.

There are two possible ways to provide equal opportunities to all people. One is to set equal rules that apply to everyone. Governments have recognized that they should take this basic first step to redress inequality in the trade sphere. In the Millennium Declaration, they agreed to create "an open, equitable, rule-based, predictable and non-discriminatory multilateral trade and financial system" that would enable poor countries to grow economically. More specifically, they promised to adopt as early as 2001 a policy of duty- and quota-free access for essentially all exports from the least developed countries. But trade practices in reality are highly discriminatory, with poor countries facing high

barriers against their exports, and there is little evidence of real willingness on the part of rich countries to sacrifice short-term national interests to benefit the poor elsewhere.

Moreover, it is not clear that equal rules would lead to equitable opportunities for individuals born into highly divergent circumstances. Rather than setting the same rules for all, a more equitable approach may have to take into account the very different starting points faced by people in different countries. Differential rules on issues like intellectual property may in fact be more likely to lead to meaningful equality of opportunity.

Health and Disease

Governments have been promising for decades to bring better health systems to the world's people. In 1977, the World Health Assembly proclaimed that the major social goal of governments should be the attainment by all people by the year 2000 of a level of health that would permit them to lead a socially and economically productive life. The goal of universal basic health has been reiterated many times since, most recently in the Millennium Declaration.

This goal should be within our grasp. In much of the world, life expectancies soared over the past century. Vaccines, medicines and modern sanitary standards have not only extended life but have improved its quality.

But now, that progress is threatened. Factors such as the collapse of public health systems in the former Soviet Union and parts of Africa and the spread of AIDS have dramatically cut life expectancies in some regions. The great advances in medicine during the 20th century do not give ground for complacency. Most of the improvement in life expectancy witnessed in the 20th century came from the widespread use of antibiotic medicines that readily cured diseases that had once counted among the leading causes of human mortality. But of late, the widespread misuse of antibiotics has created the chilling phenomenon of microbes resistant to most, or all, known treatments, leading to the resurgence of diseases that once seemed well under control. Infectious disease remains the world's leading cause of death. And there are still vast numbers of people lacking access to such basic prerequisites of health as safe drinking water.

Population pressures are exacerbating the problem. As global population increases, humans are encroaching on new environments. This encroachment provides opportunities for microbes to jump from animal hosts to new human ones.

Because of the intensification of contact across borders, which is part and parcel of globalization, no corner of the world can hope to hold itself aloof from new or resurgent diseases. Whenever previously isolated human populations begin to interact, disease spreads, as viruses and bacteria find new hosts who have not evolved immunity to them. Modern transportation technologies intensify the problem, as even fast-acting diseases can spread before killing off their initial victims.

Once again, the poor suffer the most from the failure of governments to match deed to word, and their prospects are getting worse. Only a minuscule portion of the world's research funds is aimed at developing treatments or vaccines for the diseases that plague primarily the poor. Most expenditure is dedicated to diseases affecting only 10% of the world's population.

A handful of impressive accomplishments, such as the elimination of smallpox, point to what could be accomplished with enough determination and resources. But currently the world lacks even adequate surveillance capability to monitor outbreaks of infectious diseases, much less the capacity to respond to or to improve basic health conditions around the world. Some non-governmental groups have attempted to fill in, for example by facilitating reporting on disease outbreaks. The World Health Organization is experimenting with new public/private partnerships in such programmes as Roll Back

Malaria and the Global Alliance for Vaccine Initiative. But such initiatives fall far short of a comprehensive global response to the challenges of emerging and resurging diseases.

Environmental degradation

Concerns over environmental issues have spawned a vast array of international meetings, agreements and treaties. From the 1972 United Nations Conference on the Human Environment, which brought together 113 countries, to the 1992 UN Conference on Environment and Development (UNCED) in Rio de Janeiro, governments have repeatedly declared the necessity of safeguarding the environment in the interests of present and future generations. Governments have also created the United Nations Environment Programme to catalyse and coordinate the environmental efforts of inter-governmental, non-governmental, national and regional bodies, and they participate in a vast array of negotiations and treaty regimes.

Unfortunately, all this activity adds up to much less than the sum of its parts. Meaningful action remains woefully disproportionate to the scale of the problems. These intergovernmental efforts clearly will not fend off climate change, replenish fisheries, restore degraded soils, halt the rapid extinction of species or keep toxic substances out of ecosystems and human bodies.

Environmental degradation on the global level receives the most attention from governments, although only a few such problems have come close to being solved. These problems, such as climate change and ozone depletion, clearly require global collective action. They threaten everyone and require that all countries participate in the solutions. It is not sufficient for some countries to control their emissions of greenhouse gases and ozone-depleting substances if others do not.

Other kinds of environmental pressures also constitute global issues needing global action. It is already widely recognized that extreme water scarcity is rising in regions where it may provoke war. Short of war, scarcity of basic environmental resources like clean water and arable land can spill over borders in refugee flows, political tensions and humanitarian crises, especially in parts of the world where governmental institutions and civil societies are too weak to solve the problems directly or mediate the resulting conflicts. More broadly, even what appear to be local problems such as dirty air and war are arguably global concerns, because both their causes and their consequences are often global. They are the side effects of widespread assumptions, often heavily promoted by international organizations, about how societies should go about increasing their material standard of living. These assumptions have been embodied in many of the projects supported by development agencies and the kinds of investments made by multinational corporations. Too many of the power projects being developed still centre around the burning of fossil fuels. Despite ever-stricter environmental assessment requirements, few development projects truly receive the detailed environmental scrutiny they deserve.

International Crime

As governments have lowered the barriers to legal trade and financial elements, criminal groups have seized the opportunity to go global. Their growing activities include trafficking in a vast array of goods – drugs, nuclear materials, stolen vehicles, counterfeit goods, arms and munitions, and even people such as illegal immigrants or women and children forced into prostitution. These crimes criss-cross the globe. Production of illegal drugs, for example, occurs in remote areas – coca in Bolivia, Colombia and Peru, and poppy in Afghanistan, Burma and Laos – while consumers are heavily concentrated in the rich countries. Thus, drug shipments must, and do, cross not only national borders but also regions. The financing of these illegal activities benefits from the same technologies and policies that have spurred enormous growth in legal financial flows, as organized crime groups have proved able to launder enormous sums.

By its very nature, transnational crime lurks in the shadows, making an accurate assessment of its scope difficult, but most authorities estimate that illegal transnational transactions are worth at least

several hundreds of billions of dollars each year. The annual revenues of the illegal drug trade alone are estimated to total somewhere between US\$ 100 billion and US\$ 500 billion, larger than the size of most national economies.

The consequences of this growing illegal activity can be dramatic. Organized crime has pernicious effects on the authority of governments and the integrity of states. Criminal organizations often step in where state control is weak, using their enormous profits to buy weapons and bribe officials. Through corruption and violence they may even come to control the state apparatus.

Governments have entered into a number of agreements aimed at countering such threats and under United Nations auspices recently negotiated a Convention against Organized Crime. The G-8 has also taken steps, such as setting up the Financial Action Task Force to counter money laundering. Interpol provides useful information exchange functions on some issues. In general, however, these efforts are too limited to deal with the scale of the problem.

Governments alone will not be able to cope with transnational organized crime. Wealthy nations with strong governments might be able to reclaim control of their borders, but only at the cost of reversing the gains of economic integration, slowing trade and financial flows nearly to a halt. Instead, governmental efforts need to be complemented by non-state actors in meaningful partnerships with governments.

Armed conflict

Of all the threats to human well being, the one on which international consensus is strongest is war. The United Nations was founded to protect the world from “the scourge of war.” The norm against war is so deeply embedded that war between countries has become rare indeed, and even aggressors feel compelled to cloak their actions in convoluted claims of self-defence. This consensus is a notable accomplishment, one in which the world should take pride. But it does not address the kinds of armed conflict that most threaten human well being today.

The world’s systems for addressing armed conflict are largely designed to address wars between states. The security threats of the 21st century, however, come from the proliferation of weapons of mass destruction and from wars within, rather than across, national borders, often financed by illegal drug shipments and minerals sales.

Dealing with (and preferably preventing) proliferation requires not only new intergovernmental approaches, but also the active involvement of the private sector and civil society. Given the ubiquitous uses of chemical weapons, for example, the private sector has to play a part as well. Even conventional arms control must involve the private sector, given the political difficulties governments face in cutting off the enormous and highly lucrative trade. Due to a combination of arms control, the end of the Cold War, and government budget constraints, the domestic markets of the major arms manufacturers are shrinking, so that firms must export to survive.

Armed conflicts are likely to resemble those of the late 20th century – internal rather than between states, and involving combatants who may have little receptivity to the notions contained in the Geneva conventions. Recognizing this, governments pledged in the Millennium Declaration to “spare no effort to free our people from the scourge of war, whether within or between states, which has claimed more than five million lives in the past decade.” The record to date does not provide grounds for great optimism that governments will bring the scourge of war under control. Often governments fail to agree that a dangerous situation constitutes a collective problem until thousands have died, and then haggle over whom should contribute what to stopping the violence while thousands more perish. The (belated) international response to the genocide in Rwanda, the horrific violence in Somalia, and more recently in Sierra Leone, and the tinderboxes that have repeatedly flared in the former

Yugoslavia and the Middle East all suggest that this is a problem with which the world has yet to learn to cope.

Human Rights

The legitimacy of a role for the international community in upholding human rights standards even within national borders is deeply embedded in international law and practice. In Article I of the United Nations Charter, the founders specified that one of the organization's four purposes was to promote "respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language or religion." In 1948, the United Nations General Assembly adopted a Universal Declaration of Human Rights with a sweeping vision of human rights as key to freedom, justice and peace in the world. Since then, most of the world's governments have signed on to a host of human rights treaties covering everything from the rights of children to genocide to civil and political liberties to economic, social and cultural rights. In the 1993 World Conference on Human Rights, the efforts of a handful of governments to argue that human rights concepts constitute Western cultural imperialism were decisively routed by a broad affirmation of the universality of human rights. That assertion of the universality of basic human rights was reaffirmed in the Millennium Declaration's resolution to respect fully and strive to implement various human rights treaties and principles, including the Universal Declaration of Human Rights.

Progress on human rights has come about significantly from the intensive efforts of networks of civil society groups. It is not surprising that governments have often failed to take the lead, as the fundamental principle underlying human rights efforts is that governments are, and should be, answerable to the world at large for how they treat their own citizens within their borders. Unfortunately, many governments have tried to have it both ways, adhering to the conventions to prove their credentials as members in good standing of the international community but attaching sweeping reservations that vitiate the treaties.

Even the progress that has occurred is threatened by the changing nature of human rights violations. Increasingly, the most horrendous violations occur in cases of civil war or state failure, where legitimate authorities no longer maintain a monopoly on the widespread use of force. In many cases, the offenders are private armies, guerrillas or mercenaries, sometimes in the pay of drug traffickers or other elements of organized crime. The international pressures and sanctions that can motivate governments to change their behaviour have little effect on such groups. Moreover, the economic/social/culture set of rights has not to date been adequately addressed by existing international mechanisms. For example, it has largely been left to non-governmental organizations to bring attention to the practices of large corporations accused of violating the rights of their employees. Few businesses undergo social audits adequate to gauge the extent of their compliance with global labour standards.

Education

In a score of conferences and declarations, governments have affirmed a vision laid out in the World Declaration on Education for All: that all children, young people and adults have the human right to benefit from an education that will meet their basic learning needs in the best and fullest sense of the term, so that they can improve their lives and transform their societies. Education and knowledge are essential to the subjective enrichment of human life and to the achievement of human dignity. And the ability to participate in the information-based global economy increasingly depends on access to education. To that end, governments pledged in the Millennium Declaration that they would "ensure that, by [the year 2015] children everywhere, boys and girls alike, will be able to complete a full course of primary schooling and that girls and boys will have equal access to all levels of education."

Reality, for most people, falls far short of the ideal of widespread education and access to knowledge. Not only do most people lack the sophisticated training required by information-age jobs; millions are denied even the basics of literacy and numeracy. Some progress has been made, notably with

(slowly) rising literacy rates around the world, but that progress is too slow to meet the Millennium Declaration's goal.

Access to Technology

Of all the types of inequality plaguing the world, one of the most pernicious concerns access to technology. This includes the widely recognized "digital divide." While a fortunate elite is flooded with information and enjoys an extraordinary array of tools and techniques, most of the world remains cut off, not just from new information technologies like the Internet, but from access to telephones, newspapers and books. In the Millennium Declaration, governments committed themselves to ensuring that "the benefits of new technologies, especially information and communication technologies...are available to all."

But the problem goes well beyond information technologies. Almost all technological innovation comes from and/or is patented in the industrialized countries. A number of other countries are able to make use of many of these technologies, but vast areas are effectively excluded from virtually all the benefits technology has to offer. These poverty-stricken regions are desperately in need of technological innovations to help them solve their problems. But they lack the human capital and physical infrastructure needed for research and development. And they are too poor to pay market prices for intellectual property developed elsewhere or to provide an attractive market that would give better endowed regions a market incentive to pursue technological breakthroughs on their behalf.

Economic Management

Globalization and increased economic openness have been accompanied by significant difficulties, such as increased volatility and ongoing disputes over rules and practices. Economic crises have become more common. Because economies are now so tightly tied together, these crises can readily cross borders, giving even relatively small economies the potential to disrupt global markets. Had China chosen to devalue its currency during the Asian financial crisis of the 1990s, for example, the consequences could have been devastating far beyond China's borders.

Financial volatility and real economic fluctuations are not abstract macroeconomic phenomena. Their costs can be measured in human terms. As the World Bank's most recent World Development Report argues, they are particularly painful for the poor, who are unlikely to have enough savings or self-insurance to see them through bad times and who lack the physical and financial mobility to move themselves or their savings to safer harbours. Because developing countries experience much more volatility in terms of GDP growth and consumption growth than do industrialized countries, volatility has the potential to undermine real increases in living standards and to exacerbate existing global inequality.

Ultimately, economic volatility may translate into political dissatisfaction. As globalization comes to be seen as synonymous with increased vulnerability, we are witnessing the first signs of a significant political backlash against continued trade and financial integration. But while rhetoric about the need to strengthen the international financial system and protect the vulnerable has abounded, meaningful action lags far behind. The IMF Board of Governors, the OECD and the G-8 have all officially stressed the need to strengthen both multilateral institutions and domestic financial systems and have put forward various proposals. While some progress is visible, notably in the promotion of greater transparency, the system remains dangerously unstable.

Moreover, there is not yet broad agreement on some fundamental questions. It is not clear how to balance the legitimate demands by very different countries to set their own social and environmental standards against the requirements of unobstructed trade. Nor is it clear how the benefits of free trade can and should be weighed against other goals, such as environmental protection and regional development. Even where the appropriate course of action is obvious, the right steps are often not being taken. If trade is to live up to its potential as an engine for broadly shared economic growth, for

example, the governments of the industrialized countries must lower their barriers to exports in agriculture and textiles from poor countries.

Conclusion: The Need for the Global Governance Report

Prospects for the world are bleak without a transformation of global governance. To date, the international community has made significant progress in setting rules of the road for global commerce and in facilitating all manner of international transactions. But much less attention has been paid to dealing with the negative consequences of those interactions or to seizing new opportunities to redress age-old ills.

That transformation is within our grasp. Legitimate political authorities in all parts of the world have widely and publicly accepted a wide range of goals and principles. It is the means that are lacking, not agreement on the legitimacy of the ends.

If the world is to manage global problems more effectively and equitably than has to date been the case, we will need strengthened intergovernmental institutions and the best combined efforts of governments, business and civil society. In almost all issue areas, such cross-sectoral partnerships are beginning to occur, but they tend to be awkward, scattered, and ad hoc. No mechanism exists to enable people working in one global issue area to learn from experiences elsewhere. And few mechanisms are in place to ensure adequate accountability of multilateral institutions, the private sector or civil society.

The Global Governance Report will be such a mechanism. By providing a numerical rating of the effectiveness of global problem solving in the most crucial issue areas, it will focus much-needed attention on the wide gap between goals and performance. By spotlighting specific examples of good and bad practices, it will spread awareness of what models should be emulated, or avoided. And by providing specific recommendations about what governments, intergovernmental organizations, businesses and civil society organizations should do to meet specific goals laid out in such documents as the Millennium Declaration, it will help bring about the realization of those widely shared goals.

Proposed Methodology

The Global Governance Report will assess the effectiveness of global governance in dealing with ten different categories of problems with respect to stated goals and commitments. Global governance is taken to mean cooperative international efforts: intergovernmental efforts; international institutions; and public, private, civil sector partnerships.

The effectiveness of global governance in each of the problem areas (categories) will be rated by the 25-member steering committee. In order to ensure comparability across the work of the committee members, comparability across categories (e.g., poverty or environment) and inter-temporal comparability, it is important that the process be as systematic and explicit as possible. The steering committee will be provided summary materials for each of the categories.

Overview

In each category four components of global governance (described below) will be evaluated using a five point rating scale ranging from “-2” (backsliding) through “0” (treading water) to “+2” (significant progress). Scores will then be summed across the four components to arrive at a total score for the problem area for the year. (The Task Force could decide to weight the components unequally.) If desired, the five-point scale could be converted to a 1-10 “scorecard.” The net output will thus be ten global governance scores, one for each problem area.

To ensure comparability across categories, the same four components of global governance will be the basis for rating each category and each point on the scale will be described as explicitly and completely as possible.

Components of Effective Global Governance

- Objectives. Agreement about the nature of the problem and the ways it can, and should, be solved. Has there been convergence among governments, international organizations, civil society groups and the private sector about ends and means? Are there serious regional or North-South disagreements? Are there clearly stated international agreements defining the problem or accepted norms?
- Cooperation. Is there general agreement that the problem requires collective international action? Does the political will exist to achieve cooperative rather than national solutions? Is there agreement that progress in the category requires the active involvement of intergovernmental groups, international institutions, civil society groups and/or the private sector? Have there been increases in cooperative international activity in international institutions, intergovernmental meetings or other venues?
- Strengthened international institutions. Does political will exist on the part of governments to support international institutions, possibly at the expense of national freedom of action? Are international institutions perceived as inclusive and transparent? Do the citizens of most countries perceive them as legitimate? Is the quality of leadership of major international institutions (and civil society) adequate? Are institutions supported with adequate funding and are international arrangements formalized?
- Tangible achievements. Are international institutions taking steps that will allow them to meet stated commitments on schedule? Have codes, standards or other norms emerged? Is there evidence of progress towards treaties or other multilateral agreements? Have new vehicles or international organizations emerged to facilitate international cooperation?

Scoring the Components

Each of the components of effective global governance will be scored specifically for each category. To assure comparability, it is critical that verbal descriptions of each point on the rating scale be explicit and relatively complete. As an example, a rating scale for the poverty category is provided; to conserve space illustrative descriptions are given for only three of the five-point scales here. Scores for the four components will be combined to generate a category score.

Objectives: (-2) Marked disagreement about nature of poverty and the means through which it can be alleviated. Little convergence about how to fight poverty among governments, civil society groups and international institutions. Marked North-South divergence. (0) Some general agreement about the nature of poverty and the objectives at a high level of abstraction. Virtually no agreement as to specific poverty fighting actions and next steps to be taken. (+2) Explicit agreements about the nature of the problem and major steps to be taken to alleviate poverty. General agreement among governments, civil society groups and the private sector, although there may be disagreement about specifics.

Cooperation: (-2) Resistance to international cooperation to fight poverty; tendency towards conflicting national pronouncements and actions. Little effective integration of the private sector or civil society groups in poverty fighting efforts. International action is seen as a constraint on sovereignty by important national actors. (0) General recognition that collective international action is needed to fight poverty, but little tangible action is taken. Little overt opposition to cooperation to fight poverty, but little tangible support for it either. (+2) Strong support for collective international action to fight poverty from governments, civil society groups and private sector. Active involvement of all actors in tangible cooperative efforts.

International institutions: (-2) Legitimacy of international institutions questioned widely. Transparency is a major issue and quality of leadership questioned. International institutions that deal with poverty are target of civil society groups. Minimal support from national governments and funding inadequate. (0) Little overt antagonism to international institutions dealing with poverty, but only minimal support. Funding a problem and leadership is only adequate. Involvement of civil society groups and private sector is marginal and has little effect on outcomes. (+2) Active and strong support from major governments. Effective leadership of institutions and successful involvement of wide range of actors in analysis and decision-making regarding poverty. International institutions perceived as open and legitimate. Funding is at least adequate.

Tangible achievements: (-2) International efforts ineffective. Few tangible steps taken to deal with poverty. Loss of ground in terms of schedule to meet stated commitments. (0) Some tangible results from cooperative efforts but judged as just place holding in terms of achieving stated commitments on schedule. Some tangible efforts towards multilateral agreements to deal with poverty, but doubt remains as to impact. (+2) International institutions taking concrete steps to meet commitments. Judged to be ahead of schedule; agreement on multilateral treaties, codes, norms or efforts to harmonize actions across borders. Clear impact being made on reducing poverty.