

GOVERNING GLOBAL PUBLIC GOODS IN A MULTI-ACTOR WORLD: THE ROLE OF THE UNITED NATIONS

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Introduction

There is considerable debate today about ‘managing globalization’. At times, the discussion is still heated and tumultuous, as we recently saw in Seattle, at the meeting of the World Trade Organization (WTO). Yet even there, consensus began to emerge. It was recognized that fairness must be an ingredient of a viable free trading system. The Asian financial crisis of the late 1990s led to a similar conclusion. It helped strengthen political support for a more equitable burden sharing of the costs of crises between borrowers and lenders. More than that, the crisis probably persuaded even the last skeptics that in order to function efficiently markets need to be institutionally embedded. They need property rights, rule of law, norms – in short, a certain amount of predictability to minimize risks that cannot be priced. Hence, added stress is now being placed on such policy measures as proper banking regulation and supervision. It is increasingly seen as inefficient – and unfair – for the costs of lax regulation in one country to be borne by others. The same view is being taken on pollution spillovers, on the careless handling of outbreaks of contagious diseases, or on allowing human deprivation, such as poverty or human rights violations, to push streams of asylum seekers and illegal migrants across borders. It is increasingly being realized that growing inequity – economic, social, and cultural – can also entail significant negative externalities. Large income and wealth gaps can contribute to frustration and despair that may translate into terrorism, crime and violence, seriously straining the global political fabric.

All this constitutes a call for greater balance between ‘private’ and ‘public’ – between the activities of private actors, whether individual states, corporations or individuals and their local communities, and the public, the *other* states, corporations, people and communities. It is a call for individual actors to assume more responsibility for the consequences of their actions, notably for their negative consequences from which others will suffer. It is a call for an enhanced provision of global public goods.

This paper examines the role of the United Nations (UN) in ensuring an enhanced provision of global public goods (GPGs). It is organized in three main parts. Section I takes a more detailed look at today’s major policy concerns through the lens of global public goods. Section II examines some of the challenges involved in providing GPGs. And against this background, section III then explores how the UN could help the international community to better manage – and govern – the provision of GPGs. It outlines six policy options to strengthen the UN’s role for this purpose.

The overall conclusion is that there is an urgent need for a custodian of GPG concerns. Today, GPG concerns are typically addressed one by one, and often managed in a technocratic way, by representatives of the executive branches of government and other sector specialists. Political governance of global issues and balances is sorely lacking. The UN could help fill that vacuum. However, in order to do so, it would have to undergo a major transformation. It would have to turn from an inter-governmental technocratic organization into an inter-governmental parliamentary body.

I Today's Policy Concerns – Seen through the Lens of Global Public Goods

First of all, how do we define public goods in general, and GPGs in particular?¹

I.1 The Definitions

Public goods are best understood by looking at their counterpart, private goods. Private goods are typically traded in markets. Buyers and sellers meet through the price mechanism. If they agree on a price, the ownership or use of the good (or service) can be transferred. Thus private goods tend to be excludable. They have clearly identified owners; and they tend to be rival. For example, others cannot enjoy a piece of cake, once consumed.

Public goods have just the opposite qualities. They are non-excludable and non-rival in consumption. An example is a street sign. It will not wear out, even if large numbers of people are looking at it; and it would be extremely difficult, costly and highly inefficient to limit its use to only one or a few persons and try to prevent others from looking at it, too. A traffic light or clean air are further examples.

This poses immediately the question of who, then, provides public goods. Once they exist, they are there for all to enjoy. So, it is often the most rational strategy for private actors to let others go first and seek to enjoy the good without contributing to its production. This is, indeed, a dilemma, that public goods face. Without some sort of collective-action mechanism they risk being under-provided. Conversely, without collective action, public bads – such as pollution, noise, risky bank lending, and so on – would be over-provided.

Global public goods are public goods whose benefits reach across borders, generations and population groups. They form part of the broader group of international public goods, which include as another sub-group, regional public goods.

To make the notion of a global public good more concrete, consider, for example, the eradication of smallpox. Once accomplished, the whole of humanity benefits – people in all parts of the globe, present as well as future generations, rich and poor. Similarly, if the international community were to succeed in ensuring peace, everyone would be able to enjoy it. Much the same holds true for well-functioning international markets. And averting the risk of global climate change would secure inter-generational as well as geographically widespread benefits, although people in various parts of the world might benefit in different ways. Similarly, international regimes such as those for civil aviation, postal services, and telecommunications, or those recognizing a document such as a passport, all have significant properties of 'global publicness'.

I.2 Traditional Global Public Goods

Global public goods are nothing new. The natural commons, such as the atmosphere, the ozone shield and the high seas, pre-date even human activity. And agreements, such as those on the free access of nations to the high seas, date back into the 17th century. They began to proliferate as international economic activity intensified in the 19th century and early 20th century – shipping, telecommunication, civil aviation, and the transmittal of mail. If they are multilateral in nature and global in scope, these agreements themselves have a global-public-good character. They establish international orders, rules and regulations, whose benefits, once they exist, tend to be available to all.

This traditional class of global public goods includes two types of issues: matters that are external to countries, such as the natural commons, and relations between countries, so-called ‘at-the-border’ issues such as trade tariffs, capital controls and military security. Together, these two types of traditional global public goods constitute what is conventionally called ‘foreign affairs’. They continue to be important, probably more important than ever before, because international economic activity is growing and new challenges, such as the Internet, are arising.

I.3 A New Class of Global Public Goods

Yet, the global challenges that figure most prominently on today’s policy agendas represent a new, quite different class of global public goods. They are not ‘out there’; they cut across borders and call for behind-the-border policy convergence – increasing harmonization of national public policy. They concern public goods – such as clean air, health, financial stability, market efficiency, or knowledge management – which can no longer be produced through domestic action alone, or goods – such as human rights and equity – which can no longer just be under-provided behind the shield of national borders. Put differently, they concern global policy outcomes that require joint, cross-border policy harmonization and actual change on the ground, not just agreements.

Several factors are behind this new type of global public goods. Among them is the increasing openness of countries – which facilitates the spread of global ‘bads’, such as ‘social dumping’, competitive devaluation, and risky consumer behaviour (such as cigarette smoking). Another is the growing number of global systemic risks, which require more respect for thresholds of sustainability, such as volatility risks inherent in international financial markets, the risk of global climate change, or the political risks arising from explosive global inequity. A third factor is the growing strength of nonstate actors, such as the private sector, notably transnational corporations, and civil society. Both these actor groups have stepped up the pressure on governments to adhere to common policy norms, from basic human rights to technical standards.

It may be useful to examine more closely the link between this new class of GPGs, which we call here ‘global policy outcomes’, and the natural as well as human-made commons, identified in the overview table.

As regards the global natural commons, the first category listed in the overview table presented in annex A, they have for a long time been perceived as ‘free’ goods. This until it became clear that many of them suffer from serious over-use. This brought the issue of environmental sustainability on the international policy agenda. And this issue, environmental sustainability now figures among the global policy outcomes to be achieved. Put differently, we are not concerned about the natural global commons as such but about making their use sustainable.

A similar point can be made in respect of the human-made global commons. As indicated in the annex table, their provision problem is just the opposite, viz. under-use. Certainly, these GPGs interest us in some ways in their own right; otherwise they would probably not have been created. Yet, they also figure on the international agenda, because in some countries these GPGs, such as the universal human rights, are still so seriously under-used, or curtailed, that the resultant ill-effects spill across borders – in the form of political conflict, intolerable genocide, shameful poverty, illegal migration, and so on. Thus, the human-made commons turn back into a policy concern that needs active management – they slip into the third category of GPGs shown in the table, into the new class of GPGs. In a way, this fact tells us that a human-made common, such as some of the universal human rights, are not yet truly a common. Those that are, such as the ban on slavery, have a clearer external, ‘untouchable’ quality. They form a firm part of our normative environment.

Clearly, the new class of GPGs is often not just additional to the more traditional ones. It also poses more complex management challenges. In addition to agreements *between* countries, these GPGs require concrete developmental change at the national level, and often not just change, that governments are primarily responsible for, but change that also involves the public at large.

Most of these changes have been in the making for decades. Maybe, we have been so pre-occupied with the globalization of private activity and market forces that the – basically quite obvious – need for a matching globalization of public goods escaped our attention. Also, it has been only recently that the accumulating effects of the current under-provision of these goods made itself felt more acutely. But now that policy analysts, political leaders and the general public are becoming more aware of this new class of global public goods, what do we know about their production process? And what could be the UN’s role in ensuring an enhanced provision of GPGs, notably that of the new type of GPGs?

II Providing Global Public Goods – Some of the Challenges Involved

Most public goods, whether the scope of their benefits – or costs – is local, national, regional or global – tend to have provision problems.

II.1 The 'Standard' Collective-action Problems

Public goods tend to suffer from under-supply, if there is no collective-action mechanism. The reason is their publicness: the fact that once they exist, they are available for all. So, it is often the best and most rational strategy for individual actors to let others step forward and make the effort; and when the good exists, simply to enjoy it, free of charge. This problem is known as 'free-riding'. But the need for collective action, that many public goods pose, also gives rise to other problems, such as the 'prisoner's dilemma', which stems from information problems and uncertainty.

At the national level, the state often is brought in to help individual, private actors to overcome such collective action problems – through the promulgation of laws, the setting of standards, taxation, or the direct provision of certain goods and services. Internationally, nation states tend to behave like private actors: they pursue *their* respective national (private) self-interest. But as the mounting volume of international agreements demonstrates, international cooperation can, nevertheless, succeed. Collective action problems among states have been thoroughly investigated, and by now, we know quite well the factors that foster international cooperation. Among them are, for example: certainty – about the nature of the problem and possible solutions; good economics – clear net benefits; fairness – if not in the short term, then at least, in the medium and longer-run; credible agreements – clear 'carrots and sticks' for compliance and non-compliance, and so on.²

These considerations also international cooperation around the new type of GPGs. But the new class of goods also raises new issues.

II.2 Added Public Policy Challenges

Many of the new GPGs do not fit well into the existing system of public policy-making. They suffer from three key weaknesses, or gaps.

II.2.1 The jurisdictional gap

This gap refers to the discrepancy between the global nature of today's major policy challenges and the still predominantly national scope and focus of policy-making. There are several dimensions to this problem. One is that in many, if not most countries, there still exists a rather sharp divide between 'domestic' and 'foreign' affairs.³ Foreign affairs is being treated like a separate sector, typically comprising external political relations with other countries as well as some trade and defense matters. Moreover, foreign affairs is typically handled by the executive branch of government, notably the conventional diplomatic corps. Their focus is often on defense, keeping problems out of the country and safeguarding external security, or on promoting in a competitive way national interests.

Increasingly, foreign embassies are also staffed with representatives of other sector ministries, covering issues such as the environment, human rights, finance, drugs, or terrorism. That change reflects a first adjustment to the new GPGs. It may help to bring a stronger sense of interdependence into international relations; but it does not change the predominantly technocratic management of international relations.

Another dimension of the jurisdictional gap is that parliamentarians, the legislative branch of government, are conspicuously absent from international negotiations and cooperation.⁴ They often come into contact with international agreements only once those have been finalized and need to be translated into national law. Agreements, that have no treaty character, may not be seen at all by parliamentarians. And if parliamentarians join national delegations to international meetings, they participate more as observers than as full members. As a result, they have little involvement in international affairs; and the focus of their work is essentially domestic. Also, one cannot take it for granted that in pursuing domestic concerns policy-makers always consider possible externalities – cross-border spillovers – of national actions. That practice is still rare. At best, it exists to some degree in the environment area.

As a result, the integrated production, i.e. the systematic combination of national and international action, that today's major policy issues require often does not happen. While many GPGs require a bottom-up provision process, the control of the corresponding bads can often be done top-down, at the international level. Take the example of financial crises. To build financial stability, many countries would have to change and create requisite national capacity. Achieving this goal is complex and time-consuming. Putting in place an international bail-out arrangement can be done more easily. The same applies to reducing poverty, which cannot just be done 'over night', and may in addition, sometimes face political opposition in the country in which it exists, or lack political support in possible donor countries. Tighter border controls to protect a richer nation against some of the unwanted effects of illegal immigration or other consequences of the persistence of poverty will often be a more do-able solution – albeit not necessarily an effective or efficient one.⁵

Similarly, while there is constant talk about budgetary constraints, governments always seem to find the resources to address to the effects of crises – financial, environmental, social, political and military.

Hence, we find at present a certain pre-occupation with controlling bads. Some reasons for that are understandable. Compared to the provision of goods, controlling bads is often a more evident and – in terms of time as well as resources – more limited activity. But the control of bads often does not lead us towards the desired goods. For example, providing a financial rescue package to a country may not necessarily help in enhancing its banking regulations and supervision or improving its accountancy practices. Or, trying to assist rising numbers of unemployed may not necessarily do much for stimulating the world economy and restoring global growth.

National coping strategies or international emergency arrangements are important and necessary but not sufficient for remedying the current under-provision of so many GPGs.

II.2.2 The participation and incentive gaps

As we saw before, the provision of GPGs is often a multi-actor process. Because of their legislative powers, governments often come into play. But many goods depend on contributions from all actors. Many, such as the issue of a stable global climate, even concern future generations.

Yet, international cooperation is still primarily an inter-governmental process. Other actors, notably CSOs, are trying hard to come into the process. This participation gap also affects other actors. Developing countries are often under-represented in international gatherings. And so are, of course, the voices of future generations.

The result is that the international policy agenda often reflects only the concerns of the more strongly represented actors and ignores those of the poor and other marginalised groups. The fact, that the benefits of certain goods are public, does not necessarily mean that all actors value them equally. The priority they attach to certain goods, private and public, may vary, depending on their specific living conditions – stage of development, socio-cultural and political context, and so on.

And although goods are public, and hence non-excludable, they may not be accessible for all. This may sound paradoxical. But consider for example, the Internet. It has strong qualities of a GPG. Yet, poor people may not be able to afford a computer or the fee for the Internet service provider. Or, malaria may not be a top concern for rich people in Northern, industrial countries. But it is for many people in developing countries. And a malaria-free world would be a GPG.

The meeting of the World Trade Organization (WTO) in Seattle in late 1999 provided another important lesson. A multilateral free trade regime qualifies as a GPG. But free trade in a highly unequal world may lead to ‘winner-take-all’ situations and re-enforce inequality. Because of the inter-governmental, technocratic and ‘exclusive’ nature of trade negotiations it took this issue a long time to fully enter the debate. And in Seattle, it finally was heard – because of massive CSO rallies and street demonstrations.⁶

All of this demonstrates that lack of participation can distort political agendas, weaken the legitimacy of forums and seriously impede collective action.

Lack of adequate opportunities and mechanisms for participation is itself a disincentive to participate, and hence, closely linked to the third public policy weakness to be examined here, the incentive gap.

International cooperation today is broader in scope than the cooperation required by traditional GPGs. As we noted, it has moved from between-country and at-the-border issues to issues of behind-the-border policy convergence and joint production of actual developmental change. This makes the operational – implementation – side of international agreements more important. And because of the systemic risks we are facing, it also calls for attention to clearly defined targets (e.g. pollution limits) and dates.

Yet, the implementation of international agreements, all too often, relies still only on the aid modality.⁷ Other, more effective and efficient incentive mechanisms are sorely lacking. Some are under discussion. For example, the Clean Development Mechanism, recommended under the Kyoto Protocol on climate change, constitutes a first step towards a more market-based mechanism for trading global environmental services. The same holds true for the incremental-cost approach adopted by the Global Environment Facility (GEF).

Effective incentives are especially important in a world of extreme diversity as ours. They are needed in order to motivate actors, who may have different policy preferences, nevertheless to find common ground and to act jointly on certain urgent issues.

Thus, important aspects of the current public policy-making institutions are out of synch with today's policy issues, and hence, in need of reform, nationally and internationally. What role could the UN play in encouraging such reform and in assisting the international community to better manage the provision of GPGs?

III The UN's Role in Provisioning Global Public Goods

It is puzzling that at a time when interdependence is increasing, and besides the globalization of private activity also that of public policy becomes more urgent, the UN seems to be in crisis. So, is it even appropriate to ask what future role there is for it in managing GPGs?

III.1 The UN's Present 'Crisis'

International economic activity has increased during the past decades, especially if we take into account not only intended but also unintended activities, i.e. externalities of national activities. Consequently, international cooperation in many areas has gained in importance and is, in many instances, requiring a highly professional, technical approach. This requirement has led to a growing differentiation in international cooperation, that is, to the emergence of a growing number of specialized forums – for telecommunications, transport, law and other regulation of different types, health, and agriculture, or environmental issues. Just think of how many facilities and mechanisms have in the recent past emerged in the last issue area.

The result of these trends has been an ‘out-migration’ of issues from the UN. Issues that previously figured on the agenda, let us say, the Economic and Social Council (ECOSOC), are now being handled in more specialized forums – e.g. the GEF, the WTO, or the World Bank. In addition, some types of cooperation have become so well established – e.g. those in the areas of civil aviation – that they progress without serious political conflict, and hence, without attracting much attention.

The UN’s present ‘crisis’ is, in large measure, a consequence of its success – of progress in multilateral cooperation. And it is a reflection of today’s multi-actor world and the horizontal de-concentration of power it entails. Many issues are now being simply handled by other, more specialized actors. But again, it is not a crisis to avert over-burdening international, inter-governmental forums with issues that other actors are better suited to address. Rather, it is a sign of efficiency – of saving in terms of transaction costs.

So, let us now phrase our question in a more pointed way: What, if anything, could the UN do in terms of managing GPGs that other organizations, including the specialized agencies of the UN system, or actors could not do as well or better?

III.2 Possible Elements of a UN Role: Putting GPGs into Focus

The following list is not exhaustive. It just illustrates some first steps and the type of activities that could be appropriate for the UN to take in order to assist the international community in better managing the provision of GPGs.

- i. Enhancing the understanding of GPGs: the UN as manager of a global GPG knowledge bank

The time has come to take the concept of public goods, and notably that of GPGs, out of the rarified circle of select economists and international relations specialists, to which it is, in large measure, confined at present, and to bring it into the general public. After all, GPGs are the goods of the global public.

The UN itself constitutes a GPG: an intermediate GPG required to produce such final GPGs as peace and security or global justice and balanced development. The same holds true for the specialized agencies of the UN system. WHO is an intermediate good for the production of global health; UNEP or the GEF are goods that feed into the production of environmental sustainability. So, who, if not the UN, would be most concerned about clarifying the concept of GPGs and creating enhanced awareness about them?

In order to make the concept actionable and a cornerstone of future international cooperation, more than just a few additional academic studies or public-relations campaigns are needed. The goal should be to create a global knowledge bank on GPG-related issues. A

major task of such a facility could be to store information on issues, that are critical to fostering international cooperation. Examples are: the likely costs of continuing the under-provision of particular GPGs – and their distribution between different population groups and countries; the nature of various GPGs and existing knowledge about their production technology; the geographical and social distribution of the likely net benefits that an enhanced provision of certain goods might yield; the actors involved in producing certain goods; and the nature of the collective-action problems that certain goods pose, and what they might require in terms of negotiating processes.

Such a GPG-focused knowledge bank would considerably enhance the transparency of international negotiations and cooperation. In particular, it would be of valuable assistance to smaller countries whose delegations are increasingly strained by the growing number of issues that figure on the international political agenda. The bank would also help national policy-makers to be better connected with international policy dialogues and go a long way in overcoming the present ‘domestic’-‘foreign’ divide.

Certainly, such a knowledge bank would be a joint endeavour of the UN and the various UN system agencies. Efforts towards constructing such an arrangement are emerging in various places. WHO’s FluNet and WHONET go into this direction; and so do UNDP’s NetAid and the World Bank’s Global Development Network (GDN). Also, as the experience with these networks and sites illustrates, a GPG knowledge bank could not just be an inter-governmental endeavour but would need to be systematically linked with all concerned actors – academia, politicians, global advocates, business, media, grass-root activists, and so on.

Today, one would be hard-pressed to find the GPG concept in any UN document or report; and it would be similarly difficult to find UN analyses that assess – and seek to improve – cooperation processes from a GPG perspective. The GPG notion, and hence the insight in the organization’s own functioning, are one of the best-kept secrets in the UN. To change that is a prerequisite of further reform and a revitalized role of the UN.

ii. Spotting under-provision: the need for a new Global Trusteeship Council

One wonders why millions perish from malaria but billions in R&D dollars are lavished on less lethal diseases; or why unequal access to the Internet is not yet receiving more policy attention. And why are we not as yet more concerned about the under-utilization of existing knowledge, commercial and other? Why not more anxiety over the effects of lead poisoning on the health of children in the world’s mega-cities? Are we waiting for the next mass demonstrations, the next catastrophe?

Surely, information on all these issues is available; and many reports have issued warnings. Yet, these alerts seem to be unable to grab the full attention of policy-makers. Obviously, some stronger whistle-blowing is needed.

It could be an appropriate function for the UN, notably the Secretary-General, to take on this role. A council of eminent, independent personalities – a new Global Trusteeship Council – could assist the Secretary-General in this task of acting as a custodian of sustainable, or ‘steady-course’ development.

It could be part of the Council’s mandate to look out for emerging crisis situations but also to bear in mind the question of “Whose GPGs?” and to help ensure that the international development agenda is just and fairly balanced.

A report of the Global Trusteeship Council’s observations could be annually submitted by the Secretary-General to the UN General Assembly, with requests for action, if needed, by the Security Council, ECOSOC or the specialized agencies.

iii. Promoting participatory policy-making: the UN as a multi-actor venue

The Global Trusteeship Council will help promote a more comprehensive and just agenda for international cooperation. Yet, it is no substitute to affording all population groups a fair chance to be represented in the global policy dialogue, express their own concerns and propose policy options. Participation in decision-making is critical to fostering ownership of policy change and to participation in its implementation; and the provision of GPGs depends on just and fair – legitimate – decision-making. It also depends on linking more systematically national, regional and global-level actions.

From an inter-governmental viewpoint, the UN is one of the most participatory multilateral organizations. And it has achieved considerable progress in collaborating with CSOs, and most recently, also with private business. Yet, the involvement of nonstate actors has often developed in an ad hoc manner and in response to pressures. In order to foster these new relationships more systematically and create examples, that others could emulate, it would be important for the UN to rigorously assess the experiences gained to date and encourage broad-based consultations on how to organize tripartism in the future.

A vast set of issues would need to be clarified in this respect. Chief among them is the question of whether the UN is to be an inter-governmental body that seeks to be more open to consultations with other actors. Or, whether it should become a genuinely tripartite body – a joint gathering of representatives of states, business and civil society. One option does not exclude the other. The UN could be a venue for both types of gatherings – for inter-governmental meetings (with provisions for systematic consultation with the other two major actor groups) and for tripartite meetings (in which all actors would meet as full participants). Each of these options poses different organizational challenges. Obviously, the world is beginning to sense the need for joint tripartite forums. The ‘Davos Forum’, organised by the World Economic Forum, is an expression of this fact. It constitutes a pragmatic response to what is as yet an uncertain, and often even not fully recognized, requirement. Similarly, a growing number of loosely-knit tripartite global public policy partnerships are emerging, centred around a number of quite varied issues – ranging from malaria control to combating

corruption and establishing ‘good policy’ principles for the construction of dams.⁸ But will such loose arrangements do in future? Or, is there a need to institutionalize such arrangements more firmly?

The issue of a new tripartism between governments, business and civil society, emphasizes the need for horizontal coordination between actor groups. The vertical dimension concerns the linkages between various regional institutions, notably the regional economic blocks, and global multilateralism. As global public bads become more pervasive, regional bodies—such as EU, OAU, OAS or ASEAN—will play a larger role in forging consensus on policy responses and more importantly in promoting effective implementation of international agreements. The UN can play a central role in bringing regional bodies into the global policy debate—both to help build knowledge and consensus on problems and possible solutions, and as key partners in implementing global policies.

At present, the various regional bodies are largely disconnected from the global policy debate. The Secretary-General can begin a new process of revitalizing those bodies towards a future where they serve as reliable partners of the UN in the management of GPGs. This could help create synergies between the different provision levels and also encourage a more systematic approach to subsidiarity.

Meetings are costly; and large meetings even more so. So, they should be used sparingly and with a clear purpose in mind. The purpose of the expansion of meetings suggested here would be to enhance developmental effectiveness and efficiency. Enhanced openness and transparency of UN meetings will strengthen their legitimacy; and strengthened political support, or ‘buy in’, will encourage follow-up. Problems might be addressed more promptly rather than only after they led to costly emergencies.

- iv. Finding a ‘home’ for all GPG issues: the need to complement sector-based by issue-focused organizations

When the UN was founded, the then prevailing notion of development was not only one of national development but one of national economies being composed of sectors such as education, health, industry, agriculture, or transport. National development was in large measure seen as the sum total of sector development; and global development as the sum total of national development. By now we have realized that also cross-cutting issues matter, e.g. those of equity, including gender equity, or sustainability. Moreover, many problems, that, at first sight, may appear to be a sector-specific concern, such as the control of contagious diseases, in effect also pertain to a host of other sector issues – e.g. to budgetary matters, policies of employment and poverty reduction, education, or cultural norms. Hence, the development of sectors as such is often enough. Sector efforts must be focused on the issue at hand. They must be in line, as discussed before, with the production technology by which a particular public good abides.

The present organization of the UN system still follows primarily traditional sector lines. Yet, present policy challenges often require a strong issue – or, product – focus. They

call for the production of specific global public goods and services, often involving a multitude of actors, at various levels, contributing inputs from a multitude of sectors. Again, UN system member states have reacted to these new challenges in a flexible manner. More and more issue-specific mechanisms have been created, as we already saw in point III.1. For example, besides UNEP, which represents the environment in a general way, there now exist a host of issue-specific environment forums, concerned with such issues as bio-diversity, desertification, forests, the ozone shield, water, and so on.

While the development of an issue focus has progressed in some areas, it is still lacking in others. The area of 'social development' is a case in point. One reason for this lag could be that social issues are still being perceived as primarily domestic issues; and that all that is required internationally in this field is for governments to share in a general and non-committal way, national experiences and concerns. As a result, for example, meetings of the UN Commission for Social Development cover in one breath, issues ranging from poverty reduction to employment, social security and social integration. They rarely lead to specific, credible commitments; and many long-standing objectives, including for example, that of basic education for all, remain unmet. Certainly, it is important for a body such as the Commission to consider in a comprehensive way how people fare in the development process. Yet, cooperation agreements need to be forged on a more issue-specific basis. The field of 'social development' is certainly among those areas which would need to be further divided into more negotiable, 'biteable' sub-issues and in which a proper 'home', or negotiating forum, would have to be found for each sub-item to move it forward in a more targeted and decisive manner.

Clearly, if we had a Global Trusteeship Council, such stalemates in negotiations might have already been detected and brought to the fore. In the absence of such a Council, who would want to blow the whistle really shrill and loud? The countries who under-invested in social development? Those who may have to foot the bill, if they point out the problem? As the present situation once again demonstrates, GPGs, including that of global equity and cohesiveness, suffer without a mechanism for collective action.

One of the UN's roles in the future should thus be to spot issues that require international negotiation and cooperation, and once there exists political consensus, to actually tackle them and then to help find for them the 'ready' issues in the right specialized forum to negotiate concrete, operational cooperation agreements. Just as it has so successfully done in the past, the UN should help create cooperation mechanisms, short-term or longer-term ones, as the case may be. The more pro-actively it helps move issues through the 'cooperation chain', the freer will be its vision – and its agendas – for new, emerging concerns.

v. Addressing cross-cutting concerns: the UN's proper role

The foregoing suggestion raises the question of whether such further differentiation of international cooperation will not lead to a further thinning of the UN's agenda, and thus,

to further marginalization of the organization. It might, indeed, shift some items, notably from the agenda of ECOSOC or that of the General Assembly. But these would be very detailed, technical issues, that probably ought not to figure in the first place. A less crowded agenda of the main UN bodies would create room for the consideration of new concerns, which no other institution would be as well suited to address than the UN. These are the broad issues of where the world as a whole is headed – where in terms of growth, stability, justice, sustainability, or peace, i.e. the type of issues that the Secretary-General, based on the report of the Global Trusteeship Council, would be expected to bring to the world's attention.

In fact, one could envision the future UN as the governance centre of the UN system and its growing number of specialized agencies, programmes and mechanisms.

In order to explain this role more fully, it is useful first to examine the next point, the proposal for a changed composition of member state delegations to the UN.

vi. Changing the composition of member-state delegations: the UN as an inter-parliamentary body

As we noted before, international cooperation, whether at the level of consultation, negotiation or operational activities, is currently primarily in the hands of the executive branches of government. Parliamentarians are largely absent from these processes. Thus, public policy-making in its true sense happens at present, essentially only at the level and within the confines of the nation state. International cooperation, and hence, globalization are technocratically-managed processes. This creates serious discrepancies between national policy needs and international actions, between international agreements and incentives for national-level follow-up.

In order to reduce these discrepancies and create closer links between all levels of development, it would be important to have a venue in which representatives of national parliaments could meet – let us say, the chairs of various parliamentary committees – to discuss international cooperation perspectives and needs. Maybe, the UN's main bodies could be transformed to serve as such a venue. This would mean to draw the main members of the delegations to the UN not any longer from the executive branches of government but from the legislative ones. The chief delegates would not be bureaucrats or technocrats but national legislators. Their decisions and agreements could be passed on for implementation, either to the national level, to regional bodies or to the specialized UN or UN system entities.

The specialized UN system bodies could, probably, continue to be staffed by representatives of the executive side of government (in addition, of course, to representatives of other, nonstate actor groups). Or alternatively, representatives of the concerned parliamentary committees could participate also in these meetings in a more systemic way than hitherto.

A UN General Assembly composed of national parliamentarians would be the right forum for offering a more integrated, political perspective on world trends and providing the political oversight of international cooperation so sorely lacking now.

Conclusion

The present paper has addressed three main issues: the GPG nature of today's major policy challenges; some of the key challenges entailed in the provision of GPGs; and possible elements of a role that the UN could play in order to assist the international community to enhance the availability of GPGs and move the world out of the present web of crises in which it seems to be caught.

The discussion has shown that we are facing a new class of GPGs, which we have called 'global policy outcomes'. The emergence and growing importance of these goods requires that international cooperation move from dealing just with *between* or *at-the-border* issues to also managing a growing number of issues of *behind-the-border* convergence in national public policy. This challenge is still a rather unfamiliar one; and most importantly it does not fit easily into the conventional patterns of public policy-making. In fact, from the viewpoint of the new class of GPGs public policy-making is beset by three major weaknesses: a jurisdictional, participation, and incentive gap. All three impede international cooperation and cause under-provision of GPGs. One of the most serious obstacles is linked to the jurisdictional gap: the divide between 'foreign' and 'domestic' affairs, that is still strong in most countries, and keeps the legislative side of government, parliamentarians, largely out of international cooperation -- and consequently, international cooperation out of policy-making.

The paper recommends in particular, six steps, through which the UN could assist the international community in better managing the provision of GPGs. All six imply a major reform of the UN. However, while each one of them is more or less self-contained and could be taken separately, the first five suggestions would stand a better chance of success and be more meaningful, if the last step would be implemented as a matter of priority -- the proposal to transform the UN from an inter-governmental, executive body into an inter-governmental, legislative -- an inter-parliamentary -- body.

Having witnessed the terrible devastation caused by the two World Wars, the political leaders in the 1940s had the vision to recognize that many concerns, notably those of freedom from want and fear, are global; and that it may at times be detrimental to allow national borders to cut through their globality. But in some respects, the UN was born before its time. Many nation states, which are -- and will continue to be -- critical as policy-making entities, had as yet to be created. Now that this task is accomplished, the international community faces the daunting challenge of how to combine the existence of nation states with that of the globality of so many policy concerns. It will again require tremendous leadership and vision to resolve this challenge. A way forward could be to firmly and unwaveringly respect the external

sovereignty of countries, i.e. the security of their borders. But that does not – and ought not – prevent national policy-makers in using their policy-making sovereignty more flexibly – not just nationally, but when it is best for the issue under consideration, also regionally, and globally.

ANNEX I– TABLE 1

Global concerns as global public goods: a selective typology

Class and type of global good	<i>Benefits</i>		Nature of the supply or use problem	Corresponding global bad	<i>Costs</i>	
	Nonexcludable	Nonrival			Nonexcludable ^a	Nonrival ^b
1. Natural global commons						
Ozone layer	Yes	No	Overuse	Depletion and increased radiation	Yes	Yes
Atmosphere (climate)	Yes	No	Overuse	Risk of global warming	Yes	Yes
2. Human-made global commons						
Universal norms and Principles (such as Universal human rights Knowledge Internet (infrastructure))	Partly	Yes	Underuse (repression)	Human abuse and injustice	Partly	Yes
	Partly	Yes	Underuse (lack of access)	Inequality	Partly	Yes
	Partly	Yes	Underuse (entry barriers)	Exclusion and disparities (between information rich and information poor)	Partly	Yes
3. Global conditions						
Peace	Yes	Yes	Undersupply	War and conflict	Partly	Yes
Health	Yes	Yes	Undersupply	Disease	Yes	Yes
Financial stability	Partly	Yes	Undersupply	Financial crisis	Yes	Yes
Free trade	Partly	Yes	Undersupply	Fragmented markets	Yes	Yes
Freedom from poverty ^c	No	No	Undersupply	Civil strife, crime and violence	Yes	Yes
Environmental sustainability ^c	Yes	Yes	Undersupply	Unbalanced ecosystems	Yes	Yes
Equity and justice ^c	Partly	Yes	Undersupply	Social tensions and conflict	Yes	Yes

Note: This typology includes primarily issues that are the subject of the case studies in this volume. In addition, it refers only to final global public goods and bads, not to intermediate ones such as global regimes and institutions.

a. Here nonexcludable means that it is difficult for anyone to avoid bearing the costs of the bad.

b. Here nonrival means that one person's being affected by a bad—such as a disease—does not reduce the extent to which others are affected.

c. The demand for these goods emerges to the extent that the overuse of natural global commons or the underuse of human-made global commons assumes alarming proportions.

Source: Kaul et al. (1999b).

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Notes

¹ The discussion in this section draws on Kaul et al. (1999a). The interested reader may also consult Cornes and Sandler (1996), Sandler (1997 and 1999).

² For more detailed discussions on the 'dos' and 'don'ts' of international cooperation, see, for example, Axelrod (1984), Keohane (1984), Krasner (1983), Martin (1992), and Oye (1986).

³ An interesting survey of 'foreign affairs', based on a collection of case studies covering industrial as well as developing countries is presented in Hocking (1999).

⁴ The information on this point is comes from a survey of delegations of UN member states to selected meetings and conferences. See Eldhagen (1999).

⁵ For overview analyses of the production function of various GPGs, see, in particular Sandler (1997) and Jayaraman and Kanbur (1999). The differences in strategy, that often exists between 'controlling bads' and 'producing goods', have, in particular, been identified in Kaul et al. (1999b). More detailed discussions on the provision of selected GPGs, ranging from market efficiency and financial stability, to equity, health, knowledge and culture, the environment as well as peace and security, see the case studies contained in Kaul et al. (1999).

⁶ For reports on CSO initiatives linked to the December 1999 WTO meeting in Seattle, see for example, de Jonquières and Williams (1999). As these reports show, the CSOs from developing countries had different concerns from those that brought industrial-country CSOs to Seattle. Southern CSOs were, among others, concerned about further marginalization of their countries, while Northern CSOs, including trade unions, feared free trade to lead to a reversal in their countries' standards, such as wage levels and environmental norms, or as regards child labour, violate their human-rights notions. The shared element of their concerns was that 'free trade' and 'market efficiency' cannot be the sole principles by which we organize our lives.

⁷ An interesting attempt at analyzing the use of aid resources for non-aid purposes, notably purposes that serve ‘global house-keeping ‘ goals such as the protection of the ozone shield or other global environment objectives, is presented in Raffer (1999).

⁸ Reinicke (1999) presents an overview of the growing trend towards global public policy partnerships.