

# Global Governance

## *Our Global Neighborhood*

The Report of the Commission on Global Governance

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# Our Global Neighborhood

## Report of the Commission on Global Governance

### Chapter One -- A New World

The collective power of people to shape the future is greater now than ever before, and the need to exercise it is more compelling. Mobilizing that power to make life in the twenty-first century more democratic, more secure, and more sustainable is the foremost challenge of this generation. The world needs a new vision that can galvanize people everywhere to achieve higher levels of co-operation in areas of common concern and shared destiny.

Fifty years ago, international co-operation, collective security, and international law were powerful concepts. In 1945, world leaders met in San Francisco to sign the United Nations Charter, a document expressing the universal hope that a new era in international behaviour and governance was about to begin. The onset of the cold war did not entirely smother that hope, but it greatly diminished its fulfilment.

As the cold war ended in 1989, revolution in Central and Eastern Europe extended the movement towards democratization and economic transformation, raising the prospect of a strengthened commitment to the pursuit of common objectives through multilateralism. The world community seemed to be uniting around the idea that it should assume greater collective responsibility in a wide range of areas, including security--not only in a military sense but in economic and social terms as well--sustainable development, the promotion of democracy, equity and human rights, and humanitarian action.

In the three years since the idea for the Commission on Global Governance was advanced by the Stockholm Initiative and endorsed by leaders around the world, the mood has changed significantly. Today, given such experiences as the Gulf War, the enormities of ethnic cleansing in the Balkans, brutal violence in Somalia, and genocide in Rwanda, there is far less assurance. And there is deepening disquiet over the actions--and in some cases the inaction--of governments and of the United Nations. Instead of coming together around a common vision of the way forward, the world seems in danger of losing its way.

#### **The Concept of Global Governance**

There is no alternative to working together and using collective power to create a better world.

Governance is the sum of the many ways individuals and institutions, public and private, manage their common affairs. It is a continuing process through which conflicting or diverse interests may be accommodated and co-operative action may be taken.

It includes formal institutions and regimes empowered to enforce compliance, as well as informal arrangements that people and institutions either have agreed to or perceive to be in their interest.

Examples of governance at the local level include a neighbourhood co-operative formed to install and maintain a standing water pipe, a town council operating a waste recycling scheme, a multi-urban body developing an integrated transport plan together with user groups, a stock exchange regulating itself with national government oversight, and a regional initiative of state agencies, industrial groups, and residents to control deforestation. At the global level, governance has been viewed primarily as intergovernmental relationships, but it must now be understood as also involving non-governmental organizations (NGOs), citizens' movements, multinational corporations, and the global capital market. Interacting with these are global mass media of dramatically enlarged influence.

When the United Nations system was created, nation-states, some of them imperial powers, were dominant. Faith in the ability of governments to protect citizens and improve their lives was strong. The world was focused on preventing a third world war and avoiding another global depression. Thus the establishment of a set of international, intergovernmental institutions to ensure peace and prosperity was a logical, welcome development.

Moreover, the state had few rivals. The world economy was not as closely integrated as it is today. The vast array of global firms and corporate alliances that has emerged was just beginning to develop. The huge global capital market, which today dwarfs even the largest national capital markets, was not foreseen. The enormous growth in people's concern for human rights, equity, democracy, meeting basic material needs, environmental protection, and demilitarization has today produced a multitude of new actors who can contribute to governance.

All these emerging voices and institutions are increasingly active in advancing various political, economic, social, cultural, and environmental objectives that have considerable global impact. Some of their agendas are mutually compatible; others are not. Many are driven by positive concerns for humanity and the space it inhabits, but some are negative, self-serving, or destructive. Nation-states must adjust to the appearance of all these forces and take advantage of their capabilities.

Contemporary practice acknowledges that governments do not bear the whole burden of global governance. Yet states and governments remain primary public institutions for constructive responses to issues affecting peoples and the global community as a whole. Any adequate system of governance must have the capacity to control and deploy the resources necessary to realize its fundamental objectives. It must encompass actors who have the power to achieve results, must incorporate necessary controls and safeguards, and must avoid overreaching. This does not imply, however, world government or world federalism.

There is no single model or form of global governance, nor is there a single structure or set of structures. It is a broad, dynamic, complex process of interactive decision-making that is constantly evolving and responding to changing circumstances. Although bound to respond to the specific requirements of different issue areas, governance must take an integrated approach to questions of human survival and prosperity. Recognizing the systemic nature of these issues, it must promote systemic approaches in dealing with them.

Effective global decision-making thus needs to build upon and influence decisions taken locally, nationally, and regionally, and to draw on the skills and resources of a diversity of people and institutions at many levels. It must build partnerships--networks of institutions and processes--that enable global actors to pool information, knowledge, and capacities and to develop joint policies and practices on issues of common concern.

In some cases, governance will rely primarily on markets and market instruments, perhaps with some institutional oversight. It may depend heavily on the co-ordinated energies of civil organizations and state agencies. The relevance and roles of regulation, legal enforcement, and centralized decision-making will vary. In appropriate cases, there will be scope for principles such as subsidiarity, in which decisions are taken as close as possible to the level at which they can be effectively implemented.

The creation of adequate governance mechanisms will be complicated because these must be more inclusive and participatory--that is, more democratic--than in the past. They must be flexible enough to respond to new problems and new understanding of old ones. There must be an agreed global framework for actions and policies to be carried out at appropriate levels. A multifaceted strategy for global governance is required.

This will involve reforming and strengthening the existing system of intergovernmental institutions, and improving its means of collaboration with private and independent groups. It will require the articulation of a collaborative ethos based on the principles of consultation, transparency, and accountability. It will foster global citizenship and work to include poorer, marginalized, and alienated segments of national and international society. It will seek peace and progress for all people, working to anticipate conflicts and improve the capacity for the peaceful resolution of disputes. Finally, it will strive to subject the rule of arbitrary power--economic, political, or military--to the rule of law within global society.

Effective global governance along these lines will not be achieved quickly: it requires an enormously improved understanding of what it means to live in a more crowded, interdependent world with finite resources. But it does provide the beginning of a new vision for humanity, challenging people as well as governments to see that there is no alternative to working together and using collective power to create a better world. This vision of global governance can only flourish, however, if it is based on a strong commitment to principles of equity and democracy grounded in civil society.

It is our firm conclusion that the United Nations must continue to play a central role in global governance. With its universality, it is the only forum where the governments of the world come together on an equal footing and on a regular basis to try to resolve the world's most pressing problems. Every effort must be made to give it the credibility and resources it requires to fulfil its responsibilities.

Vital and central though its role is, the UN cannot do all the work of global governance. But it may serve as the principal mechanism through which governments collaboratively engage each other and other sectors of society in the multilateral management of global affairs. Over the years, the UN and its constituent bodies have made vital contributions to international communication and co-operation in a variety of areas. They continue to provide a framework for collaboration that is indispensable for global progress. But both the United Nations itself and the broader UN system need to be reformed and revitalized, and this report addresses these

needs in the context of the new world that has emerged.

The first challenge for us as a Commission is to demonstrate how changes in the global situation have made improved arrangements for the governance of international affairs imperative, and to point to the concepts and values that should underpin these arrangements so they may produce a world order that is better able to promote peace and progress for all the world's people. That is what we attempt to do in the first two chapters of this report. It is against this background that we offer the substantive recommendations set out in the subsequent chapters.

## **The Phenomenon of Change**

*Never before has change come so rapidly, on such a global scale, and with such global visibility.*

Nelson Mandela's inauguration as President of the Republic of South Africa in May 1994 marked the virtual completion of a major transformation of modern times. The enfranchisement of South Africa's black population may be seen as part of the final phase in the liberation from colonialism and its legacy. This process has nearly quadrupled the world's sovereign states and fundamentally altered the nature of world politics.

One effect of World War II was to weaken the traditional great powers of Europe--the United Kingdom and France--and so trigger a fundamental shift in the relative standing of world powers and the structure of world politics. Just as important was the role of the war in the collapse of the old colonial order. The most important development of the last five decades may be the emergence of new economic and political powers out of the developing world. In a relatively short time, countries such as India and Indonesia have become significant regional powers. For countries such as Brazil and China the path has been different, but the result the same. To comprehend the immensity of these changes, just imagine the difference between the delegates present in San Francisco and those who would be present--and the influence they would exercise--if such a conference were convened in 1995, or how different the Security Council would be if it were created from scratch today.

The transformation from colonialism was accompanied--indeed, it was fuelled--by a revolution in communication. Thirty years before Mandela made the transition from liberation leader to head of government before a global audience, no satellites carried images of the trial at which he was sentenced to life imprisonment. Over the years of struggle, the communications media revealed, and to some degree reinforced, progress towards liberation. In 1945, as the delegates of fifty countries assembled to form the United Nations, television itself was in its infancy. Many people probably had no idea what had happened in San Francisco. In the fifty years since then, the revolution in communications has quickened the pace of interaction and strengthened the imperative of response.

The last few decades have also witnessed extraordinary growth in global industrial and agricultural productivity, with profound social consequences. Among these have been migration and urbanization that in turn have upset traditional household structures and gender roles. The same forces have depleted non-renewable natural resources and produced environmental pollution. They also first subdued and subsequently reinforced ethnicity, nationality, and religion as sources of identity and the focus of political commitment.

The very tendencies that now require and even facilitate the development of global governance have also generated obstacles to it. For example, the perceived need for co- operation between developing states--whether through regional organizations or such broader groups as the Non- Aligned Movement or the Group of 77--had to contend with the strong nationalism and regard for sovereignty borne out of independence struggles. The Commission believes that such contradictions can be resolved, and that this may best be achieved through a system of global governance that includes the whole range of associations and interests--both local and global, formal and informal--that exist today.

## **Globalization**

Deregulation, interacting with accelerating changes in communications and computer technology, has reinforced the movement towards an integrated global market. The changing patterns of economic growth of the last few decades have produced new poles of dynamism. Germany and Japan, vanquished in World War II, have dislodged the United Kingdom and France in economic league tables. The European Union matches the United States as an economic power. New areas of economic vibrancy are appearing in Latin America. The striking performance of the four Asian 'tigers' and of China, with countries such as India and Indonesia not far behind, is shifting the world centre of economic gravity.

Developments such as these are even shifting the meaning of traditional terms and rendering many of them less useful. There is no longer an East to be juxtaposed against the West. With the abandonment of communism, capitalism has become even more of an omnibus term that hides important distinctions between different ways of organizing market economies. Similarly, the North-South dichotomy is becoming less sharp. And the problems of Africa are now strikingly different from those of South- east Asia or South America. More and more, it is disparities within nations and regions, both North and South, no less than the disparities among nations and blocs that reveal injustice and cause insecurity.

The term globalization has been used primarily to describe some key aspects of the recent transformation of world economic activity. But several other, less benign, activities, including the drug trade, terrorism, and traffic in nuclear materials, have also been globalized. The financial liberalization that seems to have created a borderless world is also helping international criminals and creating numerous problems for poorer countries. Global co- operation has eradicated smallpox. And it has eliminated tuberculosis and cholera from most places, but the world is now struggling to prevent the resurgence of these traditional diseases and to control the global spread of AIDS.

Technological advances have made national frontiers more porous. States retain sovereignty, but governments have suffered an erosion in their authority. They are less able, for example, to control the transborder movement of money or information. They face the pressures of globalization at one level and of grassroots movements and, in some cases, demands for devolution if not secession at another. In the extreme case, public order may disintegrate and civil institutions collapse in the face of rampant violence, as in Liberia and Somalia.

Mounting evidence indicates that human activities have adverse--and sometimes irreversible--environmental impacts, and that the world needs to manage its activities to keep the adverse outcomes within prudent bounds and to redress current imbalances. The

links among poverty, population, consumption, and environment and the systemic nature of their interactions have become clearer. So has the need for integrated, global approaches to their management and world- wide embrace of the discipline of sustainable development counselled by the World Commission on Environment and Development and endorsed at the June 1992 Earth Summit. The call is for fundamental changes in the traditional pattern of development in all countries.

## **The Need for Vision**

The last fifty years have radically and rapidly transformed the world and the agenda of world concern. But this is not the first generation to live on the cusp of a great transformation. The turbulence of the last decade is not unlike those that accompanied the rise of Islam in the century following the death of the Prophet, the European colonization of the Americas after 1492, the onset of the Industrial Revolution in the eighteenth century, and the creation of the contemporary international system in this century. Yet there is a distinction between the contemporary experience of change and that of earlier generations: never before has change come so rapidly--in some ways, all at once--on such a global scale, and with such global visibility.

A time of change when future patterns cannot be clearly discerned is inevitably a time of uncertainty. There is need for balance and caution--and also for vision. Our common future will depend on the extent to which people and leaders around the world develop the vision of a better world and the strategies, the institutions, and the will to achieve it. Our task as a Commission is to enlarge the probability of their doing so by suggesting approaches to the governance of the global, increasingly interdependent human society.

## **Military Transformations**

*The strategic terrain is now sharply different from what it was even five years ago.*

On 6 August 1945, the United States dropped the first atomic bomb on Hiroshima. The death toll, some 140,000 by the end of 1945, was to rise to around 227,000 by 1950--all from a single explosion that was small and primitive by current standards of nuclear weaponry. From then onward, the destructive power of nuclear weapons increased exponentially, and the world lived with the possibility that life on earth could end in one apocalyptic blast.

During the past fifty years, trillions of dollars have been spent on weapons that have never been used, chiefly by the United States and the Soviet Union. It has been argued that nuclear weapons prevented the bitter rivalry between these two countries from erupting in a full- scale war between them. It cannot, however, be denied that the development of nuclear arms brought enormous risks for humanity while absorbing money that could have supported worthier, life- enhancing purposes.

Nuclear weapons came to be seen as a badge of great- power status and a potential shield against a hostile world. All the permanent members of the Security Council felt it necessary to acquire their own nuclear capabilities. Several other countries also invested heavily in developing the ability to produce these weapons: Argentina, Brazil, India, Iraq, Israel, North Korea, Pakistan, and South Africa. Others are widely believed to have started on the same road. And there has been a further dispersion of



nuclear weapons material and technology following the breakup of the Soviet Union.

At the same time, there were large- scale sales of conventional weapons, particularly to developing countries. The Third World became increasingly militarized, drawing funds away from vitally needed economic and social development.

## **A New Arms Race**

The lessening of tensions in the 1980s between the United States and the Soviet Union started a process that led to dramatic reductions in the nuclear stockpiles of these countries. But the end of the East- West confrontation does not stop the spread of nuclear weapons: as long as these weapons exist, the risk of their use remains.

The world may, in fact, be on the verge of a new race to acquire weapons of mass destruction. These include biological and chemical weapons in addition to nuclear ones. The new arms race could also involve more countries. Even non- state entities-- drug syndicates, political movements, terrorist groups--could join it. A much wider range of interests and motives will have to be taken into account in efforts to discourage proliferation, and the factors to be considered in plans to deter the use of weapons of mass destruction will be vastly more complicated. There will also be higher risks of accidental war as the number of countries with these weapons rises.

In all these respects, the strategic terrain is now sharply different from what it was even five years ago. But weapons of mass destruction are only one factor in the global military equation. And for most people, they are still an abstract and distant threat compared with the threat that conventional arms pose.

## **The Arms Trade**

The period since 1945 may be regarded as a long peace only in the restricted sense that there has been no war between major powers. In other respects, and for much of the world, it has been a period of frequent wars. In a few of these, the United States and the Soviet Union were directly involved; in many others, their support was a key factor.

By one estimate, between 1945 and 1989 there were 138 wars, resulting in some 23 million deaths. But military force was also used elsewhere, without an actual war breaking out, as in Hungary in 1956, Czechoslovakia in 1968, and Grenada in 1983. The Korean War, which caused 3 million deaths, and the Vietnam War, which killed 2 million people, were the most deadly conflicts. All 138 wars were fought in the Third World, and many were fuelled by weapons provided by the two major powers or their allies.

Between 1970 and the end of the cold war in 1989, weapons worth \$168 billion were transferred to the Middle East, \$65 billion worth went to Africa, \$61 billion to the Far East, \$50 billion to South Asia, and \$44 billion to Latin America (all in 1985 dollars). The Soviet Union and the United States accounted for 69 per cent of the \$388 billion total. The surfeit of weapons, especially small arms, left over from this era is a key enabling factor in many conflicts now scarring the world.

Yet the arms trade continues. Although the demand for arms has declined as many countries face economic difficulties or feel less threatened since the end of the cold war, those that are buying find many countries eager to sell. The five permanent members of the Security Council provide 86 per cent of the arms exported to developing countries. In 1992, the United States alone accounted for 46 percent of the deliveries of weapons to these states. For arms exporters--the United States, Russia, United Kingdom, France, and Germany are the top five--strategic considerations now matter less than protecting jobs and industrial bases. And the huge research and development costs of major weapons often mean that even the largest domestic market cannot guarantee a profit.

## **The Rise in Civil Conflict**

In each of the last few years, at least thirty major armed conflicts--defined as those causing more than 1,000 deaths annually--have been in progress. Many have gone on for several years. Each has its own historic origins and proximate causes. Structural factors at the regional or global level are significant in many conflicts. The wars of Afghanistan and Angola are direct legacies of cold war power politics. Other conflicts, including those in Azerbaijan, Bosnia, Georgia, and Somalia, were in different ways precipitated by the end of the cold war and the collapse of old regimes. In many cases, structural factors have combined with tension across social cleavages, whether ethnic, religious, economic, or political, to fuel antagonisms. Personal ambitions and missed opportunities have played some part.

The risks of war between states have not been eliminated, and several sources of discord that could spark interstate war remain. Flashpoints have existed in many regions; the dissolution of the Soviet Union, leaving troublesome sources of contention between some of its successor republics, may have added to these. Meanwhile, it is conflicts originating within national polities--in Yemen, Rwanda, and the former Yugoslavia, for example--that have posed a formidable new challenge to the world community.

Until recently, the United Nations has had very little to do with these conflicts. The peace and security provisions of the UN Charter were designed to deal with wars between states, and it was not envisaged that the UN would intervene in the domestic affairs of sovereign states. But the United Nations is under public pressure to take action when violent strife within countries leads to extensive human suffering or threatens the security of neighbouring countries.

## **Widespread Violence**

A disturbing feature of the contemporary world is the spread of a culture of violence. Civil wars brutalize thousands of young people who are drawn into them. The systematic use of rape as a weapon of war has been an especially pernicious feature of some conflicts. Civil wars leave countless weapons and a legacy of continuing violence. Several political movements ostensibly dedicated to the liberation of people have taken to terrorism, showing scant regard for the lives of innocent civilians, including those in whose name they are fighting. Violence is sometimes perceived as an end in itself.

The ascendance of the military in many countries has contributed to an ethos inimical to human rights and democratic values. In

some societies, the trade in narcotics has been responsible for raising the general incidence of violence. Russia and some parts of Eastern Europe have seen a surge of violence as criminal syndicates seek to exploit the new freedoms. Widespread criminalization can threaten the very functioning of a state. In the United States, the easy availability of weapons goes with a startling level of daily killings. Ethnic violence in several parts of the world has shown extreme savagery.

Conflict and violence also leave deep marks on the lives of children, innocent victims who are rarely able to rid themselves of the legacy of war. The culture of violence is perpetuated in everyday life. Violence in the home, particularly against women, has long been an underestimated phenomenon, both widespread and tolerated, and part of both the roots and the consequences of violence within and between societies. The world over, people are caught in vicious circles of disrespect for the life and integrity of others.

A hopeful scenario portrays the present level of violence as a transitional phenomenon. In this view, the world is likely to become much more peaceful and secure for most of its inhabitants once it recovers from the disruptions caused by the sudden end of the cold war. Another scenario envisages a world divided into two: a prosperous and secure part that would include most of Western and Central Europe, East Asia, and North America, and a larger part of impoverished and violently conflicted territories without stable governments, which would include large areas of Africa, the Middle East, and South Asia and possibly bits of Central and South America.

In a third scenario, the entire world would be engulfed in spreading violence, and large areas would become ungovernable. Crime, drug abuse, high unemployment, urban stress, economic mismanagement, and ethnic tensions would lead to low-level violence or graver conflict in regions and cities throughout the world. In this view, the Chiapas rebellion in Mexico, the Los Angeles riots, the murders of journalists and academics in Algeria, and the appearance of neo-fascist movements in Europe--different though they are in character and scale--bode ill for their respective societies and the world as a whole.

Unless the optimism of the first scenario is borne out--even if the world does not move fully towards the forbidding situations projected in the other two scenarios--global governance faces a grave test.

## **Economic Trends**

*The dazzling performance of several developing countries has tended to blur the relentless growth in the number of the very poor.*

At the end of World War II, the United States, as the world's only thriving industrial economy, was thrust into an unparalleled position of economic leadership. From the early days of the war, U.S. and British officials set about designing a set of international institutions to promote economic recovery, full employment, free trade, and economic stability. The United Nations Relief and Rehabilitation Administration, the Bretton Woods institutions, and the General Agreement on Tariffs and Trade, together with the Marshall Plan launched by the United States to revive Europe, helped lay the foundation for the most rapid and sustained expansion of the international economy in history.

The driving force of the long post-war boom was the private sector. Major extractive, service, and manufacturing firms in Europe and North America had already developed a substantial international presence during the first half of the century. After 1945, the weight of these transnational corporations (TNCs) in the world economy grew as the pioneers matured and were joined by Japanese and subsequently by other Asian and Latin American enterprises. Complementing these were a number of massive state-owned firms, mostly in the energy and service sectors. Together and often through joint ventures, these transnational firms extended and intensified industrialization and brought about a globalization of production, trade, and investment that dramatically increased world economic interdependence. At the same time, however, it increased the vulnerability of the weak through uneven distribution of gains and pressures on natural resources.

From the early 1950s, the world's output grew at a historically unprecedented rate. During the four decades up to 1990, real output increased fivefold. The benefits of economic expansion were especially obvious in Western industrial countries. In one generation after 1950, per capita income increased in most of Europe as much as it had during the previous century and a half. A tide of new consumer goods flooded U.S. and European markets, transforming societies that only recently had suffered the hardships of the Great Depression and the ravages of World War II. The quality of life improved dramatically. Particularly in Europe, extensive social security systems were constructed. The welfare state, with widely accessible, high-quality health care and enlarged educational opportunities, appeared. In many countries, unemployment was kept at very low levels.

Many developing countries also achieved higher growth rates than those in the already industrialized world. Great strides were made in combating hunger and disease, improving sanitary conditions, and providing education. The gains, however, were not equally shared. Some groups began to enjoy vastly increased prosperity while others languished in poverty.

Since the 1970s, a succession of challenges has shaken confidence in the post-war order and slowed growth in many countries. A series of shocks--including the US government's 1971 decision to sever the dollar-gold link and the dramatic rise in oil prices starting in 1973--signalled the end of the easy growth years. At the end of the decade, recession in the industrial countries and anti-inflationary policies precipitated a sharp rise in real interest rates. Mexico's declared inability to service its debt in 1982 marked the onset of a debt crisis that engulfed much of Latin America and also Africa, where it aggravated already deep economic problems.

Many countries were caught in a debt trap, unable to maintain interest payments, let alone repay debt, public or private. Investment and imports were curtailed, exacerbating the difficulties of growing out of debt. Growth rates fell sharply, with average income per head actually falling on the two continents. Africa is today poorer than at the start of the 1970s. Everywhere, the poor suffered greatly from falling real incomes and rising unemployment.

The 'lost decade' of development--for some, actually a 'lost generation'--had roots both in domestic conditions and the international economic environment. Economic policies that were too inward-looking left countries unable to respond to external shocks, and proved unsustainable. Inadequate global economic governance both contributed to the crisis and, perhaps worse, postponed its resolution. Most countries have faced up to the crisis by introducing difficult and often painful structural adjustment programmes. Some, but not all, have as a result reversed economic decline. With policies for macro-economic stability and a market-driven recovery, a number of middle-income countries are experiencing a revival in economic strength. The crisis, especially in terms of human development, is still far from over, but most countries have a better sense of what could lead to sustainable

economic development.

At the same time, some developing countries had a radically different, much more positive experience during the 1980s. Particularly in Asia, a number of countries weathered adverse trends and in fact benefited from strong demand in the industrial world, achieving high levels of export- led growth. In the wake of the spectacular economic success of Hong Kong, Singapore, South Korea, and Taiwan, many other developing countries, including some of the world's most populous--China, Indonesia, Malaysia, and Thailand in Asia; Brazil, Chile, and Mexico in Latin America-- achieved several years of high, sometimes double- digit, growth. The Indian subcontinent, home to more than a billion people, has also shown greater economic vigour. These developments are not uniformly benefiting all people. Sustained growth, however, is providing greater opportunities for many millions, and is fundamentally transforming global economic relations.

## **Persistent Poverty**

The dazzling performance of several developing countries in Asia has tended to blur a less admirable aspect of the economic changes of the post- war world: the relentless growth in the number of the very poor. Though the global economy has expanded fivefold in the last four decades, it has not rooted out dire poverty or even reduced its prevalence. Even some otherwise successful countries have not managed to eliminate poverty.

The entrenchment of poverty is borne out by the fact that the number of people falling in the World Bank's category 'the absolute poor' had climbed to 1.3 billion in 1993. This level of poverty spells acute destitution; it is life at the edge of existence. For the absolute poor, for example, a nearby source of safe drinking water is a luxury; in several countries--Bhutan, Ethiopia, Laos, Mali, Nigeria--less than half the population has even this.

Geographical, gender, and age distributions of poverty also deserve attention. By the late 1980s, the chronically undernourished in Asia had fallen to 19 per cent of the population, half the level of two decades earlier. But the same twenty years saw little change in Africa, where undernourishment continued to afflict about a third of a rapidly growing population. Sub- Saharan Africa and South Asia stand out as the poorest regions in the world today. In all, about 800 million people do not have sufficient and regular supplies of food.

Such levels of poverty and malnutrition are shocking. Equally shocking is the 'feminization' of poverty and the ways in which these evils and their associated deprivations blight the lives of children throughout the world. Women who enter the labour market continue to receive less reward than men for equivalent work and to be confined to stereotypical and low- status tasks. At the same time, their unpaid work in the home and the field goes unrecognized, even though no national economy could survive without it. Their low incomes are reinforced by cultural patterns that place women behind men in the queues for food and education in countries where these are scarce. A third of adults in the developing world are illiterate; of these, two thirds are women.

Deprivation is passed on to the next generation. In low- income developing countries, seventy- three out of every 1,000 babies do not live until their first birthday. The rate of infant mortality is ten times that in rich countries. Of the children that survive, many do

not receive an education. Just over 40 per cent of eligible children attend secondary school.

Absolute poverty provides scant basis either for the maintenance of traditional society or for any further development of participation in civic life and governance. Yet poverty is not only absolute but relative. The destitution of perhaps a fifth of humanity has to be set alongside the affluence of the world's rich. Even using income data based on purchasing power parity (PPP) to correct for different price levels in different countries, the poorest fifth earn less than one twentieth as much as the richest fifth. Per capita incomes in the United States and India, for instance, were \$22,130 and \$1,150 respectively in 1991 on a PPP basis.

Unfair in themselves, poverty and extreme disparities of income fuel both guilt and envy when made more visible by global television. They demand, and in recent decades have begun to receive, a new standard of global governance.

### **Eastern Europe's Experience**

The collapse of the Soviet bloc has opened up new opportunities for the people of Central and Eastern Europe. Except in the already industrialized parts of Central Europe, the early years of the Communist economic system did bring some improvement in economic and social conditions. But politically motivated isolation from the world community and world economy, combined with an emphasis on militarization and heavy industry, eventually led to stagnation and decline. Efforts to secure progress through command economies proved impossible to sustain and environmentally disastrous. These people are now engaged in fundamental transformations of their economies and integration into the European and world economies.

Transformation into successful market economies is an extremely difficult process. The breakdown of old structures has everywhere precipitated a severe decline in output. For many people, the quality of life has deteriorated. The situation in Russia and Ukraine, as evidenced by a dramatic rise in mortality and criminality, gives special cause for concern. It is not clear yet that these countries will be able to achieve the right combination of national liberation, shared responsibility, and mutual respect and tolerance, or to strike the right balance between radical transformation and stability or between market reform and political, social, environmental, and other objectives.

Nevertheless, signs of new economic creativity are to be found everywhere in the region. Its countries, home to more than 300 million people, possess both human and natural resources that should enable them to develop relatively quickly once functioning market institutions have been created. Their integration into the international economy will increase competition on the world market. That may well cause economic dislocation, for example in European agriculture. But there is also much scope for mutually beneficial trade, not least with the dynamic Asian economies and other parts of the developing world. If the transformation finds sustainable forms, global economic relations could acquire a fundamentally positive new dimension.

### **Regional Groups**

The emergence of regional economic groups enlarges the prospect for a new geo- economic landscape. The uniting of Europe has

created a single regional economy that accounts for about 40 per cent of the world's imports and exports. As this integration proceeds, the European Union will take on more and more of the global economic roles and responsibilities traditionally shouldered by its member- states. The North American Free Trade Agreement has brought into being another regional body that could play an increasingly important role in the global economy.

In Asia, the Association of South- East Asian Nations now has a significant regional economic role, and there is some prospect of an eventual emergence of a larger Asian economic community. Asian and Pacific leaders recently formed the Asia- Pacific Economic Co- operation forum, which will allow them to discuss common problems and develop co- ordinated policies. There have also been moves to set up an East- Asian Economic Caucus.

Progress towards closer regional co- operation has also been evident in recent years in Central America, the Caribbean, and South America, where democratization and new initiatives have revived established forums and fostered new ones such as MERCOSUR and the Association of Caribbean States. Elsewhere--in South Asia and Africa--regional arrangements have fared less well or failed to emerge. In Europe, there is debate about the speed and scope of integration, including its extension to Central and Eastern Europe and Mediterranean countries.

It is also unclear whether regional organizations will become building blocks of a more balanced global economic order or degenerate into instruments of a new protectionism that divides the world. It is therefore important that they become an integral part of a more democratic system of global governance.

## **The Private Sector**

Another phenomenon of recent years that holds immense but as yet unclear consequences for the evolution of global governance is the burgeoning of private enterprise. The demands created during two world wars and the general economic dislocation brought about by war and depression resulted in massive state intervention during the first half of the twentieth century even in countries most strongly committed to free enterprise. Twice in a generation, world business leaders became civil servants entrusted with the management of military and civilian supplies by warring states.

This experience left its mark on the attitudes of policy makers towards the private sector in industrial and developing countries alike after 1945. Economic policy makers were confident of their ability to guide and regulate market forces for the public good. This was reflected in the economic policies adopted by most industrial countries to stimulate growth and improve living and working conditions. It was also revealed in the institutions created by the architects of the post- war order to govern the international economy; in ambitious strategies of import substitution adopted by India, Mexico, and Brazil; and in the restrictive systems of regulation imposed on foreign- owned firms in these and many other developing economies.

But the extensive movement in favour of market- driven approaches since the end of the 1970s has recast transnational corporations into mobilizers of capital, generators of technology, and legitimate international actors with a part to play in an emerging system of global governance. Many TNCs now manufacture on several continents, buying and selling world- wide. Numerous consumer

products and brand names have become ubiquitous. The change in the economic policy environment has also helped many vigorous small entrepreneurs emerge, particularly in developing countries. This is another facet of the trend towards greater empowerment world- wide.

## **Social and Environmental Change**

People are beginning to assert their right to participate in their own governance.

Along with political and economic transformations, the past five decades have seen far- reaching social and environmental change. Rapid population growth has been accompanied by many changes in the way people live as increasing economic activity has helped raise living standards and spread literacy. The media, aided by new technology to become pervasive in its reach, reflects some of these changes and influences others.

Increasing population and economic growth have placed additional pressure on natural resources and the environment, and the management of both demographic and economic change to safeguard the interests of future generations has become an issue of paramount importance.

As significant as these changes is the increasing capacity of people to shape their lives and to assert their rights. The empowerment of people is reflected in the vigour of civil society and democratic processes. These point to the potential of human creativity and co- operation, both vital to meet the many challenges--security, economic, environmental, social--that the world faces and that governance must address.

## **Population**

More than twice as many people inhabit the earth today as when the post- war era began. Indeed, more people have been added to the world's population in the past five decades than in all the previous millennia of human existence. Although the rate at which population is growing has been slowing for some time, annual additions remain high, reaching a near- peak level of 87 million in 1993. In 1950, by comparison, only 37 million people were added to the global total.

The fertility of the earth and farm technology--new seeds, fertilizer, pesticides, machines, irrigation--have so far prevented a Malthusian crisis in which numbers completely outstrip the ability of humankind to feed itself. As highlighted at the 1994 International Conference on Population and Development, the prospect of continuing demographic growth raises disturbing questions. These are not just about food supplies, though in some parts of the world rising population is contributing to growing food insecurity. They are also about the capacity of the earth to withstand the impact of human consumption as numbers multiply if present trends of rising economic activity and rising consumption continue unchanged. The distribution of future expansion is also worrying: the fastest population growth will be in Africa, both the poorest and ecologically the most fragile of regions.



UN demographers now believe world population growth will slow much more gradually than they had expected. In 1982, they thought global population would reach a peak of 10.2 billion at the end of the next century. Now they say that it could go on climbing for another century and more, until it hits 11.6 billion. Developing countries already have 78 per cent of the people in the world; as much as 94 per cent of the current increase is also taking place in these countries. Their cities will face severe strains as more and more people leave rural areas that cannot support them. These countries are urbanizing much faster than today's industrial ones did at a comparable stage in their development.

They are also urbanizing faster than they are industrializing. Cities are attracting people ahead of their economic capacity to provide jobs, homes, water, sanitation, and other basic services. This is the road to urban squalor, with social tensions, crime, and other problems to follow. Large cities have long ceased to be exclusive to industrially advanced countries. By 1960, three of the ten largest cities in the world were in developing countries. By the end of the 1990s, these states will have as many as eighteen of the twenty-four cities with more than 10 million people. The problems are much more acute in the rapidly growing cities of the developing world. The city is a vital subject of all levels of governance. Global governance has an important contribution to make in tackling causes of excessively rapid population growth and urbanization, and in strengthening regional, state, and local capacities to cope with their consequences.

## **The Earth's Resources**

Rapid growth in population is closely linked to the issue of environmental security through the impact that people have on the earth's life-supporting resources. Evidence has accumulated of widespread ecological degradation resulting from human activity: soils losing fertility or being eroded, overgrazed grasslands, desertification, dwindling fisheries, disappearing species, shrinking forests, polluted air and water. These have been joined by the newer problems of climate change and ozone depletion. Together they threaten to make the earth less habitable and life more hazardous.

Both the rate at which and the way key resources are used are critical factors in determining environmental impact. Industrial countries account for a disproportionate use of non-renewable resources and energy. Despite a substantial rise in energy use in developing countries in recent decades, per capita consumption of fossil fuels in industrial countries is still nine times as high. With less than a fourth of the world's people, industrial countries (including Eastern Europe and the former Soviet Union) accounted for 72 per cent of the world's use of fossil fuels in 1986-90. The pattern for key metals shows even larger disparities. Developing countries use only 18 per cent of the copper consumed each year, for example, and per capita use in industrial countries is seventeen times as high as in developing ones.

In developing countries, the main environmental pressure is linked to poverty. Poor people press on the land and forests, over-exploiting them to survive and undermining the resource base on which their well-being and survival depend. These countries must be helped to climb out of poverty and so ease pressure on their habitat. But as they become less poor, their living standards and therefore consumption levels will rise. The world must find ways to ensure they can do so without endangering environmental safety. They must have access to technologies that use fewer resources, such as energy-saving technologies. To keep global resource use within prudent limits while the poor raise their living standards, affluent societies need to consume less.

Population, consumption, technology, development, and the environment are linked in complex relationships that bear closely on human welfare in the global neighbourhood. Their effective and equitable management calls for a systemic, long-term, global approach guided by the principle of sustainable development, which has been the central lesson from the mounting ecological dangers of recent times. Its universal application is a priority among the tasks of global governance.

## **Global Media**

Innovations in communications technology, in addition to driving economic globalization, have also transformed the media world and the spread of information, with important consequences for national as well as global governance. This began with radio broadcasting in the 1940s and has since been extended through television and satellite transmission to give even those in remote places immediate access to sound and images from a wider world. In some countries, new communications systems have even brought people news of domestic events that is not available locally. Direct-dial international telephone and fax services have swelled the transborder flow of news and other messages. Another important development has been the sharing of information through links between computers around the world.

Exposure through the media to foreign cultures and life-styles can be both stimulating and destabilizing; it can inspire both appreciation and envy. Concern that the dominance of transnational media could result in cultural homogenization and could damage indigenous cultures is not limited to non-Western countries. Many people are worried that media images will strengthen the consumerist ethos in societies in the early stages of development. There are questions about distortion and imbalance as the world's news is filtered predominantly through Western prisms, and dissatisfaction that information flows from and within the developing world are inadequate. Apprehension about concentration in media ownership is linked to worries that this sector's power to shape the agenda of political action may not be matched by a sense of responsibility. These varied concerns have given rise to the suggestion that civil society itself should try to provide a measure of global public service broadcasting not linked to commercial interests.

The wider access to information has been healthy for democracy, which gains from a better-informed citizenry, as well as beneficial for development, scientific and professional collaboration, and many other activities. The wide linkages now facilitated can also help pull the world's people closer together. Media images of human suffering have motivated people to express their concern and their solidarity with those in distant places by contributing to relief efforts and by demanding explanations and action from governments. The media's influence on the shaping of foreign policy is considerable in many countries.

Although there has been a spectacular expansion in the reach of some communications media, serious imbalances remain in access to information and in the distribution of even the most basic technology. Two billion people--more than one in three individuals in the world--still lack electricity. In 1990, Bangladesh, China, Egypt, India, Indonesia, and Nigeria together had fewer telephone connections than Canada, which has only 27 million people. These disparities are repeated in the ownership of communications satellites, the key to media globalization.

## Agents of Change in Civil Society

Among the important changes of the past half-century has been the emergence of a vigorous global civil society, assisted by the communications advances just described, which have facilitated interaction around the world. This term covers a multitude of institutions, voluntary associations, and networks--women's groups, trade unions, chambers of commerce, farming or housing co-operatives, neighbourhood watch associations, religion-based organizations, and so on. Such groups channel the interests and energies of many communities outside government, from business and the professions to individuals working for the welfare of children or a healthier planet.

Important non-governmental organizations and movements have existed for as long as the modern state. But the size, diversity, and international influence of civil society organizations have grown dramatically during the past five decades. The spectacular flourishing of such organizations at first centred mainly on industrial countries with high living standards and democratic systems. More recently, such organizations have begun to blossom in developing countries and in former Communist countries in Europe.

The NGO community has changed with shifts in economic and social patterns. Trade unions, which were among the largest and most powerful NGOs nationally and internationally, have declined somewhat with changes in industrial employment and trends towards free market ideologies in labour relations, although their influence and membership remains considerable in many countries. Conversely, issue-oriented mass membership and specialist organizations have become much more numerous.

All in all, citizens' movements and NGOs now make important contributions in many fields, both nationally and internationally. They can offer knowledge, skills, enthusiasm, a non-bureaucratic approach, and grassroots perspectives, attributes that complement the resources of official agencies. Many NGOs also raise significant sums for development and humanitarian work, in which their dedication, administrative efficiency, and flexibility are valuable additional assets. NGOs have been prominent in advancing respect for human rights and are increasingly active in promoting dispute settlement and other security-related work.

Growing awareness of the need for popular participation in governance, combined with disenchantment with the performance of governments and recognition of their limited capabilities, has contributed to the growth of NGOs. The proliferation of these groups broadens effective representation, and can enhance pluralism and the functioning of democracy. Civil society organizations have attained impressive legitimacy in many countries. Yet, some governments and powerful interests remain suspicious of independent organizations, and issues of legitimacy and accountability will continue to arise everywhere as assessments of the NGO sector become more careful and nuanced. The sector includes a huge range of bodies, not all of which are democratic in structure or broadly representative in participation.

Some NGOs serve narrow interests, and this pattern may intensify as the sector is seen to take on greater political importance. NGOs increasingly span the entire range of interests and political positions on particular issues. Civil society organizations make tremendous contributions in mobilizing the energies and commitment of people, but the focus on single issues that gives some of them strength and expertise may also block out perspectives on wider concerns. As such organizations become more

institutionalized, they become more dependent on tactics to raise membership or obtain funding.

In developing countries, civil society organizations often face particularly difficult dilemmas of securing funding and access to current information while retaining independence and avoiding being portrayed as foreign- influenced. Overall, however, civil society organizations and the NGO sector in general are vital and flourishing contributors to the possibilities of effective governance. They must occupy a more central place in the structures of global governance than has been the case.

As at the national level, civil servants in intergovernmental organizations have been cautious in acknowledging that NGOs can be useful partners. UN- NGO relationships are, however, improving. Collaboration is now an established feature of international life, though much remains to be done. It reached a high point in Rio with the UN Conference on Environment and Development in 1992: more than 1,400 NGOs were accredited to the official conference and thousands more participated in the parallel Global Forum-- the largest number to attend a UN event and perhaps the closest collaboration ever between the official and independent sectors.

Strong NGO participation has also marked the UN conferences held after Rio: on human rights in Vienna in 1993, on small island states in Barbados in 1994, and on population and development in Cairo, also in 1994. It is likely to be repeated at the World Summit on Social Development in Copenhagen in March 1995, the World Conference on Women in Beijing in September 1995, and the Conference on Human Settlements in Istanbul in June 1996.

The growing range of actors involved makes the challenge of governance more complex. Policy makers have to serve, engage, and mobilize a much wider variety of institutions--and hence to cope with a broader range of interests, values, and operating styles. Although institutional diversity may complicate the process, it could also greatly increase the capacity of the governance system to meet the complex demands placed on it. Problems that may go unobserved by one set of institutions may be detected by another; those beyond the capacity of certain organizations may be easily addressed by others.

This is especially true in the area of sustainable development: many development mistakes have occurred because bureaucrats, national and international, failed to foresee or ignored the likely effects of new projects. Civil society organizations play important roles in identifying genuine development needs, initiating projects, and in some cases implementing projects as funding or co-funding agencies. In projects funded by governments and intergovernmental agencies, involving NGOs in the preparation and evaluation of projects may increase the likelihood of success.

Finding ways for so many different organizations to participate constructively in international activities is a challenging task, but the progress made in Rio and since then provides a good foundation. Official bodies need, of course, to relate to the independent sector on a regular basis, not simply at or in preparation for a major conference. They must reach out to civil society in a positive spirit and seek its contributions at all stages, including the shaping of policy. The agents of change within civil society can help this process through arrangements to ensure balanced representation of their own varying interests and positions and through manageable modes of participation.

## **The Empowerment of People**

The new vigour of civil society reflects a large increase in the capacity and will of people to take control of their own lives and to improve or transform them. This has been helped by wider educational facilities, improved opportunities for women, and greater access to information as well as political progress. A number of governments, political movements, and other institutions have also made conscious efforts to empower people.

Empowerment depends on people's ability to provide for themselves, for poverty translates into a lack of options for the individual. Economic security is essential if people are to have the autonomy and means to exercise power. While the number of productive jobs world-wide has multiplied, particularly through the growth of the small-scale private sector, practically all societies are affected by debilitating unemployment. And the situation seems to be worsening, with marginalization eating away at communities. No empowerment will be sustained if people lack a stable income.

The most egregious failure in the process of empowerment is in respect of women; despite wide campaigning for their emancipation and many advances, a large share of the world's women remains voiceless and powerless. The struggle to achieve equal opportunity and remuneration for women in the economic sphere continues, and it should be joined by a comparable struggle to achieve equal access and voice for women in the political sphere.

The number and proportion of people who can make their voices heard is nevertheless vastly greater in all parts of the world today than in 1945. This is principally the product of decolonization, economic improvement, and the spread of democracy. Beyond elections, however, people are beginning to assert their right to participate in their own governance. They include indigenous peoples long deprived by settlers of control over traditional lands, ethnic minorities seeking a role in government, and regional and local groups who feel their interests have been neglected by national leaders. These groups have become more effective in asserting their rights.

More generally, attitudes towards governments are changing. Tensions between the government of the day and opposition groups are a vital part of any democracy. But there is now greater disenchantment with the political process itself; both government and opposition parties and politicians of all hues have been losing credibility. This may partly derive from the increasing demands of electors and the growing inability of politicians to deliver results, as in an increasingly interdependent world, individual states are constrained in what they can achieve. There are also deeper causes, such as corruption and criminalization of politics.

Many people expect more from democracy. Two minutes in a voting booth every few years does not satisfy their desire for participation. Many resent politicians who, having won elections in democratic systems, neglect large sectors of the community--sometimes even a majority of the electorate--who have voted for the 'losers'. The widening signs of alienation from the political process call for the reform of governance within societies, for decentralization, for new forms of participation, and for the wider involvement of people than traditional democratic systems have allowed.

## **Enlightened Leadership**

Leadership is urgently needed that represents all the world's countries and people, not simply the most powerful.

Fifty countries met in San Francisco in 1945 to create an international organization that could help build a new world out of the wreckage of war. What united them was not so much a clear view of the future as a determination to prevent a repetition of the horrors and mistakes of the past.

The goal of the conference in San Francisco was aptly summed up in the phrase 'never again'. Never again should the world's leaders fail to prevent a global depression. Never again should they fail to stand up to aggression. Never again should they tolerate governments that assaulted the most basic dignities of their citizens. Never again should they squander the chance to create institutions that would make a lasting peace possible. It was these aims that led the delegates in San Francisco--and at the July 1944 United Nations Monetary and Financial Conference held in Bretton Woods, New Hampshire--to establish the key international institutions that became part of the post-war arrangements for global governance.

Few delegates in San Francisco questioned the state as such. What bad states had upset, good states could restore. Many of those with the requisite qualities of leadership and expertise had, after all, been drawn into the ever-widening web of state during the preceding thirty years. And the public-service mentality that had reached new heights during the war was now channelled into the construction of welfare states and the United Nations system.

Forty years on, the public sector has shrunk and service to the state has lost its exalted status. While leadership is once again urgently needed, it is leadership of a different character, in which reserves of commitment to public service are sought not only among politicians and civil servants but also in the voluntary sector, in private enterprise, and indeed throughout global civil society: leadership that represents all the world's countries and people, not simply the most powerful.

The concept of dispersed and democratic leadership should not be seen as contradictory. It draws its strength from society as much as the state, from solidarity much more than from authority. It operates by persuasion, co-operation, and consensus more often than by imposition and fiat. It may be less heroic, but it is the only form of leadership likely to prove effective.

The challenges facing the world today are vastly more complicated than those that confronted the delegates in San Francisco. They demand co-operative efforts to put in place a system of global governance better suited to present circumstances--a system informed by an understanding of the important transformations of the past half-century and guided by enlightened leadership.

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# Our Global Neighborhood

## Report of the Commission on Global Governance

### Chapter Two -- Values for the Global Neighbourhood

The Preamble of the United Nations Charter pledged the resolve of the peoples of the world *'to practice tolerance and live together in peace with one another as good neighbours'*. Those who drafted these words were not the first to hold out a vision of one world in which all people are neighbours. A similar ideal had inspired the League of Nations earlier in the century. And long before that, philosophers and religious and political thinkers had spoken of 'the family of man'.

The commitment to care for others, to the highest quality of behaviour among human beings, is for many cultures embodied in the metaphor of being a 'good neighbour'. As human social organization has evolved to encompass knowledge of, and loyalty to, wider and wider human groups, the scope of neighbourly duties has expanded. Even in 1945, few could envision the world as one neighbourhood. But the changes of the last half- century have begun to transform the incipient global neighbourhood into a reality.

#### Neighbourhood Realities

Never before have so many people had so much in common, but never before have the things that divide them been so obvious.

The term 'global village' captured the impact of the electronic conquest of space. Technology, by telescoping distance and time, had made the world smaller. Photographs from space confirmed the insignificance of terrestrial frontiers. But much has happened since satellites first girdled the globe, and advances in transport and telecommunications are only one set of factors making neighbours of far- flung people.

As noted in Chapter One, trade, industrial development, transnational firms, and investment also link the world's different parts much more closely than before in a multitude of ways. Few developments have conveyed the sense of global interdependence as strongly as the growing evidence that all depend on the earth's ecological resources and are vulnerable in the face of their degradation. A thickening web of interdependence requires countries to work together.

Indeed, in the global neighbourhood, citizens have to co- operate for many purposes: to maintain peace and order, expand economic activity, tackle pollution, halt or minimize climate change, combat pandemic diseases, curb the spread of weapons, prevent desertification, preserve genetic and species diversity, deter terrorists, ward off famine, defeat economic recession, share scarce resources, arrest drug traffickers, and so on. Matters requiring nation- states to pool their efforts--in other words, calling



for neighbourhood action--keep increasing.

What happens far away matters much more now. Aerosol use in Europe can cause skin cancers in South America. A crop failure in Russia can mean more hunger in Africa. Recession in North America can destroy jobs in Asia. Conflict in Africa can bring more asylum-seekers to Europe. Economic difficulties in Eastern Europe can lead to xenophobia in Western Europe. By the same token, economic vigour in East Asia can protect employment in the United States. Tariff changes in Europe can ease pressure on forests in the tropics. Industrial restructuring in the North can reduce poverty in the South, which in turn can enlarge markets for the North. The shortening of distance, the multiplying of links, the deepening of interdependence: all these factors, and their interplay, have been transforming the world into a neighbourhood.

Movements motivated by a sense of human identity transcending national divisions are another mark of the world's evolution into a neighbourhood. These transnational movements--in working to emancipate women, to protect human rights or the health of the planet, or to bring about a world without nuclear weapons--have underlined the common humanity of the world's inhabitants. But these developments are not sufficient to make the neighbourhood agreeable to all who live here.

The global neighbourhood we have today is, like most neighbourhoods, far from ideal; it has many imperfections. Its residents are not all fairly treated; they do not have the same opportunities. Millions are so deprived that they do not even think they belong to a neighbourhood, as the tides of progress of recent decades have passed them by. If the communications revolution has touched them, it has served to confirm their sense of isolation. This reaction does not disprove the emergence of a neighbourhood, but it does pose a challenge to its governance to reduce alienation among neighbours.

Nor, at another level, does the world's becoming a neighbourhood mean that the nation-state is no longer relevant. But states, as well as peoples, are challenged to devise ways to manage their affairs--to develop new approaches to governance for the global neighbourhood in the interests of all. Much of this report is about how the world might make the shared neighbourhood a satisfactory home for all its citizens.

## **Neighbourhood Tensions**

Neighbourhoods are defined by proximity. Geography rather than communal ties or shared values brings neighbours together. People may dislike their neighbours, they may distrust or fear them, and they may even try to ignore or avoid them. But they cannot escape from the effects of sharing space with them. When the neighbourhood is the planet, moving to get away from bad neighbours is not an option.

The emerging global neighbourhood is forging new bonds of friendship and interest, but it is also creating new tensions. Never before have so many people had so much in common, but never before have the things that divide them been so obvious. In a vast, uncrowded space, diversity often goes unnoticed. As people bump against each other more frequently, however, even minor differences become more evident and more contentious.

Multicultural communities are facing strains in many parts of the world. The partition of British India and the green line dividing Cyprus bear witness to the failure of the modern state to reconcile community and territory by substituting nationality for entrenched religious, ethnic, or linguistic sources of identity. But so, too, do riots in U.S. cities or the burnt-out homes of Belfast. And now many industrial countries face the challenges of a new multiculturalism fuelled by post-war migration. The more that people accept the logic of growing interdependence of human society, the more ready they will be to seek opportunities to overcome destructive notions of 'otherness' and 'separateness', and to find ways to work together.

The ferment rippling across the global neighbourhood is a consequence of several changes discussed in Chapter One, notably the end of colonialism and of the cold war. In an equally important transformation, the industrial age is giving way to an uncertain post-industrial age. Traditional economic relationships are being rearranged; services are replacing manufacturing as the lifeblood of advanced economies. Entire sectors are being made obsolete and jobs eliminated. But new economic niches are opening up for some people, just as old ones are closing for others.

Change of such magnitude creates stresses within society. Some arise as people confront a complex and uncertain future. Others are created by a clash between the familiar and the different. People are being forced to come to terms with new circumstances. Many find themselves living among people previously considered strangers--and they are being asked to behave differently in public, in the workplace, and in the home.

Some stresses arise because great transformations do not affect everyone equally. Change benefits some, but disadvantages others. It gives authority to groups previously on the margins of power, while weakening the authority of groups accustomed to being in the driver's seat. Society is enriched by the increasing freedom of women to control their own lives and to shape and participate fully in governance structures, but changing understandings of gender roles involve difficult abandonment of deeply embedded attitudes and social mores.

At the international level, the traditional great powers face the demands of the rest of the world for a greater say in global governance, and stresses could increase as those demands are pressed. Stress is also caused by corrupt, criminal, and self-serving forces that exploit the instabilities created by change in the global neighbourhood.

As the physical and other boundaries that have separated communities, cultures, and states are eroded by waves of intellectual and technological change, cherished notions of citizenship, sovereignty, and self-determination are being challenged. There is less ideological contention and less global confrontation in the world of the 1990s.

Yet it is not a unipolar world, but a more plural one. It has the potential to foster a range of cultures and sources of personal identity much broader than either the United States or the Soviet Union could easily tolerate during the cold war, least of all at home. There is less call than in the past for ideological uniformity and cultural policing. All this means that this is, or could be, a better world. But a world order geared to the needs of the global neighbourhood is not yet in place.

Given the unsettling trends, it is no surprise that so many parts of the world are in turmoil, that so many communities feel threatened, and that so many people seem to be searching for direction and meaning. This makes it difficult to reach agreement on common action among the world's many governments, institutions, and peoples. But it also creates opportunities and puts pressure on the world community to fashion global governance to new realities.

In this chapter we reflect on the norms and values that should guide the world, the ethics that should inform life in the global neighbourhood. The Commission has been convinced from the outset that whatever ideas it advances for institutional and other change must be grounded in values that speak to the tasks facing the contemporary world.

## **Neighbourhood Ethics**

The quality of global governance will be determined by several factors. High among them is the broad acceptance of a global civic ethic to guide action within the global neighbourhood, and courageous leadership infused with that ethic at all levels of society. Without a global ethic, the frictions and tensions of living in the global neighbourhood will multiply; without leadership, even the best-designed institutions and strategies will fail.

Being global neighbours requires new ways of perceiving each other as well as new ways of living. Few recognize this better or acknowledge it as clearly as did Barbara Ward when she wrote in a 1971 paper to the Pontifical Commission on Justice and Peace:

The most important change that people can make is to change their way of looking at the world. We can change studies, jobs, neighbourhoods, even countries and continents and still remain much as we always were. But change our fundamental angle of vision and everything changes--our priorities, our values, our judgments, our pursuits. Again and again, in the history of religion, this total upheaval in the imagination has marked the beginning of a new life....a turning of the heart, a 'metanoia,' by which men see with new eyes and understand with new minds and turn their energies to new ways of living.

People have to see with new eyes and understand with new minds before they can truly turn to new ways of living. That is why global values must be the cornerstone of global governance. We believe that many people world-wide, particularly the young, are more willing to respond to these issues than their governments, for whom the short term in the context of political expediency tends to take precedence. People and governments alike need to pay greater heed to the interests of future generations, for whom this generation acts as trustee.

In our rapidly changing world, the standards and restraints provided by commonly accepted values and norms become ever more essential. Without them, it will be hard--if not impossible--to establish more effective and legitimate forms of global governance. These norms have to suit today's circumstances, which are radically different from those of previous eras in three important respects: the changing nature of violent conflicts in the world, which today often arise among people within states; the growing ability of private, independent actors both to provoke crises and to solve, or exacerbate, them; and the new understanding of the threats to the integrity of the planet and its life-support systems, and therefore to human survival.

As described in the remainder of this chapter, establishing an ethical dimension to global governance requires a threefold approach:

- Enunciate and encourage commitment to core values concerned with the quality of life and relationships, and strengthen the sense of common responsibility for the global neighbourhood.
- Express these values through a global civic ethic of specific rights and responsibilities that are shared by all actors, public and private, collective and individual.
- Embody this ethic in the evolving system of international norms, adapting, where necessary, existing norms of sovereignty and self-determination to changing realities.

## **Neighbourhood Values**

*People should treat others as they would themselves wish to be treated.*

We believe that action to improve global governance to cope with contemporary challenges would be greatly helped by a common commitment to a set of core values that can unite people of all cultural, political, religious, or philosophical backgrounds. These values must be appropriate to the needs of an increasingly crowded and diverse planet.

Despite the far-reaching changes outlined in Chapter One, states remain the single most important set of international actors. As long as this is true, traditional norms of interstate relations will provide a critical source of stability. But there is a need now to adapt some of these norms to new circumstances. It is fundamentally important that governance should be underpinned by democracy at all levels and ultimately by the rule of enforceable law ([see Chapter Six](#)).

In stable times, when the authority and capacity of established institutions is strong and secure, the fundamental values and principles guiding human behaviour are usually taken for granted. In unstable times, prevailing values are more likely to be doubted, questioned, or challenged. Paradoxically, then, values are often most in doubt when they are most needed. By providing a sense of direction, shared values can help people to see beyond immediate clashes of interest and act on behalf of a larger, long-term, mutual interest.

We believe that all humanity could uphold the core values of respect for life, liberty, justice and equity, mutual respect, caring, and integrity. These provide a foundation for transforming a global neighbourhood based on economic exchange and improved communications into a universal moral community in which people are bound together by more than proximity, interest, or identity. They all derive in one way or another from the principle, which is in accord with religious teachings around the world, that people should treat others as they would themselves wish to be treated. It is this imperative that was reflected in the call made in the UN Charter for recognition of 'the inherent dignity and equal and inalienable rights of all members of the human family'.

## **Respect for Life**

Respect for life and its corollary, non- violence, are vital to the well- being of any neighbourhood. Violence against persons negates the inherent dignity of all human beings. And its widespread use in diverse situations undermines humanity's claim to be civilized. Recent history is replete with instances of conflict and oppression in which human life has been treated with the utmost contempt and callousness. Extensive carnage, sometimes genocidal in intent and scale, has occurred in several parts of the world.

At a broader level, the security of people is imperilled by the culture of violence that has infected many societies, with a consequent loss of respect for human life. This trend is in some cases linked to political extremism of one kind or another, but elsewhere it is part of a breakup of the value systems that give stability to societies. The sanctity of life is a concept shared by people of all faiths as well as by secular humanists. Dealing with the political, economic, social, or other causes of violence and promoting the principle of non- violence are vital objectives of governance.

## **Liberty**

We believe that all human beings are born equal in their right to human dignity and are entitled to certain basic liberties: to define and express their own identity, to choose their form of worship, to earn a livelihood, to be free from persecution and oppression, to receive information. Basic liberties also include free speech, a free press, and the right to vote. Without these, the world becomes a battleground of warring individuals and groups, each seeking to protect its interests or to impose its authority on others.

Next to life, liberty is what people value most. In its richest conception, liberty is all that enables people to choose the paths of their lives and to become whatever they can be. The rights and entitlements people actually enjoy across the globe fall far short of attaining liberty in this sense. Global governance is fundamentally concerned with enhancing rights, capabilities, and well- being.

People around the world have become more aware of the possible threats to their liberty from a variety of forces and circumstances. The threat could come from autocratic rulers, from political groups that try to cling to power unlawfully or to usurp power, from action to suppress or drive out ethnic groups (sometimes even those who constitute a majority within a country), or from the collapse of a state and the accompanying anarchy. Even where order prevails, liberty is threatened by deprivation, economic dislocation, oppression based on gender or sexual orientation, abuse of children, debt bondage, and other social and economic patterns. The threat could also be external, from a state that turns predator, or even from an enterprise whose activities overwhelm a local community or its traditional culture.

The threat to liberty in any part of the global neighbourhood needs to be seen as a threat to the entire neighbourhood. Action against attempts to violate the right to liberty is a common responsibility.

## **Justice and Equity**

Justice and equity are essential human values. Respect for them is indispensable for peace and progress, as their absence can give rise

to resentment and be destabilizing. Although people are born into widely unequal economic and social circumstances, great disparities in their conditions or life chances are an affront to the human sense of justice. Where large numbers of citizens are treated unfairly or denied their due, and where gross inequalities are not addressed, discontent is inevitable and conflict likely. When people lived in a less integrated world, the inequities that mattered were local or national. Today, with the enlarged reach of the media, global disparities have become increasingly obvious. There is also wider recognition that many inequities are caused or sustained by developments in other, once distant places.

A concern for equity is not tantamount to an insistence on equality, but it does call for deliberate efforts to reduce gross inequalities, to deal with factors that cause or perpetuate them, and to promote a fairer sharing of resources. A broader commitment to equity and justice is basic to more purposeful action to reduce disparities and bring about a more balanced distribution of opportunities around the world. A commitment to equity everywhere is the only secure foundation for a more humane world order in which multilateral action, by blunting current disparities, improves global well-being as well as stability.

Equity needs to be respected as well in relationships between the present and future generations. The principle of intergenerational equity underlies the strategy of sustainable development, which aims to ensure that economic progress does not prejudice the chances of future generations by depleting the natural capital stock that sustains human life on the planet. Equity requires that this strategy is followed by all societies, both rich and poor.

## **Mutual Respect**

Tolerance is indispensable for peaceful relations in any society. When it is transmuted into the more active attribute of mutual respect, the quality of relationships is distinctly raised. Mutual respect therefore offers a basis for making a plural society--which is what the global neighbourhood is--not only stable but one that values and is enriched by its diversity.

Throughout history, intolerance has tended to intensify in difficult or uncertain periods. Racial and religious extremism has shown a marked increase in many parts of the world recently. There have been virulent eruptions of ethnic animosities, and some nationalist movements have displayed xenophobic edges.

Neo-Fascist movements have appeared or gathered strength in some parts of Europe, and ethnic minorities have been early targets of their violence. Elsewhere, religious extremists have been ready to use violence to achieve their goals. Many civil conflicts have shown extreme levels of violence and brutality. Some assertions of particular identities may in part be a reaction against globalization and homogenization, as well as modernization and secularization. Whatever the causes, their common stamp is intolerance.

In several parts of the world, the resort to violence to achieve political ends has become the pattern. This has been most obvious in terrible civil conflicts, in such places as Afghanistan, Angola, Azerbaijan, Bosnia-Herzegovina, Liberia, Mozambique, Rwanda, Somalia, Sudan, and Tajikistan, but it has also been evident in many societies where governments have used violence to suppress opposition or to forcibly incorporate unwilling groups.

The world community should reassert the importance of tolerance and respect for 'the other': respect for other people, other races, other beliefs, other sexual orientations, other cultures. It must be resolute in upholding these values and offering protection against the actions of those who would trample them. The guiding principle should be that all groups and individuals have a right to live as they see fit so long as they do not violate the coequal rights and liberties of others.

## **Caring**

The quality of life in a society depends to a great extent on its members accepting a duty to care for their neighbours. Its sense of community and well-being are enhanced when more citizens are imbued by a spirit of care and concern for other citizens, whether deriving from African tradition, the Moslem obligation of hospitality, or the practices of other cultures.

Attitudes such as these generally lead a society to initiate action to alleviate distress and hardship and deal with problems of many kinds. The instincts of caring and compassion provide the impulse for humanitarian action--and for sharing with those less advantaged--that all societies need. In addition to motivating people to undertake voluntary action, the citizen's instinct of care can be a catalyst for action by official agencies.

The need for these qualities has deepened as the result of contemporary social trends that, while prominent only in industrial nations, have begun to show in other countries as well to varying degrees. These include tendencies towards looser family ties, more frequent marital breakup, a high incidence of single parents and elderly people in the population, and increasing anonymity in urban life.

In the global neighbourhood, the instinct of care must be given a global reach. Millions of people already demonstrate that they are moved by this when they help voluntary agencies that support anti-poverty projects or undertake humanitarian relief in different parts of the world. The ranks of those who are stirred by such instincts need to be enlarged. The task for governance is to encourage a sense of caring, through policies and mechanisms that facilitate co-operation to help those less privileged or needing comfort and support in the world.

## **Integrity**

Integrity is the basis of trust that is necessary in relationships among people and organizations as well as between them. Vital to the orderly functioning of any organization or society, it is of paramount importance in systems of governance at all levels. The quality of governance depends to a crucial degree on policy makers and those in positions of authority adhering to the highest principles and ideals.

The importance of integrity is underlined by the enlarging evidence of fraud and corruption of many kinds among persons in high positions in both public life and the private sector. Ranging from bribery to insider dealing to money-laundering, corruption is a form of social pollution that weakens democratic governance. People are its main victims, and it is their insistence on the highest standards of public and business conduct that can ensure that integrity prevails. The widest concern with standards of integrity

and commitment to upholding them must be a feature of the global neighbourhood.

## **A Global Civic Ethic**

Over the long run, rights can only be preserved if they are exercised responsibly and with due respect for the reciprocal rights of others.

The realities of the emerging global neighbourhood require that, in addition to promoting the values just described, we should develop a global ethic that applies equally to all those involved in world affairs. Its efficacy will depend on the ability of people and governments to transcend narrow self-interests and agree that the interests of humanity as a whole will be best served by acceptance of a set of common rights and responsibilities.

The global ethic we envisage would help humanize the impersonal workings of bureaucracies and markets and constrain the competitive and self-serving instincts of individuals and groups. Put differently, it would seek to ensure that international society is imbued by a civic spirit.

An important consequence of the emergence of a global neighbourhood is that national civil societies have begun to merge into a broader global civil society. Groups of many kinds are reaching out and establishing links with counterparts in other parts of the world. Without the objectives and limits that a global ethic would provide, however, global civil society could become unfocused and even unruly. That could make effective global governance difficult.

## **Rights and Responsibilities**

During the past fifty years, the world has made great progress in elaborating universal human rights. This process began with the drafting of the United Nations Charter and has been furthered by the Universal Declaration of Human Rights; by conventions on civil and political rights and on economic, social, and cultural rights; by regional human rights charters; and by the Declaration on the Rights and Duties of States. Almost all governments have signed or subscribed to at least one of these treaties, conventions, or declarations. They provide an important starting point for a global ethic, but they need to be supplemented in two important ways.

First, as presently conceived, rights are almost entirely defined in terms of the relationship between people and governments. We believe it is now important to begin to think of rights in broader terms by recognizing that governments are only one source of threats to human rights and, at the same time, that more and more often, government action alone will not be sufficient to protect many human rights. This means that all citizens, as individuals and as members of different private groups and associations, should accept the obligation to recognize and help protect the rights of others.

Second, rights need to be joined with responsibilities. The tendency to emphasize rights while forgetting responsibilities has deleterious consequences. Over the long run, rights can only be preserved if they are exercised responsibly and with due respect for the reciprocal rights of others.



We therefore urge the international community to unite in support of a global ethic of common rights and shared responsibilities. In our view, such an ethic--reinforcing the fundamental rights that are already part of the fabric of international norms--would provide the moral foundation for constructing a more effective system of global governance. It should encompass the rights of all people to:

- \* a secure life,
- \* equitable treatment,
- \* an opportunity to earn a fair living and provide for their own welfare,
- \* the definition and preservation of their differences through peaceful means,
- \* participation in governance at all levels,
- \* free and fair petition for redress of gross injustices,
- \* equal access to information, and
- \* equal access to the global commons.

At the same time, all people share a responsibility to:

- \* contribute to the common good;
- \* consider the impact of their actions on the security and welfare of others;
- \* promote equity, including gender equity;
- \* protect the interests of future generations by pursuing sustainable development and safeguarding the global commons;
- \* preserve humanity's cultural and intellectual heritage;
- \* be active participants in governance; and

\* work to eliminate corruption.

We believe this list of rights and responsibilities is the minimum basis for progress in building a more civil global society. In the final analysis, each individual and institution will have to decide exactly what is required to live up to these responsibilities. Over time, we hope that these principles could be embodied in a more binding international document--a global Charter of Civil Society--that could provide a basis for all to agree on rules that should govern the global neighbourhood.

## **The Democratic Tide**

The spread of democracy has been one of the most heartening trends of recent years. It is democracy that can ensure that a country's affairs are conducted--and its development directed--in ways that respond to the interests and wishes of the people. Democracy provides the environment within which the protection of the fundamental rights of citizens is best safeguarded. It offers the most favourable foundation for peace and stability in international relations. Though democratic regimes may not all or always be virtuous, even recent history suggests that autocratic regimes are more likely to behave aggressively.

The recent tide of democratization has swept away many autocratic systems and several leaders who had clung to power for too long. Multiparty elections have been held in a large number of countries, allowing the public for the first time a real choice in who governs them. The implanting of a democratic culture is, however, not an instant or easy process. While many parties may emerge quickly and electors embrace their new opportunities with enthusiasm, the traditions of democratic behaviour and the institutions that support them take time to become established.

Elections are therefore only a first step on the democratic road, but they are a profoundly important one. The legitimacy of administrations depends on elections being free and fair--and being widely seen by electors to be so. International monitors observing elections, and pronouncing on their conduct, have been performing a useful service in many countries, with the UN, other international institutions, governments, and civil society contributing to the success of these exercises.

We welcome the efforts now under way to provide institutional support for the improvement and consolidation of the democratic electoral process world- wide. The experience of recent efforts to monitor elections and to train election officials points to the need to broaden the understanding of the norms, rules, and guidelines that apply to democratic processes. It is also necessary to strengthen national capacity to develop the full range of democratic instruments. Much research and analysis is needed. We believe that all those now involved in these efforts would benefit from closer institutional co- operation for the support of electoral processes.

As events in Haiti and Angola have demonstrated, international support for democratic transformation should not always end with the election returns. It needs to be sustained in some cases through a physical presence and almost always by support for long-term development.

The withdrawal of restrictions on political activity and free expression following the shift to democratic systems has in some countries allowed the emergence of movements that seek to deny the rights of others. Many newly created democratic systems have also to devise ways to reconcile conflicting demands and interests before they imperil national stability. Such difficulties are, of course, not exclusive to new democracies, and many countries with long democratic traditions have been troubled by the strains inherent in plural societies.

A wide variety of democratic constitutional models exists, and different models are suited to different traditions and social contexts. Although the winner- takes- all system of parliamentary democracy, for example, may have been successful in some countries, in others it clearly failed to ensure the rights of minorities or preserve national cohesion through conciliatory approaches. In this context, other constitutional models that have recently emerged may warrant serious consideration. In Francophone Africa, for example, some countries (Benin, Congo, Madagascar, Mali, Niger, and Togo) have recently developed the practice of holding a national conference in which all major political parties and forces are brought together to determine the political destiny of the country. This arrangement has worked well in ensuring a peaceful and consensual transition to multiparty democracy. In South Africa, the concept of a national compact has been carried a step further to include a power- sharing arrangement during a five- year transition period.

Whether through voting systems, coalitions, separation of powers, or other means, a way must be found within democratic systems for opposition voices to be heard and taken into account. Governments will govern, but governments- in- waiting need to be listened to even while they wait. Where, as in all too many countries, national reconciliation is a matter of pre- eminent need, creative approaches to power- sharing must be developed in the interest of good governance.

Centrifugal forces are not the only hazards for democracy. In a number of countries, democracy has suffered because the military has gained too dominant a position within the national polity. The countries where people have to put up with rule by soldiers are now fewer than they used to be. But even when soldiers are not in power, a high profile for the military, besides distorting the distribution of national expenditure and reducing the share devoted to development and other social purposes, can produce traits that undermine democracy and are hostile to a free society. The military ethos is inherently authoritarian and secretive. Particularly in developing countries in which the armed services is one of the few sectors offering stable, well- paid employment, the appeal of the soldier's uniform can be an unhealthy influence. The military's ascendance can be related in some cases to the instability arising from the action of dissatisfied minority groups. This further underlines the importance of strengthening the capacity of democratic systems to reconcile competing claims.

Societies in which there are deep and expanding social or economic disparities face enormous obstacles, whether in creating or maintaining democracy. Citizens who must struggle daily to meet basic needs and who see no possibility of improving their circumstances are unlikely to have either the interest, or the ability, to work on behalf of democratization. To be sustainable, democracy must include the continuing prospect of contributing to the prosperity and well- being of citizens.

As a result of the transformations of the past four decades, the participation of people in governance is now more critical than ever. Governments that do not have the active support of their people are finding it more and more difficult to survive. But democracy is not merely a matter of voting. It is a dynamic process, involving a commitment to democratic principles and institutions that meet

the needs of citizens routinely and in times of crisis. Truly democratic institutions continuously engage people directly in a multiplicity of ways. The gap between governments and citizens needs to be narrowed. A viable democracy requires an active civil society. At its best, civil society is citizens acting in pursuit of a range of interests, many of which have implications for public policy. There is, at the same time, a need to ensure democratic functioning in the many institutions of civil society. Their leaders should be held to the same standards of accountability as political leaders.

Good governance requires good government. And government depends not only on state structures, but on political power. Political parties have key functions in a democracy. Yet in the debate about democracy and civil organizations, little attention is given to political parties. There is a widespread need to improve the way parties work, to attract more participants to the democratic process. To function, parties need resources; to avoid corruption, they should open their finances to public scrutiny. Political parties, a crucial part of national civil society, also have a role in the growing global civil society. Politics is vital for transforming values into action.

There is a symbiotic relationship between state, civil society, individual citizens, and democratic structures; together they set the framework and provide the substance of democratic governance. Not all democracies look alike, however. The form that a democracy takes is determined by a country's governing traditions and experience, by the economic and social conditions of its citizens, and by the nature of the democratic institutions that exist or emerge.

Nevertheless, there is a consensus that democracy, whatever form it may take, is a global entitlement, a right that should be available and protected for all. At the same time, some international standards are emerging with respect to democracy and to the systematic monitoring of compliance with democratic norms. The development of international human rights law and of procedures for international monitoring of elections underscores the links between national and international efforts to promote democracy.

The emergence of a global civil society is an important precondition of democracy at the global level, although it cannot guarantee it. More and more people are making connections across borders and developing relationships based on common concerns and issues: the environment, human rights, peace, women's roles, and many others. Advances in communications have greatly facilitated the process. The information and communication revolutions are helping to diffuse power throughout society, often transferring it from hierarchical structures to small groups, and increasing the ability of dispersed groups to communicate. Indeed, computer-based networking capabilities are giving new form and strength to civil society and facilitating partnerships with intergovernmental institutions.

It is easy to exaggerate the impact of these revolutions, however. An infinitely smaller percentage of the people in developing countries than in industrial ones is currently included in this process of interaction. The vast majority are currently left out. More significant, perhaps, this partial democratization of communications and information has been accompanied by the concentration of telecommunications and media power in the hands of a small number of private firms. Technological advance seldom unambiguously or permanently favours democracy over tyranny any more than it favours defence against attack. Yet the spread of the new technology has been so rapid that it is hard not to conclude that it will be generally used before long and that the net effect will be to favour democracy.

## Combating Corruption

Corruption is a world- wide phenomenon affecting both the public and private sectors, compromising the processes of legislation and administration, regulation, and privatization. Corrupt dealings between the worlds of business and politics at very high levels have come to light in recent years in dozens of countries, both industrial and developing. The widening operations of international drug rings have been a fertile source of corruption in both drug- producing and consuming countries. The expansion in organized criminal activity, particularly evident in some former socialist countries, has been another. The Mafia's role in corruption on both sides of the Atlantic has been legendary.

In a number of developing countries, corruption flourished under despotic rulers as well as under democratic regimes. Vast sums that should have been in government treasuries to be spent on national objectives were siphoned off to be invested or banked abroad. The people of these countries were effectively robbed. The great powers that supported corrupt rulers in the full knowledge of their venality must share the blame. So must the banks that help stash away ill- gotten funds and launder the money of drug dealers and other criminals.

Most opportunities for significant corruption in developing countries arise in interactions between their politicians and officials and the business sector in industrial countries. The latter, which includes arms manufacturers, is too often ready to offer sweeteners to secure contracts and orders. The business community of the industrial world has not lived up to its responsibility for ensuring that its members follow ethical business practices.

The strengthening of democracy and accountability is an antidote to corruption. While they are no guarantees against corrupt practices, as so many democracies confirm, a free society with vigorous, independent media and a watchful civil society raises the chances of the detection, exposure, and punishment of corruption. Public servants who respect the highest traditions of service to the public are another defence against the spread of corrupt practices. While action within countries remains critical, there is much scope for co- operation among national law enforcement agencies, not only in such specific areas as drug trafficking but more generally in the fight against corruption world- wide. The need for early action against criminal syndicates, before they have time to entrench themselves, has been underlined by recent experience. It is also important that the privatization of state- owned companies should be carried out without any taint of irregularity, so that the process of economic reform, of which privatization forms a part, is not discredited.

In 1990, the South Commission, chaired by former Tanzanian President Julius Nyerere, addressed the issue of corruption in its report, *The Challenge to the South*. We endorse the points made there:

In the South, the excessive concentration of economic power in the hands of the government and the corporate sector, poverty, insecurity, and the underpayment of public personnel also account for some of these undesirable practices. So do corrupting influences from Northern sources related, but not confined, to obtaining profitable contracts and to the trade in arms and the illicit traffic in drugs.

Regardless of these factors, governments must bear a large part of the responsibility for corruption in the South. By and large they have not regarded its eradication as a priority, despite its acknowledged economic, social, and political costs. Higher standards of integrity in public life could do much to strengthen the people's confidence in governments and the sense of community and civic responsibility. The issue bears not solely on venality in the public sector, but on encouragement and facilitation of corruption within society through governmental mismanagement, authoritarianism, inadequate systems of control and public accountability, and militarization. The genuine democratization of political structures can go a long way to arresting these harmful activities. Sustained progress must rely on the effective functioning of democratic processes. It is also necessary to minimize the scope for discretionary controls in the management of the economy, thereby reducing the temptations for arbitrariness. Since discretionary controls cannot be dispensed with altogether, built-in safeguards must be provided to avoid their misuse by the authorities.

## **Democracy and Legitimacy**

While a global civic ethic is needed to improve the quality of life in the global neighbourhood, effective governance also requires democratic and accountable institutions and the rule of law. In the past, governance and law used to be almost entirely national concerns. Democracy was defined primarily in terms of the role of national and regional governments, and the enforcement of the rule of law was seen as the responsibility of national courts. Today, this is no longer adequate.

As at the national level, so in the global neighbourhood: the democratic principle must be ascendant. The need for greater democracy arises out of the close linkage between legitimacy and effectiveness. Institutions that lack legitimacy are seldom effective over the long run. Hence, as the role of international institutions in global governance grows, the need to ensure that they are democratic also increases.

It is time to make a larger reality of that 'sovereign equality' of states that the UN Charter spoke of in 1945, but that it compromised in a later article in allowing a superior status to a few nations. Particularly in the context of the moral underpinnings of a new world order, nation-states and their people cannot but question the double standards that demand democracy at the national level but uphold its curtailment at the international level. There will always be differences of size and strength between countries, as there are between individuals within countries. But the principle of equality of status as members of the body politic is as important in the community of states as it is in any national or local community. The ethic of equality before the law is essential to guard against the temptation to authoritarianism--the predilection of the strong to impose their will and exercise dominion over the weak.

We do not imply that there is a need at the global level for a carbon copy of national democratic systems. There are differences between the two levels, but the norms of democracy must be pursued in both. The fiftieth anniversary of the United Nations is an appropriate time to reassert the primacy of the democratic principle. We address this question in Chapter Five when discussing the Security Council, and put forward there proposals for its reform. It arises as well in other institutional arrangements, such as the voting structures of the Bretton Woods institutions, for which we also recommend a more democratic basis.

Democracy has to do with the exercise of power and the recognition that imposition and coercion, however contrived, are unacceptable and in the end unworkable. Fifty years after the end of the conflict whose victors saw the need to assume special

privileges and special responsibilities, the time has come for the world to advance towards more contemporary norms. As we approach the twenty- first century, there is no ideal more dominant than that of democracy. In many ways, the UN is a custodian of our highest ideals. We do a great disservice to its standing, and ultimately its capacities, if we make it an exception to that most basic principle, or if beyond the system itself we acquiesce in arrangements that diminish democracy at the level of the global neighbourhood.

The rule of law has been the ethical cornerstone of every free society; respect for it is at least as essential to the global neighbourhood as to the national one. Global governance without law would be a contradiction in terms. Its primacy is a precondition of effective global governance. In Chapter Six, we make recommendations for strengthening the rule of law world- wide.

## **Adapting Old Norms**

Countries are having to accept that in certain fields sovereignty has to be exercised collectively.

Despite the use of the words 'we the peoples' in the opening line of the UN Charter, the post- war order was designed primarily to serve a world of states. Its architects assumed that states were the principal international forces. This assumption is reflected in the institutions they created and the norms they articulated.

In this respect, creating the UN system was simply a development in the continuing evolution of the system of international relations based on the sovereign rights of territorial states. This system was influenced most heavily by the development of the European state system, symbolized by the 1648 Peace of Westphalia. It took a long time to shift gradually from a Eurocentric order based on the primacy of great powers to a world- wide order supported by universal norms. The post-World War I Versailles Peace Conference of 1919 represented one phase in this shift, and the San Francisco conference in 1945 was a further step. Even now the shift is not wholly complete, but at least a system based on universal norms is in place.

Over the years, a large number of these norms have been defined, elaborated, and reiterated by a stream of declarations, conventions, and treaties. Two of central importance are sovereignty and self- determination.

## **Sovereignty**

Sovereignty--the principle that a state has supreme authority over all matters that fall within its territorial domain--is the cornerstone of the modern interstate system. Three other important norms stem from this central principle. First, that all sovereign states, large and small, have equal rights. Second, that the territorial integrity and political independence of all sovereign states are inviolable. And third, that intervention in the domestic affairs of sovereign states is not permissible. Throughout the post- war era, these three norms provided a crucial source of international stability. Because they were widely accepted, overt aggression against sovereign states was remarkably rare. And when it occurred, the international balance was heavily tilted against the aggressor.

These norms, and the claim that only the state could legitimately use force within its territory, also strengthened the ability of states to suppress dissenting voices. They served to increase the resources and support at the disposal of incumbent governments, while denying resources and support to dissidents. They have also restricted overt intervention by big powers in the internal affairs of small states, though they have failed to provide complete protection against intervention, much less subversion. Without these norms, the world would be much more insecure and less peaceful. Aggression and subversion would be far more common, and the small and weak constantly at the mercy of the big and powerful.

Sovereignty ultimately derives from the people. It is a power to be exercised by, for, and on behalf of the people of a state. Too often, however, this principle has been misused. In some cases, powerful countries have used their claimed sovereign right as a sword against weaker countries. In other cases, rulers have exercised their control of the instruments of government to usurp the prerogatives that flow from it. They have monopolized the benefits that derive from membership in the international community. They have used sovereignty to shield themselves against international criticism of brutal and unjust policies. And in its name they have denied their citizens free and open access to the world.

For these reasons, existing norms regarding sovereign equality, territorial independence, and non- intervention need to be strengthened in two ways. First, efforts must be made to ensure that they are universally enforced. Double standards must be eliminated: states should not be free to seek the protection that sovereignty affords at one moment and then ignore the limits it imposes at another. Second, ways must be found to ensure that those in power do not abuse sovereignty. The exercise of sovereign power must be linked to the will of the people. Unless the abuse of sovereignty is stopped, it will be impossible to increase respect for the norms that flow from it.

In an increasingly interdependent world, old notions of territoriality, independence, and non- intervention lose some of their meaning. National boundaries are increasingly permeable--and, in some important respects, less relevant. A global flood of money, threats, images, and ideas has overflowed the old system of national dikes that preserved state autonomy and control. The movement of people is still subject to rigid frontier controls, though these may sometimes be relaxed or overwhelmed when wars, famines, and other emergencies provoke people to seek safety. Territorial sovereignty is, however, under pressure from illicit crossborder movements, and there is concern in many countries that political or economic developments could add to these flows.

It is now more difficult to separate actions that solely affect a nation's internal affairs from those that have an impact on the internal affairs of other states, and hence to define the legitimate boundaries of sovereign authority. For example, changes in the interest rate policies of Germany, Japan, or the United States can have immediate effects on the national debt and employment prospects of countries all around the world; turmoil in Haiti and Russia can create economic, social, and political tensions in Miami and Berlin; environmental policies made in Washington can affect employment and pollution levels in Rio de Janeiro. Increasingly, countries are having to accept that in certain fields sovereignty has to be exercised collectively, particularly in respect of the global commons. Moreover, in today's world, most serious threats to national sovereignty and territorial integrity often have internal roots, and there is often criticism of other governments for wanting to stay aloof rather than for intervening.

For all these reasons, the principle of sovereignty and the norms that derive from it must be further adapted to recognize changing realities. States continue to perform important functions, and must have the powers to fulfil these functions effectively.



But these must rest on the continuing consent and democratic representation of the people. They are also limited by the fundamental interests of humanity, which in certain severe circumstances must prevail over the ordinary rights of particular states.

Nothing brings this issue more forcefully to the fore than the question of 'humanitarian intervention'. Most threats to the physical security of people now arise from deteriorating situations within countries, from civil war and ethnic conflict, from humanitarian emergencies--natural or caused by humans--and, in extreme cases, from the collapse of civil order. Sometimes more than one of these factors could be present, or one could lead to another.

When there is human suffering on a large scale as a result of such factors, it inevitably provokes demands for UN action, notwithstanding the fact that such action would constitute external interference in the affairs of sovereign states. Small and less powerful states in particular have seen sovereignty and territorial inviolability as their main defence against more powerful, predatory countries, and they have looked to the world community to uphold these norms.

Where people are subjected to massive suffering and distress, however, there is a need to weigh a state's right to autonomy against its people's right to security. Recent history shows that extreme circumstances can arise within countries when the security of people is so extensively imperilled that external collective action under international law becomes justified. Such action should be taken as far as possible with the consent of the authorities in the country; but this will not always be possible, and we have put forward in Chapter Three proposals in this regard. It is important that any such action should be a genuinely collective undertaking by the world community--that is, that it should be undertaken by the United Nations or authorized by it and carried out under its control, as the UN so vigorously tried to ensure in the former Yugoslavia.

The United Nations may stumble and even fail from time to time, but so has every country that has ever assumed a role of leadership. In the global neighbourhood, a primary duty of everyone--states and people alike--is to support, not usurp, neighbourhood action. It is also essential that UN action should follow principled criteria. It should be consistent and even-handed; above all, it should not be unduly influenced by powerful nations, within a region or globally. An activist UN will not long survive as a legitimate and effective actor if it is used as a cover for the intervention of particular states.

The readiness of the Security Council to authorize UN action, including military action, in support of humanitarian purposes represents a proper and necessary evolution of the exercise of international responsibility. So far, the Charter has proved capable of accommodating it, albeit not comfortably or perhaps sustainably. This is a dimension of internationalism that must be developed with care and circumspection and within the framework of the constraints just mentioned. Ideally, humanitarian efforts undertaken by the UN will come to be seen as neighbourhood action motivated by the highest purposes of collective support for the security of people--of neighbours. And, as discussed in Chapter Three, it must be clearly authorized by the Charter and taken under it, not on an ad hoc or arbitrary basis.

## **Self- Determination**

The second core principle of the existing international order is self- determination. Not as venerable as sovereignty, it derives from

the rise of democracy and the national idea, both of which contributed to the consolidation of divided European principalities into modern nation- states, the collapse of European empires in the Americas, and the breakup of the Habsburg and Ottoman empires.

The Versailles Peace Conference after World War I recognized the principle of self- determination, but it was not until the founding of the United Nations in 1945 that it became an effective norm equally applicable world- wide. Throughout the post- war era, self- determination was generally viewed as a right limited to territorially defined populations living under colonial rule. As such, it played a crucial role in the process of decolonization that has brought a succession of new sovereign states into being.

During the past decade, two kinds of developments have occurred that have forced the world to re- examine the issue of self- determination. The first was the breakup of countries, the two most dramatic being the Soviet Union and Yugoslavia. Both were multinational federations that had been held together by iron- fisted central governments. With the political cataclysms of the early 1990s, these governments lost both their legitimacy and their power--and the constituent national units were able to become independent states. Similar, albeit much more peaceful, negotiated separations occurred in Czechoslovakia and in Ethiopia, where there had earlier been a protracted conflict. While the violent and unsettling consequences of the Soviet and Yugoslav breakups have raised serious concerns about the exercise of the right of self- determination, it is arguable whether they involve any new issues of principle.

A much more far- reaching development is the growing assertion of a right to self- determination by indigenous populations and other communities in many parts of the world. In these cases, self- determination involves a complex chain of historical and other questions that go far beyond the issue of establishing a new state on the basis of a pre- existing territorial entity. Issues of identity, human rights, and empowerment that have little to do with previous boundaries are also involved.

Self- determination is a right of all nations and peoples, as long as it is consistent with respect for other nations and peoples. The challenge now is to find ways to define and protect this right in the environment of the global neighbourhood. It is becoming ever more difficult to resolve the problems raised by competing claims to self- determination on the basis of separate nationhood for each claimant. A process of territorial dismemberment could be set in motion that would leave much of the world far worse off and would greatly increase insecurity and instability. Moreover, redrawing maps will not succeed in reducing injustice and the risks of civil strife if the new states still lack workable formulas to reconcile conflicting claims to authority, resources, status, or land.

The problem is not made easier by the absence of any clear definition of what constitutes 'a people' or 'a nation'. It is time to begin to think about self- determination in a new context--the emerging context of a global neighbourhood rather than the traditional context of a world of separate states.

The demand for separation and the resort to violence in support of it often follow the frustration of constitutional efforts to secure less drastic changes. This points to the importance of governments being sensitive to the aspirations of ethnic or other groups that feel alienated or threatened. Most of the nearly 200 nation- states in the world consist of more than one ethnic group. There is consequently considerable scope for discord and conflict over the sharing of resources and authority and the policies that governments follow. But there is also a positive side to pluralism as manifest in several successful multiethnic states. Diversity need

not become a cause for division. A challenge to governance is to make it a source of enrichment.

If tragedies are not to be multiplied one- hundredfold, concern for the interests of all citizens, of whatever racial, tribal, religious, or other affiliation, must be high among the values informing the conduct of people in the world that has now become a neighbourhood. There must be respect for their rights, in particular for their right to lead lives of dignity, to preserve their culture, to share equitably in the fruits of national growth, and to play their part in the governance of the country. Peace and stability in many parts of the world could be endangered if these values are neglected. The world community needs to strengthen protection of these rights, even as it discourages the urge to secede that their frustration can breed. Governance in the global neighbourhood faces no stronger challenge.

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# Our Global Neighborhood

## Report of the Commission on Global Governance

### Chapter Three -- Promoting Security

*Our alternative is common security. There can be no hope of victory in a nuclear war, the two sides would be united in suffering and destruction. They can survive only together. They must achieve security not against the adversary but together with him. International security must rest on a commitment to joint survival rather than on a threat of mutual destruction.*

Olof Palme

*Common Security: A Programme for Disarmament*

Report of the Independent Commission  
on Disarmament and Security Issues

#### **Promoting Security**

*The end of the cold war provides a new opportunity to make the world's collective security system effective and to adapt it to the broader needs of the security of people and of the planet.*

Fifty years after San Francisco, the world needs to consider whether the UN Charter's provisions for maintaining peace should be revised, or if the need for change lies less in the mechanisms and procedures and more in the attitude of nations--not mending the machinery but minding how it is used. And what must the world community do to preserve peace not only among states but also within them?

There are no simple answers to these questions, but the Commission believes it is time to re-examine prevailing ideas of how to preserve peace and ensure the security of people, and of how to develop more effective means of preserving peaceful relations among states.

The task of ensuring peace and security is every bit as challenging today as it was in 1945. The alternative to a civilized international system, to a global neighbourhood living peacefully under common neighbourhood values with the help of effective collective mechanisms for common security, is too terrifying to contemplate. A second post-war failure to build an effective system of collective security would call into question our claim to be a humane society and an effective trustee for future generations.

## **The Changed Nature of Global Security**

*Global security must be broadened from its traditional focus on the security of states to include the security of people and the planet.*

Rivalry has always been inherent among sovereign states. In the past, states' efforts to increase their own security by expanding their military capabilities and forming alliances with other military powers invariably threatened the security of other states. The struggle for national security was a perpetual zero-sum game in which some states won and others lost. To continue on this path is to court disaster.

In the twenty-first century, war between states is even less likely to produce winners. The world has become too small and too crowded, its people too intermingled and too interdependent, its weapons too lethal. Ballistic missiles, long-range aircraft, and weapons of mass destruction have made the security offered by national boundaries even more illusory. Efforts by great powers to preserve their military dominance will stimulate emerging powers to acquire more military strength. At the same time, emerging powers' attempts to redress the military imbalance can only prompt traditional powers to reinforce their capabilities. The results of such a vicious circle will be rising political tensions, wasted resources, or worse--war by accident or inadvertence.

Since the seventeenth century, international security has been defined almost entirely in terms of national survival needs. Security has meant the protection of the state--its boundaries, people, institutions, and values--from external attack. This concept is deeply embedded in international tradition. It is the reason the United Nations and other international institutions emphasized the inviolability of territorial boundaries and the prohibition of external interference in the internal affairs of sovereign states.

While these norms may have reduced the frequency of interstate aggression, they have also had other, less benign, consequences. The concept of state sovereignty in security matters has often provided the rationale for creating powerful national military systems, justified budgetary policies that emphasize defence over domestic welfare, and encouraged measures that severely restrict citizens' rights and freedoms.

Protection against external aggression remains, of course, an essential objective for national governments and therefore for the international community. But that is only one of the challenges that must be met to ensure global security. Despite the growing safety of most of the world's states, people in many areas now feel more insecure than ever. The source of this is rarely the threat of attack from the outside. Other equally important security challenges arise from threats to the earth's life-support systems, extreme economic deprivation, the proliferation of conventional small arms, the terrorizing of civilian populations by domestic factions, and gross violations of human rights. These factors challenge the security of people far more than the threat of external aggression.

As the face of global society has changed, so too has the nature of global security. Among the various concepts of security frequently used are common security, collective security, and comprehensive security. Common security was first spelled out by the Independent Commission on Disarmament and Security Issues, chaired by the late Olof Palme. The concept articulated by

that Commission recognizes that lasting security will not be achieved until it can be shared by all, and that it can only be achieved through co- operation, based on the principles of equity, justice, and reciprocity.

Collective security, as envisaged in the UN Charter, is based on the idea of members in a particular group renouncing the use of force among themselves while pledging to defend any member of the group attacked by external forces. It is inherently military focused. Comprehensive security, on the other hand, emphasizes changing the present military- based notion of security. Among its dominant ideas are co- operation, confidence- building, transparency, gradual disarmament, conversion, demobilization, and demilitarization. Recently, a new concept--human security--has received attention. This is a people- centred approach that is concerned not so much with weapons as with basic human dignity. As explained in the *Human Development Report 1994*, human security includes safety from chronic threats such as hunger, disease, and repression, as well as protection from sudden and harmful disruptions in the patterns of daily life.

While sympathetic to all these concepts and their implications, we have felt it appropriate to focus on the security of people and the planet, as defined in this chapter. We believe that the concept of global security must be broadened from its traditional focus on the security of states to include these other dimensions that are more relevant today.

### **The Security of People**

The security of people recognizes that global security extends beyond the protection of borders, ruling elites, and exclusive state interests to include the protection of people. It does not exclude military threats from the security agenda. Instead, it proposes a broader definition of threats in the light of pressing post-cold war humanitarian concerns.

The Commission believes that the security of people must be regarded as a goal as important as the security of states. Ultimately, the two objectives are not in conflict: states cannot be secure for long unless their citizens are secure. Too often in the past, however, preserving the security of the state has been used as an excuse for policies that undermined the security of people.

Although Iraq's aggression against Kuwait reminds us that war between states is not extinct, in the years ahead the world is likely to be troubled primarily by eruptions of violence within countries. Civil wars, some of long standing, continue in such places as Afghanistan, Sudan, and Sri Lanka. The examples of El Salvador and Cambodia, of Somalia and Rwanda, and of Bosnia and Angola show how these conflicts can impose enormous hardships on massive populations for a long time.

As these examples show, in many countries the security of people has been violated on a horrendous scale without any external aggression or external threat to territorial integrity or state sovereignty. To confine the concept of security exclusively to the protection of states is to ignore the interests of people who form the citizens of a state and in whose name sovereignty is exercised. It can produce situations in which regimes in power feel they have the unfettered freedom to abuse the right to security of their people. There have also been civil conflicts in which the security of people has been extensively violated, with the parties in conflict showing scant respect for the lives of civilians.

Although it is necessary to continue to uphold the right of states to security, so that they may be protected against external threats, the international community needs to make the protection of people and their security an aim of global security policy.

## **The Security of the Planet**

The unprecedented increases in the scale and intensity of human activity since the Industrial Revolution, combined with equally unprecedented increases in human numbers, have reached the point where human impacts are impinging on the planet's basic life- support systems. Reductions in the ozone layer of the atmosphere are exposing humans and other forms of life to increased ultraviolet radiation. Vast increases in the amounts of carbon dioxide and other greenhouse gases being emitted to the atmosphere from human sources are affecting the atmospheric processes that determine the world's climate, giving rise to the prospect of climate change that could drastically reduce the habitability of the planet.

Species of plant and animal life are becoming extinct at rates far greater than experienced in the normal processes of evolution. Losses of forest cover and of biological diversity are changing some of the fundamental balances and resource systems essential to human life and well- being, including the carbon cycle, the capacity for photosynthesis, the water cycle, food production systems, and genetic resources.

The growing quantities of chemicals produced for human use, many of them not found in nature, ultimately reach the environment on a scale that is altering the chemical composition of the earth's waters, soils, and biological systems as well as its atmosphere. And the still huge arsenal of nuclear weapons as well as nuclear reactors built to produce power for peaceful purposes have a potential for release of radiation that could be pervasive and life- threatening.

Although scientific opinion is far from unanimous about the extent or the urgency of these and other risks, the consensus is that they are of an unprecedented nature and may threaten the continued capacity of the planet to support its human population. What is new about these hazards is that they pose a danger to the very survival, not just the well- being, of whole societies. In this sense, together with nuclear war, they constitute the ultimate security risk.

In confronting these risks, the only acceptable path is to apply the 'precautionary principle': even in the face of uncertainty about the extent or timing of environmental damage, prudent action is required when the outcome of continuing along the same path could be severe or irreversible damage. Action must be taken now to control the human activities that produce these risks so as to keep them within acceptable limits. In this, governments and citizens must be guided by the best available scientific opinion, but cannot afford to wait until the scientific evidence is complete.

One sobering fact is that all the deterioration and the risks perceived to date in respect of the planet's environment and life- support systems have occurred at levels of population and human activity much lower than they will be in the period ahead. World population is expected to double towards the middle of the twenty- first century before it stabilizes, and economic activity is likely to increase by a factor of four to five. Thus the measures required to avert risks must be put in place immediately and those already in place--the Framework Convention on Climate Change, the Convention on Biodiversity, and the protocol on ozone

depletion and its amendments, to name a few--must be rapidly and substantially strengthened.

Fortunately, some of the most important steps that could be taken to ensure planetary security are those of a 'no regrets' nature--those justified as much on economic as on environmental grounds. A prime example is the need to become more efficient in the use of energy. The Electric Power Research Institute in the United States estimates that all that country's energy needs could be met without significant changes in life- style or quality of life with a 55 per cent reduction from current levels of energy use. Others believe that the reduction could be even greater. And the same would be true of virtually all industrial countries.

Energy efficiency is an economic imperative for developing countries faced with capital expenditures to satisfy growing energy needs that they simply cannot meet. And it is clearly in the interest of the industrial world to ensure that these countries have the financial and technological support required to meet these needs on the most environmentally as well as economically sound and sustainable basis.

### **Principles of Security for a New Era**

*All people, no less than all states, have a right to a secure existence, and all states have an obligation to protect those rights.*

The world needs to translate these concepts of security into principles for the post-cold war era that can be embedded in international agreements. We propose that the following be used as norms for security policies in the new era:

- o All people, no less than all states, have a right to a secure existence, and all states have an obligation to protect those rights.
- o The primary goals of global security policy should be to prevent conflict and war and to maintain the integrity of the planet's life-support systems by eliminating the economic, social, environmental, political, and military conditions that generate threats to the security of people and the planet, and by anticipating and managing crises before they escalate into armed conflicts.
- o Military force is not a legitimate political instrument, except in self- defence or under UN auspices.
- o The development of military capabilities beyond that required for national defence and support of UN action is a potential threat to the security of people.
- o Weapons of mass destruction are not legitimate instruments of national defence.
- o The production and trade in arms should be controlled by the international community.

Embracing these norms would go a long way towards responding to the most pressing security challenge of the twenty- first century: preserving and extending the progress made in securing states against the threat of war while finding ways to safeguard people against domestic threats of brutalization and gross deprivation and ensuring the integrity and viability of the life- support systems on which all life depends.

### **The Obligation to Take Action**



*The line separating a domestic affair from a global one cannot be drawn in the sand, but all will know when it has been crossed.*

We believe the international community has an obligation to take action in situations where the security of people is imperilled. In this respect, it is important to distinguish between humanitarian action at the level of the Security Council addressing the security of people, and action at the level of other UN bodies and specialized agencies as well as numerous organizations of global civil society.

The increasing resort to various types of humanitarian action in the post-cold war era has not always followed Security Council decisions or been primarily of a military nature. Several other bodies and institutions, both within and outside the UN, play a crucial part in providing security through their humanitarian and other activities. They do not necessarily rely on the Security Council for the right to take action.

The [UN High Commissioner for Refugees \(UNHCR\)](#) and the [International Committee of the Red Cross](#), for example, have specific mandates, based on clear humanitarian and legal norms, to protect people in situations where their security is extensively imperilled. In recent years, UNHCR has become increasingly involved in providing assistance and protection not only to refugees but also to internally displaced persons. Requests for such UNHCR activity have come from the Security Council, from the Secretary-General, and from other UN organs. In addition, various human rights organizations play, or have the potential to play, an important role in promoting the security of people. In particular, the activities of the UN High Commissioner for Human Rights constitute an innovative contribution to the security of people.

The security of people is enhanced when humanitarian agencies carry out action not only to provide relief but also to ensure the basic human rights and security of all victims of conflict or other human-caused and natural disasters. The need for such action will increase if ethnic conflicts continue to proliferate.

A trend in the last few years has been a rise in the number of Security Council resolutions that link peacekeeping or enforcement action to the provision of humanitarian assistance. The numerous resolutions on the former Yugoslavia with respect to the creation of safe areas, the delivery of relief assistance, and the unhindered access of humanitarian agencies are a case in point. Security Council resolutions on Somalia, Rwanda, Liberia, and Georgia underscore the increasing linkage between military and political objectives and humanitarian ones. Within this context, there is a need to examine the complex and evolving relationship between humanitarian action supported by military force and under military command, on the one hand, and humanitarian action under civilian command. Military support, mostly in the field of heavy logistics, has been given to humanitarian operations to provide relief--for example, to Sarajevo and to refugee camps in Zaire. The military forces in these cases, while operating under UN auspices, remained under national command.

In most instances, humanitarian activities precede peacekeeping or enforcement action, and invariably continue thereafter. However, in order to carry out their tasks effectively, humanitarian agencies such as UNHCR must remain strictly neutral and impartial. In practice, it may often be difficult to draw a clear line between peacekeeping operations carried out by military forces and humanitarian activities. For instance, military force may be needed to open or secure an airport or land route for the transport of relief supplies used by humanitarian agencies. In conflict situations, military resources may be needed to augment the capacity of

relief agencies. But if military involvement takes a partisan turn, or is perceived to be partisan, warring parties may consider or treat humanitarian assistance agencies also as parties to the conflict. Such developments raise fundamental questions for humanitarian agencies, which must maintain their commitment to the victims of conflict with impartiality and neutrality.

With respect to Security Council-based actions, we believe that a reformed Security Council (see Chapter Five) must develop a set of principles on UN responsibility for preserving global security and must work out means to respond to threats to peace, however they arise.

In interstate conflict, clear-cut aggression is relatively easy to define. But such situations are rare. In many cases, the identity of the aggressor is not obvious, and even the basic facts of the situation may be disputed.

A more difficult question is the right--and, even more, the obligation--of the United Nations to act in a purely internal context. Clearly, the international community should not meddle in countries' domestic affairs. We do not believe that Article 2.7 of the UN Charter, on non-intervention in domestic matters, should be treated lightly, or that the principle enshrined there should be overridden. We do think, however, that it is necessary to assert as well the rights and interests of the international community in situations within individual states in which the security of people is violated extensively.

It is possible, of course, for a domestic dispute in the global neighbourhood to assume such proportions that it endangers the peace of the neighbourhood itself. These cease to be matters 'essentially within the domestic jurisdiction of any state'. When the Security Council has determined the existence of a 'threat to the peace, breach of the peace or act of aggression', Article 2.7 does not prevent the application of enforcement measures under Chapter VII of the Charter. This determination can follow the Security Council's recognition that, in a particular case, the situation is not, or has ceased to be, an essentially domestic affair.

Quite often, however, threats to the security of people that justify international action may not constitute threats to international peace and security. In some cases, the international community acts in response to humanitarian needs--as in Somalia, where there was no government to exercise sovereign functions, or in Rwanda, which was itself a member of the Security Council and wanted UN intervention. But this can put the practice of 'humanitarian intervention' on tenuous grounds. There will be situations when the international community will be hard put to stretch to purely intra-state situations Charter provisions designed for responding to interstate disputes and conflicts.

The Security Council is already empowered under international law to take appropriate action in certain extreme situations that imperil the security of people but do not involve an external threat. A provision for implicit reference to the Security Council is contained in the Convention on the Prevention and Punishment of the Crime of Genocide (which as of September 1994 had been accepted by 114 states), under which any party can request competent organs of the UN to take action against acts of genocide.

We are all for enlarging the capacity of the Charter by enlightened interpretation, but when that reading strains credulity, it may be unsustainable. There is an even more serious consideration, however. When the international community is dealing with an issue this sensitive, clarity is needed on both the nature and the limits of the authority to act. We believe a global consensus exists today for

a UN response on humanitarian grounds in cases of gross abuse of the security of people. But if we seek to find a foothold for intervention on the basis of Security Council interpretation, what will limit such intervention save a self-denying ordinance of the Security Council itself? What, then, if it decides--under pressure from powerful members, for example--that there should be intervention in cases of human rights abuses or undemocratic practices or for other reasons but without there being a clear and generally acknowledged threat to the security of people?

If the Security Council is to disregard the prohibition against intervention in internal affairs that is enshrined in Article 2.7, it must do so in circumstances clearly defined by the Charter. It will, of course, always require a case-by-case judgement, but the judgement itself must be exercised within a circumscribed framework to which all have agreed. Thus we propose an appropriate Charter amendment permitting such intervention but restricting it to cases that constitute a violation of the security of people so gross and extreme that it requires an international response on humanitarian grounds. This would both strengthen the world-wide acceptance of the concept of the security of people and keep the evolution of humanitarian response to its violation within strictly observable limits.

Intervention is, of course, fraught with dangers. Outsiders may not fully understand the situation that necessitated the action; objectivity may not always be possible for long on the part of intervening forces; and intervention always has the potential to aggravate the problem. It is the danger of abuse of the right of intervention that has caused the world community to act only slowly on matters within the domestic jurisdiction of states. Any new step to legitimize intervention must be sensitive to the need to limit action strictly to cases in which the international consensus deems the violation of the security of people too gross to be tolerated. The principle of non-interference must be respected until such a consensus is reflected in the judgement of a Security Council reformed along the lines discussed in Chapter Five.

The line separating a domestic affair from a global one cannot be drawn in the sand, but we are convinced that in practice virtually all will know when it has been crossed. Amin's Uganda, apartheid South Africa, Khmer Rouge Cambodia, and the more recent situations in Bosnia, Somalia, and Rwanda are all examples of this. Few would dissent. Each case, none the less, calls for a specific judgement to be made.

We suggest that the following key question be considered: Given the sustained importance of the principles of sovereignty and non-interference in internal affairs, has the situation deteriorated to the point where the security of people has been violated so severely that it requires an international response on humanitarian grounds? If the Security Council answers affirmatively--as it could have in each of the cases just mentioned--then the Charter as amended would be no impediment to UN action, properly authorized and implemented under Security Council control.

Action, of course, does not necessarily mean an immediate resort to force. Authorization of action in the first instance would give legitimacy to a range of measures, most of them short of force.

We realize that this approach will allow UN intervention in domestic matters only when the situation has reached extreme proportions. This limitation is not only unavoidable, but also desirable. There are, moreover, factors that would mitigate the risk that this recommendation is too modest. First, the realization that sovereignty can no longer be used to shield gross violations of the

security of people from international action should itself deter such violations. Second, non- governmental organizations (NGOs) would be able to help draw attention to situations within a country that threaten the security of people.

In [Chapter Five](#), we recommend an institutional reform that would provide new global machinery through which warnings could be articulated: the creation of a Council for Petitions in which a new 'right of petition' could be exercised by non- state actors. In this way, situations endangering security within states could be brought to the attention of the United Nations and its member- states. The body entertaining the petition would determine if the situation poses or is likely to pose a threat of such proportions that it should be addressed by the Security Council.

We further recommend that the Charter amendment establishing the right of petition should also authorize the Security Council, if it determines that the situation endangers the security of people, to call on the parties to use one of the several means mentioned in Article 33 of the Charter for the pacific settlement of disputes. This article was intended for the settlement of disputes between states, but the methods are just as relevant for domestic disagreements.

The use of force would be authorized only if these means of peacefully resolving disputes failed and the Security Council determined that under the Charter amendment just proposed, such intervention was justified on the basis of the violation of the security of people. But even then the use of force would be a matter of last resort.

It is absolutely essential to cultivate an international environment in which the use of force remains the last possible means of resolving disputes, particularly when that action is being authorized on the basis of humanitarian considerations. Both ethical and practical considerations dictate an approach that elevates persuasion, conciliation, and arbitration above coercion, and non-violent coercion above the use of force. The international community must come to grips with this fundamental issue. The challenge is to find an acceptable basis for humanitarian action that respects the dignity and independence of states without sanctioning the misuse of sovereign rights to violate the security of people within a nation's borders.

The question we have proposed as the litmus test for Security Council action might have to be asked frequently in the future. If the global neighbourhood is to be a tolerable home for all its people, it has to be kept peaceful. And keeping the peace has to be a collective responsibility. The common security of its people depends on that responsibility being shouldered.

### **Anticipating and Preventing Crises**

*The international community should improve its capacity to identify, anticipate, and resolve conflicts before they become armed confrontations.*

A comprehensive preventive strategy must first focus on the underlying political, social, economic, and environmental causes of conflict. Over the long run, easing these is the most effective way to prevent conflict. Such a basic approach is also likely to cost less than action taken after conflicts have erupted. Preventing conflict in such strife- torn places as Angola and Somalia would have cost

far less than dealing with the results now. Our recommendations in [Chapter Four on economic and social issues](#) and our observations in [Chapter Two](#) on the importance of shared values are an integral part of a comprehensive approach to creating a more secure world. Indeed, a declared objective of the United Nations at its founding was to establish social and economic conditions under which peace and security could flourish.

The many civil wars in different parts of the world, some of them of long duration, are evidence of the inability of the existing international security system to prevent conflict within states. If, as we propose, planetary security and the security of people are to become touchstones of security policy, mechanisms to relieve environmental degradation and prevent armed conflict within states must be developed and implemented. These should stress the prevention of civil conflicts as well as the resolution of those that have begun. Preventive action has so far received far less priority than efforts to stop civil wars.

One fundamental reason for the failure of the world community to prevent war is the unwillingness and inability of governments to respond to every crisis or threat of a crisis. To conserve resources, or to avoid difficult decisions about intervention, governments will often ignore the existence of a conflict that could threaten peace and security--until it has escalated into a deadly struggle.

The difficulty that most governments face in persuading people to support potentially risky operations before compelling evidence of a humanitarian disaster also stands in the way of preventive, early action. People throughout the world tend to be guided by the media--and they are predominantly Western media--in determining when a problem warrants international action. Television coverage of a situation has become, for many, a precondition for action. Yet for most commercial networks, the precondition for coverage is crisis. There has to be large-scale violence, destruction, or death before the media takes notice. Until that happens, governments are not under serious internal pressure to act. And by then, the international community's options have usually been narrowed, and made more difficult to implement effectively.

The media also have inordinate influence in shaping peoples' perceptions of the success or failure of international action. For example, television reports of the deaths of US soldiers in Somalia led Americans to see the mission as a failure and a mistake, and President Clinton, acceding to congressional pressure, decided to withdraw US forces over the next six months.

These problems make preventive action by the United Nations difficult. The world relies on an ad hoc system of international security that is driven by political considerations as they are perceived by the major powers. The results are erratic international security concerns and action.

Environmental deterioration, particularly in areas of pervasive poverty and recurrent drought, is a growing source of potential conflict. Natural cycles of drought rapidly turn into the human tragedy of famine when they occur in areas in which growing human and animal populations have already led to widespread destruction of tree and vegetable cover and deterioration of soils. This contributes, as it did in the famine in many parts of Africa of 1984-86, to large-scale movements of people within nations and across boundaries. Social breakdown and internal conflict in Somalia, Rwanda, and Haiti were undoubtedly exacerbated by environmental deterioration accompanied by mounting population pressures. These phenomena will, if unchecked, create on a much broader scale the underlying conditions that set the stage for future conflicts. And they can, by their very nature, only be

addressed through preventive strategies.

The international community has an overriding interest in surmounting obstacles to preventive action. Over the long run, the success of efforts to eliminate nuclear weapons and other weapons of mass destruction and to demilitarize nations will depend on the international system's ability to prevent armed conflict--both among and within states. As long as there are significant threats of war, both civil and interstate, countries will be reluctant to limit their military options. Equally important, they will be predisposed to define their defence needs in maximum terms. As a result, it will be difficult to reduce the level of military preparedness and the threat of war.

As recent experience has demonstrated, it is increasingly difficult to obtain support for international intervention when there is a risk of casualties or major expenditures. Despite many examples of dedicated commitment on the part of service personnel who do become involved, this raises the possibility that the international community may stand aside as millions of people are brutalized by armed conflicts. Such a pattern is already beginning to be established, as was demonstrated by months of inaction over Rwanda. If this pattern continues, the world will become a cold and forbidding place, dispelling visions of a global community united in human solidarity.

Although preventive strategies must first focus on the underlying causes of conflict, it would be naive to believe that greater and better- balanced economic and social progress would be sufficient to ensure international security. There will still be a need to prevent and respond to armed conflicts. We therefore believe the international community should improve its capacity to identify, anticipate, and resolve conflicts before they become armed confrontations, and should develop criteria and capabilities for early intervention when armed conflicts arise. The preventive approach proposed here thus has two strategic objectives-- anticipating crises before they erupt, and responding to crises early and rapidly. We have found it helpful to identify the possibilities available as steps on a ladder, ranging from early warning and fact- finding missions through dispute settlement and peacekeeping to coercive, peace enforcement actions.

The uneven and often inequitable impact of political, economic, and environmental change on different segments of a population often gives rise to violent conflicts. A root cause of many conflicts is poverty and underdevelopment. But not all development failures create security crises. A distinction must be made between the general conditions of poverty, inequality, and environmental degradation that may generate instability in the long term (and that must be addressed as part of a larger effort to promote sustainable development) and the specific developments, policies, or abuses that may precipitate conflict and lead to sporadic or sustained violence.

Clearly, the best solution to security crises is to remove or alleviate the factors that cause people, groups, and governments to resort to violence. Once violence breaks out, the international community's ability to act is limited. Only rarely, in circumstances of extreme humanitarian concern, is there likely to be a consensus for intervention. And even when such a consensus forms, insufficient resources can constrain action.

To remedy this situation, international and bilateral assistance policies, as well as those of civil society in general, should aim to

address the alleviation of these root causes of violence. As noted earlier, we suggest in Chapter Five the creation of UN machinery for considering petitions from citizens or organizations that wish to draw attention to manifest injustices in certain fields. This would provide a mechanism to alert the world community to situations that could lead to humanitarian tragedies unless timely preventive action is taken. Public exposure will not guarantee that problems are resolved without resort to violence, but it could be a restraining influence. And it would formally raise the possibility of action by the international community through the United Nations.

### **Early Warning**

Early signs of impending crises may be seen in political and military developments as well as socioeconomic and environmental factors. If such signs are to be spotted, and warnings given soon enough to be useful, the collection, analysis, and dissemination of information take on special importance. We propose that the UN develop a system to collect information on trends and situations that may lead to violent conflict or humanitarian tragedies.

For this to be effective, the United Nations must be able to benefit from information available to governments with extensive information-gathering capacities. All nations should share with the United Nations information on trends that may cause conflicts or tragedies.

Because of their work in the field and their close contact with local communities, some non-governmental organizations are often in a good position to alert the international community to potential conflicts. They should be encouraged to share their knowledge and insights with the United Nations. The regional and country representatives of UN agencies can also be monitors. We support the proposal for an NGO Early Warning Service, in which the United Nations would work with relevant NGOs to develop early-warning consultative and operational mechanisms.

Although the need for collection, analysis, and dissemination of information cannot be overemphasized, an even more important task is to initiate action on the basis of information providing early warning of possible conflicts.

### **Fact-Finding Missions**

Article 99 of the UN Charter empowers the Secretary-General to bring to the attention of the Security Council 'any matter which in his opinion may threaten the maintenance of international peace and security'.

The discharge of this responsibility clearly requires access to a regular supply of information, complemented by the capacity, when necessary, for on-the-ground verification. Fact-finding missions can help sift and assess information received; their presence in a country can also serve as a catalyst for conflicting parties, or potentially conflicting parties, to look for peaceful solutions. These missions are often welcome, as neutral third parties, in situations in which positions are getting rigid and political constraints make flexibility difficult.

We welcome the greater degree of freedom the Secretary- General now has in deciding to dispatch fact- finding missions, and hope that he will not be constrained. It is imperative that adequate resources should be available for deploying such missions. In some cases, these would need to set about their work with discretion, without drawing public attention. Their reports to the Secretary- General may be the basis for informal consultations in the Security Council. In other instances, open discussion in the Council may serve a useful purpose by giving the situation public exposure. Any ensuing action, of course, would be for the Council to decide.

## **Responding to Crises**

*Military, political, development, and humanitarian work should be seen as complementary and mutually supportive.*

The breakdown of the bipolar cold war system means that responses to security crises--both with preventive efforts and beyond them--have to come from a wider group of nations and organizations than before. The United Nations, particularly the Security Council, has the principal responsibility. But regional bodies and a wide range of civil society organizations are now in a position to play useful roles. Involving these groups can achieve a sensible division of labour and avoid overburdening the UN system.

Organizations of civil society have been responding to conflicts in several ways, undertaking humanitarian relief, mediation, refugee protection, and peace- building. Their activities now often extend beyond the mere provision of relief. For example, in Operation Lifeline in Sudan, some non- governmental organizations worked with UNICEF to persuade both government and insurgent forces to respect the right of the civilian population to receive humanitarian assistance.

It is often noted, however, that organizations of civil society are less active in the security and conflict area than in such fields as environment and development. This may often be because they are denied necessary access, or are offered no security guarantees for their personnel. The world community should recognize the important role--beyond humanitarian relief--that NGOs can play in situations of conflict. Access to conflict areas and international protection for humanitarian workers would be essential steps to promote the vital contributions of these organizations.

## **Peaceful Settlement of Disputes**

Chapter VI of the UN Charter calls on those involved in a dispute to try to settle it peacefully, using a wide variety of methods. Too many disputes lead to violence, which is ultimately counter- productive and harms the interests of all parties and of ordinary people. The rule of law and the principle that aggression should not be rewarded need to be upheld. Along with the International Court of Justice (the World Court) at the Hague, the many other mechanisms for the peaceful settlement of disputes listed in the Charter represent an inadequately tapped resource. Both the Security Council and the Secretary- General should make more use of these. (See also [Chapter Six](#).)

In some instances, when parties to disputes are locked in frozen positions and movement is restricted by domestic political considerations, a move by the international community may be welcome. It could let the parties shift position without losing face. In



other cases, international initiatives may be less welcome, particularly to a government that fears UN involvement could imply interference by other governments in what it regards as a purely domestic dispute. An NGO or even a highly regarded private individual may in those cases be able to help the parties agree to look for a peaceful solution.

There has been an increase in the number of organizations willing to offer their good offices in bringing together parties to disputes, or to work with others to look for solutions. There is a need now to take a pragmatic view of how positive efforts at peaceful conflict resolution are encouraged, and who brings them about. The problem, not the institutions or their mandates, should be the prime concern, and consideration of turf should not stand in the way of conflict resolution.

### **New Roles for Peacekeepers**

The United Nations has become more active and its role more comprehensive as it deals increasingly with conflicts within states. It is also more exposed to scrutiny and to criticism. The UN is now commonly asked to reduce tensions between warring parties, encourage political reconciliation, and supply humanitarian assistance to affected civilian populations.

These roles are much more demanding than classical peacekeeping. This is obvious from a financial perspective--expenditures on peacekeeping have skyrocketed in the last four years.

The new role has also placed the UN in a more exposed position, both physically and politically. In the past, the UN was often not a relevant actor in difficult conflicts, particularly those that affected the major powers. Today, it is involved in many of the most complex conflicts, most of which are primarily internal in nature.

The new type of complex peacekeeping operations, with elements of the use of force, has also created new problems for the United Nations. We believe that two particular measures are needed to improve the situation.

First, the integrity of the UN command has to be respected. To increase the confidence of those who supply troops in the way an operation is carried out, much better mechanisms for sharing information and for consultations have to be worked out. UN resources for command and control of peacekeeping operations need to be strengthened. For each operation, a consultative committee should be set up, as was originally the case, including representatives of the countries that contribute troops. This committee, which could be set up as a subsidiary organ under Article 29 of the Charter, should be consulted every time the Security Council considers a renewal or a change of mandate.

Second, the principle that countries with special interests in or historical relations to a conflict do not contribute troops to a peacekeeping operation should be upheld as far as possible. However, we recognize the need to discard the earlier view that the five permanent members of the Security Council should not play an active part in peacekeeping. Indeed, logistical support by major powers for UN operations (air transport, satellite communications, and so on) is not only appropriate, it will often be essential for effectiveness and the UN's own command- and- control.

The demands for UN peacekeeping have become so numerous that the capacity of the organization to respond has been hampered by the unwillingness of the member- states to provide needed resources. One way to deal with certain conflicts could be to delegate the actual implementation of an operation to a regional organization or arrangement, but to maintain Security Council control over enforcement action and its overall political leadership. This has already been done in some cases, but it could be developed further. Political authority must be maintained at the global level, to ensure international control over any given situation.

The Charter of the United Nations, in Chapter VIII, has several specific clauses about regional security arrangements. Its first article makes clear that nothing in the Charter precludes the existence of regional arrangements or agencies for dealing with matters on the maintenance of international peace and security. For several decades, cold war rivalry hindered cooperation between regional organizations and the UN under Chapter VIII.

Alliances such as the North Atlantic Treaty Organization (NATO), the Warsaw Pact, and the South- East Asia Treaty Organization were then unsuitable for a relationship with the UN. Other regional organizations, such as the Organization of American States (OAS), the Organization of African Unity, and the Arab League, although modestly successful on a few occasions, were too loose and spread over too large an area to become forceful actors and to prevent or contain conflicts often dominated by competition between the superpowers. Even so, the role of some regional arrangements was by no means negligible in easing cold war tensions, as demonstrated by the Conference on Security and Co- operation in Europe (CSCE).

The end of the cold war opened up new possibilities for the involvement of regional organizations in responding to local conflicts in conjunction with the UN. We support the plea made by the UN Secretary- General in *An Agenda for Peace* for more active use of regional organizations under Chapter VIII, especially since the UN has become overstretched and overburdened. The contributions of the Association of South- East Asian Nations in Cambodia, the OAS and the Contadora Group in Central America, and the European Union (EU), CSCE, NATO, and the Western European Union (WEU) in the former Yugoslavia have pointed to a tremendous potential.

The relationship between the UN and regional organizations needs to be clarified in the light of recent experience. The conflict in the former Yugoslavia has led to a number of Security Council resolutions with explicit references to Chapter VIII and the active involvement of the EU, NATO, and the WEU. But there have been problems of co- ordination between the UN and regional organizations. Although some flexibility must be maintained, more structured mechanisms of co- operation are needed. For instance, standing arrangements between the UN and regional organizations, frequent high- level contacts, and common workshops, as well as harmonization of command procedures, should be initiated or further strengthened. In addition, co- operation should aim at a better exploitation of the potential of economic instruments, ranging from positive measures such as financial aid to sanctions.

For the United Nations to be effective in complex emergencies, its different roles must be played simultaneously as much as possible. Military, political, humanitarian, and development work should be seen as complementary and mutually supportive. Activities should not be put on a time axis starting with the role of the military and ending with development programmes.

## Action Under Chapter VII

During the last four years, the United Nations Security Council has gone through a hectic period. It has met almost continuously, and the veto has been used only once, on a marginal issue. The Council is now at last being used as a forum for dealing with situations that jeopardize international peace and security.

The importance of the Security Council's special powers is seen not least in the frequent references to Chapter VII in its resolutions in recent years. This chapter deals with enforcement action--or, as its title reads, 'action with respect to threats to the peace, breaches of the peace and acts of aggression'.

The Security Council has taken an unprecedented number of decisions on enforcement action involving sanctions or the use of force during the past few years. In its new activist phase, the Council has also moved the UN in the direction of peace enforcement, placing the organization in a more vulnerable position, at risk of becoming a part of the conflict. One result has been a higher level of UN casualties than in previous peacekeeping operations. Negative reactions to casualties within countries contributing troops have made some governments reluctant to participate in UN operations.

The withdrawal of US troops from Somalia, together with those of several other nations, as a result of casualties in October 1993 demonstrates the difficulties of securing sufficient support for interventions that require large- scale troop and financial commitments, and that also carry the risk of casualties.

Sanctions Comprehensive sanctions against a country are a legitimate tool to bring about change, but they have many consequences. The effects of sanctions need to be thoroughly analysed by the relevant international organizations as well as independent institutions.

We recommend that the Security Council adopts a more precise and targeted approach to sanctions. An arms embargo is normally an early step in the Council's efforts to deal with a conflict. It can be a strong political signal to the parties to the conflict that the international community is watching developments carefully. Until now, the second step has normally been comprehensive economic sanctions. These often entail great risks for vulnerable groups. The political leaders or groups whom sanctions seek to influence are very often immune from their effects. Others, less culpable or wholly innocent, are invariably affected more severely. Also, sanctions tend to have an adverse impact on neighbouring countries. A more suitable second step, therefore, would be measures that are better focused on target groups. These could include action to stop certain types of economic transactions, to freeze assets abroad, and to suspend air links and other means of communications.

If these measures do not lead to the desired result, the Security Council could turn to comprehensive economic sanctions of the type in place in mid- 1994 for Iraq and the former Yugoslavia. When doing so, the Security Council should consider also the following points.

- The Security Council should make provision, when sanctions are introduced, to ensure that humanitarian programmes are launched to help the most vulnerable groups.

- The present arrangements under Article 50 of the Charter for other countries to seek special assistance if they suffer from the effects of sanctions are clearly inadequate. The Security Council should be able to recommend to the World Bank and other multilateral financial institutions that they give preferential treatment to such countries. The Sanctions Committee, which regularly is set up to decide on individual sanctions matters, should be given an additional mandate to follow this issue.
- When comprehensive economic sanctions are being decided on, the Security Council should define, as clearly as possible, under what circumstances the sanctions would be lifted. This would make it possible to use sanctions to greater effect, allowing the lifting of particular sanctions to be presented as an incentive in negotiations.

Sanctions may prove less effective in certain situations than in others. Despite this drawback, however, we are convinced that sanctions are a legitimate and useful tool for inducing change.

The Use of Force The threat to use force is neither credible nor effective if there is no ability or preparedness to actually use it, as demonstrated by developments in Bosnia. The events in Somalia in 1993 contributed to a loss of faith in UN- led operations among some member- states, not least of which was the United States.

Obviously, plans for peace enforcement operations should be scrutinized more carefully in the future than was done in the Somalia case. Yet it is vital that the UN retains a capacity to act against aggression and to protect the security of people, as it tried to do in Somalia and Bosnia. All nations should be ready to make armed forces available to the Security Council, as envisaged under the Charter. It is commendable that some countries are taking steps in this direction, training special forces for UN service.

Although the command of large enforcement operations such as Desert Storm is likely to be delegated to one country or organization, it is also important that the UN Secretariat develop adequate facilities for command and control of smaller peace enforcement actions.

The Military Staff Committee was established under Article 47 of the Charter to 'advise and assist the Security Council on all questions relating to the Security Council's military requirements for the maintenance of international peace and security, the employment and command of forces placed at its disposal, the regulation of armaments, and possible disarmament'. A revitalized and strengthened Military Staff Committee could help by providing military information and expert advice to ensure that the Council's decisions on military intervention are based on authoritative, professional assessments.

Even if the United Nations enhances its capacity to enforce Security Council resolutions, 'coalitions' of countries may be formed to conduct certain UN enforcement operations. Groups such as those set up for the Gulf War in 1991 and for Somalia in late 1992 ensure that military capabilities, political support, and financial resources are mobilized in a way the UN cannot do at present. That inability of the United Nations is a matter for regret. It is a handicap that prevents the UN from living up to its full potential as outlined in the Charter.

But the establishment of coalitions also has a basis in the UN Charter. Article 48 states that '[t]he action required to carry out the decisions of the Security Council for the maintenance of international peace and security shall be taken by all the Members of the United Nations or by some of them, as the Security Council may determine'. What is essential is that the overall UN control

be respected, even when a coalition command is set up, and that the Security Council determine whether any specific action should be entrusted to a coalition of countries.

### **A United Nations Volunteer Force**

The United Nations has, at present, no capacity to deploy immediately a well- trained force to carry out the mandate of the Security Council in the early stages of a crisis, before a situation gets completely out of control. Governments are understandably reluctant to commit troops rapidly for UN action, particularly in civil wars and internal conflicts, where the risk of loss of personnel is higher than in traditional peacekeeping operations. This has renewed interest in an idea originally raised in 1948 by Trygve Lie, the first UN Secretary- General. He called for the establishment of a small United Nations 'guard force' that would be recruited by the Secretary- General and placed at the disposal of the Security Council.

Lie's idea attracted no support at the time from the governments of the member- states. But today, when the Security Council is much more ready to agree on what should be done in a given crisis, this idea may be developed into an instrument that can help define how the Council's decisions can be implemented more rapidly and effectively.

In many of today's crises, it is clear that an early intervention could have prevented later negative developments, and might have saved many lives. The problem has been to find the capacity to deploy credible and effective peace enforcement units at an early stage in a crisis and at short notice. This underlines the need for a highly trained UN Volunteer Force that is willing, if necessary, to take combat risks to break the cycle of violence at an early stage. This would be particularly useful in low- level but dangerous conflicts.

Such an international Volunteer Force would be under the exclusive authority of the Security Council and, like peacekeeping forces, under the day- to- day directions of the Secretary- General. It would not take the place of preventive action, of traditional peacekeeping forces, or of large- scale enforcement action under Chapter VII of the UN Charter. Rather, it would fill a gap by giving the Security Council the ability to back up preventive diplomacy with a measure of immediate and convincing deployment on the ground. It would provide the immediate spearhead and reconnaissance element for a later, much larger, operation, should that prove necessary.

Some objections have been raised to this proposal. It has been argued that such a force would give the Security Council or the Secretary- General too much power, that the idea raises the spectre of supranationality, that the volunteers would be viewed as mercenaries, and that it would be an expensive undertaking.

Maintaining a UN Volunteer Force--we envisage a strictly limited force with a maximum of 10,000 personnel--will involve expenditure probably beyond the UN's present system of government assessments. If so, this would rank high among the activities qualifying for financing under the system of automatic resources proposed in Chapter Four. Just as the UN cannot discharge its responsibilities if it is held hostage--as in Rwanda--to the hesitations of member- countries to provide forces even for fully authorized peacekeeping operations, so a UN Volunteer Force needed for rapid deployment would be hamstrung if it were subject to the uncertainties of national contributions, including the perennial problem of arrears. Outstanding leadership, high standards

of recruitment and training, and dedication to the principles and objectives of the United Nations should help allay some of the other objections to establishing a Volunteer Force.

The words that President Roosevelt used in 1944 in presenting to the American public the case for an international organization with the capacity to enforce peace in the world are an effective argument for a UN Volunteer Force: 'A policeman would not be a very effective policeman if, when he saw a felon break into a house, he had to go to the town hall and call a meeting to issue a warrant before the felon could be arrested.'

The Force would not, of course, be a substitute for peacekeeping forces contributed by member- countries; indeed, peacekeeping forces will be crucial in the larger international role we envisage for the UN in preserving peace and security. Nor would it take the place of the understanding at San Francisco (although never implemented) that under Article 43 of the Charter, member- states would agree with the Security Council to hold national contingents on call for international duties authorized by the Security Council.

There are certain to be more than enough volunteers for an elite peace force of this kind. The problem would be to select, organize, and train the best of them, and then to develop a suitable command and support structure, along with valid rules of engagement and methods of operation. It will take awhile for such a force to become a working reality. At the same time, as its skill, experience, and reputation grew, its need to use force would probably decrease.

The very existence of an immediately available and effective UN Volunteer Force could be a deterrent in itself. It could also give important support for negotiation and peaceful settlement of disputes. It is high time that this idea--a United Nations Volunteer Force--was made a reality.

### **Paying for Peace**

In mid- 1994, the United Nations was running seventeen peacekeeping or peace enforcement operations around the world. More than 70,000 soldiers were involved, and the cost of peacekeeping in 1993 was estimated at \$3.2 billion. The peacekeeping budget of the United Nations showed a deficit of \$1.6 billion in October 1994. Although peacekeeping expenditures have risen, an authoritative report on UN finances in 1993 reckoned that for every \$1,000 that member- states spent on their own armed forces, they only spent \$1.40, on average, on peacekeeping.

The demands on the United Nations to undertake peacekeeping and peace enforcement operations are steadily increasing. Several operations--in Namibia, in El Salvador, in Cambodia, on the Golan Heights--have been among the success stories of the United Nations. The UN's capacity to mount peacekeeping operations, as well as all forms of early, preventive action, is of the most fundamental importance to the future of the global neighbourhood. But the UN has not been given the resources needed to do the job--far from it.

Expenditures on peacekeeping activities are a very inexpensive investment in human life, for their purpose is to prevent death

and destruction. But finding the resources for peacekeeping operations is increasingly a problem. We propose that the international community prepare to make significantly increased funds available for peacekeeping in the next few years. This should be possible by using some of the resources that can be made available through a reduction of defence expenditures.

One way of dealing with these financial problems may be to integrate the costs of all peacekeeping operations into one single budget, shared by all governments. We therefore propose that the cost of peacekeeping operations, and of the facilities necessary to support them, such as command and control units, be progressively integrated into a single annual budget and be financed by assessments on all UN members.

To facilitate the rapid deployment of peacekeeping forces, a substantial peacekeeping reserve fund should be established.

### **Ending the Threat of Mass Destruction**

*The citizens of nuclear- weapon and threshold states would be immeasurably more secure in a world without nuclear or other weapons of mass destruction.*

For three decades, the world has made substantial progress towards controlling the spread and use of nuclear and other weapons of mass destruction. Relevant international agreements now include the 1963 Partial Test Ban Treaty, the 1967 Treaty for the Prohibition of Nuclear Weapons in Latin America (the Treaty of Tlatelolco), the 1968 Treaty on the Non- Proliferation of Nuclear Weapons (NPT), the 1972 Anti- Ballistic Missile Treaty, the 1972 Biological Weapons Convention, the 1979 SALT II Treaty, and the 1985 South Pacific Nuclear- Free Zone Treaty.

In recent years, progress has been accelerated by the decisions of Argentina, Brazil, and South Africa to halt and reverse nuclear weapon development programmes; by the decisions of China, France, and South Africa to sign the Non- Proliferation Treaty; by the achievement in 1993, after decades of effort, of a global convention banning the development, stockpiling, and use of chemical weapons; by moratoria on nuclear- explosive testing being observed by four of the declared nuclear- weapon states; and by reductions in the nuclear arsenals of the United States and the former Soviet Union under the 1991 and 1993 Strategic Arms Reduction Treaties (START I and START II).

There are, however, several worrisome signs. They include the mid- 1994 controversy about the inspection of North Korean nuclear sites, evidence that some scientists from the former Soviet Union are prepared to sell nuclear expertise on the open market, and the controversy about the conditions for and duration of extension of the NPT when it expires in 1995. In addition, some countries on the threshold of becoming nuclear powers, such as India, Israel, and Pakistan, are still not parties to the NPT.

### **Eliminating Nuclear Weapons**

The international community should reaffirm its commitment to progressively eliminate nuclear and other weapons of mass

destruction from all nations, and should initiate a programme to make that goal a reality in ten to fifteen years. In the meantime, the processes of surveillance, monitoring, and reducing the use of weapons should be significantly strengthened.

The end of the cold war provides a new opportunity to confirm this international commitment and begin to live up to it. As long as some states continue to retain nuclear weapons, and to insist that they are legitimate instruments of national defence, it will not be possible to establish effective, long- term controls on nuclear proliferation. As new global powers emerge, they are likely to insist on having the same rights of self- defence as others.

It is therefore imperative that all nations, especially existing nuclear powers, accept the principle of eventual elimination of nuclear weapons. More important, to build an equitable and universal nuclear non- proliferation regime, both the nuclear- weapon states and the threshold states must contribute to building a climate of confidence and openness. They should be prepared to take this step, since their citizens would be immeasurably more secure in a world without nuclear or other weapons of mass destruction.

The achievement of a nuclear capability--or steps taken towards it--need not be irreversible. Actions by Sweden in the 1950s, by Taiwan and South Korea in the 1970s, and by Argentina, Brazil, and South Africa since then demonstrate conclusively that nuclear weapon programmes can be reversed. A new commitment by the nuclear powers and other states to eliminate all weapons of mass destruction, combined with a concrete programme of action, could begin a process of negotiations and unilateral actions that could eventually bring about real nuclear disarmament. To work towards this goal, the international community should take four steps:

- the earliest possible ratification and implementation of existing agreements governing weapons of mass destruction (including the Chemical Weapons Convention; the START II Treaty, which would reduce US and Russian nuclear arsenals drastically; and the commitments by Belarus, Kazakhstan, and Ukraine to eliminate nuclear weapons and adhere to the NPT);
- the indefinite extension of the Non- Proliferation Treaty;
- the conclusion of a treaty to end all nuclear testing; and
- the initiation of talks among all declared nuclear powers to establish a process to reduce and eventually eliminate all nuclear arsenals.

It is now also necessary to begin thinking about the safeguards and disposal arrangements that would make the elimination of existing weapons in national arsenals possible. During the cold war, it was assumed that it was possible to build up excessive quantities of weapons and maintain control over them. Because of the eroding power of the state, however, control over weapons stockpiles is now more difficult. There are alarming possibilities if control is lost over nuclear weapons and their delivery systems. Independent organizations and scholars could take a lead in suggesting arrangements for the safe disposal of weapons, as in the recent report of the US National Academy of Sciences on disposition of plutonium from nuclear weapons. Gradual measures are no longer sufficient. With the radical changes in world politics of the past few years, there is an opportunity to realize the ultimate goal of a nuclear- free world.

### **The Non- Proliferation Treaty**

The NPT is the cornerstone of the world's non- proliferation regime. In April 1995, a conference will be convened to decide on the



length of its extension. No treaty is more important for continued progress towards the containment and reversal of nuclear proliferation than the NPT. All nations, whether or not they possess nuclear arms, stand to gain from its indefinite extension.

Indeed, failure to extend the NPT indefinitely could have three serious risks. First, the credibility of the non-proliferation regime could be seriously compromised. Second, it could lead to a rapid and uncontrolled proliferation of nuclear weapons that would greatly increase both the short-run risk of a nuclear accident and the long-run risk of a nuclear war. Third, it could cause the United States and other nuclear powers to undertake unilateral action to prevent proliferation.

Many non-nuclear-weapon states in the developing world are concerned that the NPT discriminates between states with and without nuclear weapons. In their view, nuclear powers have not fulfilled their part of the bargain that was struck in Article VI of the NPT that most nations would forgo nuclear weapons in exchange for the nuclear powers' pledge to pursue nuclear disarmament and provide peaceful nuclear technology.

The nuclear powers need to take additional steps to make the NPT more attractive to the non-nuclear countries in the developing world. All reasonable objections to extending the NPT without conditions or qualifications can be met through the adoption of a comprehensive programme to eliminate nuclear weapons from all nations on a specific time schedule, together with the conclusion of a comprehensive test ban. Additional reassurance would be a ban on the production of fissile materials for weapons use, an agreement on no first use of nuclear weapons, and a prohibition on deploying nuclear weapons on foreign soil.

### **A Ban on Nuclear Testing**

The establishment of a comprehensive nuclear test ban has long been seen as the premier symbol of a serious commitment by the nuclear powers to eliminate all such weapons. We hope that negotiations on such a ban will be concluded soon, ideally in conjunction with the 1995 Nuclear Non-Proliferation Review Conference. This international agreement is necessary if efforts to eventually eliminate these weapons are to succeed.

Indeed, a comprehensive ban on testing is perhaps the most important arms control measure. No single act would symbolize more clearly the commitment of the international community to eliminate nuclear weapons. It would enhance the credibility of a commitment to the eventual elimination of nuclear weapons and remove a major impediment to the extension and strengthening of the NPT. In the long run, a ban on testing could also prevent the development of more sophisticated nuclear weapons or new military applications of sophisticated nuclear technologies. It would also make it more difficult for non-nuclear powers to develop these weapons.

A commitment to achieving such a ban is incorporated in the NPT, and this pledge provides an important part of the quid pro quo for the non-nuclear-weapon states to refrain from developing these weapons. For decades, the nuclear powers have danced around a comprehensive test ban, but they always stepped back when an agreement seemed feasible. With the end of the cold war, they no longer have an excuse.

Multilateral negotiations began in January 1994 at the Conference on Disarmament in Geneva. But there is no agreed time frame for concluding them. A failure to conclude a Comprehensive Test Ban Treaty soon could be a major setback for the effort to contain nuclear proliferation. Prospects for a successful negotiation of a Comprehensive Test Ban Treaty by April 1995 appear promising. We see three basic elements in any effective and comprehensive test ban.

- The international community must decide on institutional arrangements to ensure the safety of remaining nuclear explosives. For example, they should pursue comprehensive, reciprocal, and effective arrangements for monitoring warheads and fissile material that could protect them from the threat of 'loose nukes' and prevent the loss or theft of explosive materials from nuclear sites.
- Nations must establish a comprehensive and effective system of verification to monitor the ban on testing.
- The Treaty should have universal membership. It should thus include nuclear- weapon states, states with advanced nuclear capabilities, and all other states. In the short term, however, all actual and potential nuclear- weapon states should declare an immediate and unconditional moratorium on nuclear testing and refrain from using their existing stockpiles of weapons.

### **Nuclear-Weapon-Free Zones**

Regional agreements such as the Treaty of Tlatelolco, which established a nuclear- weapon- free zone in Latin America, represent effective, interim steps towards the total elimination of nuclear weapons. Similar agreements in other regions could contribute to the goal of a nuclear- free world.

In view of the practical difficulties involved in reconciling the vast differences in circumstances and interests that exist between regions, an approach that combines a global declaration with region- by- region negotiations offers the best hope of creating a nuclear- free world. An agreement to create a nuclear- weapon- free zone already exists for the Southwest Pacific, but its implementation has been delayed by the objections of the nuclear powers, especially France, which has done tests in the region. All nations, particularly the nuclear- weapon states, should sign the protocols to the South Pacific Nuclear- Free Zone Treaty.

By working for agreement in other easy areas--such as Africa, where interstate rivalries are limited and no nuclear states now exist-- it should be possible to develop precedents and pressures that make it easier to negotiate agreements in more difficult regions. Africa set a good precedent in April 1993 by convening a group of experts to draw up a draft treaty on the continent's denuclearization. The draft treaty is being drawn up with the aim of banning nuclear weapons and promoting peaceful uses of nuclear energy. Similar action should be encouraged in other regions.

Another area that could in particular benefit from such a zone is the Baltic Sea and adjoining region. An agreement for this region has long been proposed, but its conclusion was impossible during the cold war. Under General Secretary Gorbachev, the Soviet Union announced that it would no longer deploy new nuclear- armed submarines in the region. And with the withdrawal of the former Soviet forces from Eastern Europe, a nuclear- free region is in fact being created. This could provide favourable circumstances for negotiating a permanent ban on nuclear weapons in this region.

### **Chemical and Biological Weapons**

The threat of proliferation is not limited to nuclear weapons. The potential use and spread of chemical and biological weapons are also a major security concern.

Iraq's use of chemical weapons against Kurdish people reminded the world of the horrors of these weapons. In January 1993, more than 130 nations signed an agreement that prohibits the development, production, stockpiling, transfer, and use of chemical weapons. This is a momentous achievement. The Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction provides a means of ridding the world of one particularly abhorrent means of warfare by unconditionally outlawing an entire category of weapons of mass destruction and establishing an intrusive and highly complex implementation mechanism.

But the Convention still needs to be implemented. By its own terms, it will not enter into force until 180 days after ratification by the sixty- fifth state. As of November 1994, only sixteen states had ratified the Convention. Its procedures will be difficult to put into effect, and will require the co- operation of all nations. Although the Convention's implementation will be expensive in financial terms, the alternative is even costlier in both financial and human terms.

We hope that countries that have not yet signed the Convention will see the merit of doing so immediately, and we call on all nations to ratify the agreement before the end of 1995. The world should enter the twenty- first century free of chemical weapons.

The spectre of germ warfare that haunted hostilities in the Gulf conflict also sharpened the determination of the international community to tighten controls on the possibility of using biological and toxin weapons. The principal legal regime governing biological weapons is the 1972 Biological Weapons Convention. Together with the 1925 Geneva Protocol, this prohibits the development, production, stockpiling, possession, and use of biological and toxin weapons.

Unfortunately, neither the Convention nor the Protocol includes any verification procedures or sanctions. Under Article 10 of the 1972 Convention, however, parties undertake to facilitate, and have 'the right to participate in, the fullest possible exchange of equipment, materials and scientific and technological information for the use of bacteriological (biological) agents and toxins for peaceful purposes'. If this article is taken seriously, particularly by the scientific community, it would be an effective way to monitor both legal and illicit activity. Among other measures, the widest exchange of biotechnology is needed. States that have not yet ratified the 1972 Convention also should be induced to do so.

Chemical and biological weapons are directly linked in the public mind. We are convinced that, with the necessary political will, the world community can be rid of these weapons of mass destruction.

### **Demilitarizing International Society**

*All governments must jointly adopt a concrete goal for lower levels of defence spending.*

When the cold war ended in 1989, it appeared reasonable to contemplate a serious, new look at prospects for demilitarizing international relations. Cold war rivalry--which had fuelled military budgets, powered the search for new weapons technologies, and fostered a reliance on military solutions to conflicts--was over, and it seemed that a new era of global harmony might be possible. That moment of euphoria was short-lived, however. Although the tide of democracy was rising, it could not stem the subsequent outbreak of a host of cruel and devastating civil conflicts. In 1991 and 1992, eleven major wars broke out and the human death toll in all twenty-nine of the ongoing wars reached 6 million, according to Ruth Leger Sivard.

None the less, despite continuing conflict and the emergence of new sources of global tension, the international security situation is changing in fundamental ways. As we have noted, security is no longer conceived solely in military terms; rather, it is a complex interweaving of economic, social, political, and military elements. Addressing interrelated, underlying issues in each of these realms is essential to lessening global tensions and, ultimately, to achieving significant arms reductions. At the level of the United States and Russia, a new focus on co-operation exists that must be encouraged for its own sake and for the context it provides for global co-operation. These governments are cutting back on weapons purchases and inventories; international agreements have been signed that will reduce arms, not merely control them; and, although the pace is slow, world military expenditures are declining and have been for several years. All these trends are encouraging and suggest that, despite current levels of conflict, there is a unique opportunity to make substantial progress in the demilitarization of global politics.

We call on the international community to redouble efforts to pursue demilitarization policies and programmes that are realistic, practical, well organized, and collaborative. Only then, and over time, will global security be significantly enhanced. We have already discussed issues related to reductions in strategic nuclear forces; military spending and arms transfers are the other essential aspects of demilitarization.

### **Military Spending**

Statistical evidence for the last several years indicates that an overall global military contraction is under way. World military expenditures, which peaked in 1987 at about \$995 billion (US dollars at 1991 prices and exchange rates), are declining. (See Table 3-1.) The drop that began with the end of the cold war was largely a result of budget cuts in the former Soviet Union; similar declines occurred in the West, although they were comparatively smaller. Nevertheless, although the pace is slow, there is a continuing decline.

There are important exceptions to the general trend. Nations in the Middle East, along the Persian Gulf, and in South Asia continue to emphasize the need for large, modern armed forces and to spend at relatively high levels, even if current financial realities are causing some cut-backs of their plans. Nations in East Asia, where there has been very little fighting for many decades, are engaged in a major arms buildup. Almost every state in this region has been spending more on arms since the late 1970s, and many are building impressive defence industries that will create additional incentives for high military spending.

Recruiting, training, and equipping modern armed forces constitute very expensive burdens for nations all over the world. Most

nations would like to see their resources used for more productive purposes. However, the long-term maintenance of military forces and defence industries during the cold war resulted in entrenched political, social, and economic systems. The reduction of armed forces and weapons production has adverse effects on these systems, resulting in unemployment and unrest. Many governments in developing and industrial countries are under pressure to slow or reverse decreases in military spending.

To counter these pressures, attention must be given to initiatives that offer incentives for reduced military spending and that support activities focused on the conversion of existing military resources. We advocate the design of a long-term global plan of action that would address the economic and social as well as the military aspects of demilitarization. Among the areas requiring attention are reallocation of financial resources, reorientation of military research and development, restructuring of industry, reintegration of military personnel into non-military jobs, reallocation of military installations, and alternative use or scrapping of surplus weapons.

To build on and accelerate current trends, we propose that all governments jointly adopt a concrete goal for lower levels of global defence spending. For example, we believe it would be feasible for governments to reduce their collective military spending to \$500 billion by the end of the 1990s, compared with the \$640 billion towards which they are now heading (again in 1991 prices and exchange rates), if an annual reduction rate of 3 per cent is maintained. In fact, we strongly advocate negotiations leading to an agreed percentage reduction over a defined period of time. A specific, detailed agenda must be developed to address the interrelated issues of disarmament and conversion and to illuminate the economic and social benefits to people and nations of a redirection in resources both human and financial.

The greatest levers on military spending are financial constraints. We propose that multilateral lending institutions and governments providing development assistance evaluate a country's military spending when considering assistance to it. Excessive military spending detracts from a nation's financial health and prospects for economic advancement. National and international aid-granting agencies must therefore use policy mechanisms to discourage defence spending, especially when it is disproportionate to expenditures on health and education. At the same time, the linkages between development assistance and military spending are complex, and require careful examination if policy conditionality is to be effective.

### **A Demilitarization Fund**

To provide positive incentives for reductions in military spending, a Demilitarization Fund should be established to provide assistance to developing countries in reducing their military commitments. Created by agreement among participating governments, the fund could be managed by a multilateral institution, such as the World Bank.

The fund would focus on support of defence conversion activities in developing countries that demonstrate a commitment to reductions in military expenditures or armed forces to the minimum level consistent with their need for self-defence and contributions to peacekeeping. We believe the fund will add momentum to the current demilitarization trend by rewarding the efforts of developing countries to disarm and demobilize their armed forces and to reintegrate military personnel into civilian life through retraining for alternative economic opportunities and re-education for participation in civil society and democratic political life.

In many parts of the world, large standing militaries now serve no useful function. Instead of providing security, they often create serious threats to the security of people in their own countries. Despite this dawning reality, it is very difficult for governments to take unilateral steps to eliminate or even significantly reduce their militaries without positive reinforcement and financial assistance.

## **Arms Transfers**

Arms transfers fell faster than global military expenditures after 1987, going from just over \$70 billion to nearly \$32 billion in 1993. (See Table 3- 2.) The Gulf War stimulated interest in arms purchases, and the United States, which had been behind the Soviet Union in the weapons trade, became the main recipient of a flood of new orders. By 1992, the United States was by far the leader in arms transfers world- wide, accounting for more than half of the global value of all agreements signed. By 1993, the percentage had risen even further to nearly 70 per cent, primarily as a result of high orders from Saudi Arabia and Kuwait.

The Third World continues to be the primary purchaser of arms. In 1993, the value of arms transfer agreements with the Third World constituted nearly 65 per cent of all such agreements world- wide. The decline in the total value of arms shipments arises from several factors, including limitations on funds to spend, the growth in indigenous arms industries, the loss of concessionary terms available during the cold war, and pressure from international agencies against military spending.

We propose that all arms- exporting countries, particularly the world's major arms suppliers, exercise restraint in weapons sales. In addition, we propose that the major military powers resume negotiations on guidelines for the export of advanced weapons. In 1992, the five permanent members of the Security Council signed an agreement on principles that should govern decisions on arms transfers. This was a positive step, and the signatories quickly began talks to define the constraints on arms sales more distinctly. These talks, unfortunately, came to an end that very year. They should be quickly resumed.

In addition, the reporting requirements of military and disarmament activities should be expanded at the international and national levels. We urge the continued discussion and development of institutions such as the UN Register of Conventional Arms (established in 1993) to increase transparency of arms transfers and nations' accountability for exports and imports of large weapons systems. There is also a need to study how transparency can be achieved in the transfers of dual- use components and technology.

Governments and citizens have grappled with the problem of arms transfers for decades. Currently NGOs in Europe and the United States are urging their governments to adopt a code of conduct that sets out guidelines to govern weapons transfers based on an agreed set of principles of behaviour. Under the code, governments would agree not to supply arms to countries that engage in aggression or violate human rights. The international community should also take steps to prevent the export or smuggling of arms to countries that are convulsed in internal conflicts, such as the former Yugoslavia or Somalia.

All states have a right to acquire arms for national self- defence, but the existing arms flows, by any reasonable standard, greatly exceed the defence needs of governments. Moreover, in many parts of the world, the easy availability of arms is fuelling local wars. It is also well known that the covert arms trade is making advanced weapons easily available to terrorists, drug traffickers, and

other unconventional militias around the globe. But the biggest regular suppliers of weapons to the covert arms trade are not free-lancing private dealers, but governments themselves. Moreover, the greatly increased lethality of modern weapons has made the human toll of wars, even when only small arms and artillery are used, horrendous.

Efforts must be made to block those who ship arms into regions in trouble, particularly when they do so in violation of international sanctions. Greater resources could be devoted to enforcing sanctions, and the penalties for sanctions- breakers increased. In many cases, governments are believed to know who the major violators are. Such governments must recognize that weapons exported from or through their countries may ultimately be used for purposes other than those for which they were intended. Those who violate arms embargoes imperil the security of people. They should not enjoy immunity.

To strengthen regulation in this area, we recommend to states the immediate negotiation and eventual introduction of an international convention on curtailment of the arms trade. This convention must build on work already under way in national parliaments, international organizations, and private institutes and NGOs. It should make the voluntary reporting requirements under the existing Arms Register mandatory. It should also prohibit or heavily circumscribe the financing or subsidization of arms exports by governments. The conclusion of a convention on curtailment of the arms trade will go a long way towards demilitarizing international society.

### **Land- Mines and Small Arms**

The talks on arms transfers in 1992 concentrated on weapons incorporating advanced technologies. Exports of advanced aircraft and other high- technology weapons can complicate relations between states, destabilize the military balance in a region, and lead to a greater risk of war. But it is land- mines, small arms, and artillery that cause the most casualties. Given the carnage caused by land- mines in so many parts of the globe in recent years, it is long past time for the international community to curtail sales of these weapons.

A typical anti- personnel mine is a harmless- looking plastic object that fits easily in the palm of a hand. Yet the human and financial cost of their use is almost unimaginable.

Since 1975, it is estimated, land- mines have killed or injured more than 1 million persons, the vast majority of them civilians. An estimated 100 million anti- personnel land- mines lie scattered in more than sixty countries. Another 100 million mines are believed to sit in stockpiles, ready for use. The cost of an anti- personnel land- mine may be very low: less than \$3. But cleaning them up costs between \$300 and \$1,000 per mine, using local deminers. The current annual rate of deployment is at least 1 million mines; during the same period, only 100,000 mines are cleared.

The social and economic consequences of the proliferation of land- mines are thus staggering, and the problem is growing. So much suffering has been inflicted by them in recent years that the world should finally be ready to consider effective means to curtail the production, sale, and use of these weapons. We endorse the proposal for a world- wide ban on the manufacture and export of land- mines.

## Inculcating a Culture of Non- Violence

The world can no longer talk merely about the demilitarization of international relations. What is needed is demilitarization of international society. Militarization today not only involves governments spending more than necessary to build up their military arsenals. It has increasingly become a global societal phenomenon, as witnessed by the rampant acquisition and use of increasingly lethal weapons by civilians--whether individuals seeking a means of self- defence, street gangs, criminals, political opposition groups, or terrorist organizations.

An emphasis on the security of people requires the world to address the culture of violence in everyday life, which is a major source of insecurity today for people everywhere around the globe. This culture of violence--as vivid in daily life, particularly against women and children, as it is on television screens--infects industrial and developing countries, and rich and poor alike, even if in different ways. Every effort must be made on the local and community level as well as at the international level to reverse this trend and to sow the seeds of a culture of non- violence.

We strongly endorse community initiatives to protect individual life, to encourage the disarming of civilians, and to foster an atmosphere of security in neighbourhoods. All have a role to play, including television, the cinema, and other media. The task of promoting security in the global neighbourhood will be immeasurably harder if in societies around the world a culture of violence is on the rise and personal insecurity is pervasive.

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# Our Global Neighborhood

## Report of the Commission on Global Governance

### Chapter Four -- Managing Economic Interdependence

#### Challenges to Global Economic Governance

- Growing Interdependence
- Growth and Poverty
- Unused Human Potential
- The Environment
- Global Decision-Making
  
- **The Case for Multilateralism**
  
- Regionalism and Informal Multilateralism

**Stability requires a carefully crafted balance between the freedom of markets and the provision of public goods.**

The international community today faces enormous challenges in dealing with economic governance--challenges related to the growing interdependence of economies and civil society, the continued impoverishment of much of the world and the unused human potential that entails, and the increased realization of the threats to the environment and thus to planetary survival.

#### Growing Interdependence

While the world has become much more highly integrated economically, the mechanisms for managing the system in a stable, sustainable way have lagged behind. Today's much higher level of economic integration and resulting interdependence are in part due to improved communications. When the post-war system of global governance was being conceived and negotiated, television, computers, and international telephone systems had barely been introduced.

The conduct of business, methods of production, tastes, and life-styles have since changed out of all recognition. Contemporary

advances in multimedia communications and information processing will contribute even further to the shrinkage of distance and acceleration of change. One remarkable manifestation of this interconnectedness is the spread, at enormous speed, of computer networks such as Internet, which now provide millions of users with instant communication.

The possibilities created by technology have been magnified by the remorseless logic of economic specialization and scale. Trade has consistently grown more rapidly than global output. Capital flows have grown even faster. During the last decade, foreign direct investment has been growing four times as fast as world trade. In some industries--cars, electronics, information processing--production is so globalized that it is no longer possible to pinpoint or measure nationality in any meaningful way. The Ford Motor Company, to cite but one example, has evolved from a predominantly US company with some overseas subsidiaries serving local markets to an integrated operation around regional subsidiaries that in Europe serve the Single Market and that produce a 'world car' through co-ordinated operations.

The last few years have seen a veritable explosion of portfolio investment by institutional investors--insurance companies, pension funds, unit trusts--in 'emerging markets' as stock markets become truly global in reach. People can trade in the world's leading currencies twenty-four hours a day and use a growing variety of financial instruments. In the field of finance, national frontiers have little meaning; 'the end of geography' is approaching.

That all this global economic integration has come to pass is in part a tribute to the relative order and stability of post-war economic governance, as well as to new technologies. Enormous opportunities are being created for societies and individuals to advance. But there are also imbalances and risks.

As economies become more interdependent, it is not only the opportunity for wealth creation that is multiplied, but also the opportunity for destabilizing shocks to be transmitted from one country to another. International co-operation has forestalled or mitigated some shocks (such as action taken after the 1987 stock market crash), but others (the debt crisis of the 1980s, for instance) have been allowed to gather momentum and inflict economic damage and social pain. No satisfactory mechanism exists to anticipate or respond promptly to future global shocks. The International Monetary Fund (IMF), which should be playing a major role in countering destabilizing shocks, is constrained by limited resources.

Both the dynamism and the instability of the process of global economic integration are linked to the fact that it largely originates in the private sector. Future stability requires that a carefully crafted balance be struck, nationally and internationally, between the freedom of markets and the provision of public goods. The pace of globalization of financial and other markets is currently outstripping the capacity of governments to provide the necessary framework of rules and co-operative arrangements to ensure stability and prevent abuses of monopoly and other market failures. National solutions to such failures within a globalized economy are severely limited.

Yet the structures of global governance required for pursuing public policy obligations in an interdependent world are underdeveloped. The multilateral trade regime of the General Agreement on Tariffs and Trade (GATT), for example, is only just beginning to negotiate agreements on cross-border flows generated by services and information-based industries, though these

have been a major phenomenon for a decade. Much is being done to establish new structures of governance at a regional level, as in the European Union, but even this could not prevent the European Monetary System from being severely destabilized by large-scale capital movements.

A further concern is that the integration of markets does not necessarily occur harmoniously. Different systems of commercial law-making, tax, social welfare, bureaucratic decision-making, corporate governance, labour law, and much else have a bearing on how firms compete with those from other countries through trade and direct investment. Without good, clear rules that are widely accepted, there is 'systems friction' based on a sense of unfairness or incomprehension.

Growing economic interdependence brings in its wake freer trade in 'bads' as well as goods. International drug traffic, for example, now dominates the economies of a significant number of countries; it may even be worth more than trade in foodstuffs. Trade--illicit or licit--in arms, waste disposal, and human traffic, as in prostitution, have all become big global businesses.

Governments have learned that command-and-control systems of economic management do not work. But they have yet to develop--especially at a global level--effective, alternative tools of governance. With the agreement at Marrakesh to establish a World Trade Organization (WTO), there is at least the hope that such tools can now be fashioned.

## **Growth and Poverty**

As noted earlier, a sophisticated, globalized, increasingly affluent world currently co-exists with a marginalized global underclass. The post-war system of economic governance has seen--and facilitated--the most remarkable growth in economic activity and improvements in living standards within human history. Despite an increase in population from 2.3 billion to 5.5 billion, per capita incomes on average are now around three times the level in 1950. Many indicators of social progress--infant mortality, literacy, life expectancy, nutrition--have improved significantly, at least in terms of global averages. When Britain became the first country to industrialize in the late eighteenth and early nineteenth centuries, it took six decades to double living standards; now China, among other countries, is accomplishing the same feat within ten years.

At the same time, people are increasingly aware--through better communication--of the global problem of continued poverty. The number of absolute poor, the truly destitute, was estimated by the World Bank at 1.3 billion in 1993, and is probably still growing. One fifth of the world lives in countries, mainly in Africa and Latin America, where living standards actually fell in the 1980s. Several indicators of aggregate poverty--1.5 billion lack access to safe water and 2 billion lack safe sanitation; more than 1 billion are illiterate, including half of all rural women--are no less chilling than a quarter-century ago. The conditions of this 20 per cent of humanity--and of millions of others close to this perilous state--should be a matter of overriding priority.

The challenge of global development has changed in several respects since it was analysed by, among others, the Pearson and

Brandt Commissions. First, the old division between industrial and developing, North and South, is becoming blurred, though there are still some striking imbalances; rich countries account for more than 80 per cent of world trade, 85 per cent of direct foreign investment in the 1980s, and 95 per cent of all research and development. There are different Souths and different Norths, reflecting varied experiences of development and growth, internal disparities of income and opportunity, and different country sizes and economic structures. Although it is a caricature to talk of the Asian development miracle and the African development disaster, for example, these areas have had very different experiences.

Second, there is the fall-out from the ending of the cold war. Russia and other former Communist countries of Central and Eastern Europe have embarked on one of the most ambitious and difficult economic transformations in history. If the process is successful, it will provide a major stimulus to the growth of the world economy. If it fails, the consequences could be catastrophic: a collapse of orderly government in these countries, several of whom still have stockpiles of nuclear weapons.

The challenge posed to global economic governance by this transformation is considerable: the need to incorporate some thirty new countries into global and regional institutions and trading rules; the demand for large amounts of additional official capital to support adjustment and to facilitate private capital flows under conditions where the problems are enormous and largely unprecedented; the dismantling of vast and technically sophisticated arms industries while safeguarding the livelihoods of millions employed in them. It is clear that enormous hardship is being endured by some. But from Eastern Europe and to a lesser degree Russia there are encouraging signs that private-sector growth is beginning to replace a contracting state sector.

One of several wider implications is the end to the 'cold war' of ideas. Instead of polarized and unproductive conflict between opposed ideological systems, there is a much greater degree of consensus on economic policy questions. Some continuing disagreement about the appropriate roles of the public and private sectors is inevitable. But many countries are finding wide agreement on the need to draw in a balanced way on the energies of a profitable private sector, global markets, and competition as well as the need to use the powers of the state to provide security, a regulatory framework for competition, a good environment, and a sense of equity and social cohesion. The painful experience of getting this balance badly wrong earlier should now facilitate development.

A further change is taking place in industrial countries. They are collectively slowing down, and not just because of the current recession. Various factors are at work, including the ageing of the population and the problems of adjusting to a service-based, post-industrial society. These trends have good and bad implications for developing countries. Positively, there should be less competition for scarce resources, notably capital for investment. But by the same token, low-growth conditions in rich countries mean a weaker demand for goods that developing countries export.

The crisis of unemployment and the associated evils of growing poverty and social deprivation in many industrial countries may also create a political environment where there is less willingness to adjust quickly to new sources of competition. 'Cheap' imports and migrant labour are often made the scapegoat for unemployment.

One of the greatest ironies of the current scene (and, potentially, one of the greatest future dangers) is that just when developing and former Communist countries discover the benefits of liberalization and greater openness, rich countries may turn in on themselves.

A central challenge for global governance will be to prevent this dangerous situation from creating new fissures between and within countries.

### **Unused Human Potential**

A major failure of past development in rich and poor countries alike is that very large numbers of people have been unable to realize their potential. Unemployment, discrimination against women or minorities, poor facilities for education or health, slum conditions in crowded cities, and other similar phenomena are found to varying degrees throughout the world. They not only affect the security and well-being of people, they are themselves obstacles to development. Economic policy, however well conceived, does not itself ensure the social progress and better standards of life in larger freedom held out in the UN Charter.

The failure to integrate social policy, in the widest sense, into the economic policy framework has led countries down economically wasteful paths. Western Europe, for example, is losing what a tenth or more of its labour force could produce as it idles in unemployment, with devastating effects on individuals, families, and communities. While the root causes of joblessness persist, support for the unemployed makes ever larger demands on national budgets, creating deficits that compound economic problems. Large numbers of people are pushed out of the work-force to languish on the margins of society.

In Africa, Latin America, and Eastern Europe, underfinanced structural adjustment programmes have often neglected the social implications of austerity measures. Though macroeconomic stability and market liberalization are clearly necessary objectives, the failure to anticipate and counter the severe stresses on society and the cutbacks in long-term investment in human development have set back the long-term prospects for economic progress and weakened political support for continued adjustment.

The most pervasive denial of human potential is found in the discrimination that women suffer world-wide. Society benefits hugely from the economic contribution of women, although this is seldom recognized. Thus, half the world continues to be systematically--though in varying degrees--denied their full rights as human beings, with stultifying consequences for them and at great cost to society, which is denied the many additional contributions they can make. Awareness of these issues was greatly sharpened by the International Conference on Population and Development in Cairo and will be again at the World Conference on Women in Beijing in 1995. There is now wide awareness that gender sensitivity must be introduced into the conceptual, decision-making, and operational stages of all multilateral and government agencies, and in Chapter Five we recommend some ways to achieve these objectives.

Social policy is a matter not only for national but also for global governance. Different societies have different preferences for--among other things--income distribution, welfare provision, cultural diversity, worker protection, and structures of education. None the less, societies increasingly interact and cannot function in isolation. Failures of social development resulting, for example, in involuntary mass migration cannot be confined within national borders. The World Summit for Social Development in 1995 will define more concretely what the priority areas for common action are in the social policy field.

The Human Development Report of the UN Development Programme (UNDP) and UNICEF's 'Adjustment with a Human

Face' campaign have helped considerably in bringing social concerns into economic policy. And although the recent Group of Seven (G7) Jobs Summit in Detroit in 1994 had no concrete results, it helped direct attention not just to the plight of the long-term unemployed in G7 countries but to the 800 million or more workers world-wide who live in poverty because of unemployment or underemployment.

## **The Environment**

One of the truly momentous changes of recent years--and a change that could not even have been envisaged by those who designed the post-war global economic system--is the growing awareness of the importance of the physical environment and the extent of the threats now posed to vulnerable ecosystems. This has forced governments to face up to the extent of the interdependence of their countries. The UN system deserves credit for having helped to create this awareness, with the 1972 Stockholm Conference being a seminal event. The 1992 Earth Summit in Rio left an agenda of great political weight.

Growing awareness of global environmental threats has nudged governments into devising co-operative (albeit weak) forms of governance to address the overfishing of oceans, the extinction of certain species, the threat to Antarctica from commercial development, the depletion of the ozone layer, and the risks of climate change caused by the build-up of greenhouse gases in the atmosphere.

Environmental stresses arise from an imbalance between what people consume and what natural systems can provide. Human impact on the biosphere is essentially what people use and waste. Some 80 per cent of that consumption is what is thought of as prosperity--wealth creation and enjoyment by some 20 per cent of the world's people. Those disparities become important when environmental sustainability requires restraint on consumption at a global level, including greater efficiency in the use of resources, as is the case for carbon emissions.

There is also a strong relationship between environmental stress and poverty. So far the impacts have been localized, such as microclimatic change and flooding resulting from deforestation caused by subsistence agriculture. But there are already examples of large-scale environmental refugee movements--in the Horn of Africa and from Haiti--that have wider implications.

Economic growth and the multiplication of population will eventually create a world economy many times larger than today's. The concept of 'sustainable development' defined by the World Commission on Environment and Development (the Brundtland Commission) provides a framework of policy within which strong growth, necessary to overcome poverty, can be achieved while adapting economic policies to take full account of environmental considerations. Major changes in economic practices will have to occur.

Even then, there will be considerable pressure on some fragile ecosystems, and some scarce environmental resources--such as fish stocks, tropical forests, and watersheds--are currently being used at an unsustainable rate. These will have to be shared and managed equitably to prevent overuse. The high consumption levels of these resources need to be reduced without any slackening of poverty alleviation. The failure to establish a common approach can have disastrous consequences.

## Global Decision-Making

At a global level, what model of decision-making should an emerging system of economic governance adopt? It will have to draw on lessons from regional and national levels and from business organizations where inflexible, centralized command-and-control structures have been shown to be unsustainable. Multilayered decision-making systems are emerging that depend on consultation, consensus, and flexible 'rules of the game'. Intergovernmental organizations, however, still face basic questions as to who should set the rules and according to what principles.

One particular challenge is the growing number of countries. Some fifty countries were involved in founding the UN and the Bretton Woods institutions--the IMF and the World Bank. The end of colonialism and, more recently, the breakup of the Soviet empire added many new nations, with the total participating countries now approaching 200. They want not just statehood but a voice in international economic decision-making. Global economic integration and interdependence have to accommodate, and be accommodated in, a post-imperial world of formal political independence.

There is an inevitable tension between the democratic ideal of universal participation and the need for speedy, efficient decision-making, as well as between the respective claims of statehood, population, and wealth. The tension has increased as the number of states has grown while global economic decision-making, far from reflecting a polycentric world, has become concentrated in the hands of the United States, Europe, and Japan--with just over 10 per cent of the world's population.

This concentration of decision-making is reflected in the voting arrangements of the Bretton Woods institutions. Even more important, it is also a factor in the exclusivity of such groups as the G7. And major powers dominate the negotiating processes of GATT, where all parties are nominally equal but actually very unequal. The countries that benefit from these inequalities would never accept such undemocratic arrangements in their own societies, and, in part at least, their economic strength derives from that rejection.

Whatever the democratic legitimacy of current intergovernmental arrangements for global economic governance, a fresh approach to the question is required by the shifting centre of gravity of the world economy. Taken as a whole, developing economies have been growing more rapidly than Western industrial ones during the last three decades, with Asian developing countries growing much more rapidly. The share of output accounted for by members of the Organisation for Economic Co-operation and Development (OECD) has shrunk to barely half, once we take account of the underlying purchasing power of economies measured at comparable prices. The world's ten biggest economies on a purchasing power parity basis include China, India, Brazil, and Russia, with Mexico, Indonesia, and the Republic of Korea not far behind.

Yet none of these participate in the Group of Seven, all are under-represented in terms of votes in relation to their population and economic weight in the Bretton Woods institutions, and China and Russia are not yet members of GATT. It is a matter of common interest that the major players in the global economy be fully involved in decision-making on common problems.

But in focusing on intergovernmental relations, it is necessary to bear in mind that the traditional role of nation-states is evolving.

There are powerful forces making for greater decentralization of decision-making. Nationally centralized, top-down systems, exemplified by the former Soviet Union, have collapsed. Large states are under growing pressure to decentralize to provinces and local government just as companies are having to devolve management responsibility. In areas such as Western Europe where stronger regional institutions are being created, there is a vigorous debate about 'subsidiarity'--the allocation of responsibilities to the lowest level appropriate among global, regional, national, and local authorities. Global economic governance has to recognize this diffusion of decision-making, while acknowledging that there is still a compelling need for an overall framework of rules and order.

## **The Case for Multilateralism**

**The time is now ripe--indeed, overdue--to create a global forum that can provide leadership in economic, social, and environmental fields.**

Historically, global governance has occurred without global institutions. The nineteenth century was a time of deepening integration and unprecedented expansion of trade, investment flows, and migration of people. Some world-wide governance was partly provided by the exercise of dominion through empires, especially Britain's. It was politically stable, but it lacked consent and was ultimately unsustainable. It also depended heavily on self-regulated markets that were prone to crisis, drawing states into more active management of their economies. This in turn contributed to destructive economic nationalism and indirectly to the major twentieth-century conflicts.

There is no case and no call for a return to a system like that of the nineteenth century. Without strong international rules, however, the most powerful countries will act unilaterally, or try to control the system, which makes rules-based processes all the more crucial. Migration, for instance, is one area where policy is overwhelmingly unilateral. No desirable system of governance can be based on the capacity of strong nations to coerce weaker ones, which is the inevitable consequence of the unilateral projection of power in economics as much as it is in the military sector.

The rules and sense of order that must underpin any stable and prosperous system can be described as international 'public goods'. It is in their nature not to be provided by markets or by individual governments acting in isolation.

Most governments accept responsibility for the provision of public goods such as policing and justice, financial stability, or environmental protection; to do otherwise would be to abandon essential functions of a state. The same responsibility applies--but is less readily acknowledged--at an international level. Among the basic international public goods that global economic governance should provide are:

- systemic financial stability: a stable monetary system, a capacity to deal with major systemic slumps and shocks, and prudential regulation of international financial markets;
- the rule of law: for an open system for trade, technology transfer, and investment, with mutually acceptable dispute settlement machinery;
- infrastructure and institutions: common standards for weights and measures, time, and many technical specifications, and agreed systems to manage and maintain freedom of the seas and commonly used networks for aviation and telecommunications;



- environment: through protection of the global commons and the required framework of policy to promote sustainable development; and
- equity and social cohesion: through economic co-operation in its widest sense, including international development assistance and disaster relief.

The growing interdependence of the global economy and environment increases both the benefits of providing these international public goods and the penalties for neglecting them. None the less, some governments are reluctant to accept the sharing of national sovereignty that must occur for strong multilateral rules and institutions to function. The struggle to place GATT rules above unilateral trade policy, the marginalization of the IMF from the management of the international monetary system, the continuing struggle to maintain and increase flows of concessional resources through international institutions, and the virtual exclusion of the UN from a central role in the field of global economic governance: all these attest to this reluctance.

### **Regionalism and Informal Multi-lateralism**

A workable system of international economic governance is not solely based on global arrangements. Many tasks can be carried out between neighbours. So far, only the European Union has created both a durable system of regional trade liberalization and a strong commitment to political co-operation, but others may well follow. Regional integration is currently receiving much attention elsewhere, especially in the Americas and South-east Asia, though it has made little progress in Africa and South Asia.

Some issues are best dealt with regionally rather than globally (localized spillovers of pollution, for example). Regional economic groups can also contribute to burying historic enmities through developing closer economic and political linkages, realizing economies of scale, developing common infrastructure, and pioneering new methods for deepening integration in advance of progress at the global level. As noted, the concept of subsidiarity being vigorously debated in Europe provides a framework for allocating responsibilities between institutions of global, regional, national, and local governance in an efficient way.

For regional institutions to form building blocks for global economic governance rather than exclusive 'blocs', they should also be open--both in offering membership on the same terms as existing members and in regard to market access. There is a fine line between the degree of exclusivity needed to create a regional identity and that which creates division. The European Union has many features of openness, especially now that it is being enlarged; but some other features, such as the Common Agricultural Policy, are protectionist and divert trade. The advocates of 'fortress' Europe are a minority, but they are not insignificant. Although regional arrangements can strengthen global economic governance, the wrong kind of regionalism can weaken it.

Much governance can and does informally take place through groups of countries such as the G7, the OECD, or the Commonwealth. The G7 is a significant development and its role is discussed further later. The OECD has played a major role in developing principles to govern the behaviour of international investment, environmental management, and export credit. And it is now reaching out to a wider number of countries through enlargement and dialogue.

Several functional, specialist institutions should also be mentioned, such as the International Telecommunications Union (ITU), the International Maritime Organisation, the Bank for International Settlements (BIS), and the Paris Club. ITU has responsibility--

now shared with GATT--for creating a regime of global governance for the rapidly expanding, interconnected network of telecommunication, multimedia, and information technology systems. BIS provides the world's financial system with an underpinning of co-operative supervision. In these quiet, unspectacular ways, a system of global governance is being put in place, albeit on a piecemeal basis.

Global governance is not, however, only a public sector activity. Multinational companies account for a substantial and growing slice of economic activity. Some centrally important industries--notably the complex of activities variously described as telecommunications, information, or multimedia; automobile production; banking and other financial services--are being developed largely through private companies that operate on a multinational basis. Their concerns are necessarily with the totality of their business operations rather than with any one country. We discuss later in this chapter the checks and balances that have to be established to ensure that business operates, at a global level, within a wider framework of social responsibility.

Finally, there is what might loosely be called international civil society including non-governmental organizations (NGOs), international humanitarian agencies such as the Red Cross and Red Crescent, voluntary rule-making bodies such as the International Standards Organisation, and groups of scientific professionals such as the International Council of Scientific Unions.

These structures often have the great merits of flexibility, responsiveness, and enthusiasm. They will rightly play a growing role in governance. They can, however, become self-electing and exclusive. Fewer than 15 per cent of NGOs registered with the UN Economic and Social Council (ECOSOC) are from developing countries. Although NGOs are of inestimable value in establishing governance in the widest sense, they cannot be expected to substitute for effective intergovernmental structures.

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# Our Global Neighborhood

## Report of the Commission on Global Governance

### Chapter Five -- Reforming the United Nations

#### Chapter Five of *Our Global Neighbourhood*

*Global governance is about a varied cast of actors: people acting together in formal and informal ways, in communities and countries, within sectors and across them, in non governmental bodies and citizens' movements, and both nationally and internationally, as a global civil society. And it is through people that other actors play their roles: states and governments of states, regions and alliances in formal or informal garb. But we also noted that a vital and central role in global governance falls to people coming together in the United Nations, aspiring to fulfil some of their highest goals through its potential for common action.*

*This chapter deals with the UN and its potential, but always--and sometimes specifically so--within the framework of our wider perspectives of global governance. This issue of the potential for common action has been central to our deliberations.*

#### **We, the Peoples**

When governments or people speak of reform of the United Nations, they address a process of change that has to begin in national behaviour.

'Quot homines, tot sententiae': As many persons, so many opinions. This would not be an inappropriate aphorism to describe how the UN is viewed nearly fifty years after its creation. But there is one thread common to these many opinions; none looks to the UN with any sense of ownership. The Charter was proclaimed in the name of the people of the world: 'WE THE PEOPLES OF THE UNITED NATIONS....' The assertion that it was the people of the world who were creating a world body was little more than a rhetorical flourish. But the proclamation was symbolic of the hopes of the founders of the UN for what they were creating.

As it turned out, the hopes were not to be fulfilled. Save for rare glimpses of what might be--as during Dag Hammarskjöld's Secretary Generalship--the people of the world never developed a sense that the UN was theirs. It did not belong to them. It belonged, if to anyone, to governments--and then only to a few of those. It was the domain of high politics. It touched the lives of people in ultimate, not proximate, ways. A sense of ownership did emerge for a time as the many millions who were only notionally part of 'WE THE PEOPLES' in 1945 ceased to be subjects of European empires and became citizens of new states who saw a seat in the United Nations as a seal on their independence. Yet even for them, as for most of the people of the founder nations, the UN remained

a thing apart.

It was only slightly different for governments. The United Nations was there to be used, and not infrequently abused; to be an instrument of national interest where it could be; and to be bypassed where it could not be made to serve that interest. During the cold war, it became the instrument of collective enforcement action only rarely.

The newer countries tried to place the UN centre stage, but the majorities they mustered in the General Assembly could only recommend, not determine. Too often the 'new majority' mistook voting power for decision making power, with inevitable frustration. They simply could not prevail over the minority that exercised power in the Security Council or in the world economy. In time, even they lost hope. And the UN bureaucracy, once fired with imagination and zeal, became frustrated and disillusioned.

Fifty years after San Francisco, the United Nations is viewed predominantly, by both people and governments, as a global third party--belonging to itself, owned by no one except its own officials, and even, to an extent, dispensable. In many capitals, the United Nations is seen--particularly during international crises involving those countries--as 'them', not 'us'. And that is how it is often treated.

### **The UN is 'Us'**

Yet the UN is 'us'. Although the membership consists of states represented by governments, these governments are increasingly accountable to people for their international actions; and governments, like the UN, are gradually becoming more open to international civil society organizations and other non governmental voices. The UN is a complex collectivity, but in essence it is made and maintained by its members. The UN is 'us' because its systems, its policies, its practices are those that member states have ordained. Its decisions are decisions taken or declined by its members. Some aspects of management are in the Secretary General's keeping; but, save for that, the UN is its members. When they disown it, they repudiate themselves.

More to the point in relation to this report, when governments or people speak of reform of the United Nations, they address a process of change that has to begin in national behaviour, not on the banks of the East River in New York. National behaviour is a product of national decision making and national policies: it is here that strengthening of the UN must begin. Worthwhile reforms of UN structures ought to be pursued, and we propose several in this report, but the greatest failings of the UN have not been structural: they have been collective failings of the member states. This is true of the failure of the UN's Economic and Social Council (ECOSOC) to fulfil the aims of the Charter, and of the failure of the Security Council to implement an effective global security system based on the Charter scheme. When we deplore how far the world body has fallen short of the Charter's promise of economic and social advancement for all peoples, it is not the failures of some monolithic supranational entity that we lament, but the lapses of members of the United Nations--of governments and, to some degree at least, people. The point cannot be made too emphatically.

There are unquestionably many achievements of the United Nations that ought to be acknowledged. For these, the member states deserve credit, as do the other relevant UN actors. Among the successes must be counted the containment of conflict, particularly of some regional conflicts during the cold war. Decolonization, the advancement of human rights, the Law of the Sea, and the

contributions made by the great global conferences on issues ranging from the position of women to the environment also rank among the successes. And high on the list are some of the action oriented UN programmes--ones that translate a substantial global consensus for action into the reality of 'doing'. The United Nations Children's Fund (UNICEF) and the Office of the United Nations High Commissioner for Refugees (UNHCR) are good examples of these practical, universally acclaimed elements of the UN system. They represent what is best in international co operation. They must not be taken for granted, for although they work well, they need enhanced support if their work is to be sustained, let alone enlarged.

The same is true of other UN activity in, for example, the fields of agriculture, health, meteorology, and labour. In all cases, organizational effectiveness depends on leadership: both from the international community, in terms of commitment to the programmes and financial support, and from the institution itself, particularly the person heading it-- the Director General or Secretary General.

International leadership is discussed further later. Here we stress that while good institutional leadership makes a great difference to the quality of international effort, it cannot make up for the absence or decline of support for that effort from the world community. Neighbourhood action is in the end only as effective as neighbourhood commitment and resources allow it to be.

In addition to these successes, however, there are many-- all too many--failures. They are to a large extent matters for reproach of the UN's membership. The founding states in San Francisco did not endow the United Nations with powers and capacities beyond the control of its membership. They were right not to do so, and those powers and capacities remain with member states. To improve the United Nations system, the world must essentially look to the exercise of those powers and capacities residing in member states. It is an exercise that depends on the will of member states. 'WE THE PEOPLES', through our governments and through our own new empowerments, must be the principal agents of change of the United Nations and of international institutions generally.

In that process of reform, it will be important to reflect the realities of change discussed in Chapter One. The period ahead will not be like the immediate post-San Francisco period, during which the United Nations was almost the exclusive international actor beyond governments. Already that exclusivity has gone, and internationalism will be the stronger for the new roles that fall to global civil society. The UN system will still be at the centre of international action, as nation states will remain the main international actors, but two kinds of accommodation must now be made for global civil society. The first is facilitation of practical contributions by elements of civil society within a reformed UN system--not just the allocation of space within its reconstructed structures. The second is acknowledgement of the relevance of the roles that will be played by civil society outside the UN system. This Chapter's discussion of UN reform includes the need to offer new opportunities for civil society to contribute to global governance.

Many factors have contributed to the failures of the United Nations. But there are two important respects in which the Charter and the system of internationalism it ushered in were severely disabled virtually from the outset. The first disjuncture came with nuclear weapons; the second, with the cold war.

Even as the Charter was being negotiated and signed at San Francisco, the atomic bomb was being developed in Los Alamos, New Mexico, a thousand miles away. Few in San Francisco, including most of those who would play the role of founders, knew of

this development. The Charter they were negotiating was for a world from which the scourge of war would be removed by 'collective action'--a world in which 'armed force shall not be used, save in the common interest'. The first atomic bomb was exploded over Hiroshima on 6 August 1945, just forty one days after the Charter was signed. By the time the United Nations was established, on 24 October 1945, the world that it was to serve had changed in fundamental ways.

An effort was soon made to return to the premises of San Francisco. The very first resolution of the General Assembly requested specific proposals 'for the elimination from national armaments of atomic weapons and of all other major weapons adaptable to mass destruction', and also to ensure the use of nuclear energy for peaceful purposes only. Moved by the United Kingdom and co sponsored by the United States, the Soviet Union, and France, it was passed unanimously.

In the Atomic Energy Commission established by that resolution, the United States suggested a set of wide ranging measures (known as the Baruch Plan) for bringing all nuclear activity, from uranium mining to power generation, under international control and for destroying its still minuscule stockpile of atomic bombs. The Soviet Union saw this as a ploy to prevent it from developing its own nuclear capability. It delayed the proceedings in the Commission for three years--until in 1949 it had tested its own weapons. Within the first five years of the founding of the United Nations, the nuclear arms race was under way. It was to last for most of the UN's first fifty years, transforming the world for which the Charter was designed in San Francisco.

The ramifications of the cold war cracked and weakened the very foundations of the Charter. To appreciate how far this state of affairs departed from the goals marked out in San Francisco, recall the aims to which the founding nations pledged themselves in the Preamble to the Charter:

- to practise tolerance and live together in peace with one another as good neighbours;
- to unite our strength to maintain international peace and security;
- to ensure, by the acceptance of principles and the institution of methods, that armed force shall not be used, save in the common interest; and
- to employ international machinery for the promotion of the economic and social advancement of all peoples.

In large measure, this report is a composite proposal for fulfilling those goals, but they were hardly the aims that dominated the post war era.

Given that the United Nations system was so hobbled from the outset, it is remarkable that it accomplished so much in so many areas of international co operation. That achievement is in large measure a tribute to the ability and dedication of UN staff--particularly the early generation of UN officials, who brought to their work a rare measure of zeal and a belief in the United Nations not yet overlaid by cynicism.

The international public service--the staff of the United Nations system--has not been fairly judged. Many of its members have been selfless servants of all the member states of the United Nations and have devoted their lives to furthering the aims of the Charter. As in all bureaucracies or corporations, some individuals have been less efficient, less committed, less effective than others. Some of these have been foisted on the United Nations by their governments. Overall, however, the international community has reason to be grateful to the men and women who have worked at UN headquarters and in the specialized agencies and programmes. These traditions of dedicated international service are now endangered, and there has been concern that the system is functioning at less than its optimum level. The UN needs to set the highest standards of efficiency at all levels of its operations. Later in this chapter we suggest some measures to remedy the situation.

Credit is also due to the diplomatic foot soldiers of member governments--the staff of Permanent Missions to the UN and in capitals, through whom governments participate in the United Nations system. These officials deserve more appreciation than is generally given for their role in making the UN system work. Sometimes theirs is a very difficult task (it took more than twenty years to agree on the definition of 'aggression', for example), and even the smallest achievements contribute to the progress of the organization and the advancement of its aims. Many of these officials have, as a result of their work with the UN, become its champions. They are part of a world wide constituency that speaks up for the United Nations, placing the responsibility for its failures where it mainly belongs--with the member states.

### **The Option of Renewal**

The UN Charter bears the stamp of its time, and a half century later it needs adjustment. We address the 'constitutional' issues, such as the reform of the Security Council, that we believe are crucial to better global governance. And we do so frankly. But we have believed from the outset, and our work in the Commission has further convinced us, that these changes apart, a primary need is for the world community to make greater, more imaginative, more creative use of existing provisions of the Charter.

Certainly, we do not subscribe to the notion that the UN should be dismantled to make way for a new architecture of global governance. Since it is not the Charter that has failed but the policies and practices of its members, much of the necessary reform of the system can be effected without amending the Charter--provided that governments have the will to inaugurate real change. The few amendments we propose will themselves help create an environment favourable to a return to the spirit of the Charter. As member states celebrate the UN's fiftieth anniversary, they should be animated by the spirit of the Charter in seeking change.

The world now has a real opportunity to improve on the record of the past and to respond effectively to the current challenges of global governance. The Commission believes that this can be done through a process of reform--more remodelling and refurbishment than tearing down and rebuilding. But the renovation must be more than cosmetic, and it must be accompanied by new ways of living in our global neighbourhood.

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# Our Global Neighborhood

## Report of the Commission on Global Governance

### Chapter Six -- Strengthening the Rule of Law World-Wide

*The rule of law has been a critical civilizing influence in every free society. It distinguishes a democratic from a tyrannical society; it secures liberty and justice against repression; it elevates equality above dominion; it empowers the weak against the unjust claims of the strong. Its restraints, no less than the moral precepts it asserts, are essential to the well-being of a society, both collectively and to individuals within it. Respect for the rule of law is thus a basic neighbourhood value. And one that is certainly needed in the emerging global neighbourhood.*

#### Unfulfilled Potential

*The rule of law was asserted and, at the same time, undermined; from the outset the World Court was marginalized.*

When the founders of the United Nations drew up the Charter, the rule of law world-wide loomed as one of its central components. They established the International Court of Justice at The Hague--commonly known as the World Court--as the 'cathedral of law' in the global system. But states were free to take it or leave it, in whole or in part. The rule of law was asserted and, at the same time, undermined. Each state could decide whether it was going to accept the compulsory jurisdiction of the World Court. And a great many did not. Thus, from the outset, the World Court was marginalized.

Most of the time, international law works well without a need to resort to adjudication. International treaties have been an important basis for achieving co-operation on matters ranging from aviation and shipping to environmental protection and trade. Compliance with legal standards has generally been good even when the short-term interests of a state might have favoured a breach. The great majority of disputes are resolved peacefully.

Nevertheless, in the post-war era the development of international law on some issues, and its use to resolve disputes, has fallen short of what many hoped for. The period was characterized by the rule of military power and economic strength--and these were exercised often in denial, or even defiance, of international legal norms. The world must change course as it works to build the global neighbourhood.

#### International Law

Comparatively recent in origin, international law includes the body of legal rules and principles that apply among states and also between them and other actors, including those of global civil society and other international organizations. Scholars once argued that international law was not law in the true sense, as there was no international police force to enforce it, no sanctions if it were disobeyed, and no international legislature. But with the growth in use of international law, these arguments are heard less often today.

The standing of international law is now unquestioned. The challenge today--as at the national level--is to sustain the respect for law that has developed. Not surprisingly, some argue that there has been more progress in developing the rules of war than the rules of peace.

Although states are sovereign, they are not free individually to do whatever they want. Just as local norms and customs (often embedded in national constitutions) mean that a state cannot do whatever it wishes within its own borders, so global rules of custom constrain the freedoms of sovereign states. There may be no police force, although the Security Council sometimes compels compliance with international law, but a commonality of self-interest dictates that general conformity is to the advantage of all.

International standards are usually self-enforced, with states, international institutions, and civil society organizations applying a general social pressure for compliance. Many international regimes include reporting requirements and systems of oversight and control. States and individual officials value a reputation for respecting legal commitments. In many states, national law and national courts help promote compliance with international standards.

### **The Law-Making Process**

*The rules of international law, like the precepts of international morality, are normative, prescribing standards of conduct. They often embody ethical standards, just as national laws do.*

These rules derive from state practice, from what states actually do, just like the customary or common law found within many legal systems. But unlike moral rules, they lend themselves to adjudication and, at least potentially, enforcement.

In the multilateral area, the United Nations has played a leading and dynamic role. It also serves as the official repository for any treaty or international agreement between member-states. The post-war decades have witnessed a veritable explosion in treaties, most of which are registered with the Secretariat of the United Nations. This volume of activity confirms that modern states desire to order at least some of their international relations within a properly developed legal framework.

This was not always the case. Until the post-war period, international law suffered as a global concept by being centred on Europe. Developing countries, in particular, felt--not without justification--that international law was both based on Christian values and designed to advance Western expansion. It was made in Europe, by European jurists, to serve European ends.

Now, however, particularly given the independence of former colonies, many nation-states can and do take an active part in the process

of international law-making. Even when they choose not to, their own conduct of international affairs--their own state practice--is in itself a source of international customary law.

No longer is it credible for a state to turn its back on international law, alleging a bias towards European values and influence. Indeed, European states now sometimes argue that the process that once upheld their own values and morality has lost its cutting edge through the impact of other states on customary international law and compromises to achieve the wide endorsement essential to international conventions. But the need for compromise is true of all law. A binding compact needs the strongest consensus.

Many international organizations, such as the International Labour Organization and the International Maritime Organization, play significant roles in multilateral convention-making. Global civil society organizations, such as trade unions and industry associations, make significant contributions to the process. The UN International Law Commission (ILC) also has an important role. This thirty-four-member subsidiary organ of the UN General Assembly was established in 1947 to make recommendations for the progressive development and codification of international law. After the ILC has completed work on a draft convention, it sends it to the General Assembly, which may convene an international conference to draw up a formal convention. The ILC's role is to draft and recommend. This function needs to be highlighted and expanded.

Through this multilateral treaty-making process, international law can be codified, with customary international law expressed in written statements. In this way it can be modernized much more quickly than by waiting for state practice to develop to the point where it coheres into law. Just as national parliaments have tended to resort to legislation to modernize domestic legal systems, so too has the international community depended on law-making.

This has occasionally happened with commendable speed, especially where commonly shared values were threatened, proving that international law-making need not always be a long, drawn-out process. One landmark achievement was the 1988 Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. The UN quickly obtained agreement on new features of the international framework for combating international drug trafficking, including measures on mutual legal assistance to seize, freeze, and arrange forfeiture of the proceeds of drug trafficking.

A second notable example is the Montreal Protocol on Substances that Deplete the Ozone Layer, signed in 1987 by many of the world's nations when the scientific evidence of the connection between chlorofluorocarbon use and the decay of the earth's protective ozone layer became clearer. Yet the sense of urgency that drove law-making in these two cases is absent all too often.

Ratification and scrutiny are important to the legitimacy and acceptability of international legal instruments. Nevertheless, internal political processes within nation-states themselves may also become obstacles to adoption of international standards. Perhaps the most startling example of a government failing to secure domestic support for new treaty obligations occurred when isolationists in the US Senate blocked that nation's ratification of the decisions taken at the Paris Peace Conference of 1919. As a result, not only did the United States have to conclude its own bilateral peace treaty with Germany, it also failed ever to become a member of the League of Nations.

In the contemporary world, populist action has the potential to strike down the carefully crafted products of international deliberation, usually on the grounds of nationalism. Yielding to internal political pressures can in a moment destroy the results of a decade of toil. One of the challenges for governments in an era of democracy is to ensure that the public understands the nature of international law-making processes and supports them. Only then can long-term considerations prevail over short-term expediency.

### **Strengthening International Law**

*In an ideal world, acceptance of the compulsory jurisdiction of the World Court would be a prerequisite for UN membership.*

Most international disputes are settled by negotiation. Third parties, including other states and individuals, may provide 'good offices' or may take on more proactive roles as mediators or conciliators. In international as in domestic politics, not all disputes are suitable for binding third-party settlement.

Nevertheless, for international law and the ethical values it protects to be enforced, there must be a credible forum staffed by individuals of the highest standing, independence, and integrity, who are willing and able to adjudicate on the grave matters that come before them. In its absence, freedom of political maneuvering is maximized, and self-serving interpretations of international law can be asserted unilaterally in the Security Council and elsewhere. Only when the interests of both parties are served by binding third-party settlement are disputes referred to forms of adjudication.

The Statute of the World Court provides for the Court to entertain contentious cases only between states. The Court is needed because of the long-established practice that in sovereign (as distinct from state trading) matters, states enjoy immunity from the jurisdiction of each others' courts unless immunity is expressly waived to settle a specific dispute.

### **Abiding by the Rules**

The World Court is but the latest in a series of tribunals and procedural arrangements dating back to the Conventions for the Pacific Settlement of Disputes concluded at the first and second Peace Conferences at The Hague, in 1899 and 1907. The goal was to establish a court in which all had confidence. Elihu Root, then US Secretary of State, observed in his instructions to his delegation that the objection to arbitration rested not on an unwillingness of states to submit disputes to impartial arbitration, but to an apprehension that the arbitrators would not be impartial.

What Elihu Root wanted then--and what the world still needs today--is a tribunal that states have confidence in, composed of 'judicial officers, and nothing else, who are paid adequate salaries, who have no other occupation, and who will devote their entire time to the trial and decision of international causes by judicial methods and under a sense of judicial responsibility'. The UN Charter sought to provide such a tribunal. The judges of the World Court are adequately remunerated, have no conflicting interests, and devote their entire time to the trial and decision of international cases and to academic writings on the development of international jurisprudence.

The Court has jurisdiction only where the states that are parties to a dispute have agreed to abide by its decision. This can happen in any of three ways. States in dispute that have accepted the 'compulsory jurisdiction' of the Court as laid out in Article 36, paragraph 2, of its statute may agree to submit a case to it. In May 1989, the Republic of Nauru commenced proceedings against the Commonwealth of Australia under this optional clause. Nauru was seeking a declaration from the Court that Australia was bound to make restitution or reparation for the damage and prejudice Nauru had suffered, primarily as a result of Australia's failure to remedy the environmental damage it had caused there. Australia accepted the Court's decision on jurisdiction by participating in the merits phase. However, the case was subsequently settled by the parties out of court.

A second ground for jurisdiction is where the disputing parties have previously agreed in a treaty to submit to the Court any disputes that may arise under it. Cases under this category are started by a unilateral filing of an application. A notable example of this was the case brought by the United States in 1979 against Iran over the seizure of the US Embassy in Tehran and the detention of US diplomatic staff. In a more recent case, Bosnia-Herzegovina instituted proceedings against the truncated Yugoslav state (Serbia and Montenegro) in March 1993, alleging genocidal behaviour.

In the third category, states may refer a dispute to the Court by a special agreement. This involves the submission of a dispute, or of particular questions relating to a dispute, to a Court whose membership is more or less known at the time of submission. An example of this was the reference to the Court of the dispute between Libya and Malta on the delimitation of the continental shelf between the two countries, on which the Court made a decision in 1985.

Of the UN's 184 member-states, 57 have accepted the Court's jurisdiction under the optional clause, and ad hoc consent is not forthcoming in nearly enough cases. We view these statistics as alarming. Treaties are the principal source of jurisdiction in contentious cases before the World Court. At present, some countries accept the Court's jurisdiction without qualification in all cases that may arise. Many others do so only when the state wishing to proceed against them has also done so. A number of states, however, are willing to use the World Court only when it suits their short-term interests. This last situation is wholly unsatisfactory.

The standing of the Court was challenged by the actions of both France and the United States in the 1970s and 1980s. In the *Nicaragua* case, the United States responded to a suit brought by Nicaragua by appearing and strenuously contesting the right of the Court to hear the case. But when the Court ruled in favour of having competence to do so, the United States refused to participate further in the case. After condemning the Court for deciding that it had jurisdiction, the United States in October 1985 withdrew its consent to the compulsory jurisdiction of the Court under Article 36(2) of the Court's Statute.

A decade earlier, the *Nuclear Tests* cases had been brought by Australia and New Zealand against France under the Court's compulsory jurisdiction clause. France refused to appear or to abide by the Court's interim order to avoid nuclear tests causing the deposit of radioactive fall-out on Australian or New Zealand territory. From two countries that claim leadership in international affairs, these were both serious blows to the rule of law world-wide.

These cases do not represent a general attitude of defiance of the Court. Indeed, the Court has gradually increased in stature and is now used more frequently. However, misgivings as to judicial methods and judicial responsibility linger--fed in some instances

by inferences, rightly or wrongly drawn, that a particular judge has stretched international jurisprudence beyond its limits. Similar criticisms are often heard about national courts of the highest repute. Nevertheless, even a semblance of justification for such criticism needs to be removed. That is why transparent and justifiable structures and processes for judicial appointment are needed.

The criteria and methods for the selection of judges for the World Court must be addressed; without confidence-building mechanisms, the ability of the international community to assert and protect its core values through a truly effective Court will remain elusive.

In an ideal world, acceptance of the compulsory jurisdiction of the World Court would be a prerequisite for UN membership. Those who wish to belong to the community of nations should be willing to abide by its rules and demonstrate their willingness by accepting the competence of its highest legal body. This opportunity has been missed, however. The United Nations and its membership are now facts of life, and some states--including, at present, four of the five permanent members of the Security Council--have denied the Court compulsory jurisdiction under the optional clause. In the interest of maintaining the rule of law in the global neighbourhood, we urge these states to reconsider their position.

Each member of the community of nations that has not already done so should accept the compulsory jurisdiction of the Court. At the same time, we propose a number of measures to respond to the concerns of those who have expressed a lack of confidence in this body.

### **The Chamber Procedure**

Certain states are uneasy about the World Court as an arbitrator of disputes. Yet some have none the less on occasion used the Court's so-called chamber procedure. Under this method, a small group of Court judges, as few as three or five, is agreed to by the states that are party to a dispute; these judges then sit, in effect, as arbitrators.

Some still see this procedure as a diminution of the standing and function of the Court. We understand that reaction, but prefer to see resort to the chamber procedure as evidence of states' willingness to submit to independent decisions. On this the international community must build.

The chamber procedure is not without dangers. Chambers of judges selected by the parties to a dispute are arbitral in character rather than genuinely adjudicatory. Decisions by chambers consisting of a minority of judges or judges from the same region may not be recognized as binding precedents by the full Court in later cases. In litigation involving states from one particular region, a party-selected chamber could end up consisting of judges only from that region or legal culture. The use of chambers also could threaten the unity of the Court. These dangers must be avoided.

Clearly, states may be more willing to accept the Court's jurisdiction if they can participate in determining the judges who constitute the ad hoc chamber. However, the chamber procedure should be modified in ways that address these dangers. One way to do this would be to require the President of the Court to appoint a member to serve on a chamber with the members of the Court selected by

the parties to the dispute.

### **The Choice of Judges**

Some states opt to remain outside the compulsory jurisdiction of the World Court because of the process for the selection and re-election of judges to the Court. Judges are elected by the General Assembly and the Security Council. Successful candidates must command the support of a majority in both fora. They are elected for nine years.

We would like to see introduced a system of screening of potential members of the Court for both jurisprudential skills and proven objectivity. This practice is already followed in many countries, which have processes for consultation with or even approval by independent national bodies before a person is elevated to high judicial office.

Such a system would not affect the involvement of all states through the General Assembly or displace the role of the Security Council in the political act of selection. It would mean judges were chosen from a slate of candidates who all have the required experience, skills, and independence of mind. Both the General Assembly and the Security Council would be free to ask for a further set of candidates.

We believe that this procedure would lead to a panel of judges that commanded the confidence all nations seek. Further consultations are needed on how precisely the screening process should be framed. Clearly it should involve eminent jurists of independent mind from all the regional groups of the United Nations, and consist of people who have no ambitions themselves to sit on or practise before the Court. National law societies of member-states could play a role in the process.

To remove any residual misgivings about the independence of the Court, judges should be appointed for only one term of ten years, and then retire on full pension. This should be coupled with a compulsory retirement age of 75. It is contrary to the traditions of many legal systems for judges to submit themselves for re-election or reselection. It is also contrary to UN guidelines and basic principles on the independence of the judiciary. By limiting appointments to one term, it should be possible to avoid the demeaning spectacle of judges canvassing personally or through diplomats in New York for their reappointment--and seeking support, in some instances, from the representatives of states with cases outstanding on the Court list. More important, any suspicion that a judge's conclusions had been tempered by thoughts of re-election would be excluded. The choice of judges for the World Court has assumed too high a level of politicization. Unchecked, this can only further erode confidence in the Court.

We repeat, however, that the final decision would and should be a political one. It is altogether right that those who have to submit themselves to the Court's jurisdiction should have confidence in those appointed to sit in judgement. But the parameters of those processes should be contained within bounds. The proposed changes in the way judges are appointed and in their terms could be implemented by a procedural resolution of the General Assembly without any formal amendment to the statute of the Court. Doing so would ensure that the whole process of selection and tenure yields a bench of judges in whom, collectively and individually, the world community can have complete confidence.

## **Steps to Compulsory Jurisdiction**

If the compulsory jurisdiction of the World Court in all cases will not be accepted immediately by every member of the United Nations, there are some areas of the law in which all states might be persuaded to accept it. A start might be made with disputes between states over continental shelf and exclusive economic zone boundaries, and possibly other land and maritime boundaries. The World Court possesses considerable experience in this area.

The Court's proven expertise and the existence of a mature body of case law deserve to be recognized. The fact that such disputes can threaten peace and security is further good reason why states should be ready to accept the Court's universal competence in this area.

A development in this direction would also be consistent with moves in other fora. It is now a near-universal practice for states in trading agreements to concur in advance to submit disputes to arbitration under one of the well-established international arbitration centres around the world. There is also a practice of providing in advance for dispute resolution procedures in major treaties, the most recent example being the Understanding on Rules and Procedures Governing the Settlement of Disputes signed in Marrakesh in April 1994. Under the new system, members of the World Trade Organization commit themselves not to take unilateral action against perceived violations of the trade rules. They have pledged instead to use the new dispute settlement system, and to abide by its rules and procedures.

The world community needs to minimize the occasions in which states in dispute have first to agree on a settlement mechanism before the merits of the case can be examined. This would speed up possible resort to third-party settlement, based on international legal norms, while providing an incentive for rapid agreement on the substance of a dispute ahead of any hearing. States should be encouraged to include in future agreements and treaties provisions that spell out the mechanism for the settlement of any disputes that may arise.

If progress can be made in this way, international confidence may build to the point where doubters are won over to the concept of compulsory jurisdiction in all matters. To aid this process, areas of jurisdiction should be identified in which acceptance of the compulsory jurisdiction of the World Court could be achieved on a piecemeal basis.

## **Empowering the Secretary-General**

At present, the Security Council, the General Assembly, and other organs and agencies of the United Nations have the power to request advisory opinions from the World Court. In view of the emphasis now rightly placed on preventive diplomacy, the UN Secretary-General also should be able to refer the legal dimensions of emerging disputes to the World Court at an early stage for an advisory opinion. Such action may well--in at least some instances--assist in the peaceful determination of a dispute that otherwise might threaten international peace and security. States generally have a strong wish to be seen as having international law on their own side, and the prospect of a decision that this was not the case could be a salutary one. Having the Secretary-General take this step could also provide a political cooling-off period while the Court came to a decision.



There will be instances, of course, where resort to the Court may be inappropriate or ineffectual. Yet no one suggests that a domestic court has no deterrent effect just because it is not omnipotent. Limitations on effectiveness are no excuse for failing to reinforce the Secretary-General's position in this practical way.

It follows that the World Court would itself need to develop fast-track procedures for handling such matters, which should have higher priority than other cases before the Court. There should be time-saving reforms, including streamlining of procedures. Such techniques are increasingly being used in the highest courts of individual states, and could also be used at the World Court. The availability of fast-track procedures might well encourage governments to turn to the Court if they thought they could get a quick pronouncement on their side, as a way to influence public opinion.

### **The Security Council and the World Court**

*The Security Council should make greater use of the World Court as a source of advisory opinions.*

The Security Council is, of course, the supreme organ of the United Nations. It can even second-guess the World Court by refusing requests to implement the Court's decisions. Some of its resolutions are themselves a source of international law, and propositions of international law are frequently asserted in the Council.

We considered at length whether the Security Council should subject its own decisions to review by the World Court, at least on procedural matters. If it did so, the Council would be in the same position as several member-states in their own jurisdictions, where courts can adjudicate on the legality of state action. No explicit power is given to the World Court to review the legality at international law of Security Council actions. Yet in many states, including the United States, this power of review by the highest national courts has arisen even in the absence of explicit constitutional or statutory language. In addition, the UN Charter refers to the International Court of Justice as the organization's 'principal judicial organ'. It can be argued that this implies a power of judicial review.

An example of the confusion that can result from the Security Council acting as it does is provided by the present dispute stemming from the crash of Pan Am flight 103 over Lockerbie in Scotland. Libya has been required by the Security Council to extradite suspects who are its citizens. Yet under the 1971 Montreal Convention for the Suppression of Unlawful Acts Against the Safety of Civilian Aircraft, Libya is entitled to have these individuals tried in a Libyan court. Furthermore, as a general principle of international law, states are not required to surrender their own citizens (to whom they owe a duty of protection); they should instead prosecute them in their own countries. If an international criminal court existed (as advocated later in this chapter), it could have heard the case against the Libyan suspects for this act of international terrorism.

Notwithstanding that some states have often used precepts of international law as a shield to justify their failure to act responsibly within the protection of their own borders (for example, Libya has failed to prosecute the Lockerbie suspects even in its own courts), questions have arisen about whether the Security Council should have respected Libya's rights at international law, rather than endeavouring to override them. And some have questioned whether, in a legal sense, the placing of the bomb that caused the

aircraft to crash--despicable though it was--really did constitute a threat against international peace and security, and whether the Security Council had a firm basis for the action it has taken.

The World Court would probably seek to avoid confrontation with the Security Council by regarding it as enjoying exclusive competence to judge whether particular actions constituted a threat to international peace and security. But just where the line might be drawn is difficult to say. Certainly, recurring disputes between the Council and the Court as to competence would be wholly undesirable, and in the best interests of neither.

It is also true to say that an overly legalistic approach might cut off developments that, if allowed to progress, might be of benefit to all. The present degree of humanitarian concern in the international protection of human rights is a good example of a development that most around the world would applaud. Yet at an earlier stage, this might have been hampered had the World Court come down firmly on the side of a state not being exposed to interference in its internal affairs, as guaranteed by the UN Charter.

Although we see the value of the Security Council not being completely free from legal oversight, we do not recommend at this stage a right of review of all Security Council decisions in the World Court. In any event, if eventually there is a form of judicial review, it would probably need to be confined to certain issues relating to the 'constitutionality' of Security Council actions, to the defence of the Charter itself, and to certain related rule of law issues. The Court would intervene only when there was a clear conflict between a decision of the Council and its constitution.

We also considered whether a state or group of states should be able to petition the World Court to provide advice on proposed action by the Security Council. While the Council cannot be challenged once it has reached a decision, should its decision-making process be the subject of advice and counsel by the World Court? For reasons discussed already, we concluded that such a mechanism would expose both the Security Council and the Court to the real risk of friction.

Still, we looked for ways in which instances of potential illegality by the Security Council could be minimized. The mechanism we suggest is having a distinguished legal person available to provide to the Security Council at an early stage independent advice on international legal propositions. Such an individual--perhaps a retired member of the World Court--would be appointed (or reappointed) by the Security Council on the advice of the ILC or some other expert legal body. This person would act vis-à-vis the Security Council in much the same way that an Attorney-General does vis-à-vis the Cabinet in most parliamentary democracies. As the Attorney-General, the Council's legal adviser would not in any way usurp the ultimate responsibility of the Council to take the definitive political decision on any matter in respect of which his or her advice is sought.

A legal expert who provided advice that commanded respect could play a key role in clarifying issues and contributing to a speedier--and more assuredly lawful--conduct of the Council's business. Most important, this would not simply be an additional function for existing UN staff members. The legal expert would need to enjoy independence from the Secretary-General's own advisers. The expert would be the Council's own lawyer, serving the international community with a mandate to warn the Council privately, during informal consultations, if it is in danger of transgressing legal norms. Respect for the rule of international law must start with the highest organ of the UN system.

The Security Council should also turn to the World Court more often in the dispatch of its own business. Provision for this already exists, but is too little used. Obviously, much of the Council's business is of compelling urgency and time constraints have contributed to its opting, in effect, to act as its own arbiter on the applicability of international law in particular circumstances. But this has happened more frequently than many would have wished. We would prefer to see the Council taking this course as a last resort, after having carefully considered the feasibility of asking the Court for an advisory opinion.

This further emphasizes the need for the World Court to have procedures that would expedite the resolution of urgent cases. We certainly feel the Security Council should make greater use of the World Court as a source of advisory opinions and, wherever possible, avoid being the judge in disputes on what international law may or may not be in particular cases.

### **An International Criminal Court**

*The absence of an international criminal court discredits the rule of law. It must be established soon.*

The concept of an international criminal court is an old one. Efforts to establish such a court date back to 1945. Since then, the feasibility has been studied by several reputable institutions, including the International Law Commission. We believe that the absence of such an international court discredits the rule of law. It must be established soon. A major step was taken towards establishing an international criminal court in July 1994, when the ILC adopted statutes for a proposed court. This is a welcome development.

Some have argued that such a court would infringe on national sovereignty, because national courts have exclusive jurisdiction over crimes committed on their territories. Yet sovereign states have already recognized international jurisdiction over crimes by ratifying or acceding to treaties prohibiting genocide, torture, and other crimes against humanity. The 1948 Genocide Convention actually envisages the possibility of an international criminal court.

Also, certain crimes, such as acts of terrorism, are international precisely because they occur across national borders. As noted earlier, the bombing of Pan Am flight 103 over Lockerbie, Scotland, is a tragic example of an international crime that transcended many borders and that could have been tried before an international criminal court had one existed.

Some argue, too, that an international criminal court should only be established on an ad hoc, case-by-case basis. The time it has taken to agree upon and establish a court to deal with crimes committed during the conflict in the former Yugoslavia, however, supports the argument for a permanent court.

Some question why the Yugoslav conflict has become the focus of an ad hoc court when other crimes against international law are being, or have been, perpetrated elsewhere. A similar tribunal has been proposed to try perpetrators of genocide in Rwanda. It is precisely such apparent selectivity that would be avoided by having a standing court. Its existence might also serve as a source of deterrence. And a standing court would overcome the problems of delays and selection that an ad hoc court could face. As in

a domestic setting, justice delayed can be justice denied.

An international criminal court should have an independent prosecutor or a panel of prosecutors of the highest moral character, as well as the highest level of competence and experience in investigating and prosecuting criminal cases. Upon receipt of a complaint or at his or her own initiative, the prosecutor's primary responsibility would be to investigate an alleged crime and prosecute suspected offenders for any crimes that are within the court's jurisdiction. The prosecutor would, of course, have to act independently and not seek or receive instructions from any government or other source. The Security Council could also refer cases to the court when it determined that the crime in question constituted a threat to international peace and security.

The matter is a complex one, giving rise to questions of legal systems, investigations, procedures, and punishments, to name but a few. If it must be established by treaty, it will clearly take many years, even decades, before it is in place. We urge swift examination of various possibilities, and early action on the most promising. We would like to see such a court instituted as a matter of the highest priority.

### **Enforcing International Law**

*The very essence of global governance is the capacity of the international community to ensure compliance with the rules of society.*

In a world in which the rule of international law was respected, enforcement procedures would not be needed. In a world in which it is not, universal enforcement may not be achievable.

Of course, international law can be, and is, enforced through a number of avenues. Domestic courts in the legal systems of many member-states take account of international rights and obligations in deciding on cases that come before them. And in an increasing number of legal systems, there is a growing awareness of the universality of international law and the norms it embodies, and a readiness to consider these when judging individual cases. The norms of international law--particularly on human rights--are already guiding judges in cases in individual countries as they rightly seek to ensure, to the extent allowed by their legal system, that universally recognized norms and values are protected domestically.

We applaud this development, recognizing as it does the commonality of global identity. This process should be encouraged by courts being more ready than in the past to admit cases in which individuals and non-governmental organizations (NGOs) seek to enforce compliance with international norms in domestic courts, or wish to ensure that their government's foreign policy is in conformity with them.

Numerous regional and supranational mechanisms also exist: the Inter-American Court of Human Rights, the European Court of Human Rights, and the European Court of Justice, to name but three. And as noted earlier, dispute-settlement mechanisms are increasingly being provided in international treaties. States, corporations, and individuals should also consider resorting to such institutions as the International Center for the Settlement of Investment Disputes, a tribunal set up by the World Bank.

A necessary condition for strengthening the rule of law world-wide is an efficient monitoring and compliance regime. Without this, states are tempted to embrace international norms and agreements and then not follow through on their obligations. The very essence of global governance is the capacity of the international community to ensure compliance with the rules of society.

International law is routinely observed by states because they believe it is in their best and long-term interest to do so. But it is breached whenever the violators believe that such action will fetch them handsome rewards, and that they can get away with it. Incentives and disincentives are needed to encourage compliance and deter non-compliance.

We recognize that questions of compliance can often be contested. The acceptable level of compliance will also depend on the issues, the context, and the type of obligation involved. In the environmental field, for example, technical and financial assistance will help reduce the inability of certain states to comply with new and emerging standards. Thus the 1990 amendments to the Montreal Protocol on Substances that Deplete the Ozone Layer made this the first major treaty under which the parties actually put up some funds to help developing countries defray the incremental costs of compliance. We recommend the inclusion of such provisions in treaties where that is an effective way of achieving compliance by states that might otherwise find it difficult to do so.

Similarly, in the security field, there are areas in which arrangements for compliance are clearly insufficient. Examples are crimes against humanity, terrorism, and kidnapping. The international criminal court just recommended could enhance compliance in the security and human rights area. The best way to secure compliance with other security-related rules is to stop violations before they take place. This is the essence of preventive diplomacy, as discussed in Chapter Three.

Beyond the court system, the technical, organizational, and lobbying skills of some NGOs are an efficient means of achieving enhanced compliance. We encourage these groups to continue lobbying and pressuring governments, multilateral institutions, transnational corporations, and other subjects of international law to comply with their international legal obligations. Although these groups are essential in bringing about desired policy goals under domestic as well as international legal systems, few international agreements or implementing bodies explicitly acknowledge this role or include NGOs in their compliance mechanisms.

Greater transparency will also increase the likelihood that national policy decisions comply with agreed international standards. Above all, increased resort to as well as improvement of dispute-settlement procedures will help clear some of the ambiguity that frequently serves as justification for non-compliance.

Membership of the United Nations confers considerable advantages, rights, and privileges. Enjoyment of these benefits creates a responsibility to comply with the rules of the UN Charter. The easiest and most efficient way to encourage or secure compliance with international norms is through voluntary, not coercive, means. Methods to encourage compliance include direct contact, publicity and the mobilization of shame, deterrence, peaceful settlement procedures, sanctions, and, as a last resort, expulsion from intergovernmental organizations or the UN itself.

In most cases, a judgement of the World Court is enough to settle a dispute, and states generally comply. In exceptional cases of non-compliance, however, the only effective enforcement may be through a Security Council resolution. We do not emphasize formal enforcement measures; but failing voluntary compliance, we recommend Security Council enforcement of World Court decisions and other international legal obligations.

Article 94 of the Charter gives the Security Council the power to 'make recommendations or decide upon measures to be taken to give effect to the judgement' of the World Court. This provision has been dormant. Because of the veto, the Security Council has been powerless against a permanent member, even in legal matters. In the *Nicaragua* case referred to earlier, the Security Council was not in a position to enforce a judgement against a country that had the power of veto. We believe a reformed Security Council, as proposed in Chapter Five, will be less constrained in promoting compliance with World Court decisions.

### **Promoting International Law**

*The global neighbourhood of the future must be characterized by law, not lawlessness.*

The traditional ways that international law is formed and developed are time-consuming and generally lack any sense of urgency. Even allowing for the delay inevitable in negotiating a text that achieves the consensus support of the global community, these processes fail to provide the international law-making service that today's modern, fast-paced global community requires.

International law has evolved techniques to respond to this challenge. Standards may be set by instruments (such as resolutions of some international organizations) that are technically non-binding but in fact have considerable influence on behaviour. If applied in practice, these standards may begin to assume some legal status. This is the hardening of so-called soft law.

Treaties may establish procedures for rapid amendment when new data become available, as in the Montreal Protocol. Or they may be applied provisionally while awaiting formal ratification. Differential obligations may be established for states facing different conditions, in order to reach agreement on higher and more effective standards. Institutions may have special rule-making powers, binding even states that do not formally agree to a particular rule. Influential standards may be proposed by civil society organizations. Customary international law may be established more quickly now than in the past. Rules not binding on all states may nevertheless influence behaviour: for example, regulations adopted by a few states may be copied in others and eventually applied in most national systems.

Law-making has evolved, but the gradualism at the core of the present system remains an inheritance from the past. It was suitable for a world community with far fewer states and where technology, population, and the environment were not matters of concern. It was a leisurely, club-like approach to international law-making that simply cannot serve today's global society.

Accordingly, some appropriate body should be mandated to explore ways in which international law-making can be expedited--without, of course, calling into question the consensual nature of international law itself. There is clearly no profit in embarking

on international law-making for its own sake and without realistic chances of attracting sufficient support for new proposals.

Efforts are made by international law-making fora within the UN system to liaise with outside counterparts, such as The Hague Conference on Private International Law, to eliminate overlap and assign responsibilities. This is all well and good. But a single organization should formally co-ordinate international law-making, setting timetables and establishing lines of authority. We see such an organization--which could be a revamped International Law Commission--as being proactive. Its immediate tasks should be to energize states and give international law-making the prominence it requires, both in terms of priorities and of resources allocated to it by member-states.

To reach all these goals, we look for the emergence of a group of 'good global citizen' states and representatives of civil society organizations. This group should be prepared to work together and provide leadership. They should lead by example and moral suasion, and work towards the ends we have outlined in all international fora where they are active. In particular, there is work to be done in reforming aspects of the UN system, whether by Charter amendment or otherwise. Without a mechanism to carry this programme forward, the full potential of the international rule of law as a means for peaceful resolution of disputes will remain unrealized.

The emerging global neighbourhood needs to live by a new ethic that is underpinned by a culture of law. The world community has at least the beginnings of a potentially effective legal system to support global governance arrangements. Myriad contemporary multilateral and bilateral treaties and arrangements exist, along with established customary law. In addition, several judicial and non-judicial mechanisms exist that, with the necessary political will, can effectively encourage compliance or enforce the law.

The weaknesses in the international legal system today are largely a reflection of weaknesses in the overall international system. Although there is urgent need for new laws, for better compliance mechanisms, and for more effective enforcement machinery, political will on the part of states is an indispensable requirement for progress in this direction.

The world must strive to ensure that the global neighbourhood of the future is characterized by law, not by lawlessness; by rules that all must respect; by the reality that all, including the weakest, are equal under the law and that none, including the most powerful, is above the law. This, in turn, requires a will to lead by those who can, and a willingness by the rest to join and help in the common effort.

### ***Summary of Proposals in Chapter Six***

#### **Strengthening International Law**

1 All members of the United Nations should accept the compulsory jurisdiction of the World Court.

2 The chamber procedure of the World Court should be modified to address its dangers and to increase its appeal to states.

3 World Court judges should be appointed for one ten-year term only, and a system introduced to screen potential members for jurisprudential skills and objectivity.

4 States should be encouraged to include in future agreements and treaties provisions for the settlement of any interstate disputes.

5 The UN Secretary-General should have the right to refer the legal aspects of emerging disputes to a full bench of the World Court for advice at an early stage.

### **The Security Council**

6 A distinguished legal person should be appointed by the Security Council to provide independent advice on international legal propositions to the Council.

7 The Security Council should make greater use of the World Court as a source of advisory opinions and, wherever possible, avoid being the judge of what international law may or may not be in particular cases.

### **Enforcing International Law**

8 An international criminal court should be established with an independent prosecutor or panel of prosecutors of the highest moral character as well as the highest level of competence and experience.

9 International treaties should include provision to help countries that may otherwise face financial hardship in complying with them.

10 Failing voluntary compliance, Security Council enforcement of World Court decisions and of other international legal obligations should be pursued.

11 An appropriate body should be asked to explore ways in which international law-making can be expedited without calling into question the consensual nature of international law.

### **The Principal Sources of International Law**

Article 38(1) of the Statute of the World Court, which is the most frequently cited text for sources of international law, provides that the Court shall apply:



- a. international conventions, whether general or particular, establishing rules expressly recognized by the contesting states;
- b. international custom, as evidence of a general practice accepted as law;
- c. the general principles of law recognized by civilized nations; and
- d. judicial decisions and the teachings of the most highly qualified publicists of the various nations, as subsidiary means for the determination of rules of law.

Other sources of international law include general principles of equity, and certain widely supported and generally accepted resolutions or declarations of the UN General Assembly and other international organizations.

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# Our Global Neighborhood

## Report of the Commission on Global Governance

### Chapter Seven -- A Call to Action

In this final chapter, we set out our main conclusions and proposals, and then look at how the world community might consider these and other proposals on the fiftieth anniversary of the United Nations.

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#### **Summary of Commission Proposals**

A global civic ethic to guide action within the global neighbourhood, and leadership infused with that ethic, is vital to the quality

of global governance.

This section recapitulates the principal conclusions and recommendations thus far. A more complete list is found at the end of earlier chapters and we do not repeat them all. In recalling our major proposals, however, we emphasize the degree to which we see them as a coherent body of reform proposals--not inseparable, of course, but mutually reinforcing. We encourage their consideration as such.

### **Governance, Change, and Values**

Global governance, once viewed primarily as concerned with intergovernmental relationships, now involves not only governments and intergovernmental institutions but also non- governmental organizations (NGOs), citizens' movements, transnational corporations, academia, and the mass media. The emergence of a global civil society, with many movements reinforcing a sense of human solidarity, reflects a large increase in the capacity and will of people to take control of their own lives.

States remain primary actors but have to work with others. The United Nations must play a vital role, but it cannot do all the work. Global governance does not imply world government or world federalism. Effective global governance calls for a new vision, challenging people as well as governments to realize that there is no alternative to working together to create the kind of world they want for themselves and their children. It requires a strong commitment to democracy grounded in civil society.

The changes of the last half- century have brought the global neighbourhood nearer to reality--a world in which citizens are increasingly dependent on one another and need to cooperate. Matters calling for global neighbourhood action keep multiplying. What happens far away matters much more now.

We believe that a global civic ethic to guide action within the global neighbourhood and leadership infused with that ethic are vital to the quality of global governance. We call for a common commitment to core values that all humanity could uphold: respect for life, liberty, justice and equity, mutual respect, caring, and integrity. We further believe humanity as a whole will be best served by recognition of a set of common rights and responsibilities.

It should encompass the right of all people to:

- a secure life,
- equitable treatment,
- an opportunity to earn a fair living and provide for their own welfare,
- the definition and preservation of their differences through peaceful means,
- participation in governance at all levels,
- free and fair petition for redress of gross injustices,
- equal access to information, and

- equal access to the global commons.

At the same time, all people share a responsibility to:

- contribute to the common good;
- consider the impact of their actions on the security and welfare of others;
- promote equity, including gender equity;
- protect the interests of future generations by pursuing sustainable development and safeguarding the global commons;
- preserve humanity's cultural and intellectual heritage;
- be active participants in governance; and
- work to eliminate corruption.

Democracy provides the environment within which the fundamental rights of citizens are best safeguarded and offers the most favourable foundation for peace and stability. The world needs, however, to ensure the rights of minorities, and to guard against the ascendance of the military and corruption. Democracy is more than just the right to vote in regular elections. And as within nations, so globally, the democratic principle must be ascendant.

Sovereignty has been the cornerstone of the inter- state system. In an increasingly interdependent world, however, the notions of territoriality, independence, and non- intervention have lost some of their meaning. In certain areas, sovereignty must be exercised collectively, particularly in relation to the global commons. Moreover, the most serious threats to national sovereignty and territorial integrity now often have internal roots.

The principles of sovereignty and non- intervention must be adapted in ways that recognize the need to balance the rights of states with the rights of people, and the interests of nations with the interests of the global neighbourhood. It is time also to think about self- determination in the emerging context of a global neighbourhood rather than the traditional context of a world of separate states.

Against this backdrop of an emerging global neighbourhood and the values that should guide its governance, we explored four specific areas of governance central to the challenges of the new era the world has entered: security, economic interdependence, the United Nations, and the rule of law. In each case we have sought to focus on governance aspects, but these are often inseparable from substantive issues that we have had to address.

### **Promoting Security**

The concept of global security must be broadened from the traditional focus on the security of states to include the security of people and the security of the planet. The following six concepts should be embedded in international agreements and used as norms for security policies in the new era:

- All people, no less than all states, have a right to a secure existence, and all states have an obligation to protect those rights.
- The primary goals of global security policy should be to prevent conflict and war and to maintain the integrity of the environment and life- support systems of the planet by eliminating the economic, social, environmental, political, and military conditions that generate threats to the security of people and the planet, and by anticipating and managing crises before they escalate into armed conflicts.
- Military force is not a legitimate political instrument, except in self- defence or under UN auspices.
- The development of military capabilities beyond that required for national defence and support of UN action is a potential threat to the security of people.
- Weapons of mass destruction are not legitimate instruments of national defence.
- The production and trade in arms should be controlled by the international community.

Unprecedented increases in human activity and human numbers have reached the point where their impacts are impinging on the basic conditions on which life depends. It is imperative that action should be taken now to control these activities and keep population growth within acceptable limits so that planetary security is not endangered.

The principle of non- intervention in domestic affairs should not be taken lightly. But it is necessary to assert as well the rights and interests of the international community in situations within individual states in which the security of people is extensively endangered. A global consensus exists today for a UN response on humanitarian grounds in such cases. We propose a UN Charter amendment to permit such intervention but restricting it to cases that in the judgement of a reformed Security Council constitute a violation of the security of people so gross and extreme that it requires an international response on humanitarian grounds.

There should be a new 'Right of Petition' for non- state actors to bring situations massively endangering the security of people within states to the attention of the Security Council. The Charter amendment establishing the Right of Petition should also authorize the Security Council to call on parties to an intrastate dispute to settle it through the mechanisms listed in Article 33 of the UN Charter for the pacific settlement of disputes between states. The Council should be authorized to take enforcement action under Chapter VII if such action fails, but only if it determines that intervention is justified under the Charter amendment referred to in the previous paragraph on the grounds of the violation of security of people. Even then, the use of force would be the last resort.

We suggest two measures to improve UN peacekeeping. First, the integrity of the UN command should be respected; for each operation a consultative committee should be set up, as was originally the case, with representatives of the countries that contribute troops. Second, although the principle that countries with special interests in relation to a conflict should not contribute troops should be upheld, the earlier view that the permanent members of the Security Council should not play an active part in peacekeeping should be discarded.

New possibilities arise for the involvement of regional organizations in conjunction with the UN in resolving conflicts. We support the Secretary- General's plea for making more active use of regional organizations under Chapter VIII of the Charter.

The UN needs to be able to deploy credible and effective peace enforcement units at an early stage in a crisis and at short notice. It is

high time that a UN Volunteer Force was established. We envisage a force with a maximum of 10,000 personnel. It would not take the place of preventive action, of traditional peacekeeping forces, or of large- scale enforcement action under Chapter VII of the Charter. Rather, it would fill a gap by giving the Security Council the ability to back up preventive diplomacy with a measure of immediate and convincing deployment on the ground. Its very existence would be a deterrent; it would give support for negotiation and peaceful settlement of disputes.

The international community must provide increased funds for peacekeeping, using some of the resources released by reductions of defence expenditures. The cost of peacekeeping should be integrated into a single annual budget and financed by assessments on all UN member countries--with an increase of the peacekeeping reserve fund to facilitate rapid deployment.

The international community should reaffirm its commitment to eliminate nuclear and other weapons of mass destruction progressively from all nations, and should initiate a ten- to- fifteen year programme to achieve this goal.

Work towards nuclear disarmament should involve action on four fronts:

- the earliest possible ratification and implementation of existing agreements on nuclear and other weapons of mass destruction;
- the indefinite extension of the Non- Proliferation Treaty;
- the conclusion of a treaty to end all nuclear testing; and
- the initiation of talks among all declared nuclear powers to establish a process to reduce and eventually eliminate all nuclear arsenals.

All nations should sign and ratify the conventions on chemical and biological weapons, enabling the world to enter the twenty- first century free of these weapons.

For the first time in history, the world's dominant military powers have both an interest in reducing world- wide military capabilities and the ability to do so. The international community should make the demilitarization of global politics an overriding priority.

Donor institutions and countries should evaluate a country's military spending when considering assistance to it. And a Demilitarization Fund should be set up to help developing countries reduce their military commitments, and collective military spending should be reduced to \$500 billion by the end of the decade.

States should undertake immediate negotiation and eventual introduction of a Convention on the curtailment of the arms trade-- including provision for a mandatory Arms Register and the prohibition of the financing or subsidy of arms exports by governments.

### **Managing Economic Interdependence**

The globalization process is in danger of widening the gap between rich and poor. A sophisticated, globalized, increasingly affluent

world currently coexists with a marginalized global underclass.

The pace of globalization of financial and other markets is outstripping the capacity of governments to provide the necessary framework of rules and co-operative arrangements. There are severe limits to national solutions to such failures within a globalized economy, yet the structures of global governance for pursuing international public policy objectives are underdeveloped.

The time is now ripe--indeed overdue--to build a global forum that can provide leadership in economic, social, and environmental fields. This should be more representative than the Group of Seven or the Bretton Woods institutions, and more effective than the present UN system. We propose the establishment of an Economic Security Council (ESC) that would meet at high political level. It would have deliberative functions only; its influence will derive from the relevance and quality of its work and the significance of its membership.

The ESC's tasks would be to:

- continuously assess the overall state of the world economy and the interaction between major policy areas;
- provide a long- term strategic policy framework in order to promote stable, balanced, and sustainable development;
- secure consistency between the policy goals of the major international organizations, particularly the Bretton Woods bodies and the World Trade Organization (WTO); and
- give political leadership and promote consensus on international economic issues.

The ESC should be established as a distinct body within the UN family, structured like the Security Council, though not with identical membership and independent of it.

With some 37,000 transnational corporations world- wide, foreign investment is growing faster than trade. The challenge is to provide a framework of rules and order for global competition in the widest sense. The WTO should adopt a strong set of competition rules and a Global Competition Office should be set up to provide oversight of national enforcement efforts and resolve inconsistencies between them.

The decision- making structures of the Bretton Woods institutions must be reformed and made more reflective of economic reality; gross domestic product figures based on purchasing power parity should be used to establish voting strength.

The role of the IMF should be enhanced by:

- enlarging its capacity for balance- of- payments support through low conditionality compensatory finance;
- having oversight of the international monetary system and a capacity to ensure that domestic economic policies in major countries are not mutually inconsistent or damaging to the rest of the international community;
- releasing a new issue of Special Drawing Rights; and

- improving its capacity to support nominal exchange rates in the interest of exchange rate stability.

For some countries, aid is likely to be for many years one of the main ways to escape from a low- income, low- savings, low- investment trap. There is no substitute for a politically realistic strategy to mobilize aid flows and to demonstrate value for money, including cofinancing between official aid donors, the private sector, and NGOs with a view to widening the support base.

A false sense of complacency has enveloped the developing- country debt problem. Radical debt reduction is needed for heavily indebted low- income countries, involving at least implementation of 'full Trinidad terms', including the matter of multilateral debt.

In response to environmental concerns, governments should make maximum use of market instruments, including environmental taxes and tradable permits, and should adopt the 'polluter pays principle' of charging. We support the European Union's carbon tax proposal as a first step towards a system that taxes resource use rather than employment and savings, and urge its wide adoption.

A start must be made in establishing schemes of global financing of global purposes, including charges for the use of global resources such as flight lanes, sea- lanes, and ocean fishing areas and the collection of global revenues agreed globally and implemented by treaty. An international tax on foreign currency transactions should be explored as one option, as should the creation of an international corporate tax base among multinational companies. It is time for the evolution of a consensus on the concept of global taxation for servicing the needs of the global neighbourhood.

## **Reforming the United Nations**

We do not subscribe to the notion that the UN should be dismantled to make way for a new architecture of global governance. Much of the necessary reform of the United Nations system can be effected without amending the Charter, provided governments are willing. But some Charter amendments are necessary for better global governance, and those we propose will help to create an environment propitious to a return to the spirit of the Charter.

UN reform must reflect the realities of change, including the new capacity of global civil society to contribute to global governance.

Reform of the Security Council is central to reforming the UN system. Permanent membership limited to five countries that derive their primacy from events fifty years ago is unacceptable; so is the veto. To add more permanent members and give them the veto would be regressive. We propose a process of reform in two stages.

First, a new class of five 'standing' members who will retain membership to the second stage of the reform process should be established. They will be selected by the General Assembly and we envisage two from industrial countries and one each from Africa, Asia, and Latin America. The number of non- permanent members should be raised from ten to thirteen, and the number of votes required for a decision of the Council raised from nine to fourteen. To facilitate the phasing out of the veto, the permanent members should enter into a concordat agreeing to forgo its use save in circumstances they consider to be of an exceptional



and overriding

nature.

The second stage should be a full review of the membership of the Council, including these arrangements, around 2005, when the veto can be phased out; the position of the permanent members will then also be reviewed, and account taken of new circumstances--including the growing strength of regional bodies.

The Trusteeship Council should be given a new mandate over the global commons in the context of concern for the security of the planet.

The General Assembly should be revitalized as a universal forum of the world's states. Regular theme sessions, effective exercise of budgetary authority, and the streamlining of its agenda and procedures should be part of the process of revitalization.

We also propose an annual Forum of Civil Society consisting of representatives of organizations to be accredited to the General Assembly as 'Civil Society Organizations'. The forum should be convened in the General Assembly Hall sometime before the Annual Session of the Assembly. International civil society should itself be involved in determining the character and functions of the Forum.

The Right of Petition proposed in the context of promoting the security of people requires the formation of a Council of Petitions--a high- level panel of five to seven persons, independent of governments, to entertain petitions. Its recommendations will go as appropriate to the Secretary- General, the Security Council, or the General Assembly, and allow for action under the Charter.

In the light of experience and in the context of the proposed Economic Security Council and our other recommendations, we propose that the Economic and Social Council (ECOSOC) be wound up. The UN system must from time to time also shut down institutions that can no longer be justified in objective terms. We believe this to be true also of the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Industrial Development Organization, and propose an in- depth review to this end. Our proposals on these UN bodies are part of the integrated set of proposals we make for improving global economic governance including, notably, the setting up of an Economic Security Council. Balance in governance arrangements will not be well served if decision- making is preserved in the hands of a small directorate of countries while institutions such as UNCTAD, set up to correct imbalances, are dismantled.

The world community can take pride in UN achievements in the economic and social sectors through the specialized agencies and the programmes and funds. But there is scope for improvement in responding to new needs and in efficiency. There is also need to improve co- ordination and for the specialized agencies to enhance their position as centres of authority. The various programmes and funds require more efficient governance structures and improved funding systems, with fairer burden- sharing among a wider range of donor countries.

To help put women at the centre of global governance, a post of Senior Adviser on Women's Issues should be created in the Office of the UN Secretary- General, and similar positions should be established in the specialized agencies.

The UN must gear itself for a time when regionalism becomes more ascendant world- wide and assist the process in advance of that time. Regional co- operation and integration should be seen as an important and integral part of a balanced system of global governance. However, the continuing utility of the UN Regional Economic Commissions now needs to be closely examined and their future determined in consultation with the respective regions.

The procedure for appointing the Secretary- General should be radically improved, and the term of office should be a single one of seven years. The procedure for selecting the heads of UN specialized agencies, funds, and programmes should similarly be improved.

Member- states should face up to the need to pay their UN dues in full and on time.

### **Strengthening the Rule of Law World- Wide**

The global neighbourhood of the future must be characterized by law and the reality that all, including the weakest, are equal under the law and none, including the strongest, is above it. Our recommendations are directed to strengthening international law and the International Court of Justice in particular.

All member- states of the UN that have not already done so should accept the compulsory jurisdiction of the World Court. The Chamber Procedure of that court should be modified to enhance its appeal to states and to avoid damage to the Court's integrity.

Judges of the World Court should be appointed for one ten- year term only, and a system of screening potential members for jurisprudential skills and objectivity introduced. The UN Secretary- General should have the right to refer legal aspects of international issues to the World Court for advice, particularly in the early stages of emerging disputes.

The Security Council should appoint a distinguished legal person to provide advice at all relevant stages on the international legal aspects of issues before it. It should also make greater use of the World Court as a source of advisory opinions, with a view to avoiding being itself the judge of international law in particular cases.

We do not emphasize formal enforcement measures but failing voluntary compliance, Security Council enforcement of World Court decisions and other international legal obligations should be pursued under Article 94 of the Charter.

An International Criminal Court should be quickly established with independent prosecutors of the highest calibre and experience.

The International Law Commission, or other appropriate body, should be authorized to explore how international law- making can

be expedited.

## **The Next Steps**

If reform is left to normal processes, only piecemeal and inadequate action will result.

We have made many recommendations, some of them far-reaching. We would like in this chapter to go one step further by suggesting a process through which the world community could consider these and similar recommendations.

At several points in this report we have recalled the establishment of the United Nations fifty years ago. The passage of a half-century provides an appropriate occasion to assess how the UN system has measured up and how well it is equipped to cope with present and emerging challenges. The world has not stood still these fifty years. We started this report by noting how the world had been transformed in the post-war period. Accelerating change has been a prominent feature, even of the recent past.

During the time this Commission has been at work, we have witnessed the currencies of Europe held hostage by forces of speculation themselves out of control. Powerful economies confronted each other on the threshold of trade wars, while marginal ones collapsed. There was ethnic cleansing in the Balkans, a 'failed state' in Somalia, and genocide in Rwanda. Nuclear weapons lay unsecured in the former Soviet Union, and neo-Fascism surfaced in the West.

The United Nations has faced much greater demands. Its existence is a continuing reminder that all nations form part of one world, though evidence is not lacking of the world's many divisions. Today's interdependencies are compelling people to recognize the unity of the world. People are forced not just to be neighbours but to be good neighbours. The practical needs of a shared habitat and the instinct of human solidarity are pointing in the same direction. More than ever before people need each other--for their welfare, their health, their safety, perhaps even for their survival. Global governance must acknowledge that need.

Our report is issued in the year the UN marks a jubilee. It is not tied to that one event or to the UN system alone. It speaks to a longer time and a larger stage, but the UN and its future are a central part of our concerns. It is important that the international community should use the UN's anniversary as an occasion for renewing commitment to the spirit of the Charter and the internationalism it embodied, and establish a process that can take the world to a higher stage of international cooperation. This process must be centred on the UN but not be confined to it.

Ours are not the only recommendations that will be considered in the anniversary year. Many new ideas have been put forward by the UN Secretary-General in his *An Agenda for Peace* and its updates and in 'An Agenda for Development'; by Gareth Evans, the Foreign Minister of Australia, whose study *Cooperating for Peace* has offered well-developed proposals for strengthening global capacity for preventive diplomacy, peacekeeping, and peacebuilding; and by *Renewing the United Nations System*, the comprehensive study of the UN done by Erskine Childers and Brian Urquhart.

Other major studies are in progress, one under the aegis of the Ford Foundation on the United Nations in its Second Half- Century and one by the Carnegie Commission on the Prevention of Deadly Conflict. The General Assembly itself will be offering ideas for reform resulting from the discussions of its Working Group.

The variety of reports and studies presenting the case for change and proposing the form it should take reflects the wide recognition that change is needed. That itself does not guarantee that action will be taken to bring about change. The will to change does not exist everywhere. It would be easy for all the effort to promote reform to be stalled by a filibuster or simply by inertia. Or, paradoxically, it could be overwhelmed by the onset of the very dangers that some of the changes proposed are meant to guard against.

We are prompted to recall the vision that drove the process of founding the United Nations and the spirit of innovation that ushered in a new era of global governance. We need that spirit again today, together with a readiness to look beyond the United Nations and nation- states to the new forces that can now contribute to improved governance in the global neighbourhood.

We fear that if reform is left to normal processes, only piecemeal and inadequate action will result. We look, therefore, to a more deliberate process. Article 109 of the UN Charter envisaged Charter revision. Interestingly, a mandatory revision was one idea canvassed at San Francisco in the context of the objections to the provision for a veto by countries that were not great powers. The Charter has been amended on four occasions: in 1963 to enlarge the Security Council from eleven to fifteen members, in 1965 to enable a review conference to be held at any time, and in 1971 and 1975 to enlarge ECOSOC from eighteen to twenty- seven and then to fifty- four members. But revision of the Charter is the ultimate stage in a process of reform and is not required for many of the changes we propose.

The ultimate process has to be intergovernmental and at a high level, giving political imprimatur to a new world order whose contours are shaped to the designs developed for the anniversary year.

For such a process to have the best prospect of securing agreement on the nature and form of a new system of global governance, there will need to be careful preparation. Civil society must be involved in the preparatory process, which should reach out beyond governments to even wider sections of society than the preparatory processes leading to recent world conferences did. Many views must be examined, and many ideas allowed to contend.

Our recommendation is that the General Assembly should agree to hold a World Conference on Governance in 1998, with its decisions to be ratified and put into effect by 2000. That will allow more than two years for the preparatory process.

We do not envisage that action on all recommendations needs to await the final conference. Indeed, some changes cannot be delayed without giving rise to the possibility of movement along dangerous lines, particularly in the area of peace and security. We would be happy to see the General Assembly taking up some matters, such as reform of the Security Council, without waiting for their consideration as part of the preparatory process. It should also be possible for decisions to be taken during the course of that process on recommendations that warrant early consideration.

Many of the changes proposed do not need an amendment of the Charter. Some changes are already under way. We encourage action on reform at all levels--provided, of course, that ad hoc decisions do not become a substitute for systematic reform through a fully representative forum. We recall that the nuclear arms race began because the process of disarmament blessed by the very first resolution of the General Assembly was talked out until it was too late to stop the race beginning.

A special responsibility devolves on the non- governmental sector. If our recommendations and those from other sources are worthy of support, international civil society must prevail on governments to consider them seriously. By doing so they would ensure that 'WE THE PEOPLES' are the main instruments of change to a far greater extent than they were fifty years ago. We call on international civil society, NGOs, the business sector, academia, the professions, and especially young people to join in a drive for change in the international system.

Governments can be made to initiate change if people demand it. That has been the story of major change in our time; the liberation of women and the environmental movement provide examples. If people are to live in a global neighbourhood and live by neighbourhood values, they have to prepare the ground. We believe that they are ready to do so.

We urge governments to set in motion a process of change that can give hope to people everywhere, and particularly to the young. Despite today's many complexities and hazards, the world has a unique opportunity to take human civilization to higher levels and to make the global neighbourhood a more peaceful, just, and habitable place for all, now and in the future.

### **The Need for Leadership**

The world needs leaders made strong by vision, sustained by ethics, and revealed by political courage that looks beyond the next election.

Whatever the dimensions of global governance, however renewed and enlarged its machinery, whatever values give it content, the quality of global governance depends ultimately on leadership. Throughout our work, we have been conscious of the degree to which the effectiveness of our proposals--indeed, their very realization--depends on leadership of a high order at all levels within societies and beyond them.

As the world faces the need for enlightened responses to the challenges that arise on the eve of the new century, we are concerned at the lack of leadership over a wide spectrum of human affairs. At national, regional, and international levels, within communities and in international organizations, in governments and in non- governmental bodies, the world needs credible and sustained leadership.

It needs leadership that is proactive, not simply reactive, that is inspired, not simply functional, that looks to the longer term and future generations for whom the present is held in trust. It needs leaders made strong by vision, sustained by ethics, and revealed by political courage that looks beyond the next election.

This cannot be leadership confined within domestic walls. It must reach beyond country, race, religion, culture, language, life- style.

It must embrace a wider human constituency, be infused with a sense of caring for others, a sense of responsibility to the global neighbourhood. Václav Havel gave it expression when addressing the US Congress in 1990 he said:

Without a global revolution in the sphere of human consciousness, nothing will change for the better in our being as humans, and the catastrophe toward which our world is headed...will be unavoidable... We are still incapable of understanding that the only genuine backbone of all our actions--if they are to be moral--is responsibility: responsibility to something higher than my family, my country, my firm, my success, responsibility to the order of being where all our actions are indelibly recorded and where, and only where, they will be properly judged.

Acknowledging responsibility to something higher than country does not come easily. The impulse to possess turf is a powerful one for all species; yet it is one that people must overcome. In the global neighbourhood, a sense of otherness cannot be allowed to nourish instincts of insularity, intolerance, greed, bigotry, and, above all, a desire for dominance. But barricades in the mind can be even more negative than frontiers on the ground. Globalization has made those frontiers increasingly irrelevant. Leadership must bring the world to that higher consciousness of which Václav Havel spoke.

To a very particular degree today, the need for leadership is widely felt, and the sense of being bereft of it is the cause of uncertainty and instability. It contributes to a sense of drift and powerlessness. It is at the heart of the tendency everywhere to turn inwards. That is why we have attached so much importance to values in this report, to the substance of leadership and the compulsions of an ethical basis for global governance. A neighbourhood without leadership is a neighbourhood endangered.

International leadership is a quality easy to identify by its presence or its absence, but extraordinarily difficult to define, and even more difficult to guarantee. Political differences and conflicts between states, sensitivity over the relationship between international responsibility and national sovereignty and interest, increasingly serious national domestic problems, and the somewhat disorderly nature of the international system of organizations and agencies--all these constitute considerable obstacles to leadership at the international level.

Such leadership can come from a number of possible sources and in many different forms. Governments, either singly or in groups, can pursue great objectives. The American- led post- war planning that produced the new international system based on the United Nations was a classic example of such leadership. Individuals can put their reputation on the line for international innovation, as Lester Pearson of Canada did for UN peacekeeping. Specific governments can create a constituency for an international initiative--Sweden on the environment, for example, or Malta on the Law of the Sea.

In the UN itself, international leaders may also emerge. Ralph Bunche pioneered trusteeship and decolonization and set up a new standard for international mediation and, indeed, for international civil service in general. Dag Hammarskjöld was the dominant, and the most innovative, international leader of his time. Maurice Pate and Henry Labouisse spearheaded the drive to make the world's children an international concern. Halfdan Mahler led the World Health Organization into a vital international role.

By leadership we do not mean only people at the highest national and international levels. We mean enlightenment at every level--in

local and national groups, in parliaments and in the professions, among scientists and writers, in small community groups and large national NGOs, in international bodies of every description, in the religious community and among teachers, in political parties and citizens' movements, in the private sector and among the large transnational corporations, and particularly in the media. NGOs can be of crucial importance in developing support and new ideas for important international goals. Recent examples have included the environment, women's rights, and the whole broad area of human rights world- wide.

At the moment, political caution, national concerns, short- term problems, and a certain fatigue with international causes have combined to produce a dearth of leadership on major international issues. The very magnitude of global problems such as poverty, population, or consumerism seems to have daunted potential international leaders. And yet without courageous, long-term leadership at every level--international and national--it will be impossible to create and sustain constituencies powerful and reliable enough to make an impact on problems that will determine, one way or another, the future of the human race on this planet.

A great challenge of leadership today is to harmonize domestic demands for national action and the compulsions of international co- operation. It is not a new challenge, but it has a new intensity as globalization diminishes capacities to deliver at home and enlarges the need to combine efforts abroad. Enlightened leadership calls for a clear vision of solidarity in the true interest of national well- being--and for political courage in articulating the way the world has changed and why a new spirit of global neighbourhood must replace old notions of adversarial states in eternal confrontation.

The alternative is too frightening to contemplate. In a final struggle for primacy--in which each sees virtue in the advancement of national self- interest, with states and peoples pitted against each other--there can be no winners. Everyone will lose; selfishness will make genius the instrument of human self- destruction. But the leadership to avert this is not sufficiently evident. The hope must be people--people demanding enlightenment of their leaders, refusing to accept the alternative of humanity at war with itself. And that hope is balanced by the promise of the leadership that future generations will bring.

In a real sense the global neighbourhood is the home of future generations; global governance is the prospect of making it better than it is today. But that hope would be a pious one were there not signs that future generations come to the task better equipped to succeed than their parents were. They bring to the next century less of the baggage of old animosities and adversarial systems accumulated in the era of nation- states.

The new generation knows how close they stand to cataclysms unless they respect the limits of the natural order and care for the earth by sustaining its life- giving qualities. They have a deeper sense of solidarity as people of the planet than any generation before them. They are neighbours to a degree no other generation on earth has been. On that rests our hope for our global neighbourhood.

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