Global Governance: Political and Economic Governance

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This is an excerpt from *Understanding Global Politics* by Kevin Bloor. You can download the book free of charge from E-International Relations.

Taking the themes and concepts explored in the opening two chapters, this chapter concerns itself with the development of global governance. It begins by sketching an outline of the very epicentre of global governance – the United Nations (UN). The role, significance and changing role of the North Atlantic Treaty Organisation (NATO) will then be assessed, before an evaluation of the institutions that lie at the very heart of 'the Washington Consensus'. From here, how the institutions of global governance seek to address issues within contemporary international relations such as the WTO, the G7 (formerly the G8) and the G20 will become the focus of inquiry. This chapter seeks to go beyond the realism-liberalism dichotomy so as to consider alternative theoretical interpretations of the subject matter.

Political Global Governance

The United Nations

As with the League of Nations before it, the United Nations emerged out of a desire to create a world centred upon peace and the rule of law in the aftermath of total war. US President Franklin D. Roosevelt first used the term to describe the Allied countries fighting the Axis powers during the Second World War, and as such the history of the UN is intrinsically tied to the end of the conflict in much the same way, as stated above, that the League of Nations was tied to the outcome of the First World War. In 1942, a short document was signed which later became known as 'The Declaration by The United Nations'. Representatives of twenty-two nations added their signatures to those of the 'four policemen' (the US, the Soviet Union, China and the UK). In 1945, the UN Conference on International Organisation was held in San Francisco to finalise the details of the organisation.

The United Nations was born out of an understandable willingness to avoid the problems that had plagued the League of Nations. The horrors of the Second World War exposed the inherent flaws within an idealistic organisation devoid of any effective sanctions against rogue states. The absence of the United States also meant that the organisation would prove powerless against the rise of fascism. In order to make progress towards a more peaceful and stable world order, the United Nations Charter was signed in 1945. The UN Charter consists of a preamble and a series of articles grouped together into Chapters. The preamble to the Charter (United Nations 1945) refers to 'we the peoples of the UN' and underlines the importance of human rights, justice and social progress, whilst declaring the aim to prevent succeeding generations from the scourge of war. The preamble also provides a commitment to tolerance, peace and security. The core of the document is contained in Chapters three to fifteen, which outline the role and powers of the various institutions that constitute the organisation. In relation to international law, Chapter seven authorises the Security Council to use military force to resolve disputes. The UN Charter commits the organisation to uphold peace and security, develop cooperation between nations and promote progress in terms of living standards and human rights.

Right from the very beginning, the UN adopted a decision-making structure that matched the power balance of the immediate post-war settlement. Within the Security Council, the UN body responsible for the establishment of

peacekeeping operations and the authorisation of military action, five permanent members (P5) represented the victorious powers emerging from the war against European fascism and Japanese imperialism: The US, France, The UK, The USSR and the Republic of China. In 1971, the People's Republic of China replaced the Taiwan-based Republic of China on the UN Security Council, and in 1991 the Russian Federation upheld the permanent membership once held by the USSR prior to its collapse. Despite calls to expand its membership, the permanent five have remained a feature of the Security Council since the mid-1940s.

Having outlined the origin and development of the organisation, we will now consider each branch of global governance. Given the importance of the Security Council, it seems fitting to begin with this quasi-executive branch. The legislative and judicial functions will also be considered.

UN Security Council (UNSC)

Under Chapter Six of the UN Charter, the UN Security Council (UNSC) may investigate any dispute if there is a threat to international peace and security. The UNSC is also authorised to recommend appropriate procedures and measures to resolve the dispute. The real power within the UN lies with the UNSC, consisting of fifteen members. There are five permanent members (all of whom are nuclear powers) and ten non-permanent members elected for two-year terms by the General Assembly. Decisions taken within the Security Council are binding upon all member states.

Since the turn of the century, a number of resolutions passed by the Security Council have contained major political implications. For instance, the UNSC condemned the Iraqi invasion of Kuwait on the same day as the attack and later authorised the US-led coalition. Chapter 7 allows the UNSC to decide what measures should be adopted by the organisation. This includes the use of armed force in order to maintain or restore international peace and security. Action adopted on this basis is binding upon all members of the General Assembly. Such measures include economic sanctions, ending diplomatic ties and sending peacekeeping troops to conflict zones. However, given the difficulty in reaching a consensus amongst the P5, UN resolutions tend towards strongly-worded condemnations rather than effective actions. This is a particular problem when a member of the P5 acts in a manner that undermines human rights, or when a rogue state has the backing of one of the P5. In addition, these recommendations lack an enforcement mechanism and must therefore be considered a weakness of the organisation.

The UNSC also adopts a number of less important roles. For instance, it endorses new states for admission as members of the UN. During the Cold War, the Soviet Union frequently used its veto powers to prevent new states from joining the organisation. The UNSC also recommends the new Secretary General to the Assembly. In addition, the UNSC has the authority to refer cases to the International Criminal Court (as in 2011 in order to investigate action taken by the Libyan government in response to the outbreak of civil war).

In 2005, the UN member states endorsed the concept of responsibility to protect (R2P) in order to ensure that sovereign states meet their responsibilities. The R2P provides a framework for employing already existing measures to prevent genocide, war crimes, ethnic cleansing and crimes against humanity. The UNSC has the authority to employ the use of force upon this basis. However, taking action as such is a measure of last resort only after all other channels have been exhausted (such as mediation). The UN Secretary-General has published numerous reports on the R2P that expand upon measures available to governments, intergovernmental organisations and civil society.

In terms of an assessment of the UN Security Council, its main weakness relates to the use of veto powers by the permanent five. This means that the United States, Russia, China, France and the United Kingdom can choose to place their own national interests above those of the international community. Whilst the veto is in fact a technicality, in that nowhere in the UN Charter does it specifically state that the permanent members have that power, resolutions are adopted only if there are at least nine affirmative votes on the 15 member UNSC (and the P5 lack any voice of dissent). The very existence of a veto can, at times, impede the ability of the international community to resolve disputes. It can also lead to glaring double-standards in which major powers can effectively ignore the needs of others. The permanent five also distorts the distribution of power within the organisation. The Global South is marginalised due to the entrenched position of the permanent five. There is also considerable debate over a potential

expansion of countries within the Security Council. There is undoubtedly a persuasive case for granting membership to Germany and Japan given their economic weight. Nuclear powers such as India and Pakistan are also excluded from the existing permanent members, which again seems hard to justify, especially given India's economic and regional influence.

In terms of the positives, there have been occasions in which the UN Security Council has worked together to adopt a common and effective strategy. For instance, the international community condemned the Iraqi invasion of Kuwait and provided legitimacy for a US-led intervention during the Gulf War (1990– 91). It also provides a forum by which the major powers can discuss shared interests and co-operate on a diplomatic basis.

UN General Assembly (UNGA)

The UN General Assembly (UNGA) is the representative law-making body within the organisation that includes representatives of each member or observer state's mission to the International Organisation. The UNGA is primarily responsible for consideration and approval of the UN budget, the appointment of non-permanent members to the Security Council and the appointment of the UN Secretary General. The UNGA also establishes subsidiary agencies to advance its overall mandate. In accordance with its deliberative role, the General Assembly receives reports from various agencies and offers recommendations.

Voting in the UNGA on important issues (such as the possible expulsion of a member state) is on the basis of a super-majority of those members within the chamber. The majority of non-controversial or contentious issues are resolved via a simple majority with each member state entitled to one vote each. The UNGA can make recommendations on matters within the scope of the organisation, even those that fall under the remit of the Security Council on the basis of Resolution 377. The UNGA can consider matters that appear to present a breach of the peace, or an act of aggression. Apart from approval of budgetary matters, resolutions adopted by the UNGA are not binding. The resolutions brought forward by sponsoring states are largely symbolic, and most of the debate lacks any effectiveness. This has led to an assessment of the UNGA as an ineffective 'talking-shop' that lacks the legitimacy of a genuine law-making institution. For instance, attempts made by the UNGA to tackle global poverty have proved negligible when compared to the magnitude of the problem.

Condemnation by the member states of human rights violations have rarely resulted in decisive action. For instance, delegations from countries accused of such violations such as North Korea and Turkey have actually stormed out of the Assembly. There is also the phenomenon of grandstanding, whereby a representative provokes a symbolic response from those accused. For instance, in 2011 several Western countries walked out of the UNGA after the Iranian President Mahmoud Ahmadinejad denounced the US response to 9/11, stopping short of claiming the terrorist attack a decade earlier was staged. The General Assembly has also witnessed farcical scenes, ranging from lengthy speeches delivered by Fidel Castro (just under 5 hours) and Muammar Gaddafi, to laughter at US President Donald Trump.

As a result of decolonisation, the number of member states within the Global South has increased significantly. The source of diplomatic influence for many of these Less-Economically Developed Countries (LEDCs) is via the floor of the General Assembly. Their common stance is coordinated via the Group of 77 (G77) which was set up during the mid-1960s. However, there is little doubt that political power within the organisation is concentrated in the hands of the permanent five.

Economic and Social Council (ECOSOC)

The UN Economic and Social Council (ECOSOC) is responsible for coordinating the economic and social aspects of the organisation. It seeks to advance a number of worthy objectives such as promoting higher living standards, facilitating international cooperation and protecting universal human rights. The Council is the central forum for discussing global cooperation via a number of specialised agencies and commissions. In doing so, the ECOSOC formulates policy recommendations addressed by the UN member states.

The ECOSOC seeks to co-ordinate its work with a range of non-state actors. For instance, NGOs participate within the Council on the basis of their consultative status. The Council also holds an annual meeting of finance ministers which includes representatives from the IMF and the World Bank. Seats within the ECOSOC are allocated on the basis of geographical representation. This is a contentious process within any international organisation, and there are understandable calls to adopt a more accurate reflection of recent developments within international relations.

Apart from a lack of sufficient resources, the main criticism of the ECOSOC has been the fragmented nature of the multilateral system. The cumbersome character of the decision-making process constrains the capacity of the Council to influence international policies. This has led to demands for reform in order to improve the relevance of the Council. There have also been proposals to establish a forum within the Council in order to counter the influence of the G20. However, this was not approved by the UNGA. The stated aim of the Council is to establish itself as a platform for high-level engagement among member states, financial institutions and other stakeholders. The main focus in recent years has centred upon internationally agreed development goals such as the Sustainable Development Goals (SDGs).

The International Court of Justice (ICJ)

The International Court of Justice (or World Court) aims to settle disputes between states. All members of the United Nations are part of the Statute of the International Court of Justice. Non-UN members may also become parties to the statute and thereby participate in cases heard before the court's attention. The ICJ also offers advice on issues of international law on referral from the United Nations.

The workload of the court covers a wide remit of judicial activity in relation to contentious issues. However, it lacks the legitimacy and resources required to be a truly effective institution. For instance, the United States withdrew from compulsory jurisdiction after the ICJ ruled that it had violated international law during their covert war against the Sandinista-regime in Nicaragua. Only the Security Council has the authority to enforce the rulings of the Court, which means that a member of the permanent five can use their veto. In addition, being a party to the statute does not enable the court to exert jurisdiction over disputes involving those parties. The ability of a powerful country such as the US to prevent a ruling from taking effect is a clear limitation upon the effectiveness of the ICJ.

The ICJ has also been criticised on the basis of its procedures, independence and authority. For instance, the judicial body does not benefit entirely from judicial independence because there is no separation of powers. This means that members of the permanent five can avoid their legal obligations regardless of the judgement reached. Secondly, jurisdiction is constrained to those cases in which both parties have agreed to submit to its final decision. The absence of a binding force means that member states do not have to accept its ruling. For instance, the United States rejected a 2018 ruling which mandated exemptions on humanitarian and civil aviation supplied to Iran. Enforcement therefore rests upon the consent of each state to accept the court's jurisdiction, and that a violation has actually taken place.

It should also be recognised that organisations, individuals and UN agencies cannot bring a case to the attention of the court except in an advisory capacity. This means that potential victims of crimes against humanity may be unable to exercise appropriate legal representation. Crucially, only states can bring cases and become defendants. It is also the case that other judicial courts (notably the International Criminal Court) are independent from the United Nations. Inevitably, this makes it harder for the judicial process to be truly effective.

Despite all of these criticisms, the various organisations of the United Nations deserve praise for advancing a number of worthwhile causes such as the longstanding commitment to eradicating poverty. There have also been occasions when the engagement of the United Nations has helped resolve a dispute. In addition, the condemnation and potential threat of action from the international community may well have been enough to ensure a level of compliance with international laws and conventions. When reaching an assessment of the UN and its various agencies, it must be acknowledged that its effectiveness ultimately rests upon the willingness of the member states to secede authority. In a system based essentially on a Westphalian conception of sovereignty, this will always be an overriding factor.

According to the realist perspective, members have joined the UN in order to advance their security. Membership is also an important marker in terms of national self-determination, a point which reflects the realist focus on sovereignty and the state. However, liberals adopt a rather different perspective. Members have joined and promoted universal values (notably human rights) consistent with an agenda of global governance. The United Nations is a particularly good illustrative manifestation of the institutional peace theory within liberal thought.

The North Atlantic Treaty Organisation (NATO)

The North Atlantic Treaty Organization is an intergovernmental military alliance, separate from the United Nations and its organs, tasked with implementing the 1949 North Atlantic Treaty. The main purpose of the organisation is to maintain collective security against an act of aggression (chiefly against the Soviet Union when the organisation was formed). The principle behind the organisation is an 'open door' policy, which enables countries within the North Atlantic region to join if the applicant can meet the obligations of membership. Since its creation, seventeen countries have formally joined the organisation and twenty others are engaged in the 'Partnership for Peace program', as quasi-members. Membership is open to those who accept liberal democratic values, have US support, and can commit to the security obligations of NATO.

After the collapse of the Soviet Union, the organisation adopted an increasingly humanitarian role. In 1994, NATO undertook its first military action against Bosnian-Serb forces, and in 2001 maintained a united stance supporting the United States. In 2014, member states agreed to establish a Very High Readiness Joint Task Force (VJTF) that could be deployed at short notice against threats to the sovereignty of member states. The VJTF has been dispatched to monitor elections in Afghanistan and provide humanitarian relief in New Orleans and Pakistan.

Over time, the organisation has shown itself to be flexible in the face of changing threats. For instance, as a response to the 2014 Russian annexation of Crimea, NATO deployed multinational battalion battle groups. It was a stark reminder that the institution still retains its purpose in the post- Cold War era. Since 2016, the Enhanced Forward Presence (EFP) has sought to provide a deterrent against potential Russian intervention within Poland and the Baltic states, especially given the events of 2014 in Eastern Ukraine and the annexation of Crimea. Another arena in which the organisation has shown itself adaptable concerns the threat of cyberwarfare. As the activities of hackers (and hostile governments) have become more sophisticated, NATO provides the expertise needed to assist any country exposed to an attack. NATO also co-operates with partner countries in order to deal with cyber threats to the sovereignty of the state.

The context of contemporary debate surrounding the organisation relates to American hegemony and NATO enlargement. The former raises issues concerning the willingness of Washington to perform the unofficial role of the world's policeman. Donald Trump caused anxiety amongst member states when he declared the organisation 'obsolete' during his presidency. In terms of the latter, the enlargement of the organisation has led to an expansion in the influence of NATO. During the late-1990s relationships between NATO and other countries were strengthened by the Partnership for Peace, the Mediterranean Dialogue, and a forum for relations with Russia. The focus of

NATO activities has also expanded to incorporate humanitarian intervention. This may suggest that the organisation retains its relevance, a point that Trump himself later conceded. During the Cold War, the principle of collective security provided a mutually beneficial link between the United States and other countries in the 'West.' Since the formal dissolution of the Warsaw Pact – the collective security agreement between the Soviet allied states during the Cold War – the purpose and future of the organisation has become uncertain. Whilst in office, the Trump administration sent mixed signals about America's engagement with the organisation. The US has also expressed concern about the inability of member states to meet the official target of allocating at least 2% of their GDP to military provision by the year 2024.

In terms of assessing NATO, there are a number of strengths that warrant highlighting. First and foremost, the organisation has helped spread liberal- democratic values throughout the world. It has also ensured cooperation amongst those members who might have balanced the international system in the favour of another alliance or power-centre (such as Turkey during the Cold War). Equally, NATO has also ensured stability which benefits all its

members as a direct result of the collective security it provides, through Article Five of the North Atlantic Treaty: 'The Parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all' (North Atlantic Treaty Organisation 2019). For instance, the United States has a vested interest in a relatively peaceful and stable Europe; NATO ensures this.

NATO has also contributed to the process of nuclear disarmament. The provision of a security umbrella from the United States (and to a lesser extent the UK and France) has arguably prevented NATO allies from developing their own nuclear capacity. NATO has also provided a diplomatic forum in order to reduce security threats to its members. The organisation therefore prevents situations escalating into full-blown conflict. Most notably, the collective defence benefit provided by Article Five of the NATO Charter (North Atlantic Treaty Organization 2019) remains applicable in the face of aggressive tactics employed by the Russian President Vladimir Putin in both Georgia and Ukraine (two countries that are aspiring to become members of NATO).

In terms of other positives, the structure of its military organisation enables allies to share best practice in areas such as counter-terrorism and rapid response. Its command structure also enables NATO members to mobilise resources and personnel more effectively than any other comparable international organisation. NATO also provides a cost-effective means by which member states ensure their mutual defence. Members gain the benefits of collective security for allocating around 2% of the GDP on defence. Members of the alliance are therefore able to share the costs (and risks) of dealing with any given situation.

In addition, NATO helps to maintain peace and stability outside of its borders. Since the end of the Cold War NATO forces have been sent to Bosnia, Afghanistan and Kosovo. NATO has also worked to combat the spread of Islamic terrorism by training local forces in Afghanistan and Iraq. For instance, it provides surveillance aircraft to help locate ISIS strongholds and shares military intelligence to anticipate emerging threats. The organisation has also sought to counter the spread of piracy within the Gulf of Aden and off the Horn of Africa, protecting international shipping lanes. Moreover, NATO has addressed the refugee crisis in Europe by providing assistance with home placement and visa applications.

In historical terms, NATO is arguably the most successful intergovernmental defence organisation. The military alliance between the US and other NATO countries contributed to the defeat and downfall of the Soviet Union. Indeed, in some ways NATO is a victim of its own success. Given its clearly defined purpose during the Cold War, NATO may well have exhausted its usefulness. There were certainly figures within the Trump administration who took the view that Washington should place its own narrow interests above those of the organisation (Wolff 2018).

From the opposing angle, there are certain issues that need to be resolved regarding the continued existence of NATO. Firstly, membership of the organisation could be viewed as a disadvantage from the perspective of the country in question. For instance, American troops have been sent into conflict zones with no direct interests at stake. The United States (and other members) have also been dragged into military engagement regardless of their own specific interests. Indeed, the United States actually came close to launching a nuclear attack during the Cuban Missile Crisis in 1962, due to Soviet objections regarding Turkey's presence within NATO. Even though the Crisis was de-escalated, the role of NATO in forging the closest incident humanity has come to nuclear war is undeniable.

Secondly, the NATO budget has historically been overly reliant upon the United States. In the name of fairness, it may be time for others to 'pick up the tab.' Having said this, an over-reliance upon American dollars places some members into a very difficult position. The United States could engage in action that NATO allies oppose and yet feel obligated to support. The development of a full-scale European army would help to counter the conundrum raised here. Germany and France are supportive of this approach (The Economist 2019), but the UK has long endorsed the 'special relationship' with Washington.

The expansion of NATO also creates greater levels of risk for existing member states. As the organisation continues to enlarge, there is a degree of risk posed by potential conflict. At the present time, the role of NATO within the Syrian Civil War holds the potential capacity to escalate into a lengthy quagmire. That said, membership of the organisation has fostered a habit of diplomacy amongst potential rivals. For instance, membership of NATO may well have

prevented an escalation of conflict between Greece and Turkey over the status of Cyprus.

Another weakness inherent within the organisation is the inability to ensure that members maintain their democratic status. Populist leaders and movements have imposed illiberal policies in Turkey, Hungary and Poland. The same argument could also apply to the Trump administration. Yet having said this, it may be more realistic to maintain such links and seek to influence those countries within the structure of the organisation.

In terms of an overall assessment, the role and significance of the organisation continues to develop and evolve. During the Cold War, NATO provided a necessary and ultimately successful alliance against a common enemy. Since then, the organisation has adopted a more humanitarian perspective. The terrorist action of 9/11 provided a reminder that the principle of collective security remains relevant in a dangerous world. Equally, it must be acknowledged that 9/11 was not technically an attack from another country. Diplomatic support for Washington might have simply been a reflection of the power imbalance within the organisation.

Now that we've considered NATO, the next area to reflect on is the economic realm of global governance. The clear starting-point here is the free-market approach characterised as the Washington Consensus. The main focus will therefore centre on the IMF and World Bank.

Economic Global Governance

The International Monetary Fund (IMF) and the World Bank

The International Monetary Fund is responsible for the stability of the world's monetary system, whilst the objective of the World Bank is to offer financial assistance to countries that need it. The IMF and World Bank promote a set of market-based economic policies prescribed by institutions based in the District of Columbia (DC). This is more commonly known as the Washington Consensus.

A loan from the IMF is conditional upon implementing certain policies and meeting a series of requirements (namely adjusting its economic policies). If these conditions are not met or the necessary adjustments are not made, the IMF can withhold its funding. Policies consistent with structural adjustment take the form of austerity, trade liberalisation and depreciation of the exchange rate. Governments must also balance their books via privatisation of state-owned assets and the removal of state subsidies. It is also a condition that governance is improved via tackling corruption and avoiding profligate spending.

The World Bank provides loans and grants to LEDCs in order to combat poverty. The World Bank identifies the priorities of the recipient economy (such as developing human capital) and targets financial assistance accordingly. The World Bank also distributes grants to social enterprises that provide services to lower-income groups. Finally, the World Bank communicates with other international organisations in regards to protecting the environment and the provision of health services.

It is of course mutually beneficial that countries in receipt of a loan are able to repay the debt. As such, the IMF and World Bank provide loans at a market- rate of interest. The main condition of gaining a loan is to adjust the domestic economy and thereby ensure it can service the repayment. The stability of the entire global financial system depends upon the capacity of recipients to finance their loan. Those in receipt of financial assistance have a decent track record in terms of repaying the money with full interest over the duration of the loan.

An assessment of the strengths and weaknesses of both institutions should be placed in the context of the Washington Consensus. In terms of arguments in favour, the IMF and World Bank have helped to transform the economic situation facing countries plagued by bad governance (such as military juntas in Latin American countries). As one of the largest economies in the world, Brazil is a particularly good illustration of this argument. For a country that once suffered from hyper-inflation, the GDP of the Brazilian economy overtook the UK in 2011.

Secondly, market-based reforms championed by the IMF and World Bank have lowered the cost of consumer goods

and services. Countries in serious debt have no other option but to implement fiscally prudent policies which benefit their economy in the long-run. Allowing prices to reach their equilibrium based upon demand and supply is often preferable to profligate policies from unaccountable elites. In addition, financial assistance provided by the IMF and World Bank may have helped lift millions out of poverty (World Bank 2018). For instance, economic growth in Central and Latin America has been considerable, whilst debt levels have been significantly lowered. This has undoubtedly helped to transform the economic prospects facing many of the poorest within the global economy.

In addition, the approach favoured by the IMF and the World Bank has generally worked better than the import-substitution industrialisation favoured during the 1960s. Market-based economies have usually performed much better than those based upon a statist alternative. The contrast between the two Koreas is a particularly illuminating one to consider. The Republic of Korea received assistance from the IMF / World Bank and implemented market-based policies. In contrast, North Korea is not a member of either institution.

As for counter arguments, policies implemented on the basis of structurally adjusting the debtor state's economies have contributed towards the economic crisis in Argentina and Mexico. The Argentinian monetary crisis of 2001/2 was particularly revealing as it was the initial 'poster-boy' of the Washington Consensus. Riots broke out after the government restricted people's ability to withdraw cash from banks, following the conditions set in line with the IMF. Moreover, reforms do not always lead to intended consequences. For instance, many former state-owned assets in Russia have links to oligarchs and organised crime.

Both dependency and World Systems theorists point out that Structural Adjustment Programmes (SAPs) have failed to break the debilitating economic dependence upon the West. After independence, the institutions that uphold the ideology of unregulated capitalism have maintained the dependency of the Global South upon the developed North. The IMF and the World Bank ensure that countries rich in natural resources remain locked in a system of economic dependence. For instance, the removal of protectionist measures within the Global South has undoubtedly benefited multinational companies (such as Primark) and the vested interests of the wealthy. The Washington Consensus also ensures that profit comes before people.

It is striking to consider that several economies within sub-Saharan Africa have failed to develop in spite of implementing the conditions imposed by the Washington Consensus. The structural causes of economic underdevelopment are sometimes resistant to a magic formula, implemented from external sources. Most notably, the level of economic growth recorded within African countries during the 1980s and 90s fell below the figures recorded in previous decades. The former Chief Economist of the World Bank Joseph Stiglitz has been particularly critical of the 'one size fits all' treatment of individual economies (2015).

Finally, the policies implemented by these institutions have undermined national sovereignty within the recipient countries. Those who receive loans and grants are unable to implement economic policies suitable for their own growth and development. It is difficult to deny that the lender effectively determines the fiscal and monetary policies adopted by the recipient. Austerity can have severe consequences for state spending on health, education and agriculture even in a relatively wealthy economy, potentially even adapting wider political norms surrounding equality, elitism and government efficacy. However, it could also be argued that the financial discipline associated with SAPs is ultimately in the best interests of the nation concerned.

The World Trade Organisation (WTO)

Based in Geneva, the World Trade Organisation (WTO) is an intergovernmental organisation responsible for the regulation of international trade in goods, services and intellectual property. One of the largest global economic organisations in the world, the WTO replaced the General Agreement on Tariffs and Trade (GATT) in 1995. The WTO seeks to ensure that trade flows as smoothly, predictably and freely as possible.

The main objective of the WTO is to resolve disputes and thereby prevent a debilitating trade war between two or more nations. Acting as a neutral arbiter prevents the implementation of 'beggar-thy-neighbour' protectionist policies. The WTO also provides a framework for negotiating trade agreements and ensuring that signatories adhere to them.

However, the organisation is perhaps best-known for its multilateral agreements reached after lengthy negotiations. The main barrier towards progress in the most recent round of talks has been a lack of consensus between the developed North and the Global South. During the Doha round of talks, attempts to make globalisation more inclusive have proved particularly difficult over the issue of agricultural subsidies. The Doha round represents a series of negotiations which commenced in November 2001 in order to lower trade barriers and facilitate increased global trade.

Under the rules of the WTO, a country cannot discriminate between their trading partners. Granting a country 'most favoured nation' status is prohibited except under circumstances relating to national security and environmental protection. The WTO therefore provides a more welcoming domain for the conduct of global trade. In doing so, the organisation has helped reduce transaction costs and thereby stimulate economic development.

In terms of assessment, there has been a significant increase in the level of international trade since the 1990s. World trade as a percentage of GDP has risen from around 40% in 1990 to just under 60% in 2018 (World Bank 2021b). This has been facilitated by the WTO in either preventing or limiting protectionist policies, such as tariffs. It could also be argued that the WTO provides a blueprint for free trade agreements as virtually all preferential trade agreements make explicit reference to the organisation.

There are however several valid criticisms raised by pressure groups, indigenous peoples and academics. Perhaps the most significant is that the institution serves the interests of multinational companies at the expense of those disadvantaged in the Global South. In doing so, the WTO exacerbates inequality within the global economy. Most notably, the rules and regulations maintained by the WTO have resulted in economic hardship for those forced to make a living in the poorest parts of the global economy. For instance, agreements reached in the field of agriculture and health have restricted access to food and medicine. The inflexible character of the most favoured nation clause has also contributed to lost export revenue amongst the least developed countries (LEDCs).

Economists such as Martin Khor (2000) argue that the WTO exhibits a systemic bias towards wealthy countries and multinational companies. For instance, rich economies are able to maintain import duties and quotas that restrict access to potentially lucrative markets. In contrast, the rules of the organisation prevent LEDCs from protecting their own infant industries. Negotiations are also biased towards the developed North because LEDCs lack the ability to participate on an effective basis. It was somewhat telling that the 2003 Cancún meetings of the Doha Round broke down when developed countries objected to calls from LEDCs to gain greater access to agricultural markets in wealthier countries.

The unrepresentative and non-inclusive character of negotiations has resulted in further criticism of the organisation. The advocacy group 'Third World Network' (1999) has described the WTO as: 'the most non-transparent of international organisations [as a result of] the vast majority of developing countries have very little real say.' In addition, the WTO often seems unwilling to ensure that developed countries meet their obligations or address issues surrounding the environment. Powerful states have also been able to ignore commitments made concerning the protection of cultural traditions amongst indigenous peoples. On a final note, it has also been argued that the WTO has imposed policies that have dismantled state provision within less developed countries. This has led to criticism that such action has contributed to economic damage and food insecurity.

The G8 and G20

For several years, the 'Group of 8' (G8) was one of the most important groupings within international relations. The organisation consisted of the most developed industrialised economies (United States, United Kingdom, France, Germany, Japan, Canada, Italy and Russia). However, the organisation became known as the 'Group of 7' (G7) after the Russian Federation annexed Crimea in 2014 and was consequently suspended from the group. In 2017, Russia formally announced their permanent withdrawal from the organisation.

Since the end of the 1990s, the 'Group of 20' (G20) has provided a forum for the wealthiest economies on the global stage. The shift from the G7 to the G20 is indicative of broader trends within the global economy. Many of those

states who are members of the G7 are heavily in debt to the world banking system. Membership of the G20 is also a more accurate reflection, taking into account emerging economies such as the so-called BRICS (Brazil, Russia, India, China and South Africa), alongside other regional economic powers like Argentina, Saudi Arabia and Indonesia.

It must be acknowledged that action taken on a coordinated basis by the G7 (or G20) states can have a positive and lasting impact upon the global economy. For instance, the G20 agreed to a package of debt relief for low- income nations in 2020. Given that the organisation accounts for approximately 90% of global GDP, any action taken is important. As a forum for diplomatic relations amongst the most powerful economies, the role of both organisations is also a substantial one. The very existence of the G7 (and G20) underlines the extent to which the world economy operates on the basis of mutual dependence and global governance.

Having said this, there are a series of cogent criticisms levied at the G7 and G20. Of these, the most significant is the arbitrary and self-appointed character of membership. For instance, the G20 excludes states that may qualify for a position as one of the top-20 'largest' economies, such as Switzerland or Taiwan. Another issue presented by the G20 is the lack of representation for Spain, Sweden and the Netherlands, although this is partially offset by the presence of the European Union. There is also further criticism over the exclusion of rapidly emerging economies such as Nigeria or Thailand.

Another common criticism of the G7/G20 is the manner in which members can have a detrimental impact upon the Global South. The organisations institutionalise the major imbalance and inequities within the global economic system. The G7 and G20 have therefore been placed alongside a broader critique of globalisation and its uneven character. Alongside the IMF and World Bank, the G7/G20 are part of an institutional structure that exploits less developed economies.

The Significance of How Global Economic Governance Addresses Poverty

The distribution of wealth within the global economy is highly uneven. According to Oxfam, the twenty-six wealthiest people on the planet have the same net worth as the poorest half (Elliott 2019). In terms of states, the distribution of wealth is also deeply uneven. The wealthier economies are heavily concentrated within the developed North whilst the underdeveloped elements can be found within the Global South. The combined economy of the developed North accounts for around four-fifths of global income despite housing just one-quarter of the world's population. Countries within the developed North also tend to be more democratic, record a higher life expectancy and are more equal than those in the Global South. This broad phenomenon is often referred to as: 'the Global North-South divide'.

The causes and consequences of the uneven character of the North-South divide is the subject of much debate. In terms of theoretical perspectives, the world systems approach claims that the global economy is based upon an unjust division of labour, whereby the majority of the world's wealth is concentrated in the core economies following the exploitation of the periphery. Theorists who favour the free-market approach maintain that an uneven distribution of wealth is merely a reflection of how the global market operates. They claim that economies that adopt the Washington Consensus have often generated rapid economic growth and development.

In order to properly address the issue of world poverty, it is important to place the issue within the context of globalisation. According to the World Bank (World Bank 2018), the number of those living in extreme poverty has decreased by over one billion since 1990. This would seem to suggest that globalisation has led to increased wealth and enhanced opportunities globally. Having said this, those who are more critical of globalisation highlight the uneven nature of the global economy. The institutions of global governance (notably the IMF and the World Bank) enforce a system that benefits the wealthy at the expense of those working in sweatshops (Klein 2000). This also reflects the realist critique of liberalism and globalisation. Realists claim that the liberal international order is ultimately compliant on upholding a self- help and egotistical anarchy.

As the term implies, world systems theory considers international relations as a global system with an economic division of labour between the core, semi- periphery and periphery. Each of these sections tends to specialise within

a particular aspect of economic activity. For instance, core countries focus upon capital-intensive production whilst those in the periphery focus upon labour- intensive industries. The crucial argument is that the world system operates to the benefit of core countries and constrains the economic and political development of those at the margins.

Arguably the most well-known theorist within the world systems perspective is Immanuel Wallerstein (1974). He identified the core of the system as one located within the developed North, whilst the periphery consists of the underdeveloped world. Although states can change from peripheral to semi- peripheral and core states, this division of labour remains a constant feature within the economic system. Irrespective of who sits atop the structure of the international system, those at the periphery will always be subject to economic manipulation from governments (and firms) located within the core on the basis of resource extraction and the existence of cheap labour.

From a broadly similar perspective, dependency theory stipulates that poorer countries are deliberately impoverished in order to meet the demands of the global bourgeoisie. The economic system therefore operates to the advantage of a transnational class. The perspective emerged in the 1960s as a response to the lack of economic development within Latin American countries. Theorists such as Raul Prebisch (1950) challenged the conventional wisdom that underdeveloped economies were simply at an earlier stage of development than wealthier countries. According to the dominant perspective of the time, underdeveloped economies would eventually make progress by adopting similar policies and strategies to those of the 'West.' Instead, dependency theorists argued that poorer countries face overwhelming barriers within a class-based system that operates against their interests.

Economic dependency is facilitated via the capitalist system and the provision of foreign aid. In terms of the former, wealthy and powerful Europeans created an economic system that purposely exploited economic resources within their colonies. The slave trade remains an obvious example of how workers were subjugated in order to maximise profit for slave owners. Slavery also reflects the racist mindset operating within the mechanics and machinations of imperialism and colonialism. Furthermore, foreign aid is often provided on the basis of geostrategic aims rather than economic need (as in the case of the United States with Israel). According to this perspective, the wealthy are always in a position to exert power over those in a relatively weaker political position. For instance, Teresa Hayter (1971) claims that the true purpose of foreign aid is to maintain a global capitalist system that works in favour of the ruling class. The provision of foreign aid is beneficial to the wealthier countries because it buys the political support of recipient countries. Hayter also notes that financial assistance rarely goes to the poor themselves, but to the political elite and other strategically important actors.

In terms of an explanation of poverty and the North-South divide, the explanatory capacity of these theories has come under challenge. In one sense, decolonisation undermines their overall argument. The overt exploitation of the past no longer offers an accurate portrayal of how the global system operates. Even the argument that sweatshops are exploitative can be challenged. Workers in factories run by multinational companies often receive relatively higher wages and better working conditions than within domestically owned workplaces (Aisbett et. al. 2021). Although pressure groups campaign vigorously against sweatshops, it could be argued that economies are simply utilising their comparative advantage in cheap labour that is provided for by their politico-legal milieu, and stance on human and workers' rights. Historically, this was the path adopted by the United Kingdom during the Industrial Revolution.

Having said this, companies located within the core economies make huge profits and, on the whole, do not pay workers a wage that reflects their overall contribution. In addition, wealthy economies remain in a highly advantageous position. For instance, the level of economic influence wielded by the Chinese government provides Beijing with considerable leverage over countries within Africa. Less developed countries have also accumulated huge debts due to unfavourable loans and currency manipulation from former colonial powers.

There is clearly no consensus over the cause of poverty and those measures needed to reduce poverty. The predominant view from Western governments is that the solution lies firmly in terms of economic development. The adaptation of market economies, good governance and other related measures provides a pathway out of poverty. It is a view based upon the assumption that market forces should be the stimulus for economic growth. The alternative angle claims that global poverty is linked to structural disparities. This is most commonly expressed within the core-periphery model of economic development. However, it has also been argued that poverty is caused by a number of

factors that reflect a shared responsibility between 'North' and 'South'. This nuanced approach stipulates that corruption, the absence of proper financial institutions and territorial disputes have their roots in the actions of the wealthy alongside governments within poorer regions.

In defining poverty, the terms 'absolute' and 'relative' are added in common usage to distinguish different phenomena that can broadly be understood as 'poverty'. 'Absolute poverty' is defined by the United Nations as: 'a condition characterised by severe deprivation of basic human needs … It depends not only on income but also on access to services' (United Nations 1995). Absolute poverty is sometimes referred to as extreme (or abject) poverty. The World Bank estimates that the international poverty line is approximately US$1 a day (based on 1996 prices). Measuring poverty on this basis has always been the orthodox method available. For instance, absolute poverty has been a central concept in relation to the Millennium / Sustainable Development Goals agreed upon by the United Nations in 2016.

'Relative poverty', however, is used on the basis of individual countries as an arbitrary measure predicated upon average incomes within that particular society. This is the most common alternative measure to 'absolute poverty' although there are others at hand, such as 'subjective poverty' (which offers an assessment of how people feel about their situation) or the Multidimensional Poverty Index (MPI). Published by the Oxford Poverty and Human Development Initiative (OPHI), the MPI measures deprivation of basic needs (OPHI 2021). The MPI helps to determine the most likely cause of poverty, but not all countries employ it as a measure.

The absolute measure adopted by the United Nations has been criticised for failing to take into account the depth of global poverty. The orthodox approach is also criticised for ignoring the relative measure of poverty and its subjective element. As with all quantitative measurements used within the social sciences, it suffers from a lack of accuracy concerning consumer prices and the calculation of purchasing power parity (PPP).

Classical Economic Development Theory, Structural Theory and Neoclassical Development Theory

There are various theoretical perspectives offering insight into global governance and the North-South divide. Of these, classical economic development theory adopts an unmistakably free-market outlook. The classical approach claims that governments should not intervene within the marketplace. Instead, the allocation of economic resources is best achieved via the multifaceted interaction of firms and consumers. In doing so, prices will reach a market-clearing rate based upon fluctuations in supply and demand. Economic development rests upon a free-market approach that places faith in what the former US President Ronald Reagan once called 'the magic of the marketplace'.

The assumption that lies behind classical economic theory is that poverty is the responsibility of the individual concerned. Unlike other theoretical perspectives, it does not identify the structure of the global economy as a problem. Ultimately, it is down to the individual to make progress towards economic development. This demands the same characteristics that others have adhered to, regardless of their social background. It could be argued that this perspective intends to empower the individual as opposed to the state, reinforcing the importance and potential of individual agency.

Structural theorists such as Hans W. Singer (1998) adopt a very different approach. Structural theory prescribes an interventionist role for the state, particularly in the early stages of industrialisation, in order to foster economic development. Governments must alter the entire structure of their domestic economy in order to encourage economic growth. This may take a number of forms such as import-substitution industrialisation and export-oriented industrialisation. The overall aim is to transform and modernise the economy towards a more industrialised approach. The role of the government in terms of economic development is of absolute central importance. The government, rather than the marketplace, is the key source of economic progress. In economic terminology, the structural approach advocates a mixed economy based upon a strategy of Keynesianism, following the thought of the twentieth century economist John Maynard Keynes (2015).

As the term suggests, neoclassical development theory is an updated version of the classical school of economic

thought. During the eighteenth and nineteenth centuries, classical economists such as David Ricardo (1817) and Adam Smith (1999) argued forcefully in favour of market forces. Concepts such as 'the invisible hand of the market' and 'comparative advantage' would benefit all members of society. The World Bank and the IMF moved closer towards a neoclassical approach in response to the global debt crisis of the 1980s. The current market-based package of austerity, privatisation and trade liberalisation is a clear illustration of an ideology based upon neoclassical economics, one that has become increasingly observable since the global economic crisis of 2008. The structural adjustment programmes, discussed above, are emblematic of the neoclassical approach to economic development.

The Extent to Which These Institutions Address Contemporary Global Issues

The Membership and Structure of the UN

The UN Security Council is the main decision-making body within the United Nations. The UNSC determines the existence of a possible threat to peace, or if a state has undertaken an act of aggression. It has the authority to call upon the parties involved to settle the dispute via peaceful means and offer recommendations for a settlement. The UNSC seeks to avoid conflict and thereby maintain international peace and security.

In terms of taking effective action, the UNSC can impose sanctions and authorise the use of coercion. Article 42 of the UN Charter enables the Council to utilise force if non-military measures have been proved inadequate. It can also pass resolutions in order to approve any form of humanitarian intervention it deems upholds the purpose of the UN and the Charter. In all cases, action taken by the international community must navigate the barriers presented by geostrategic interests and the contested application of humanitarian intervention. The Security Council is often charged with adopting a selective definition of the term and for exhibiting glaring double standards. However, the main issue to consider is the ability of the permanent five (P5) to use their technical veto powers.

The Use of the Technical Veto

The UN Security Council consists of five permanent members and ten non- permanent members. In order for a Security Council resolution to pass, the threshold is nine votes including total unanimity amongst the P5. As such, if any one of the P5 votes against the other four, the resolution is terminated. This means that although the UN Charter does not explicitly state that each of the P5 hold the power to veto a resolution, the necessity of unanimity between the P5 creates veto power on a technicality. Since the end of the Cold War, the UN Security Council has authorised the use of force in situations that would have once been viewed as an internal conflict. There have also been attempts to gain international involvement in order to avoid unilateral action from the United States.

In terms of employing their technical veto power, the main culprit has been the Russian Federation, utilising this technicality on over one-hundred occasions. Since 2011, the principal justification for the Russian veto has been international action relating to the Syrian Civil War. Vladimir Putin has long been supportive of the Assad regime and offered protection against co-ordinated action from the United Nations. The US is second, with a total of over 80 uses of the veto as of 2021. In contrast, neither France nor the UK have used their veto since 1989, in which they, alongside the US, blocked draft resolution S/21048 demanding the immediate withdrawal of foreign troops from Panama following military intervention by the US. Given their growing salience within international relations, the majority of Chinese vetoes have occurred since the mid-1990s. As with Russia, the main reason has been their support for the Syrian government.

The barriers presented by the use of the veto by the P5 makes it difficult to garner official authorisation for humanitarian intervention. It also leads towards a selective form of intervention which necessitates the use of unauthorised action. For instance, NATO's intervention in order to address human rights violations within Kosovo occurred without UN support. The same situation occurred with intervention led by the United States to protect the Kurds in Northern Iraq. In terms of the latter, humanitarian intervention led by the US sought to protect Kurdish refugees fleeing their homes in northern Iraq in the aftermath of the Gulf War of 1990–91. As with many other examples of humanitarian intervention, a no-fly zone was enforced in order to facilitate the mass movement of

refugees. The Kurdish minority had long faced oppression from the Saddam Hussein regime in Iraq. The US-led intervention continued until the mid-1990s in order to prevent further aggression against the Kurdish people.

In such cases, the UN Security Council could be described as an ineffective institution when faced with clear human rights violations. The Security Council has also failed to investigate the use of chemical weapons by the Assad regime in Syria. The civil war in Syria is a complex situation with several stakeholders involved. In terms of authorisation, the main issue has been the reluctance of the Russian government to support action against a key (albeit unreliable) ally in the Middle East. Although widely respected, the UN Security Council has also proved unable to reverse the proliferation of nuclear weapons and thereby ensure wider disarmament. This, hence, has perhaps limited the key function of the UN – to ensure international security.

On a more positive note, the UN Security Council can also authorise major projects driven by the organisation. In 2015 the Sustainable Development Goals were adopted by the United Nations in order to end poverty and protect our planetary ecology. Without initial support from members of the Security Council, the sustainable development goals would not have made much progress. Members of the UN are pledged to end extreme poverty in all forms by the year 2030. These admirable goals partly reflect a growing recognition that international security requires a comprehensive consideration of the various causes of terrorism (such as poverty). Equally, there is also an acceptance that environmental damage holds major economic consequences. In theoretical terms, there is a tacit acknowledgment that such issues are interrelated and interdependent.

Pressure for Reform and Critique

The IMF and World Bank are both committed towards seeking an end to global poverty. Although the IMF and World Bank can claim some credit for economic improvements amongst countries in receipt of SAPs, they are also criticised for failing to resolve the problem posed by global poverty.

Structural adjustment programmes have been criticised from several angles. Figures from the alter-globalisation movement have claimed that such programmes have done little to alleviate the problem of extreme poverty (Stiglitz 2002). This is particularly noticeable within sub-Saharan Africa. The stark economic failure of this underdeveloped region of the world underlines the multi-causal nature of poverty. The eradication of poverty is, to some extent, resistant to policies imposed via external international organisations.

Another common criticism of the IMF and World Bank concerns the neocolonialist nature of its policies. Leslie Sklair (2002) observes that those who own and control the institutions that drive globalisation wield a great deal of power in the global system. In this manner, according to Sklair, globalisation serves the interests of a transnational capitalist class. Both the IMF and World Bank legitimise and implement Western-centric assumptions concerning economic growth. The world systems (and dependency theory) perspective claims that such institutions are part of an international economic order designed to dominate those on the periphery. It could also be argued that such policies undermine national sovereignty as they shape the economic policy of recipient countries. Furthermore, the implementation of such policies have exacerbated the problem of poverty. SAPs have led to hunger, inadequate health care and a lack of educational opportunities for some of the very poorest within the global economy. The combination of such policies has worsened the already deep-seated problem of poverty.

Many of those who are critical of the IMF and World Bank claim that market- oriented policies suit the vested interests of the powerful at the expense of those living at the margins. Loans are provided on the proviso that recipients restructure their economies towards the demands of global capitalism rather than those of their own citizens. This line of criticism is particularly vocal amongst pressure groups that aim to raise awareness of world poverty. Marxists also claim that SAPs stuff the pockets of the wealthy global bourgeoisie at the expense of workers. The Washington Consensus thereby upholds and exacerbates the conflict between the privileged and the powerless. The inequity of the global economic system was graphically exposed during the credit crunch. The Covid-19 pandemic also underlines the tendency of the developed North to place their own interests above those of the Global South. Any balanced assessment of the IMF and World Bank must surely recognise that these institutions are very much part of the problem of global inequality (as well as a potential solution to the issue).

In order to address these criticisms, the IMF and World Bank have recently introduced Poverty Reduction Strategy Papers (PRSPs). These are documents published before a country may be considered for debt relief, and before low-income countries can receive aid from most major donors. The IMF stipulates that the papers are formulated according to five principles (country-driven, result-oriented, comprehensive, working towards partnerships and offering a long-term perspective). The overall objective is to ensure that recipients are focused upon the reduction of poverty within their own population. They are also intended to assist recipients towards meeting the UN's developmental goals.

Whilst reforms have been welcomed, a number of countries have found it difficult to match the intentions of such policies. For instance, budgetary funds intended to reduce poverty have been misallocated. The papers have also been criticised for increasing aid conditionality even though they were designed to empower the recipient. The IMF and World Bank have also been criticised for failing to define exactly what 'civil participation' entails. Inevitably, this may mean that PRSPs are approved regardless of fulfilment.

The Role and Significance of Global Civil Society and Non-State Actors

The traditional focus of International Relations has centred upon the interaction between states. The state-centric approach of the subject matter owes much to the predominance of realist figures such as Hans Morgenthau and Kenneth Waltz. Liberalism however seeks to emphasise the role and significance of non-state actors. It should therefore be evident that an appreciation of non-state actors requires us to view the world through a liberal lens. The same observation applies to the interconnected character of global civil society (Keohane and Nye 1977). This is particularly evident in the realm of human rights, protection of the environment and measures to alleviate poverty.

When seeking to properly identify the role of non-state actors, the obvious starting-point would be NGOs and International Non-Governmental Organisations (INGOs). The significance of NGOs is dependent upon the size of their membership, the ability to mobilise public support and the attitude adopted by national governments. This is particularly noticeable when such groups hold insider status within a particular government (or international organisation). Equally, such groups can also be outsiders in the policymaking process with little real say in matters. It is said that those who make the most noise have the least impact, and there is certainly some veracity to that observation.

NGOs (and INGOs) are often most needed in those states in which the ruling regime is greatly reluctant to award them any real influence. In an autocratic or dictatorial system, there is very little civil society to speak of. The ruling regime will seek to restrict the public space available for such groups to operate and thrive. In these situations, NGOs (and INGOs) aim to put pressure on Western governments and international institutions to take effective action against those regimes that commit acts of genocide and ethnic cleansing. A revealing case study to consider here is the persecution of the Rohingya people in Myanmar under the leadership of Aung San Suu Kyi. A former winner of the Nobel Peace prize, Aung San Suu Kyi was once lauded by NGOs for her endorsement of democratic values. However, since coming to power she has defended the actions of the military within the International Court of Justice in regards to their persecution of Rohingya Muslims. Ironically, she was ousted from power, and later jailed, in 2021 during a military coup in Myanmar.

As with any promotional pressure groups, NGOs seek to aggregate the interests and will of individual citizens. There is a strong normative element to the action (and interaction) of such organisations. The Western-centric bias of human rights does present something of an image problem for such organisations within those regions of the world that lack a rights-based culture. The impact of NGOs that seek to uphold human rights is also made more difficult due to the importance of national sovereignty within international relations.

In the context of sustainable development, civil society is widely assumed to have a positive impact. Given the growing salience of environmental issues, opportunities have been created for the engagement and involvement of NGOs. Given the global character of the problem, environmental groups such as Greenpeace can at times shame governments into action. The significance of NGOs (and INGOs) is underlined by the influence such groups have upon intergovernmental deliberations. The pluralist character of global governance enables such groups to contribute

effectively towards negotiations.

Those of a cosmopolitan perspective tend to praise the impact of such organisations. In an increasingly interdependent world, they could be viewed as constructive players that influence the political process. For instance, the 1997 Ottawa Treaty owes much to the International Campaign to Ban Landmines. The establishment of the International Criminal Court also entailed a major role for INGOs in terms of offering information and advice.

From a more sceptical angle, it must be acknowledged that states remain far more important on the global stage than pressure groups. NGOs and civil society groups do not have anything comparable to the power of national governments. The international system remains state-centric, and governments can shape the political agenda in a way that pressure groups simply cannot. Indeed, it is states that ultimately decide to engage with such groups and act upon the advice offered. Politicians have real power and capability to adapt policy, whilst civil society and groups that seek to represent worthy causes only have influence. Given the sheer number of NGOs (and civil society groups), politicians almost certainly ignore them more often than they pay attention to them. A similar observation could also be applied towards multinational companies exposed for employing poor labour practices (Klein 2000).

On a final note, NGOs (and INGOs) have themselves been criticised for their lack of democratic accountability. The leadership of the organisation may not be elected and therefore lack a legitimate democratic mandate to make binding decisions. The legitimacy of such organisations has also been questioned due to the dominance of northern-based groups who claim to speak on behalf of the Global South. Such groups are also challenged for cementing – rather than dismantling – international power structures (Sending and Neumann 2006).

Conclusion

This chapter primarily sought to consider the political and economic dimension of global governance. The principal focus has been on the UN, due to its centrality within the framework of global governance. However, other institutions such as NATO have also been considered. The role of the IMF and World Bank is a particularly salient section when seeking to understand the impact and significance of global governance. The focus of this section has also included other relevant institutions – such as the WTO, the G7/8 and the G20 – opening a pathway to a greater discussion in the next chapter of global governance in relation to human rights and environmental governance.

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