



ALTERED  
STATES

GLOBALIZATION,  
SOVEREIGNTY,  
AND GOVERNANCE

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### INTRODUCTION

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Globalization challenges and reinforces the power of the state. Governance is tested in a turbulent confusion of opportunity, insecurity, and anxiety. The Millennium Assembly of the United Nations offers the chance for productive debate on how humankind will govern itself in the global village.

### PART 1

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What do the World Bank, Microsoft, and Greenpeace have in common? The noisy town square of world politics is populated by all manner of nonstates. Part 1 explores how failures of governance are related to pressures of globalization. It then suggests how governments might respond to urgent problems of peace and security, social equity, and protecting the global environment.

### PART 2

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Preventing deadly conflict, providing opportunities for the young, and managing climate change — three urgent obligations of governance. Part 2 examines these imperatives in their complex dimensions: South–North; foreign–domestic; public–private. Practical recommendations for improved governance are proposed for the consideration of the Millennium Assembly.



## CONCLUSION

### GOVERNING PRINCIPLES:

### THE UNITED NATIONS AND THE MILLENNIUM ASSEMBLY 61

Globalization demands that we develop new forms of governance. And, as a natural nexus to the growing global networks of governance, the United Nations can lead in this process. Just as in 1944 at Bretton Woods, in Manhattan at the turn of the millennium, we can seize the opportunity to reconstruct our future.

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## EXECUTIVE SUMMARY

The world needs new ways of governance. We know this because the old ways are failing. True, human progress is evident in many realms. But complacency is dangerous. Too many people are poor, and millions have become poorer in the past 10 years. Income disparities are growing much worse. The world's population increases at intimidating rates, most of all in the poor countries. Deadly conflicts cause appalling misery, even when they could be — should be — prevented; weapons of mass destruction threaten us all. The climate, the very future of life on Earth, is changing. These are the failures that compel us to improve the ways we govern ourselves.

They are failures, in the main, to mitigate the damage and inequities of globalization — and to seize its opportunities. "Globalization" itself has become a term so over-used and abused that it often defies definition. Some see globalization as the mask of Americanization. Others argue that it describes nothing new: after all, countries and cultures have always affected one another, not least by trade and invasion. But the current wave of international integration and interdependence is different. The connections and their effects, between people and states, are not just more numerous and profound but transforming. They change how we live, how we will have to govern, in ways still not fully understood.

The dynamics of this globalization are multifaceted and seemingly contradictory. In some respects they undermine the power of states. The power of transnational corporations, the limits imposed on government policy by currency markets, the transborder politics of NGOs, the transfiguring power of global media — all reduce the autonomy of national governments. But in other respects, globalization strengthens the state and extends its influence: in the international protection of human rights or in the cooperation that states undertake to preserve the oceans, eradicate disease, subdue the contagion of financial shocks, or stabilize global warming. Sovereignty is not what it used to be. It is more. And it is also less.



Where globalization confounds governance, and stirs conflict, is in its turbulent tendency not only to integrate countries and societies but also to fracture them – in the politics of secession, and in the divisions of generation, tribe, and belief. Some teenage citizens of a global Nintendoland feel more affinity with each other than with their own parents or neighbours. Nowhere is the strife more sorely felt than in the contests of culture, seen by many in the world as a struggle of Hollywood vs diversity, consumerism vs identity.

In sum, good governance requires first a recognition of three key issues of the present globalization:

- *Interests* – Globalization does not operate primarily as an inevitability, either of nature or of history. Many of the forces of globalization are driven by powerfully motivated interests, both private and public, which any practical attempts at better governance must acknowledge.
- *Equity* – For all the opportunities it creates, globalization has also deepened pre-existing inequalities. The interdependence of globalization is dramatically asymmetric: while some prosper by it, others suffer. Better governance means a better distribution of globalization's costs and benefits.
- *Governance itself* – Globalization breaks down states, but it can also build them up. It confines autonomy. But for the great purposes of governance – securing the peace, alleviating poverty, creating an equitable social harmony, protecting the environment – globalization endows states with new capacities and a new legitimacy for action far beyond national borders.

A defining characteristic of the present globalization is that it defeats the attempts of states to manage on their own. No state, not even the superpower, can by itself protect its people from conflict, climate change, the debilitating influences of the drug trade, or the upheavals caused by financial crises half a world away. We all now inhabit a planet on which our worst problems are shared problems. They demand cooperative solutions – states collaborating with each other, and with institutions, NGOs, businesses and others, in the fluid alliances that now mark the ways we govern best.



No effort of governance will succeed (nor should it) if it is not sufficiently democratic. People are entitled by right to some meaningful say in the institutions that govern their lives, be it their own legislature or the World Trade Organization. In fact, the globalization of communication and action arms citizens with the information and the means they need to give consent, and sometimes to refuse it. Better governance, by definition, means more transparency, more accountability, and a more popular participation in the decisions that count.

To illustrate some of the dangerous failures of governance, we point to three global challenges and the imperatives for action: preventing deadly conflict, providing opportunities for the young, and managing climate change. These are three of the urgent themes that should confront government leaders around the world as they prepare for the 2000 Millennium Summit of the United Nations in New York.

We are acutely aware of the many barriers to progress, from interests to ideology to institutional weakness. But we are even more aware of the hazards in a "peaceful coexistence" with the status quo, the futility of evading problems on the excuse that



they look intractable. We know that our own proposals can be dismissed as naive. But we are convinced that it is even more naive to believe nothing can be done.

- **To prevent deadly conflict** – whether between countries or within them, or in the borderless menace of terrorism – demands a new and wiser understanding of the developing norm of humanitarian intervention. But it also requires immediately achievable reforms in United Nations operations: enhanced authority for the Secretary-General to warn of impending conflict; restricted great-power use of their Security Council vetoes; and enhanced UN capacity to deploy police, peacekeepers, and (if need be) fighting troops to prevent or suppress bloody conflicts and then to rebuild peace.
- **Providing opportunities for the young** – and for a global population expected to rise to 8 billion from 6 billion in the next 25 years – requires a similarly pragmatic set of immediate actions: rescuing children from the plague of HIV/AIDS; enrolling every young child in basic education; expanding access to the Internet, especially in the poor countries; and adopting tough (and profitable) new measures to protect children's health – by the international control of tobacco and by phasing out the sale of leaded gasoline.
- **Managing the many harms of climate change** represents both a collective obligation and a rich opportunity. Success will turn on a grand bargain between rich countries and poor – a global strategy of reducing greenhouse-gas emissions while promoting accelerated and sustainable development. The design of that bargain is already in place, agreed at the Rio Earth Summit and in the 1997 Kyoto Protocol. Needed now is will – and action.



The UN belongs at the centre of these necessary new approaches. It is already a nexus for the public–private networks of deliberation and governance, and a unique source of legitimacy for decision and action. That is why the Millennium Assembly and its summit in 2000 represent an extraordinary opportunity – a time to redirect the powerful energies of globalization for a shared and better future.