Today’s globalized world has generated a variety of globalized problems – from climate change to financial crises to cyber-security – that can be effectively addressed only through multilateral agreements. Multilateralism is fundamental to the liberal world order created at the end of World War II. It has been crucial in maintaining peace and prosperity. It has also been central to the past successes of the G20 in addressing the global financial crisis and promoting international financial stability.

Nevertheless, this system is now under threat, with its core goals and values challenged from a variety of quarters. The political dissatisfaction with multilateralism in major advanced industrialized countries has significantly eroded public support for the system. The World Economic Forum’s Global Risks Report 2017 identified global governance as one of the top three risks to the world in the year ahead, above climate change and terrorism.

For the past two to three decades, it has been widely recognized that the current multilateral system needs to be reformed due to rapid changes in the economic, demographic and political weight of advanced and emerging economies. The political rigidities in multilateral organizations charged with overseeing economic globalization – such as the IMF, World Bank, UN, WTO and others – have prevented adequate reform. The resulting disillusionment with formal multilateralism has led to the consideration of various alternatives, such as the parallel pursuit of bilateral deals or cooperation that is limited to likeminded or geographically proximate countries.

The Future of Multilateralism: Global Governance in a Changing World

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The future of multilateralism faces critical challenges. In the era of globalization, national sovereignty is not enough to manage problems that transcend borders. There is a need for comprehensive agreements that address global challenges in a comprehensive and integrated manner. The success of the GSP in the past century has been based on the principle of economic openness and the promotion of global public goods. The key to addressing these challenges is through multilateral agreements that are open and transparent, and have a broad base of support. The institutions that underpin these agreements need to be strengthened and reformed to ensure their effectiveness.

The Global Solutions Initiative is a collaborative enterprise that proposes policy responses to major global challenges. It brings together the best minds from all over the world to produce high-quality policy solutions that are based on evidence and analysis. The Initiative aims to create a new model of global governance that is inclusive, effective and responsive to the needs of all countries and people.
multilateralism must recognize that there is no one way to satisfy human needs and aspirations. The new multilateralism needs to address its diversity and accommodate a wide range of possibly divergent domestic policies, economic models, and paths of development.

The role of subnational and non-state actors in this renewed multilateralism is crucial. Global governance is constructed by moving beyond state-centered multilateralism toward a bottom-up, multi-channel approach that actively embraces civil society, corporations, financial institutions, and individual campaigners.

The following are suggested principles:

1. Focus on public well-being: The goals of multilateral agreements must be formulated clearly and must include principles that ensure the system as a whole is to everyone's net benefit. The guidelines established under the G20 Principles for Sustainable Multilateralism are a good example of this kind of approach. The principles can be used as an instrument to promote strong, sustainable, and inclusive growth with all nation-states and all stakeholders.

2. Ensure inclusiveness: Policies and multilateralism are means to an end, rather than an end in themselves. To that end, multilateralism can be used as an instrument to promote strong, sustainable, balanced, and inclusive growth with all nation-states and all stakeholders.

3. Promote inclusiveness: The new multilateralism must be conceived as a vehicle for enhancing citizen and national empowerment and leadership. The new realities of the digital economy and rapid technological development necessitate resolute and concerted action to address crucial challenges.

4. Promote inclusiveness: The new multilateralism must recognize that there is no one way to satisfy human needs and aspirations. The new multilateralism must be conceived as a vehicle for enhancing citizen and national empowerment and leadership.
The new multilateralism must be designed with a view to ensuring the systemic coherence and coordination that generates win-win opportunities for all nations. In order to exploit these opportunities, the gains from multilateral coordination must be spread appropriately, enabling all participating nations to benefit.

The principle of subsidiarity can help bolster the legitimacy of multilateralism. Thus, full-fledged multilateralism should serve a subsidiary function, dealing only with policies, such as child labor or tariffs, that must be implemented universally without national or more local agreements. Other types of plurilateral agreements might achieve limited advantages for a smaller group of countries without adversely affecting the overall approach to policymaking. This makes our task easier, in so far as it can be accomplished without excessive economic cost.” His key point was to encourage experimentation, even at the cost of a certain degree of global economic inefficiency.

In service of systemic coherence, the multilateralism of the future needs to accommodate the diversity of cultures, conditions, capabilities, and preferences of nations. Diversity of policy approaches is desirable. Nevertheless, the result is ambiguous. When negative spill-overs are prescribed by multinational agreements aimed at addressing global problems, they can come into conflict with national policies. In order to ensure the continuity of policymaking and the resilience of the world trade system, the new multilateralism should build on the existing backbone of plurilateral, multi-level, multi-channel coalitions and alliances designed to address general principles and guidance throughout the world, such as existing broad theater and follow-through and policy dialogue. Achieving systemic coherence in multilateral policymaking requires agreement on an overall approach to policymaking. This approach needs to be achieved through an evolving dialogue among nations at multiple levels, involving a wide range of stakeholders from the domains of politics, business, academia and civil society. An illustration of such an approach can be found in the G20, whose relationship among nations is applied to the evolving dialogue, is Elinor Ostrom’s Core Design Principles, as applied to the relationships among nations: (1) encourage diversity of practices; (2) ensure that the rules-making rights of states are respected; (3) ensure that the rule-making rights of states are respected; (4) ensure that the rule-making rights of states are respected; (5) develop a system, carried out by the member states, for monitoring states’ behaviors; (6) agree on gradual institution-building and related rules; (7) agree on follow-up-reaction mechanisms after addressing global problems; (8) build institutional capacity and related bodies. To re-formulate the G20 as a new institution with the G20 heads of state at UN General Assembly every two years; (2) establish formal links with intergovernmental organizations and related bodies. To re-formulate the G20 as a new institution with the G20 heads of state at UN General Assembly every two years; (2) establish formal links with intergovernmental organizations and related bodies.