



Background paper for the seminar  
“The United Nations in Global Governance”  
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## Multilateralism, the United Nations and global governance

*Eduardo Gálvez*

*Deputy Permanent Representative of Chile to the United Nations*

### A. Resolution 65/94

1. On 8 December 2010, following an initiative of Chile and Singapore,<sup>1</sup> the United Nations General Assembly adopted by consensus resolution 65/94, “The United Nations in global governance”,<sup>2</sup> thus placing discussion of global governance formally on the agenda of the sixty-sixth session of the General Assembly, as plenary agenda item 123 b).<sup>3</sup>
2. Resolution 65/94 recognizes the need to adopt multilateral approaches that are inclusive, transparent and effective in addressing global challenges and reaffirms the commitment to promote the effectiveness and efficiency of the United Nations system in this area.
3. The issue of global governance has gained attention within the United Nations<sup>4</sup> as a response to an increasing trend in world politics of substituting the procedures and the work of the universal institutions of the United Nations system for global governance; using instead global governance structures based on groups of countries of selective composition. There is a perception that this trend places inclusive multilateralism at risk.<sup>5</sup>

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<sup>1</sup> The Missions of Chile and Singapore to the United Nations prepared a document entitled “Concept Note”, which served as a background for proposal of a plenary resolution concerning the United Nations in global governance. The Concept Note was distributed among the Member States and accompanies this document as Annex 2. The negotiations lasted three months. By the time of its adoption, the proposed resolution had attracted co-sponsorship by 101 States.

<sup>2</sup> The text of General Assembly resolution 65/94 accompanies this document as Annex 3.

<sup>3</sup> See document A/66/100 of 15 June 2011 and document A/66/250, of 16 September 2011. Item 123 entitled “Strengthening of the United Nations system” in letter b) includes the theme “Central role of the United Nations system in global governance.”

<sup>4</sup> We must underline the important role played by the President of the sixty five session of the General Assembly, **Joseph Deiss**, from Switzerland, who called the attention to this issue and considered it as one of its priorities, under the title “Central role of the United Nations in global governance”.

<sup>5</sup> Strictly speaking, the term “multilateral” refers to any concerted action among several States on a specific issue. However, the spirit of the term in the Charter of the United Nations refers more to collective intergovernmental action through mechanisms that ensure that all relevant interests are considered in the discussion prior to decision-making. It is intended to ensure that all affected countries are given a voice and participation. In this sense, multilateral collective action represents the “international community”. In the chapter I authored entitled, *The Multilateral diplomacy of Chile*, which will appear soon in a book on Chile’s foreign policy edited by Mario Artaza and Cesar Ross. I refer to the issue as follows: In international relations Multilateralism distinguishes itself as a sphere of negotiation for building agreements and commitments for collective action to confront the major issues on

4. For the United Nations<sup>6</sup> the catalyst for this concern about the diminished role of the organization in global governance was the recognition, in 2009 and 2010, that the Group of 20,<sup>7</sup> an informal grouping of the world's major and emerging economic powers, has been the mechanism utilised for coordinating the global response to the current global economic crisis, circumventing and marginalizing the universal institutions of the United Nations system, including the Bretton Woods Institutions<sup>8</sup> among the sidelined actors.

## **B. “Multilateralism”: What do we mean by that?**

5. Given the globalization and interdependence that exists today among nations, and with the magnitude of global problems we all face, we are all multilateralists. But this does not tell the full story. What sort of multilateralism are we speaking about?<sup>9</sup>
6. Classic multilateralism, which is universal, inclusive and democratic, based on rules and institutions, currently finds itself at risk of becoming sidelined by other multilateral mechanisms for collective action.
7. In matters of international peace and security, the Security Council once again finds itself being circumvented in situations for which actions are needed to counter crises that affect international peace and security, while the prospects of reaching an agreement on reforming and expanding the Council are not promising.
8. Similar dynamics affect other issues, such as disarmament, arms control and nuclear weapons non-proliferation. The entire multilateral disarmament machinery of the United Nations is stalled, and no substantive progress has been made regarding implementation of the 3 pillar of Treaty on the Non-Proliferation of Nuclear Weapons. As these situations

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the international agenda. In a world transformed by globalization, the agenda of multilateral issues included challenges that are worldwide in scope and that cannot be adequately addressed without the agreement and implementation by whole of the international community. Multilateralism is, at the international level, the instrument for tackling these global challenges in an inclusive manner, with the participation of all those who have interests at stake in the various issues. For the International Society *multilateralism* is the equivalent to democracy in national societies”

<sup>6</sup> The United Nations as an organization is essentially the personification of its Member States (UN1); but it additionally includes the Secretariat, with the Secretary-General as head (UN2) and a multiplicity of non-governmental organizations that are linked to its activities (UN3). We refer primarily to UN1, but also to the malaise is perceived in UN2 and UN3.

<sup>7</sup> The Group of 20 is an informal grouping of countries —industrialized and new economies that are systemically important to the progress of the global economy. The Group was established in response to the Asian crisis of 1999, at the initiative of the United States, to coordinate policies and actions at the level of ministries of finance and central banks. Subsequently, in 2008, as a result of the current global economic and financial crisis, the Group of 20 was to become a mechanism functioning at the level of heads of State and government. In the outcome document of the 2009 Pittsburgh Summit, the Group was affirmed by its members to be the foremost forum for (global) economic cooperation.

<sup>8</sup> The International Monetary Fund and the World Bank were established as outcomes of the United Nations Conference on Monetary and Financial Matters, held in Bretton Woods, New Hampshire between 1 and 22 July 1944.

<sup>9</sup> This issue is introduced well in the op-ed article entitled “The case for messy multilateralism”, by **Richard Haass**, President of the Foreign Relations Council, published in the *Financial Times* journal, 5 January 2010.

unfold, agreements and mechanisms spring up that represent limited groups of countries and use a variety of participation systems.

9. With serious and urgent environmental problems that need to be addressed, the United Nations Commission on Sustainable Development has not reached any agreed conclusions in two years. The most recent multilateral commitments, such as the Copenhagen Accord and the Cancún Accord, did not produce agreements substantive enough to make significant gains on the environmental agenda. Meanwhile, intergovernmental groups appear to work on issues without involving the global mechanisms.
10. In the midst of a serious global economic recession —the Great Recession—the Doha Round, the lengthy multilateral trade negotiations begun under the auspices of the World Trade Organization (WTO) in 2001 seem destined to fail. In the absence of progress at the multilateral level, the liberalization and regulation of foreign trade is being advanced instead through regional, plurilateral and bilateral mechanisms.
11. The promised new international financial architecture does not appear to be moving forward, and the Bretton Woods Institutions continue to be criticized for the methods they employ in choosing officials and making decisions.
12. Summarizing, architecture for global governance does exist, and it possesses inclusive institutions and mechanisms, principally those of the United Nations system. Yet this architecture does not appear to be given use.
13. Many of the decisions, particularly those that deal with major world issues, are being made —for better or worse— in multilateral mechanisms outside the United Nations system.<sup>10</sup>

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<sup>10</sup> The issue has been the object of valuable academic reflections, outstanding among which are the studies and seminars sponsored by **The Stanley Foundation** at a conference held in Terrytown on 26-29 March 2010. These reflections can be found in the document “The United Nations and the G-20; Ensuring Complementary Efforts”. See also the Foundation’s policy analysis brief for March/April 2010. Another important report by the Stanley Foundation is a policy dialogue brief of the workshop “Rivalry and Partnership — The Struggle for a New Global Governance Leadership”, held at Princeton University on 14-15 January 2011. **The Centre for International Governance Innovation of the University of Ottawa** has produced many documents on the topic, particularly having to do with the impact the Group of 20 will have as an actor in global economic governance. **The Friedrich Ebert Foundation** has produced many important studies on the subject, including the “FES scenario building in Global Economic Governance 2020”, Chateau de Bossey, Crans-pres-Celigny, , in 2008; the occasional paper 45, September 2009 was dedicated to “Sustainable Global Governance for the 21<sup>st</sup> Century: The United Nations confronts economic and environment crises amidst changing geopolitics”. They have organized important seminars on the subject, among them one entitled “Making the case for Global Economic Governance”, in Toronto, in 2010, and the seminar entitled “Better Global Economic Policy Coordination and the need for an advisory Body to the UN”, in New York, in 2011.

14. In some cases this may be attributed to gaps of inclusive governance mechanism (when an issue is not reflected in the framework of the United Nations system of institutions and mechanisms). But in many cases major powers avoid addressing issues within the framework of existing multilateral mechanisms, either because they do not offer political support to global institutions they may consider inefficient or because they prefer to avoid overly open debate and the political paralysis that can ensue within mechanisms whose rules call for consensus and require a unanimous vote to approve a decision.
15. Some have explained this preference for groups or clubs of countries over global mechanisms as a trade-off between “legitimacy” (the global bodies) and “effectiveness” (groups restricted to the main actors). However, over the long term the inclusive institutions, such as the United Nations system, have in most cases demonstrated effectiveness and efficiency, while actions by the “Gs” have not always proven to be effective.

### C. The United Nations in global governance

16. We are heading to live in practice by a sort of *à la carte multilateralism* rather than by multilateralism according the United Nations Charter. Rules-based regimes, mechanisms and institutions are being replaced by ad hoc groupings of countries sometime alluded as “*coalitions of the willing*”.<sup>11</sup>
17. Critics of this trend allege that *à la carte* multilateralism is “opportunistic” and selective, built around the major powers, a multilateralism of the “elite” (or “multilateralism of clubs”) that circumvents the United Nations.
18. Conversely, those in favour see it otherwise, as “minimalist” or “smart” form of multilateralism that avoids the paralysis of global institutions by bringing into the decision-making process only those countries necessary to the resolving of problems.<sup>12</sup>
19. To the extent that the “Gs” or membership-restrictive multilateral mechanisms act along the same lines as the global institutions, there is seemingly not much to criticize.
20. We should not pretend the United Nations system has exclusive right to deal with issues of global governance, nor that it should be against to all other mechanism that from different perspectives can and should help in the management of the main issues of the

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<sup>11</sup> A useful resource on the concept of “coalitions of the willing (to act)” is Working Paper 1 of the *Centre pour l’innovation dans la gouvernance internationale*, “Stretching the Model of ‘Coalitions of the Willing’”, by **Andrew F. Cooper**.

<sup>12</sup> See “Minilateralism” by **Moses Naim**, *Foreign Policy* magazine, July/August 2009.

global agenda. What it is necessary is coordination and convergence of efforts with the global mechanism and institutions<sup>13</sup>.

21. However, the ever-present problem is how to ensure that proper consideration is afforded to the interests and sensitivities of countries that cannot join these mechanisms, either because they are not one of the major powers or because they lack systemic relevance to the progress of the world economy—which is indeed the case for most countries. Because these countries do have a voice and a vote in the global institutions, the challenge lies in finding a way to ensure that the decisions of membership-restrictive mechanisms will align with the actions of the global institutions.
22. At the same time, proponents of ensuring that inclusive multilateralism remains the prime mechanism for addressing global issues with full legitimacy urge for efforts to reform the global institutions and mechanisms, in particular those of the United Nations system, so they will be up to the task of responding to today’s world challenges in an effective and timely manner.<sup>14</sup>
23. The introduction of streamlined methods and adequate incentives seems essential to developing inclusive multilateral diplomacy. Secretariats will require renewed efficiency as well as skilled and visionary leadership.
24. As relates to global governance, perhaps the problem with multilateralism is not one that pits effectiveness against inclusiveness. It has been suggested that what is needed in multilateral venues are mechanisms for collective action that involve the indispensable major actors while ensuring that all global interests and perspectives are adequately represented.<sup>15</sup>

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<sup>13</sup> For example, in the areas of fisheries and regarding Antarctica we have well defined and rule based Groups and regimes providing pragmatic solutions in the framework of globally defined general principles. As regards to conventional arms it is a good example the Oslo process that lead to the Convention on Cluster ammunitions and on international trade we have cases, as the Asia-Pacific Economic Council, which are examples of intergovernmental converging processes with the principles and purposes of the World Trade Organization.

<sup>14</sup> A major effort is made in this regard by 28 small and medium-sized countries, convened by Singapore, at the United Nations in New York. This “Global Governance Group” (3G) called for a revitalized and effective United Nations, to advocate inclusive multilateralism in response to the Group of 20, yet conserving a constructive and understanding attitude between the United Nations and the Group of 20. The participating countries are: Bahamas (the), Bahrain, Barbados, Botswana, Brunei Darussalam, Chile, Costa Rica, Guatemala, Jamaica, Kuwait, Liechtenstein, Malaysia, Monaco, Montenegro, New Zealand, Panama, Peru, Philippines (the), Qatar, Rwanda, San Marino, Senegal, Singapore, Slovenia, Switzerland, United Arab Emirates, Uruguay and Viet Nam.

<sup>15</sup> Of note on this matter is the proposal by **José Antonio Ocampo** in his article “Rethinking Global Economic and Social Governance”, in *Journal of Globalization and Development*, Volume 1, issue 1, 2010. Also of interest is the Working Paper 160 of the Center for Global Development, February 2009, “A Fresh Look at Global Governance: Exploring Objective Criteria for Representation,” by **Enrique Rueda-Sabater**. See also the important article by **Barry Herman** “A pragmatic ideal for global economic governance reform”, in *Whitehead Journal of Diplomacy and International Relations*, Summer/Fall 2011. **Inge Kaul**, presently at the Hertie School of Governance, in Berlin, is a relevant and important source of good ideas and practical suggestions on matters of improvement for global economic governance, particularly regarding global public goods were she is the world reference.

25. Yet, in connection with the previous point, the international community seems to lack a political mechanism of the highest order for system-wide coherence and coordination of global economic, social and environmental issues. For example, actions in the three pillars (the economic, social and environmental dimensions) of sustainable development are so segmented that the United Nations is unable to provide consistency and guidance at the highest political levels in ways that would benefit the sustainable development on a global scale.<sup>16</sup>

#### **D. Global economic governance as a priority**

26. General Assembly resolution 65/94 recognizes that the issue of global governance is political in nature and applies to multiple aspects of the global order. Nevertheless, the resolution stipulates that analysis and debate of the global governance should begin in the economic arena and development.

27. To the roles that correspond to the United Nations, the Bretton Woods Institutions and the World Trade Organization —and relations between them— as actors in the global economic governance, is now added the question of how the mechanisms of United Nations system will interact with new multilateral actors such as the Group of 20.

28. In matters of economic governance, consideration should be given to the need to:

- (i) Identify existing gaps, either institutional or procedural, that could benefit from multilateral action (such as matters of financial regulation, management of sovereign debt or international cooperation on tax or migration matters, and so forth);
- (ii) Identify actions to enhance the voice and participation of developing countries in global economic governance institutions and mechanisms (institutions, forums and procedures); and

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<sup>16</sup> Over the years a number of proposals have been put forward calling for a strengthened Economic and Social Council or the establishment of a United Nations body to coordinate general policies and guidelines for the global economy, with a role similar to the role played by the Security Council in matters of international security and peacekeeping. One proposal of note is by the Zedillo panel (2001) on financing for development, which posits an Economic Security Council, endorsing a proposal coming from the Commission on Global Governance. Jacques Chirac, President of France, in 2002, at the Monterrey Summit on Financing for Development, was in favour of establishing a Council for Economic Security. The report of the UN Secretary General High Level Panel on System-wide Coherence (November , 2006), recommended the establishment of a World Leaders Forum of the Economic and Social Council. Also of note is the 2009 proposal by the commission of experts on international monetary and financial system reform (known as the Stiglitz Commission). This commission proposes a Heads-of-State-level Council for Global Economic Coordination comprising of representations, a mechanism that is proposed as a “democratic alternative scheme to the G-20”.

(iii) Take measures to reform known weaknesses of existing forums and institutions (reform processes).

29. Resolution 65/94 affords particular emphasis to the issue of development, which is why the report requested from the Secretary-General refers to “global economic governance and *development*”. There is a reason why the resolution makes this double reference. On one hand, the United Nations gives special priority to international cooperation for development. On the other hand, consistently with the Monterrey Consensus,<sup>17</sup> it is understood that economic and social progress by developing countries requires not only effective national policies and a proper international setting, but also consideration of systemic aspects of the international economic order, including global economic governance.
30. The primary role of the United Nations in global economic governance is as a political forum for dialogue concerning the major issues on the global economic agenda and as an integrator of the different perspectives on the economic, social and environmental pillars of sustainable development. These roles are in addition to its engagement in the areas of international security, peacekeeping and human rights.
31. It is especially important to recall that resolution 65/94 refers to the United Nations *system* as it relates to global governance in general and to global economic governance in particular, underscoring that the role is not limited to the Organization’s main bodies (for example, the General Assembly and the Economic and Social Council), but encompasses the entire family of organizations, specialised agencies, funds and programmes of the United Nations, including the Bretton Woods Institutions.

#### **E. The regional perspective**

32. Just as the concept of global governance is not confined solely to economic matters, resolution 65/94 does not confine global governance to actions and mechanisms that are global in scope. The resolution also takes into consideration the broader complex of multilateral institutions and processes involved in global governance, regardless of whether they are geography-specific (addressing global, regional, subregional or transregional governance) or issue-specific (addressing environmental, trade, international security and peacekeeping governance). The resolution affords particular and special emphasis to the regional perspective.

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<sup>17</sup> The “Monterrey Consensus” is the outcome of the International Conference on financing for development, held in Monterrey, Mexico, on 18-22 March 2002. The Consensus was the product of five years of intergovernmental negotiations in the United Nations General Assembly. It was denominated an international conference (instead of the usual adjective for conferences — “of the United Nations”) because it included in its preparations and debates in the United Nations General Assembly the Bretton Woods Institutions, the World Trade Organization, and the United Nations Conference on Trade and Development, as well as the private sector and civil society. The agenda of the conference was to address national, international and system aspects of development finance. Resolution 65/94 thus has as a background the systemic perspective of the global economy that seeks equitable and sustainable global economic growth.

33. The regional perspective is fundamental to the development of inclusive and effective economic governance. We must identify the global economic governance topics that are of particular importance to the Latin American and Caribbean region, as well as identify the relevant existing governance mechanisms. We must understand how well these are working in terms of inclusiveness and in terms of advocating our regional interests.
34. We must also identify gaps in the governance of global issues and the role regional institutions and mechanisms can play in filling these gaps effectively, inclusively, transparently and democratically.
35. Lastly, we must bear in mind that a wide range of organizations, mechanisms and processes exist through which to address global issues, that these issues are treated differently in each and that the role of the United Nations system takes a different form in each setting. This is the case in matters of international trade where, notwithstanding the roles played by the Economic and Social Council, the General Assembly, the International Labour Organization, economic unions and other integration mechanisms, trade governance is essentially conducted through the World Trade Organization. On the contrary, the most significant roles in the governance of development assistance and cooperation matters are played by the Economic and Social Council, the General Assembly, the United Nations Development Programme and other United Nations funds and programmes, the World Bank and regional development banks. Likewise global governance in humanitarian and disaster-response issues is clearly concentrated in the United Nations system.
36. In advocating a central role for the United Nations system in global governance, we must accept this complexity bearing in mind that global governance is functionally decentralized, with a variety of groups and mechanisms, all linked in different ways to the United Nations.

## Annexes

- 1.- Summary “Regional seminar — The United Nations in global governance”.
- 2.- Concept Note: “The United Nations System and Global Governance”. Permanent Mission of Chile and Permanent Mission of Singapore to the United Nations, October 2010.
- 3.- United Nations General Assembly resolution 65/94: “The United Nations in global governance”, adopted by consensus on 8 December 2010.
- 4.- Document A/64/706, distributing the letter dated 11 March 2010, by the Permanent Representative of Singapore to the Secretary-General, which accompanies the document of the 3G group titled, “Strengthening the structure (of the United Nations) for interchange among the G-20 and non-members”.