

# KANWAL SIBAL

Former Foreign Secretary of India

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Your country is seen by everyone as unimaginably loved and is coming out as a great power. Give us your experience.

## **Kanwal Sibal**

I cannot explain to you why others love us, but I am very happy to hear you make that introduction. Because we are talking about the attitude of emerging markets like India to global governance, let me say something about this. This will perhaps also answer the question you have posed somewhat indirectly.

The first thing that I remarked when I sat down was the map of the World Policy Conference. I said to myself perhaps that explains what the problem with global governance is. India is not visible on the map; even China is not visible and Russia gets a sideways glance!

What role the emerging markets are going to play in shaping global governance in the years ahead? I think some general reflections on what constitutes “global governance” are needed. We need to make a distinction between different cooperative mechanisms, such as agreements, treaties, consensus-building and global governance.

A lot of the discussion that I heard yesterday and today listed out all the problems we are facing. The accent was on problems, not governance. To deal with our common problems, global governance has to be improved, but this aspect was perhaps not given sufficient attention. When you talk about global governance, it is not enough to list and identify the problems and emphasize the need to resolve them: one has to talk about the implementation aspect. What happens if agreements are violated? There is the issue of enforcement. Governance without enforcement is not possible.

The next point I would like to make is that global governance, just like domestic governance, has to be based on sound principles. I suppose one could list very quickly some of the generally agreed principles. These include democracy, participation, equal application of laws, comprehensive development, special attention to disadvantaged sections of society etc. Now, what is the actual position with regard to global governance? Are these principles being applied there? Democracy could certainly be one key principle in global governance. In this context, the most important thing is the democratisation of international institutions and decision-making processes.

Global governance requires representative institutions. Now, there is a general consensus that the United Nations Security Council or the international financial institutions such as the World Bank etc. are not sufficiently representative of the changes that have taken place in global economic and political equations since the second world war.

In any form of good governance, there should be no discrimination or double standards. Here again, there is a lot of concern about what are perceived as double standards, whether this relates to the issue of human rights or that of non-proliferation etc.

Global governance must address the issue of development and reduction of global inequalities. Here again, we know that the development agenda, although it is on the table, is contested. No doubt in terms of special attention to highly indebted countries, or the Least Developed Countries (LDCs), there is progress, and there is still considerable

aid going to developing countries. However, on a larger canvas, if you consider the problem in the Doha Round, for example, the development agenda is basically being contested.

Global governance has to be a joint enterprise and not an attempt to impose order by powerful countries. In the past decade or two, there was an attempt to create a new political or economic order, but it did not succeed. I also think the policy of sanctions is something that can be debated, as to whether in effect it achieves the intended results.

There is also a perception that the idea of global governance is heavily weighted in favour of what are called universal western values, those of democracy, the market economy and human rights. These values have great intrinsic merit and the fact that they represent “western” values is not a reason to contest them. However, in the actual translation of these values into practice, there is a problem. Sometimes democracy is seen as a crusade, and there is an attempt to impose it on others. The ideology of the market economy has suffered a huge setback because of the recent financial crisis. In the area of human rights, there are in fact grievous violations in some parts of the world, yet there is a feeling that the issue is treated in a somewhat discriminatory matter, which gives rise to criticism about double standards.

Now, there is an important question. Does global governance mean integrating rising powers into the existing system or agreeing to change it? If so, what is the scope and the pace of the change? Then, there is the issue of sovereignty versus global governance, which was raised in earlier discussions. A lot of the ideas about the place of national sovereignty in today’s world are being heavily influenced by the European Union’s thinking. These big and important European powers have pooled their sovereignty in certain areas for the common good. However, that is not quite the paradigm which applies to most parts of the world.

In fact, I would make the point- and this is not a criticism of the United States- it is simply a *constatation*, as you say in French. The US is most attached to sovereignty; it distrusts the United Nations, it did not join the Law of the Sea Convention or the International Criminal Court; it did not ratify the Comprehensive Nuclear-Test Ban Treaty (CTBT). In Afghanistan, while it is a common problem, they have a separate military operation- Enduring Freedom- alongside the ISAF forces. In UN peacekeeping, the American Government will not accept American soldiers coming under foreign command.

The structural problems of global governance are very important. The uni□polar phase is over, but in so far as multi□polarity is concerned, there is a dichotomy in the attitude of some countries that oppose US dominance. They want multi□polarity globally, but they would want uni□polarity in their own regions. Then, there is the fact mentioned just now about the enormous US defence capacity; the US defence budget is actually larger than that of all the other countries put together. To what extent does this condition global governance?

The US contributes enormously to global stability, but there are areas in which one can say that it also contributes to instability. The political part is known, especially the war on Iraq. On the financial side, the role of the dollar as a reserve currency, the US living beyond its means, its low rate of saving, the problem of global imbalances caused by US overspending and China’s excess savings, are governance issues. The larger question about what the perceived US decline implies in terms of global governance needs to be answered.

It is important to note that good domestic governance contributes to better global governance. The two are inter-linked. Bad domestic governance aggravates the problems of good global governance. Countries can give attention to environmental protection, control over emissions, poverty alleviation, health, education and social reform etc, and in this way improve regional and global governance.

India has a vital stake in global governance. We have 1.1 billion people. We have a role in the issues of climate change, environment, population, trade, the WTO, availability of technology and raw materials for our growing economy etc. Exchange rate issues, global financial management, investment flows, terrorism, extremism and cyberspace also affect us. India has huge stakes in most issues.

Our problem is that we have too much of a spirit of independence and we tend to resist what we see as discriminatory. We are big enough to resist, but not strong enough to impose our views, or induce change and better balances. We are neither disruptive of the present order nor fully supportive. Since we are not heavily dependent on any single country or bloc for our defence and economic ties, we have a little more margin for manoeuvre. We are willing to play within the broad system suitably reformed. We want to play a more prominent role in the international system.



Ideally, the UN should be the forum for discussing issues of global governance, but it is considered too unwieldy, and this came out from one of the earlier panels. The G8 tried to take decisions on important issues; now it has been expanded to the G20. There is the broad issue of legitimacy. We think that the UN Security Council must be reformed, and that India has a legitimate case for permanent membership of the Security Council.

Finally, I have two brief points to make. We have some special views on global governance in the context of technology denial regimes of which we have been victims, and the Intellectual Property Rights (IPR) regime where it interferes with the balance between public good and private interest. My last point relates to the issue of responsibility. Emerging markets and others have been co-opted into the G20, with the call to them to be “responsible” and be willing to discharge their responsibility. This suggests that a favour has been done to them. The share given to developing countries, or emerging markets, in this forum is by no means altruistic. It is part of the shift that has occurred in global economic, and to some extent political power, from the West to the East. Now it is realized that no single country, or select countries, can solve global problems. This has to be a common enterprise of everyone. India is willing to play its part.