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I hope I’m not going to spoil your dinner after a long day of work which must have been tiring, though certainly fascinating. Thierry asked me to speak about a rather weighty topic – global governance.

I would first like to thank, through my friend Taieb Fassi Fihri, his Majesty and all the authorities of the Kingdom of Morocco for the wonderful welcome we have once again received in Marrakech.

I would also like to thank Thierry de Montbrial, President of IFRI, for all the work he has done over the decades and for taking the initiative to create the World Policy Conference. President Sarkozy attended the first one with President Medvedev and other heads of State. It took place a year ago in Evian and the topic was “security”. This year it is “global governance”. I cannot think of any subject more important that could bring us together for two or three days of intense and open discussions even though – yes, I know – it’s on the record. So I’m going to tread carefully and try to avoid any pitfalls!

Why do I believe there is no subject more important? Quite simply because, as you know, we live in a globalised – a doubly globalised – world. No country today can claim to settle any problem by itself; all States are literally interdependent and, secondly, all problems are interrelated. We are therefore condemned to working together on a global scale.

We live in a profoundly transformed world: we lived through the bipolar world, then the unipolar moment came and went, lasting a decade from the fall of the Berlin Wall to the fall of the Twin Towers in New York. We are now experiencing a multipolar world and I’m convinced that, when the current economic crisis ends, the hierarchy of world powers will not be exactly the same as it was when the crisis began. That’s obvious: countries like China, India and Brazil will rise in rank. We must take all of this into account.
The major question this raises is whether our multipolar world will be harmonious or antagonistic. The answer is not obvious. Many factors encourage antagonism. From an economic perspective, there is a strong temptation for each party to go its own way, especially during a crisis. And there is a real risk of confrontation in the commercial sphere with regard, for example, to currency parities or competition over investments. I could also cite many other examples. It seems to me if that we want a harmonious multipolar world, we need effective multilateralism. It’s like oiling the gears – it’s absolutely necessary.

And it’s all the more necessary because, for the first time in human history, we are confronted with global crises that threaten not only our economic future but also the future of our planet. I am referring in particular to global warming, which we will address in Copenhagen on 18 December.

I will end this brief introduction with one comment: we often have the impression that humanity is evolving in a linear direction that sometimes reaches a plateau after periods of progress before moving forward again.

I believe that is the wrong way of looking at things. If you look at the history of civilisations, you will notice, as did Paul Valéry, that they are mortal; many of them have completely died out. The difference between yesterday and today is that in our current globalised world, all civilisations are facing the same perils. It’s not just this or that civilisation in danger of regressing or even disappearing: it’s the entire world, it’s our planet. And that is also why the issue of global governance is absolutely fundamental. If we do not succeed, it will be the law of the jungle – in other words, the law of the strongest, and we all know how that turns out.

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How should we judge our accomplishments since we got to work, since the United Nations and other international organisations faced their responsibilities after the end of the bipolar era and especially since the economic crisis began?

Let’s look first at the United Nations: the least one can say is that reform has been at a standstill for a long time, starting with the Security Council. It is not acceptable that we have still not managed to break the impasse. It is not acceptable that countries like Japan, India, Brazil, Germany or a large African country do not have a place among the permanent members of the Security Council. We need to solve this problem, yet we have been beating around the bush for years. The United Kingdom and France are recommending a path of temporary reform. Why temporary? Because
over the years we have become convinced that we will never succeed with one bold stroke. So we consider temporary solutions – 10 years, 15 years – that would allow us to try out reform before perfecting it and deciding whether we still need to work on it and improve it.

A few words about specialised institutions. Here, too, there is a lot to do. They are also in need of reform. Let me take a random example – the hunger riots we all witnessed. It’s really shocking to realise that two years ago hunger riots broke out all over the world while granaries were full. There is a real problem with food security governance. We spoke about it with my Sherpa colleagues: How can we get all the organisations responsible for feeding the world (FAO, WFP, IFAD, World Bank, regional development banks) to come together around a common project: feeding the world not only today and tomorrow but also for decades to come? How can we encourage these organisations to join forces, to work together?

Health is another example. We are faced with extremely serious epidemics, particularly AIDS. With at least eight international organisations dealing with health issues, the WHO’s director-general has suggested creating an H8 – “H” for Health – so that the eight groups would finally start working together!

Another problem demands our attention: the incompatibility of the rights created by the different international organisations.

Let me cite one example: the WTO is a fine organisation which, while having trouble completing the Doha Round, does have a body for settling differences. The WTO is the youngest organisation, yet it does not work with the International Labour Organisation. One of the key issues of our time, however, is the world’s ability to ensure universal respect for workers’ basic rights, with the aim of fair global competition, while taking into account differing levels of development.

Another example is the environmental issue, which did not exist when the United Nations was created. In fact, the words “environment” and “climate” did not even appear in the United Nations Charter. Since then, Member States have dealt with one problem after another and, for each treaty, have created a body to monitor enforcement. Won’t Copenhagen finally be the right time to create an International Environmental Organisation that would bring together all existing tools and be responsible for overseeing all the decisions I hope we make on 18 December?

I’m using these examples to illustrate the huge task required to reform the United Nations’ international organisations.
Now on to the Bretton Woods institutions. Economic and financial reforms are moving forward because States have taken action in response to the crisis. We set next spring as our deadline to complete the reform of the World Bank and January 2011 for a provisional reform of the International Monetary Fund. We must first specify their responsibilities, which have been expanded to reflect the lessons gleaned from the crisis. It’s a difficult job, especially because we will have to redistribute power among the States to the benefit of emerging countries.

Let me immediately add that Europe will not be alone in paying the cost. And for a good reason: Overall, Europe has a rightful role in the Monetary Fund even though some of its States have experienced strong growth over the years and are under-represented, such as Spain and Ireland, while others have grown more slowly and are now over-represented. Yet I want to stress that Europe has a rightful role. It will be necessary, however – and this will be difficult – to find among over-represented countries worldwide the five points we must give to China and other emerging countries, which is legitimate. We have much work ahead of us but at least we have a set objective, like the deadline: complete the reform by January 2011. I’m optimistic that we’ll succeed.

Now I would like to say a few words about the “G” issue: G8, G14 or G13, G20. No one disputes the fact that we need these informal groups. Since he was elected, President Sarkozy has forcefully stated his view that the G8 should expand. It is inconceivable to him that we continue to decide the planet’s economic future without the participation of China, Brazil, India, Mexico, South Africa and certain other countries.

This issue was partly addressed in Pittsburgh, where it was decided that the G20 would be the primary informal forum for dealing with economic and financial concerns. But no one discussed what to do about the G8.

We will be discussing this subject with our G8 Sherpa colleagues over the weekend. The discussion promises to be heated and interesting because the answer is far from obvious. In addition to the financial and economic issues that are the prerogative of the G20, there are a large number of global concerns that are currently handled by the G8, such as food security, development aid, aid to Africa and non-proliferation. Should we continue this way or not? How should we proceed? That’s the purpose of our discussion.

The second question is: how should we view the G20? It’s a phenomenal success. Why? We must acknowledge that it’s partly because of fear and panic. With the fall of Lehman Brothers on 15 September last year, we woke up to find ourselves on the edge of an abyss. Speaking for Europe on the United Nations podium on 23 September, President Sarkozy proposed holding a summit.
What kind of format would it have? We were very flexible but we were certain about one thing: this summit was necessary to avoid the disaster of the 1930s, namely every country for itself, each adopting the solution best suited to its national approach, with the combination of all these national measures leading right to collective disaster.

The G20 did remarkable work. It wasn’t easy at the time to persuade President George W. Bush, but we did get the Washington summit, followed by those in London and Pittsburgh. These successive summits resulted in decisions – urgent decisions that provided the necessary support to banks because for several weeks we had no idea from one day to the next how we were going to solve the problems faced by certain banks. That has been done and the good decisions we made can be credited with preventing new speculative bubbles on an ongoing basis.

The Heads of State also decided to support the economy as long as necessary – that is, until it picks up again. And decisions unthinkable before the crisis were also taken, such as eliminating tax havens and bank secrecy, regulating bonuses, etc. I think deregulation has come to an end; we saw where that led us and all of the G20 States have agreed to set up, not bureaucratic regulations, but minimum regulations to protect us, if possible, from new crises.

But the G20 also has its weaknesses. First of all, we don’t really know the actual number of member countries. We say “G20”, but in fact when you count, there are at least 24 countries in the room. In Pittsburgh, there were 35 participants if you added all the international organisations that were invited. [And you have to multiply] 35 by 2 because there’s either the president or prime minister and his finance minister, which makes 70. If you add two staff members, that makes 140. Pittsburgh was a little like a train station concourse and that’s a mortal sin for a group that’s supposed to be small. If we can’t speak to each other freely around a table of reasonable size, there’s a risk that each leader will read a speech without engaging in real discussion. That is the major risk threatening the future of the G20.

The second risk lies in the absence of clear operational rules for the G20. Until now, we have always improvised. But how do we establish a rotation rule? Another question: Should we adopt a troika, which we have typically done, or should we leave full responsibility to the country holding the annual presidency? Do we need a secretariat? These are the issues we are facing and that must be addressed because if not, we risk powerlessness and paralysis now that fear has largely disappeared. France will take over the G20 presidency in 2011, after South Korea in 2010. These two transition years will be decisive for ensuring the viability of this new forum.

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Now a few comments about Europe’s role. We are living in a multipolar world. Where is Europe? Europe is naturally suited to playing a major role in the multipolar world of the 21st century. We have 500 million citizens working together toward a common future, with shared economic regulations and the world’s highest GDP, taking the 27 countries as a whole. The EU accounts for 60% of public aid to world development and is united in defending its commercial interests. All these facts are very impressive. But the image that we project is somewhat different. In reality, the real question for Europeans isn’t “Are we a great power”? but “Do we want to be a great power”? 

During France’s presidency of the EU, we tried hard to be. On behalf of Europe and with the forcefulness you know so well, President Sarkozy threw himself into trying to settle two serious crises that had not been on the French presidency’s agenda: the crisis pitting Russia and George against each other and the financial crisis that led us to work with other Europeans practically every weekend and that drove Europe to recommend solutions to the world. It was Europe that suggested the G20 meeting. Another example is climate change. For a long time, Europe alone was able to put ambitious decisions on the table in perfect compliance with the goals of a unanimous scientific community.

When Europe wants something, it can act. The whole question is whether it wants to.

I have just come from Brussels where the European Council finally decided to implement the Lisbon Treaty. If all goes well, on 1 December the Lisbon Treaty will come into force. We must now quickly find a stable president for the European Council, who will be Europe’s face and voice and who will lead European delegations worldwide, likely for a period of five years – and then a true European Minister of Foreign Affairs with a quality diplomatic apparatus. This official’s title will be “high representative, commission vice-president”, but he or she will really be Europe’s Minister of Foreign Affairs. These two new positions will help us better take on the responsibilities that we should have.

I believe that in a globalised world with a need for effective multilateralism, Europe has much to contribute because the EU-27 are successfully practicing multilateralism every day. We are living our family life by practicing the art of compromise on a daily basis. It has become second nature for Europeans to continually seek solutions in their shared life despite extremely different pasts and a history characterised more by periods of war than by periods of peace. Are people aware that Europe is experiencing its longest period of peace since the Roman Empire? We have made war impossible among ourselves and each day we are building our common future. Can we share our solutions with the world? I think so. I truly believe so. We’re working on it.
Instead of a conclusion, I have a few remarks.

Overall, I am strongly optimistic about the world’s ability to make the necessary decisions. We did so during the economic and financial crisis and we are working toward major progress in Copenhagen on the decisive issue of global warming. There is also a desire to move forward on other concerns.

All of this is fragile, of course. So what convictions should we rely on so that the structure we are seeking to build – global and effective governance – does not come crashing down around us?

The first conviction comes from the crisis itself. By its scope and suddenness, it basically shows us that the old way of doing things no longer works. The crisis has opened our minds. It has liberated all the prisoners of the doctrinaire free market approach who used to say: “We can’t do anything different because we’ve always done it this way”. That’s the first conviction that should guide us: we can think differently.

The second conviction is that time is not our ally when it comes to global governance. Time works against us because as fear about the economy fades and time passes, momentum could disappear. We must therefore work twice as hard to move ahead quickly and effectively.

The third conviction is that the crisis has returned the State to its proper place. For many years, we were told that the globalised world was made for large corporations, conglomerates and civil society, and that deregulation was the solution to all our woes. On 15 September 2008, we all understood that perhaps we had been a bit hasty and had gone too far. That day, the States found themselves confronted with their responsibilities and understood that we could only emerge from the crisis together, that we were condemned to work collectively and, if not, we would all go down together.

Lastly, the fourth conviction, the recipe for success, is having grand ambitions and bold objectives. For a simple reason: if you ask States to sacrifice their national interests for global interests, but the sacrifice you’re requesting will only lead to modest progress, who will be willing to sacrifice their national interest for this small step forward?

I firmly believe that if we really want to set up global governance in the 21st century, we need far-reaching vision that aims high. We must have grand ambitions and we must not lose any time.
Will we be up to the task? In 1945, amid the ruins of World War II, the era’s leaders managed to create institutions that have served the world well until the recent past. It is now up to us to build those we will need for the 21st century!

Thank you.

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