



## DEBATE

**Stewart PATRICK, Senior fellow and director of the program on international institutions and global governance at the Council on Foreign Relations (CFR)**

Thank you very much for that. I am particularly appreciative of your injecting the private sector perspective in how this is not simply an intergovernmental issue. I would like to open it up now to the floor. I am particularly interested in comments or reflections on the status of global governance as you see it, and taking stock of this question, again, of how the rising/emerging powers versus established powers plays into the type of global governance we might see going forward and also this question of leadership.

**Peter JANKOWITSCH, Secretary-General of the Franco-Austrian Center for European Economic Convergence**

I am a former ambassador to various organisations, United Nations, OECD, and so on. I am very interested in your subject. Let me briefly answer some points about the issues you raised. First, on the state of global governance, I think that the present state of global governance, particularly if you look at the United Nations and specialist agencies, which are huge, the situation is not too good because for many years now, there has been a reluctance from many governments of developed and developing countries to create powerful new organisations that can deal with these new major challenges of environment.

For a long time now, there has been a call to create an international environmental organisation. There is a UN office in Nairobi, but on a global scale, there is nothing. The same applies to many other fields of global governance. Even the type of major international conferences that the United Nations used to run, perhaps with the exception of climate, has now completely stopped. For instance, there were huge conferences on the question of women, but all these have stopped because governments are afraid that they might be forced to accept new obligations. For that reason, there is a certain stagnation in governments, at least as far as the United Nations is concerned.

On top of that, there is also a growing deficit in interagency cooperation. As I just mentioned, there are many important specialisations of the United Nations, but there is very little cooperation or interaction between these organisations. There are all kinds of interagency committees, but there is not much interest in using all this combined wisdom and critical mass. The question you have raised is about where leadership might come from, and of course, there have always been efforts to create a kind of countervailing power. In this context, it would perhaps be interesting to study the history of the nonaligned movement, which is now forgotten and which also has never been particularly effective, but strangely enough, it still exists. Not a single country has left it. Next year, it will have a problem because the next nonaligned summit will meet in Tehran, so this will be interesting.

This was an effort to create countervailing powers, the same as the Group of 77, which one also hears very little about today. There are certainly some efforts to create countervailing power, to create new centres of leadership. In this context, we sometimes have efforts like those of Venezuela to create regional and sub-regional organisations, but these things go on and the question will be, 'Where are they going to end and will they have any effect in the end?'

I think these are some of the thoughts that come to mind when you ask these questions.



**Stewart PATRICK, Senior fellow and director of the program on international institutions and global governance at the Council on Foreign Relations (CFR)**

I want to comment on the nonaligned and G77. I co-authored a report on UN Security Council reform in US national interests and from a US perspective, and again, this is very much a US perspective, the G77 and the NAM, although you do not hear about them that often, are seen frequently as being sort of problematic and anachronistic **Erreur ! Signet non défini.** and locked into Cold War/postcolonial mindsets in a way that is not particularly helpful or conducive to dealing with problems of a new era, in a way. I realise that is a controversial statement and perhaps if there were more people here from that world, they might take me to task for statement.

One of the questions about Security Council reform is if you actually had India or Brazil, for example, as a permanent member, how would they behave? Would they take a global view of their responsibilities or would they, in a sense, import mindsets that would be problematic from a US perspective, despite being also democratic countries? Again, it reinforces the question of and the importance of values as a determining factor with how countries look at some of these issues.

**Pierre MOREL, EU Special Representative for Central Asia and for the crisis in Georgia**

I think we had a very good introduction to these interventions and hearing two sides of the coin, in a way. I would say this is an appropriate description of the mix we are confronted with in terms of covenants. I have been a special representative of the European Union for Central Asia for the last five years. It strikes me that when you talked about the present state of governance, you mentioned social problems, but migrations were not, nor the connected ethnic problems.

In Europe, look at Lampedusa and so on. It is a full continent in motion that will not be stopped by naval forces and so on. We have a major problem of governance because it goes back to the village. The best governance today is with crime. You have 20 or 30 international criminal networks that have no problems with borders and who have been the first beneficiaries of globalisation over the last 20 years.

Some argue that it represents the equivalent of the GNP of Sweden and some think it is much more than that. Even the debate about the amount that is at stake - I mention that because I can see that through the heroin production from Afghanistan, which is sweeping the Eurasian continent. I am not an expert in cocaine, but now we have to fight cocaine from Columbia, in Kenya and through Somalia, you have the best example of globalisation. They know how to manage and they are far better than we will ever be, in a way. I think this is a rather disturbing element that we have to integrate in this thinking.

Secondly, the point about the 158,000 conventions - yes, indeed. In your introduction, you mentioned the chemicals convention. I was one of the negotiators. I can see how much it has weighed on the chemical industry. They were very reluctant at the beginning. It was a pain in the neck, but at the same time, we got on board and said, 'You already have a problem with public opinion. They do not like the chemical industry, so it is better for you to be on board.' In the end, it works. This is an international convention that is really forbidding and it has been managed over the last 20 years. This means that 20 years ago, everybody was more or less convinced that chemical weapons were going to be the nuclear weapon of the poor. Nobody thinks that now.

In a way, we have this piling up of conventions. If only to correct the point about this huge amount, look at our national laws. We have tens of thousands of laws that are either superseded or just disappearing. It is the same phenomenon. We have an overload of legal attempts to manage a more complex reality. We all complain about parliaments that we are now making absurd or laws that will be obsolete in a matter of months. Everybody is crying and deploring that situation, but this is a wider social phenomenon, where the quality of the law of the past is now more or less lost in a large part of law making in many countries.



We have a problem there.

**Stewart PATRICK, Senior fellow and director of the program on international institutions and global governance at the Council on Foreign Relations (CFR)**

Are you saying that because it has been superseded by law at the international level?

**Pierre MOREL, EU Special Representative for Central Asia and for the crisis in Georgia**

No. I am saying the phenomenon at the national level is exactly the same as forming the conventions. You see a problem - let us try to have a convention. This is incremental, in a way. It may be a sickness of postmodernity. Who knows? We have changed our vision of the law without measuring that, and the same for the convention, in a way.

I have finished with the point you described, where the complexity is not manageable. Then in such cases, which are organisational problems, you have to break it down into smaller units. You have to come to intermediate levels. You have too much moving at the top. This is also connected with the demonstrations and so on. You have the de-globalisation movement. Of course, this is populous. This is elementary, but in some cases, de-escalating the generalisation is probably a pertinent question and coming back to lower levels rather than just pushing the problem up all the time. We need some kind of reflection after this first wave of globalisation could be a direction.

In conclusion, I want to talk about something that is striking. I have seen some kind of crisis management at global level in central Asia. It is the gathering of international organisations. This is a rather interesting movement. When you have a crisis, everyone recognises it is beyond reach and sticks together. The case is also valuable when applied to the organisation. The ethnic killings and the crisis in Kurdistan may be limited because it is a small country. Three days after the revolution, the EU, OSCE and UN decided to work together, have weekly meetings and so on. They have now had their third elections and a constitutional transfer of power to the new president in central Asia, which has not been done in the last 20 years.

It was a recognition that we will all be criticised because the trend is to create international organisations, but it is better to stick together because then we begin to manage something. I think that around Afghanistan after 2014, you will see the same. In a way, it is going to be worse, but we are all entangled with people there risking their lives and the threat from mobs, and we will have some new problems with the Taliban. We cannot get out of it. We are committed. We have money earmarked.

This kind of sitting together and even going beyond just sitting together and what I would call mutualisation - we talk about mutualisation in regards to the Euro crisis. It is painful and complicated, but I think it is more or less the trend. We do not shape Nazarene authority. On a real lasting problem, we have to sit together and join forces for quite a long time.

**Thierry SORET, Policy advisor, United Nations Development Programme (UNDP)**

I am policy advisor at UNDP on the global economic governance issues. I would like to address the issue of policy coherence in global economic governance as a key issue and the need to strengthen and enhance coordination among informal and formal arrangements.

Even though I am a UN staff member, I would like to discuss your view of the G20 as dysfunctional. It is not my stance and let me tell you why. The G20 emerged to take action in the face of the economic and financial crisis because of two reasons. The first one is that the existing set of institutions has been unable to take action, suffering from what



might be called inertia. The second reason is that it was supposed to be the more effective forum to tackle these issues, given the economic power shifting that has happened over the last 20 years, and that has been accelerating since then.

The G20 took leadership and decided at the G20 summit to focus only on broad economic challenges. However, these challenges are interconnected and multidimensional. This is the point and this is the issue of interdependence. For instance, global economic growth has an impact on development in developing countries, and the G20 took this into consideration, incorporating the development dimension in the action plan for growth. It also has an impact on environment, social policies, on the pace of climate change and of course on security.

Against this backdrop of growing interdependence, we need policy, and this is my point. Because we are witnessing the G20 taking leadership and trying to address challenges, moving the issues forward more rapidly when the fear is here, and relying on formal arrangements with special international organisations to implement some of their decisions. At the same time, we are witnessing some sort of mission in international organisations that tend to respond to these interconnected challenges according to their own perspective. For instance, the IMF is leading social policies right now.

I think we need what Pascal Lamy used to call a triangle of coherence, which means to the G20 the leadership and the ability to build conferences as far as possible, to the specialised international organisations the implementation power, thanks to their expertise, capacity, mandate and so on, and to the UN the coordination process to provide the policies in the face of these global challenges.

There is a specific role for reform and because of interdependence, we need to take care of long-term interests. I think this is what is at stake currently. Taking care of long-term interests of humanity at large because nation states used to take into account their short-term vested interests, but because of this interdependence, which is the real game changer in the international order, we need someone to be in charge of this approach to policy making in the long-term interest.

There is a specific role for the UN Secretary General so that we can move forward concretely, especially within the G20, where he is invited under the principles of international organisations, but he is not an expert. He is a provider, such as the director of the IMF or the President of the World Bank. He could have a very specific statute in representing the long-term interests of humanity in the face of interdependence and global changes.

### **TAN York Chor, Ambassador of the Republic of Singapore to the French Republic and Portugal**

I am the Ambassador of Singapore in Paris. Before that, I was the permanent representative of Singapore in Geneva for the United Nations and at the same time to the IEA here. Before that I was deputy to Kishore Mahbubani when he was the Ambassador at the UN in New York. I am not an expert, but I have observed how international organisations work. To some extent, you can say that is related to global governance. There are technical organisations that work very well, such as the ITU, the IMO, the World Meteorological Organisation. We could include the World Health Organisation to some extent. They provide some things in the area of global governance.

I do not have answers, but I have reflections and some observations. Perhaps from there, we can look at possible answers. If we are talking about global governance, the question is of what and how? I think one of the reasons why we are talking about this is because the world is more complex today. In the past, in a less crowded world, you could pollute as much as you want. Maybe your neighbour is affected by your pollution. Nowadays, if there is pollution in China, you have the black soup going across the ocean. You have Chernobyl.

Technology is part of the possible solution and also part of the problem. Technology helps us in the area of health. We can find new solutions, but at the same time, some scientists discovered how to put together a H5N1 virus, someone can easily put together a smallpox virus. It compels us to have some agreed rules. What are some things we should watch out for and perhaps regulate for?



For the first time, I think human beings can affect and have affected things on a global scale. One thing was ozone. Fortunately that was easier to deal with for companies and governments. In fact, we have a state-led exercise to get rid of certain chemicals and deal with the ozone problem. Unfortunately, I think global warming is more complicated.

I would like to focus a bit more on the area of health to see why things are getting more complicated. Perhaps it is sometimes the lower hanging fruit that are picked first. The WHO started off some 30 years ago dealing with smallpox. It is such a dreadful disease that there was a common interest and we eventually we took care of smallpox. We are still dealing with polio. We have almost eliminated it. There are many other issues that countries bring to the WHO, but the WHO cannot address them all because it does not have much funding. It became a tussle.

South African countries see gaps that they want addressed, such as neglected diseases that affect millions of people in Africa, but that do not occur in the developed world. The developed countries are the ones providing the bulk of the money to international organisations, so once you have diverging interests, then we start having problems. Part of what G77 and NAM is about is this sense of solidarity between the haves and the have nots. In the old days, things were done in the interests of everyone. Nowadays, it is harder to define whose interests. We see these problems more and more.

Even in the area of climate change, how do you decide what is equitable? Is it by per capita? Is it by history, how much carbon emissions you have made in the past? I think it is a very complex problem, but I do not think this problem can easily be broken down into simple units and resolved.

Someone mentioned Somalia, and again there is also a question of a lack of global governance. There is a question of fisheries around the world. As long as we do not have agreement on how to look after the fisheries all over the world, when Somalia became a free state, it no longer had a navy. Many countries used big fishing boats, and as a result, the locals who used to survive on fish had no more fish or no livelihood. Some of them turned to piracy, first targeting the fishing fleet and when the fishing fleets disappeared, they targeted cruise ships and any other ships that passed by. Sometimes some of these things degenerate into bigger problems.

I want to mention how some things have been addressed in various ways. Sometimes international organisations can solve some problems. In the area of disarmament, we are stuck because of politics. Then we found a group of NGOs and civil society that went outside the UN to deal with anti-personnel mines and formed the Ottawa Convention. Even those who did not join the Ottawa Convention now respect it and do not use anti-personnel mines.

More recently, the Oslo Convention deals with cluster mines. I think that may be one way that civil society can start to address this problem. Another way is if everyone can view their own unit of concern, then we can try to solve our local problems. This brings a question of training capacity for poorer countries to deal with their own problems. They could get simple devices to cut back on pollution or destroying forests and so on. That is another way.

A third way to resolve this intractable question of global warming relates to changing our way of life in every country of the world. This is very hard to change. You cannot tell millions of Chinese and Indians who are becoming more prosperous and middle class to change their way of life while the rest of the world continues on without making changes. We need to change our life and awareness is important.

We cannot solve this problem either individually or with a group of countries, through Copenhagen or the UNFCCC process, but maybe with increased awareness, such as young people connecting with each other, we may be able to come up with pressure on governments, companies and everybody else to be socially responsible. Many young people are setting an example and cutting back on certain things. They enjoy luxuries like us, but they make a conscious decision to cut down on their emissions. If everybody started to do that, eventually there will be hope.

I cannot call this global governance. Maybe it is global self-governance, but perhaps that is something that can bring us some optimism going forward. Thank you.



**Stewart PATRICK, Senior fellow and director of the program on international institutions and global governance at the Council on Foreign Relations (CFR)**

Thank you for those comments.

**Tadakatsu SANO, Attorney-at-law at Jones Day**

I was the Vice-Minister for International Affairs for the Ministry of Economy, Trade and Industry. I was in charge of the WTO multilevel trade negotiation and the bilateral trade negotiations with Singapore and Mexico, and it is ongoing still with Korea and so on.

When we launched the Doha round, we celebrated. Two years later in Cancun, I really thought that Doha was not going anywhere at that time, but that really drove us to go into the bilateral trade negotiation for FDAs and so on. I was very impressed by Mr Cleary's remarks. I have almost the same impression about what is going on in the world right now. Even though there are many, many global agendas, I do not think that it is really succeeding in formulating some kind of majority or some kind of consensus amongst all the players in the world. That is the question.

The reason is the complexity, as Mr Cleary said. It is beyond our ability. After leaving the Ministry of Economy, Trade and Industry, I was the Chief Executive Assistant to the Prime Minister Hatoyama, who failed and was forced to resign. This kind of lack of governance in Japanese politics does not only happen in Japan - I think it is widespread. As Mr Patrick said, it occurs also in the US and China. If you look at the United States, where is the leadership? The definition of leadership itself is tricky.

Strong leadership means that you go beyond, without creating a majority or consensus. How can the elected person do this? In that sense, there is no leadership in the world right now. The G20 shows the same thing. There is no consensus. There may be some kind of consensus at a nation level, but they are forced to behave and say there is a consensus. Going back to domestic politics, how can the public really understand some issues raised by the global agenda or the domestic agenda or fiscal issues?

It is so complex now, whether it is a parliamentary or a presidential system, and representatives are not delegating. This is a democracy. You will vote on issues, without having a good knowledge or understanding of the issues or agendas, even though they are global. How can you really achieve delegation from the public? I think that is an issue.

I share almost all of your pessimism, but I really want to seek some kind of good solution for the future. In five years, politicians or economists or even business leaders will struggle to find a breakthrough. For the time being, I think it is beyond our ability. 1991 was the year of Maastricht. We thought we had a rosy future ahead after the collapse of the Berlin Wall. We looked forward to the new globalisation, supported by information and communication, new technologies and so on. It seems to me that the Internet itself is not really crystallising a consensus. Instead, it is encouraging diversification in a way.

At this time, the Internet is not creating any kind of citizenship, but instead is creating consumers and a consumer-oriented concept. I have a question for the panellists and the audience. How are you going to provide a bright future for the next five to 10 years? I share the concerns that have been expressed. Thank you.

**Rainer MÜNZ, Head of Basic Research, Erste Group**

I represent a retail bank here. Could we sort out the problems we are having and see what kind of mechanism is working? The UN Council is working fine in certain areas, as you can see in the Libya case. We just need France and Britain to step in. The UN Security Council does not work when you have entrenched interests of some members states who have a veto. The Middle East is a good example. You can see that part of the veto power of the US has



nothing to do with the Middle East, but with the domestic political situation in the US on the ground. This is just one example.

The G20 cannot replace the Security Council, although the idea was that we needed another buddy because the UN was seen by some of the people who were behind the G7, G8 and then the G20 as being dysfunctional. The hope was that there would be a global leadership representing 80% of the world GDP and the world population, and you could forget about the small countries. It is probably easier to solve small conflicts. We are not good at nation building. Somalia and Afghanistan unfortunately show that our ability to destroy a certain government is much more developed than our ability to replace that government with something else.

Afghanistan is particularly unfortunate because the violence and the casualties have increased the longer we are there. There was almost no violence in 2002. When you look at the areas now and see how many people have died - the US had only 10,000 troops on the ground. We tend to forget about that. We have a very small operation there before moving into Iraq. The question is 'Could something be done?'

You mentioned Somalia and you are absolutely right. It was the destruction of the livelihood of the fisheries that first led to the armed groups that tried to get rid of these fisher boats, but then they found out that you could make a business out of it. It goes well beyond that. Closer to home, the Straits of Malacca have also been plagued by pirates during a certain period of time. There are ways of dealing with it, but you need functioning governments in the neighbourhood. If there was a failed state in Malaysia, it would be very difficult.

I think one needs to figure out what kind of conflict or what kinds of problems can be solved and with what kind of regime. Apparently we do not have an organisation of 'one size fits all' although the hope was in 1944/1945 that the United Nations would solve this once and for all. The current crisis of the European Union shows the same thing. We have managed to overcome national worries, but only because 26 of the 27 countries now think that the danger of the European Union falling apart creates a larger problem than having to take it home and to say, 'I have accepted that kind of compromise.'

In normal times, where there is no danger, often the idea is when you go back home and say, 'I have to send a compromise to my electorate. It is too dangerous' this is why you block certain things. You can see that a crisis brings about a kind of integration move. We do not know whether it will take us there. We will have to see if this new treaty arrangement or intergovernmental cooperation among the 26 members will really get us to a mechanism so that we will be able to cope with government deficits.

When you are facing re-election and you have a problem and you can borrow from the markets to bail yourself out governmentally, there is a moral hazard element that will not go away. The European Court of Justice in Luxembourg monitors whether you have implemented the law and transformed it into national law because we still do not have a functioning sanction mechanism that is built into the agreement that was reached. This remains to be seen.

So far, the capital markets and the rating agencies are playing that role. This shows a weakness of democratic governance when parliaments and elected governments are too weak to implement certain reforms. It is the bondholder side who frighten us into action, or the unwillingness of investors to buy our bonds. It is a kind of a governance failure that is built in. You have just developed what has happened after 1989 and the rise of democracies, but here we have an inherent weakness of democracies when it comes to long-term fiscal responsibility.

You can always hope that the government that defaults is the one that comes after you, and you will no longer be in office. This pushes it back to the next generation, which is the way that we have been playing. In Greece, it has just come to an end, and in Ireland for another reason. If it comes to an end in the US, it would be terrible for the world economy. Countries like the US, France or Germany could never be bailed out by any mechanism we could think of today, so at least you would need a few responsible governments that would remain in order to deal with the smaller ones.

I am trying to make the argument that we need a better understanding of what the issues are that we would like to solve, and then think about the governance structure that we would like to see in place, rather than the other way



round, hoping that we can establish something like the G20. When the G20 was established, it was not clear exactly what kind of problems it would solve, except for saying it would be the problems left over from the Security Council and other institutions. I am pretty sure that it would be more helpful to take it the other way round.

Then the group of nonaligned countries becomes irrelevant in that sense because there is no east/west conflict left, where you meet a third party to stay neutral in order to mitigate. This is why the nonaligned countries have outlived their necessity, including a nonaligned neutral country like Austria, which used to be a bridge between east and west. You no longer need that when the envoys can talk to each other directly. You do not need a neutral. The last thing that remains is when the US and Russia want to exchange spies. This still takes place in places like Vienna.

**Stewart PATRICK, Senior fellow and director of the program on international institutions and global governance at the Council on Foreign Relations (CFR)**

That was a very interesting comment about working from the problem as opposed to necessarily the institution. On the UN Security Council, I think in some ways, it is planned and designed to be frustrating obviously because of the veto power that is within it. Although I spoke of a growing disconnect between global distribution of power and the actual permanent membership of the UN Security Council, it is unclear to me if it is yet facing a legitimacy crisis. There is also a question of whether or not any alternative mechanism would match the current Council's efficiency or effectiveness, or whether any enlargement would actually be any better at doing what the Security Council is supposed to do, which is to defend international peace and security.

You could make the argument that it would create lots of gridlock and make it much harder to forge winning coalitions or blocking coalitions. On the other hand, you could make the argument that if you got a few more capable countries in there, they might actually invest in it, but it would very much depend on the identity of those countries, to say the least, and how big any enlargement would be.

**Jean-François GOMBEAUD, Vice President Financial Engineering SMO at EADS**

I want to talk about the problems with the implementation of the measures. I will give an example from finance. I am not talking about corruption, but no more banking operations. After the problems of 2007 and the explosion in 2008, it was decided to prevent that from happening again. For BASEL III, we had lengthy discussions and came back with recommendations. The first thing is that the United States said that they would not implement them. Then the Latin Americans said, 'Are you crazy? We will never do that.' The same was true with the Chinese.

Now the only people who will implement these recommendations, which are purely common sense, are the European Banks and maybe the Japanese banks. I think that there is a real problem of leadership here. I cannot understand why a country like the United States refused to implement the BASEL III recommendations. By the way, they do not even implement the BASEL II. I cannot understand how China, which has some ambition, has decided to not even read them. I think that we have to keep that in mind and be aware of it.

**Sean CLEARY, Chairman of Strategic Concepts (Pty) Ltd**

I just want to clarify my perspective. I think the glass is more than half full, not half empty. As I tried to say earlier, one of the consequences of globalisation was dragging something between 1.5 billion to 2 billion people out of abject poverty. We have built stocks of financial and technological capital on an unprecedented scale. If you take any measure of welfare, like those in the UNDP's Human Development Index, humanity in the aggregate has never had a higher percentage of people at similar levels of welfare and achievement than we have today.

It would be quite wrong to look back over the last 30 or 40 years and say, 'It has been a disaster.' In many ways, it has been an extraordinary success. However, what one must understand about complex systems is that high levels of



connectivity in a system when things are going well, leverage our capability: Take the period between 2003 and 2007, the performance and the growth of the global financial sector was phenomenal. Enormous amounts of wealth were created in the financial economy over that period, with positive knock-on effects in respect of the real economy.

However, with the same level of connectivity, when it starts going down, then the multipliers and amplification effects on the way down are brutal. We need to understand the implications of the level of complexity and connectivity that we have engendered in the global system. We must have more respect for the fact that we don't really understand how it works. No banker and no one sitting on a bank Board understood what was happening in the interactions between tens of thousands of CDOs, CDO squares, CDO cubes and CDSs. It was impossible to model the effects.

John Thain is on record as saying that it used to take Morgan Stanley more than three hours using what he described as "one of the fastest computers in the United States" to model the effect of a single tranche of a single CDO, on their balance sheet. We must be respectful of the implications of level of complexity. Bruno runs a brilliantly successful business and I am going to say something that he can shoot down with the greatest of pleasure. Bruno, you run that business successfully because you have got a clear vision of where you want to take it. You have got absolute clarity in respect of your mission. You have got time-bound, quantified goals that you adapt from time to time, and you have got effective strategies in place to be able to deliver on these.

As a consequence, you know what level of internal socialisation, integration and cultural alignment you have to bring about when you integrate a new company. You know what level of cross-cultural communication you have to engage in, and you are capable of applying that effectively and consistently. If we ran the world like you run your company, it would work, but that is not how we run the world. We don't run the world anything like that.

We don't have a collective vision, shared among all major actors. We don't have a clear sense of mission. We don't have time-bound, quantified goals, and we don't have coherent strategies. We don't share a common normative framework that allows us to be able to say, 'Wait a minute, you are out of line there. Come on guys, get back.' We do not have any of those instruments, so we run into problems all the time. You would run into problems if you had those problems in your business. There is nothing extraordinary about it. It is the way human organisations work.

You need to have that level of coherence. Why was Singapore so extraordinarily successful in the period in which its destiny was defined by Lee Kuan Yew? It was because you had all of those things. A lot of it happened to come from one chap, which is probably not desirable, but the fact is you had all that for quite some time. Political systems work on that basis. If you don't have high degrees of normative coherence in a political system, you cannot decide how to trade off conflicting interests. You cannot get people to accept the legitimacy of the decisions that are made by the executive. The legislature would not know what laws to make, and the courts would not know what to do in adjudicating them.

It is all premised on a high degree of normative coherence, and we don't have that. The other problem we have, and you have all referred to it, is the fact that we think in disciplinary silos. People are trained as economists, or as lawyers, or as political scientists, or sociologists, or cultural anthropologists, or engineers, or whatever else, but none of these disciplines give us what we need to deal with the complex problems we face in a global world. One key problem we have to address today is 'How are we going to get growth back, that is both socially inclusive and environmentally sustainable?'

No economist can answer that question. No earth scientist can answer that question. No lawyer can answer that question. No political leader can answer that question. However, this is what we have to address. If we are thinking about security, we have to think about how we reconceptualise security, from human security, through national security, through regional security to global security. At the end of the day, the aim is make life secure for individuals and communities. We don't have a mechanism for doing that because the people who are focused on the challenges of human security are completely different – and do not even communicate with – the people in the defence departments and intelligence agencies who address national and global security questions.

We have got two big problems here. We don't have an organisational framework underpinned by a common normative consensus, and we have habits of disciplinary specialisation that are the product of Western learning from Plato



onwards, with its high point in the late 18<sup>th</sup> and 19<sup>th</sup> centuries. That is not much use in terms of policy in today's highly connected circumstances.

It is a real problem. We have done an enormous number of things absolutely extraordinarily well. We need fit for purpose solutions. The last thing one needs is to create something that does not address the problems we are trying to solve, or the challenges we face: one can't afford to be locked into an industrial manufacturing process that worked extremely well in the 1950s, but which bears no relationship to what is needed in the next decade.

I think that this is the challenge of global governance. How can we address it? We need to change the way we think about it, working much harder to get enough normative agreement in the same way that anyone would need to do if they were running a company. We also need to overcome the degradation of authority that has greatly weakened the democratic political process over the course of the last five years or so. People who get elected on the national level today are not able to make a significant difference in the context of a highly globalised world. This is another huge problem. I do not know how to grapple with that problem, but it is another of the challenges that we have to resolve.

**Stewart PATRICK, Senior fellow and director of the program on international institutions and global governance at the Council on Foreign Relations (CFR)**

Did you want to add any final comments?

**Bruno LAFONT, Chairman & CEO of Lafarge Group**

No, I like the former comments.

**Stewart PATRICK, Senior fellow and director of the program on international institutions and global governance at the Council on Foreign Relations (CFR)**

Thank you all for surviving these two hours and for your very intelligent contributions to what is a discussion that will be very easy to summarise for tomorrow's report back in the plenary session.