

International level

Global, regional or intergovernmental?

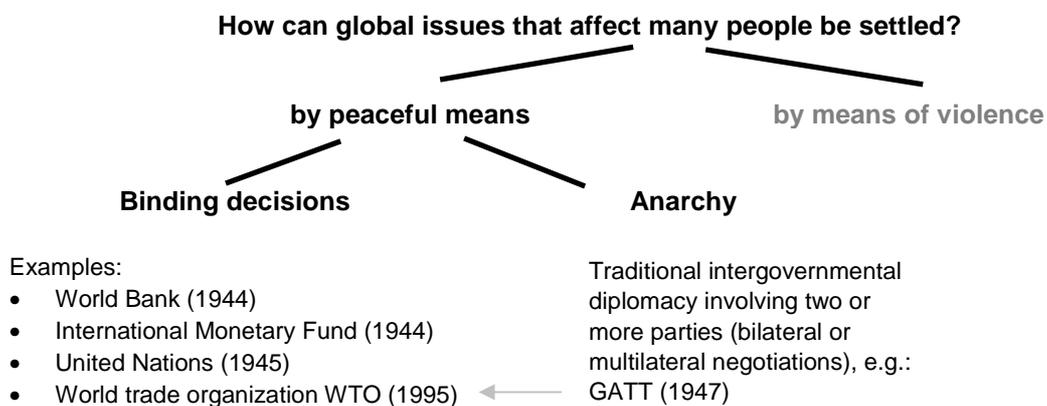
Tackling important political issues at the national level is becoming increasingly difficult. The greenhouse effect, for example, is affecting people all over the world. Which international bodies are there that can deal with matters of this transnational kind? Here we shall:

- use the chart of alternative forms of rule (see *An ABC of Democracy*) to examine some intergovernmental and global organisations that have been set up for this purpose
- consider the EU countries as an example of mixed rule where certain matters are decided at the national level; others are referred to the regional level
- study the extent to which some global organisations in the FN family meet the criteria for democracy

Binding rule at the global level

Ongoing globalisation is leaving its mark everywhere. Even so, the prevailing world order is still primarily an international system whereby more or less independent countries try to settle their common concerns by diplomatic means in voluntary negotiations. This political system has been dominated for centuries by wealthy, powerful countries in the North and West. In the 20th century, their failure to reconcile their differences resulted in two world wars. There was no generally accepted and binding procedure for resolving disputes.

Towards the end of World War Two, the victorious powers took initiatives that resulted in the World Bank (IBRD), the International Monetary Fund (IMF) and the United Nations (UN). The aim was to supplement traditional international diplomacy with a system for making binding decisions in matters to do with economic reconstruction and development, peace and security, and human rights. The United Nations' charter was adopted in 1945 and some years later the member states agreed on a detailed Universal Declaration of Human Rights. Meanwhile, twenty or so member states concluded a free trade agreement (GATT) that did not include sanctions; it has been superseded by the World Trade Organisation (WTO), which has a more ambitious agenda and is also authorised by its member states to impose sanctions on countries that fail to comply with its rules and decisions. The chart of alternative forms of rule gives this picture:



With the anarchic alternative, countries negotiate on the basis of prevailing power

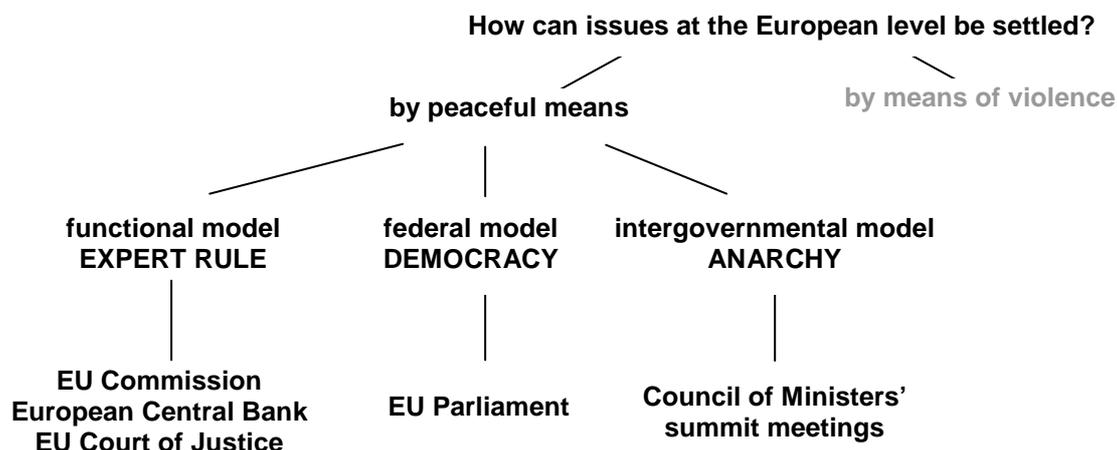
relationships. If one party disagrees, there will be no solution. A market economy functions in a similar way – suppliers of goods and services negotiate with potential users – except that power here is measured in money and failure to reach an agreement is less likely to lead to violence.

With the collective alternative, countries try to create conditions for a solution in advance by transferring the power to decide certain matters – sanctions, for example – to a regional or global body. They relinquish some of their sovereignty. If the regional or global body is also to be democratic, power has to be redistributed between the member states. A small country like Sweden therefore wants the UN to be stronger; that would give Sweden more influence at the global level. Dominant countries, such as the United States, with vast economic and military power, take the opposite view; they have an interest in carrying on with the UN’s relatively weak and undemocratic institutions and prefer to use the intergovernmental arena, which gives them greater freedom of action and the best possibility of deploying their resources to suit themselves.

This was evident soon after the UN had been founded. By 1949, East-West relations had deteriorated sharply and when it became clear that the Soviet Union would soon test an atomic bomb, thereby breaking the US monopoly of nuclear weapons, an international defence alliance, Nato, was formed by the United States, Canada and ten West European countries. The Cold War between East and West sidelined the UN as the leaders of the two power blocs resorted to nuclear rearmament to keep each other in check. Global peace under UN auspices was replaced by a terror balance – a doomsday threat that a whole generation had to put up with.

EU – mixed rule on the regional and national level

The European Economic Community, forerunner of the European Union (EU), was set up in 1957 – without a comprehensive charter or detailed declaration of intent – as an arena for intergovernmental negotiations between a handful of West European premiers and foreign ministers with a view to integrating their countries’ economies. As of spring 2007 the EU comprises 27 states, of which 10 belong to the former Eastern bloc. Over the years, the EU’s agenda has been greatly extended; today it includes security issues and regional policy. In order to perform its enlarged functions, the Union has had to establish a number of new institutions: an unelected Commission with officials that issues directives which are binding for public authorities in the member states; a Council of Ministers that holds ‘summit’ meetings and negotiates overriding issues; a Central Bank; a Court of Justice; and a Parliament with limited powers that shuttles regularly between Brussels and Strasbourg. They amount to an unplanned, complex mixture of forms for rule, based on practical considerations, with power residing with the Council of Ministers and the EU Commission.



In order to get the Union to function after its enlargement to include countries from the former Eastern bloc, in 2004 the Council of Ministers in Rome adopted a constitutional treaty. Perhaps the most important reform was the introduction of a system for majority decisions in the Council of Ministers. When the time came for member states to ratify the treaty, however, opinion polls indicated unexpectedly weak support. Referendums in France and the Netherlands rejected the treaty; in other countries, parties that opposed the EU made strong gains. Voting in that year's elections to the EU Parliament fell to 30–40 % compared with up to 70 % in the national elections. It was no longer possible to ignore the fact that the EU had been a matter for European élites right from the start. The attempt to equip the EU with a constitution that has popular support had to be put on hold.

Three years later, the Council of Ministers managed to reach an agreement on a new and less comprehensive proposal for institutional reform, which finally was approved by the member states' parliaments. But the task remains of generating popular understanding and acceptance of the EU's particular combination of expert rule, anarchy and democracy at the regional level, for implementation by national authorities.

Nato likewise began as an intergovernmental alliance between a small group of countries and was transformed in a matter of years into a fairly permanent organisation led by the United States. After the Berlin wall fell in 1989 and the Soviet Union collapsed some years later, Nato was enlarged to include countries from the former Eastern bloc. Nato can be said to be an international interest organisation for countries that are allies of the United States and accept US leadership in security issues. Nato has sent troops to trouble spots in various parts of the world independently of the UN but did not take part in 2003 in the war in Iraq, which the United States started with just a few allies.

World Trade Organisation (WTO)

The WTO has the task of dismantling barriers to world trade and is an example of a global body that is open in principle to any country, though the conditions for admission are tough. It is the same age as Nato but by no means as successful. All members of WTO have an equal vote but the rules are such that a country can veto proposals which are not in its interest. In practice, poor countries come under heavy pressure not to block the rich countries' proposals.

WTO's rounds of collective negotiations accordingly verge on anarchy – there is no guarantee that an agreement will be reached. Moreover, the number of member states makes the decision-making process cumbersome. The EU and the United States therefore negotiate bilaterally with certain poor countries, independently of the WTO; these countries tend to get less favourable conditions than in the ordinary rounds of collective agreements.

The chart below shows that even the original organisations in the UN family fail to meet important democratic standards. Their institutions were constructed from the start so that the founders – the victors in World War Two, led by the United States – could maintain their hold by controlling the agenda or having greater voting power. The Soviet Union chose not to join any of them except the UN itself.

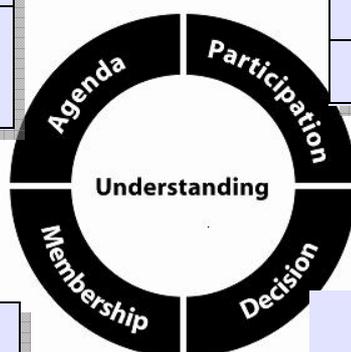
Some global organisations and the criteria for democracy

Final control

	Complies with the criterion?
UN	No. The 5 permanent members of the Security Council can veto amendments to the UN Charter.
World Bank (IBRD)	No. The United States' vote is sufficient to block any proposal to amend the articles of agreement.
IMF	No. The United States' vote is sufficient to block any proposal to amend the articles of agreement.
WTO	No. The agenda for a new round of negotiations is set in practice by a few countries, headed by the United States, the EU, Canada and Japan.

Effective participation

	Complies with the criterion?
UN	Perhaps in certain matters among the UN's advisory bodies. Only 5 members have a permanent seat in the Security Council.
World Bank (IBRD)	Perhaps in certain matters but the terms for loans and debt restructuring are set in Washington.
IMF	Perhaps in certain matters but the terms for loans and debt restructuring are set in Washington.
WTO	No. Poor countries have less chance than rich of gaining a hearing.



Inclusion

	Complies with the criterion?
UN	Hardly. Any country can be a member of the UN but not of the influential Security Council.
World Bank (IBRD)	Yes, given a contribution to the Bank's capital in proportion to the country's economy.
IMF	Yes, given a contribution to the Bank's capital in proportion to the country's economy.
WTO	Yes, any country can apply for membership.

Equal vote

	Complies with the criterion?
UN	No. The permanent members of the Security Council can veto any proposal.
World Bank (IBRD)	No. A country's vote is proportional to its capital contribution.
IMF	No. A country's vote is proportional to its capital contribution.
WTO	Yes. But having to reach a consensus makes it hard for poor countries with weak resources to stand up to pressure from rich countries.

Note that the lower criteria concern formal arrangements while the upper refer to content: the agenda is about factual issues; an equal opportunity of participating and understanding call for reasonably adequate and equal resources.

A lively debate is in progress about ways and means of reforming the UN. Some progress has been made on output – making the administration more effective so that decisions can be put into practice more successfully. Making input – the decision-making process in the Security Council and the General Assembly – more democratic presupposes that even the most powerful members see an interest both in transferring power to the UN and in accepting a redistribution of power within the organisation. But however close the UN got to the criteria for democracy, it would still be primarily an organisation for the interests of *states* rather than people. At the global level there is still no element of representative government. Whatever its population, every country has one seat in the General Assembly.

The basic issue concerns the level at which collectively binding decisions are to be made as it becomes increasingly hard to solve crucial issues in the framework of a national agenda. No country commands the global flows of information and capital; individual countries have growing difficulty in regulating the mounting tide of cross-border migration; criminality, epidemic disease, environmental damage and climate change are all beyond the control of a single country. These issues need to be tackled at the regional or global level. In the case of security issues, there are only global solutions.