



Dag Hammarskjöld
Foundation

Development Dialogue Paper
No.32 | June 2023

Multilateralism: An instrument as a choice

By Bruce Jenks

In a time of cascading international crises, how should we navigate the challenges and understand the opportunities of multilateralism and Global Public Goods? In this Development Dialogue paper Bruce Jenks, former UN Assistant Secretary-General and Senior Advisor to the Dag Hammarskjöld Foundation provides insightful reflections for action.

Introduction

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The urgency of collective action cannot be overstated. No nation can achieve the Sustainable Development Goals or peace in isolation. Today's interconnected world requires swift, resourced and coordinated responses to global crises such as climate change, pandemics, poverty, and conflict. It is within this context that the multilateral system with the United Nations at its centre have to act. Particularly as the concept of Global Public Goods has emerged as crucial for fostering international cooperation and achieving our common global goals.

The UN Secretary-General's '*Our Common Agenda*' and the *High-Level Advisory Board on Effective Multilateralism* recognise the critical need for effective networked and inclusive multilateralism. There is a growing consensus that Multilateralism underscores the importance of dialogue and compromise to reach agreements, setting norms and standards. It is an opportunity to encourage nations to transcend self-interest and work towards common objectives that benefit all of humanity.

We must acknowledge the hurdles that lie ahead in an era characterised by increasing nationalism and geopolitical tensions. Still, Multilateralism faces scepticism and resistance today. However, within these challenges lie remarkable opportunities. The urgency of dealing with global issues has the potential to galvanise nations towards collective action. By understanding the principles of Multilateralism, countries can pool their resources and expertise to tackle complex problems more effectively. It is our ambition to continue sharing these insights and we hope that the line of arguments raised by Professor Jenks will inspire further engagement. Multilateral action has the potential to maximise impact and to realise a more prosperous and secure future for all.

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An instrument of choice

Bilateralism and multilateralism are usually thought of as opposites. You are for one or the other. There is an undertone that if it is serious, you do it bilaterally. This is

fundamentally mistaken. Multilateralism is a hard option, and to be effective, must be a choice made because it represents the most efficient instrument available to government. In other words, countries should work multilaterally when it is the most effective way to meet a challenge. Multilateralism should not be a way of abdicating leadership, but rather a way of exercising it.

There are many issues worldwide where a country might have a national interest but it would be counter-productive to intervene unilaterally or put bodies on the ground. Multilateralism gives another instrument, another option, through which to exercise influence. Typically, multilateralism offers a way of pooling resources to achieve critical mass; of outsourcing work nobody wants to do but somebody must; and providing legitimacy where it is in short supply.

Across many different issues, for many different reasons, multilateralism offers a vital instrument in securing effective results.

The emergence of the multilateral development system

Today's multilateral development system (MDS) was constructed based on the legacy of the Second World War, which involved building a set of shared values, norms and rules. These shared values were deeply influenced by the experience of the inter-war period leading up to the Second World War. Following the war, a wide array of organisations were set up, taking different institutional forms – the United Nations, the International Monetary Fund (IMF), the World Bank and more recently the G20 all have their own histories. All these organisations were, for the most part, staffed by newly empowered international civil servants.

Some 75 years later, the world has undergone transformational changes that deeply impact the challenges facing multilateralism. There are three principle scenarios for how the UN might adjust to these changing realities.

The first is a gradual process of accommodation to some of the emerging powers' demands. This could lead to reforms, for example in the membership profile of countries in the UN Security Council (UNSC) and IMF. There is not much evidence of a large appetite for this path.

A second scenario is that countries become dissatisfied with the pace of change and begin a process of establishing alternative instruments. There is already evidence of this with the creation of the G20 on the one hand, and the establishment of new international development and infrastructure banks on the other.

A third scenario is that significant segments among the populations of status quo powers feel they have been left behind, and increasingly see the benefits of globalisation accruing to an ever smaller minority. In this scenario, there is a populist rejection of international institution elitism and a retreat into different forms of nationalism.

The lack of an effective working relationship between the UN, the multilateral development banks and clubs such as the G20 and Organisation for Economic Co-operation and Development is a central challenge to the evolution of the MDS. The future direction the MDS will be determined by the path it takes and the choices made.

A new relationship between public and private?

A major transformation has taken place in the relationship between states and markets, fuelled in large part by the extraordinary growth in the global economy, which has altered the balance between public and private, as well as between international and domestic. A number of issues arise from this.

Firstly, the reality of the power of markets requires that rules be adjusted and revised.

Secondly, an area that lies at the heart of the evolving relationship between public and private is the increasing role of the public sector in finding ways to leverage the immense resources only available in the private sphere.

Thirdly, the influence of markets has been paralleled by the emergence of multiple stakeholders (multilateral, bilateral, non-state, civil society, etc.) in different issue areas. This calls for a much more inclusive approach, not least in many of the governance structures that exist in the inter-governmental sphere.

Agenda 2030

Agenda 2030, signed in 2015, represents the pinnacle of the current MDS. Agenda 2030, which is universal in its scope and vision, is truly multilateral as it underlines the importance of a 'goals, targets and results' framework for every country, against which progress can be transparently monitored. The Sustainable Development Goals (SDGs) framework is the foremost example of this function.

Agenda 2030, which is universal in its scope and vision, brings to the fore the critical importance of the different components underlying the MDS. These components include the need for a strong normative agenda, the role of global public goods, finance, the power of data and the art of creating value.

Agenda 2030 is ambitious and requires solutions at scale, while the MDS today is fragmented and project-oriented. Agenda 2030 argues for integrated solutions extending across the development, peace, environment and humanitarian realms, while the MDS is siloed in its approach. Agenda 2030 calls for contributions from a range of actors beyond governments, while the MDS, at its core, remains largely inter-governmental. Agenda 2030 requires the mobilisation of substantially greater resources from all sources – domestic and external, public and private – while the MDS focuses largely on aid and budgetary contributions from member states.

The normative agenda

With respect to the future positioning and role of the UN development system (UNDS), there seems to be a clear consensus that one of the UN's most vital tasks relates to its normative agenda. In a rapidly changing world, the web of normative frameworks that lie at the foundation of so many processes of inclusive globalisation need to be nurtured, perhaps adapted, and certainly strengthened.

In particular, with the adoption of Agenda 2030 and the Paris Climate Statement, we are seeing the emergence of a new conception of multilateralism increasingly based on the establishment of international normative and reporting frameworks that encourage states to act responsibly and mobilise their whole society – including business, civil society, academia and science. This is at least in part a recognition of the reality that many of the collective responses required to meet today's challenges are no longer within the singlehanded power of governments.

The strengthening of monitoring and accountability mechanisms is needed when implementing a normative agenda. Agenda 2030 represents a major challenge in this respect, as is evident in the case of actions that require a collective response by the international community. This is because burden-sharing is integral to delivering solutions, and certifying compliance with the responsibilities agreed requires monitoring.

This formative process is reflected in a number of the agenda items taken on by the UNSC, which has become a major influence in norm creation on a wide range of issues. Striking early examples are UNSC Resolution 1371/2001 on counter-terrorism, UNSC Resolution 1540/2004 on non-proliferation and UNSC Resolution 2177/2014 on the Ebola outbreak. In each case, the UNSC is in a certain sense promulgating a set of responsibilities that member states are required to exercise domestically in the broad interests of the international community.

Global public goods and the logic of collective response

The last decade has seen the emergence of a class of development challenges requiring a collective response if there is to be any chance of successful resolution. Generating a collective response requires agreement on the allocation of responsibility for providing the solution. This may not require underlying agreement on norms and values, but does require a practical consensus on allocation of responsibility. The sustainability of commitments undertaken will be much more robust over time if they are grounded on accepted norms and shared values.

Take global public goods agendas – we are talking here of cases such as climate change, food security, global health security and many others. It has been argued that a situation of under-provision of global public goods can only be resolved in one of three ways. The first is that a single great power is so dominant that it absorbs the costs of provision and does not worry about free riders. The second is to accept the under-provision, usually leading to crisis and hardship. And the third is for great and concerned powers to negotiate an allocation of responsibility that generates an effective collective response. That, surely, is a key challenge for great powers exercising leadership through the UN. Turning the UN into an effective instrument for (selectively) pursuing global public goods agendas provides a tremendous opportunity for shaping shared values and norms in future.

Agreements have two routes to implementation. One is a legally binding agreement and the other is to institute a system of monitoring and verification that makes it possible to hold free riders to account.

It appears monitoring and verification is becoming the preferred option for holding parties accountable for the allocation of responsibility that has been agreed upon. In particular, this is the path that has been chosen in climate negotiations and reflected in the Paris Statement. If this path is maintained as the preferred option more generally, then monitoring and verification will become the twin pillars on which normative frameworks will be constructed over the near term.

A key element in the post-2015 development agenda relates to the UN's ability to respond to emerging global public goods and invest in areas such as climate change and global health surveillance. One of the features of these investments is that – in many respects for the first time – they require a collective response across almost all countries in order for there to be a realistic possibility

of successfully finding and implementing solutions. This need for a collective response brings with it a whole range of new organisational requirements for funding, monitoring, surveillance, partnerships and the like. The UN has a particular role to play in providing the space and convening power to bring a wide range of partners together.

Much of the discussion around development financing continues to assume that foreign assistance is a single pot of resources that gets allocated to the portion of a country's budget dedicated to foreign affairs. The concept of global public goods suggests a very different approach.¹ What is needed is horizontal internalisation of financing for the international dimensions of producing public goods. In a globalised world, effective national policy-making necessitates that line ministries must cope with both national and international dimensions in their areas of responsibility. In that sense, every line ministry needs to have an internally, as well as an externally, oriented part of their budget. The challenge is no longer one of funding external relations or providing aid in the traditional sense, but the international dimension of dealing effectively with a national issue. Climate change and the aftermath COVID-19 provide a clear and present need for action and a real sense of urgency.

Finance and function

The MDS as it currently exists is a hybrid of four distinct architectural elements. The first reflects the division of labour among institutions. The second suggests an MDS based on competitive principles. The third is an MDS organised as a fulcrum to leverage results. And the fourth and final element is the MDS's accommodation of states' demands for more plurilateralism. While all four elements are likely to persist, the shape of the new multilateralism will be determined by which of them dominates. Whatever design that emerges should ensure that multilateralism remains the preferred instrument of choice for a large number of countries, thanks to its ability to perform needed functions in an effective and efficient way. Form must follow function.

At present, there is a clear and persistent misalignment between identified functions and financing instruments. In the UNDS, financial incentives often run counter to policy priorities. What is needed is a broad bargain to be constructed around four types of function, each supported by a different financing model. These functions relate to: 1) normative and standard setting activities; 2) the provision of global public goods; 3) humanitarian operations and interventions in conflict-affected and post-conflict areas; and 4) classical anti-poverty programmes.

The financing bargain is about who should pay which institution to do what. Burden-sharing for norm-setting must include the newly emerging economies. The UN is a natural place to negotiate country contributions because norm-setting requires legitimacy, and the UN remains the most representative institution in the world. Separately, financing is required for a range of global public goods, including operationalising norms that may have been set by the UN – responsibility and burden-sharing for these may be differentiated by country context and domestic national interest.

The same arguments pertain to humanitarian operations for disaster relief and for work in those places, affected by persistent conflict.

For classical anti-poverty programmes, scale and leverage have to be increased, especially in lower-middle-income countries. This implies using grant resources in new ways, different cross-country allocation models, and the possible use of grants that take the form of new risk-sharing instruments capable of mobilising incremental private capital.

Finally, the MDS should actively develop the case for prevention and collective risk-sharing in a way that provides political cover for national governments.

What is at stake is the practice of a new multilateralism. The MDS must do more than simply mobilise government actions and public investments through official development assistance pledges. It must develop standards of government behaviour that are acceptable to all countries through establishing global norms. It must transmit credible market signals that will impact private business investments. It must also provide transparent information to harness the power and advocacy of civil society and academic and scientific communities, sometimes preferring this over treaty-based quantitative obligations. For example, countries have moved from the treaty obligations embodied in Kyoto to monitoring and reporting on national commitments voluntarily entered into at the Paris COP21 conference.

The power of data

A critical function intimately linked with the elements identified above is the championing of evidence-based policy by the UNDS. The UNDS needs to provide leadership in the collection and use of both governmental and non-governmental data. This requires analysis of the optimal configuration and financing of the multiple databases generated by the UNDS.

Data will become a central player. According to Hariri, ownership of data will give rise to the most important political questions of our era.² The function of monitoring and verification will become core characteristics of a multilateral architecture.

Art of creating public value

The art of creating public value underpins the role of multilateralism. One way of understanding this goes back to the idea of multilateralism as an exercise in choice. Countries can choose to be either consumers or investors in the way that they relate to UN institutions. For investors, the UN is a way to exercise leadership. They see the UN as the best way to achieve certain results after considering all options. Investors are looking for long-term value.

For consumers, the UN is an alternative to leadership. It is what you do as a default option. Consumers see the UN as an à la carte menu that you select at your pleasure. They are looking for short-term returns. The key point is that great powers need to be investors if the UN is to remain credible and be relevant to their interests. The most important aspect of investing in the organisation is protecting and expanding the space that the Secretary-General has to exercise leadership.

One way of looking at the history of the UN is its role as a global public good, of which there are many hopeful examples. The adoption of the Charter was a huge step to take in giving the international civil service its own profile. The rules embedded in the Charter, in particular Articles 97–101, represent a major step forward. It should be noted that the function of the UN Secretary-General was seen and understood very differently from the role and space entrusted to the Secretary-General of the League of Nations, Eric Drummond, who never addressed the League's Assembly. The attempt by President Khrushchev to dismantle the Charter's provisions into a tripartite inter-governmental structure was beaten back by Dag Hammarskjöld's extraordinary contribution in his 1961 Oxford speech.

A long line of succession can be seen during the course of the 1980s and 1990s that has provided the UN with a powerful platform and convening power. It started with a strong commitment to setting important values and targets. This was translated into extensive debate around goals. This eventually saw the establishment of the Human Development Report, the Millennium Development Goals, the SDGs, and all that Agenda 2030 embraces.

In short, the Charter is a core instrument of the multilateral era. It has created multiple entry-points for multilaterals to be effective. A global platform and accompanying convening power have the capacity to create significant political space. This is a unique moment for the launching of a new multilateralism.

Science and technology: The game changers?

The rapid pace of technological innovation has brought to the fore many issues relating fundamentally to norms, as well as the application of standards. There is a broad range of issues that have emerged over the last decade that call into question the need for new regulatory frameworks. In their recent books, both Rees and Hariri point to the extraordinary combined potential of developments in biotechnology, information technology and artificial intelligence.³

Multilateral arrangements are often associated with the financial arrangements that characterise them. Multilateralism has historically been understood as providing an instrument to allocate financial resources in an objective manner. In the future, it may well be that the architecture surrounding scientific exploration and progress takes on a much higher profile.⁴ After all, scientific endeavour most likely adopted many of the characteristics of a multilateral approach before multilateralism made it into the *Oxford Dictionary*.

Creating the future

It is often argued that only a major cataclysm can generate the appetite for constructing a new world order. This is normally associated with the ending of great wars – the causes of war are analysed, lessons drawn and a new architecture laid out. Hence the League of Nations followed the First World War and the UN followed the Second World War. The lessons learnt from these two cataclysms were very different, and these differences were fully reflected in the new structures put in place.

What are we to make, then, of the situation we face today? There is extensive policy/academic debate questioning whether today's global architecture is fit for purpose, as well as a real sense that the current architecture is out of date and losing its relevance. But where will the necessary sense of urgency come from? Without this, multilateralism appears vulnerable. It is by anticipating the future that the case for multilateralism can be strongly reaffirmed.

Can it be that today, in the era of the Anthropocene – characterised by the fact that humans will directly impact their fate – multilateralism and the commitment to find collective responses go out of fashion? Pedro Conceição has introduced the element of increasing uncertainties. These uncertainties constitute a mismatch between new challenges and old institutions.

It has been observed that never has the gap been so big between what we can do with the resources we have at our disposal and what we are actually doing with them.

After all, we live in a world where the 2,640 billionaires are valued at US\$ 12.2 trillion.⁵ Another way of putting it is that today 1% of the world's population owns half of its wealth.⁶ The abundance of resources owes much to the impact of globalisation, but mounting inequity and sense of too many being left behind speaks to the need for a better managed globalisation process. Multilateralism has much to contribute to this dilemma.

One of the special characteristics of the challenges we will face over the coming decades is that the science and evidence points to the very limited time available to us before they become insurmountable. The point is reinforced by the speed at which technological innovation is moving. The fact that the time available to take action is so constrained points again to the need for multilateral action.

In short, it is not the case that multilateralism is in crisis. Today's challenges call for collective responses and highlight the case for precautionary action. Giving priority to a hypothetical, however likely it is to happen, invariably meets strong political resistance. This is precisely the kind of challenge that is much more likely to be pursued successfully within a multilateral framework where the political risks can be distributed. In this respect, multilateralism has never been so clearly an instrument of choice. The history of multilateralism – from useful concept to indispensable instrument – is yet to be documented.

Note: This paper has drawn extensively from papers by Bruce Jenks, as well as 'Towards a new multilateralism', co-authored by Bruce Jenks and Homi Kharas, January 2016.

Endnotes

- ¹ Bruce Jenks, 'From an MDG World to an SDG/GPG World: Why the United Nations Should Embrace the Concept of Global Public Goods', Development Dialogue Paper 15, Dag Hammarskjöld Foundation, p. 3, www.daghammarskjold.se/publication/mdg-sdg-gpg/.
- ² Yuval Noah Harari, *21 Lessons for the 21st Century* (New York: Spiegel & Grau, 2018), p. 80.
- ³ Martin Rees, *On the Future, Prospects for Humanity* (Princeton University Press, 2018); and Hariri (note 2).
- ⁴ Dag Hammarskjöld Foundation and UN Multi-Partner Trust Fund Office, *Financing the UN Development System: Opening Doors* (Uppsala/New York: Dag Hammarskjöld Foundation/UN MPTF Office, 2018), pp. 91–93, www.daghammarskjold.se/publication/unds-2018/.
- ⁵ <https://www.forbes.com/sites/chasewithorn/2023/04/04/forbes-37th-annual-worlds-billionaires-list-facts-and-figures-2023/#:~:text=The%20planet's%20%2C640%20billionaires%20are,and%20who's%20off%20the%20list.>
- ⁶ Hariri (note 3), p. 75.

About the Author



Bruce Jenks is a Senior Advisor at the Dag Hammarskjöld Foundation. He has been an adjunct professor at the Columbia University School of International and Public Affairs 2010-2020, and also a visiting Professor at the University of Geneva's International Organisation MBA program.

Jenks has co-authored studies on 'UN Development at a Crossroads', on 'Rethinking the UN for a Networked World' and on the future of multilateralism. He has been co-lead for five successive annual reports on the 'Financing of the UN Development System'.

Bruce Jenks served as Assistant Secretary-General at UNDP, responsible for UNDP's relationship with its Executive Board, as well as its donors. He has a PhD from Oxford University. He has been a guest speaker at universities and conferences in over 50 countries and has authored numerous articles and policy papers.