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Global Economic and Social Governance and the United Nations System

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In recent years the world has been experienced a remarkable contrast between strong global adverse economic, social and environmental trends and the weakness of the international system of governance to manage them. These adverse trends include, among others, the global financial and economic crisis, the threats generated by climate change and the growing income inequality that characterizes a large number of countries. In the face of these challenges, the response of the international community has been weak. The major innovation was the creation of the Group of 20 (G-20) at the leaders' level. However, after a good start, which was reflected in the capacity to avoid another Great Depression, the effectiveness of the G-20 has not been remarkable and this institution poses many questions in terms of legitimacy. In turn, the European system of governance, the most developed in the world, has shown many weaknesses and even a regression during the recent crisis to a dominantly intergovernmental process led by the most powerful countries in the European Union.

This paper takes a broad look at the system of global economic and social governance. "Economic" is understood in a broad sense, to include also environmental sustainability. Its focus is on the UN system, understood in broad terms and thus encompassing the specialized agencies (including the International Monetary Fund, IMF, and the World Bank) and the World Trade Organization, which should formally become part of the UN system. We also refer in several parts to the UN Organization, defined as the UN Secretariat, Funds and Programs –i.e., those organizations that are under the direct mandate of the UN General Assembly. It is divided in six sections. The first one considers the objectives of international cooperation. The next two analyze the essential dilemmas and challenges posed by the design of the system of global governance. The fourth and fifth consider the role of an apex organization and ECOSOC in terms

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of guaranteeing the coherence of the system. The last presents some conclusions and reflects upon the forces for change of the current system.

I. The objectives of international cooperation

Following Ocampo (2010) and United Nations (2010, ch. VI), it is possible to differentiate three basic objectives of international cooperation in the economic and social field:

- Managing interdependence among nations.
- Fostering the development of common social standards and the provision of a minimum level of social services for all world citizens.
- Reducing international inequalities, in particular different levels of economic development among countries.

This typology coincides with the historical origin of international institutions. So, most mechanisms of cooperation created prior to the First World War were related to the management of interdependence: navigation treaties, managing contagious diseases, interconnections of telegraph and postal services, the first treaties on intellectual property rights (IPRs), cooperation on statistical information, etc. The creation of the International Labor Organization in the Treaty of Versailles gave birth to the second form of cooperation; to a lesser extent, the League of Nations also made contributions in this field, although its overriding objectives (and failures) were political. These two forms of cooperation were further expanded after the Second World War (WWII). The third form of cooperation was born in the aftermath of WWII and was closely interlinked with the dismantling of the colonial order.

Of course, all forms of international cooperation blossomed after WWII and became more elaborate with time. In the first field, it includes, among others, the creation of the IMF in 1944, of GATT in 1947 and of WTO in 1994 (after the failure of ITO), and the late arrival of cooperation in the environmental field, which starts with the United Nations Conference on the Human Environment held in Stockholm in 1972. The second includes the design of an elaborate decentralized system of specialized agencies, funds and programmes of the UN system, as well as the inclusion of economic and social rights in the 1948 Universal Declaration of Human Rights, their further development in the 1966 International Covenant of Economic, Social and Cultural Rights, the approval of a multitude of UN conventions in the social field, and the

principles and plans of action agreed in UN summits and conferences. The third includes, among many others, the early reorientation of the International Bank for Reconstruction and Development (the main pillar of the World Bank group) from European reconstruction to financing developing countries, the launch of official development assistance (ODA) and UN development cooperation in the late 1940s, the creation of the World Bank's International Development Association (IDA) in 1960, and the inclusion of the principle of "special and differential treatment" in trade agreements, under the leadership of the United Nations Conference on Trade and Development (UNCTAD), created in 1964.

But beyond their sequential historical origin, the three forms of cooperation are conceptually distinct in terms of both the demands for international cooperation and the relation with national sovereignty. The three also have their parallels in the systems of national governance. The first is the only one that responds to the economists' criteria of the need for collective action to avoid the under or over-provision of the goods or services that are non-rival and non-excludable in consumption, or that generate strong externalities (positive and negative, respectively) through its consumption or production –non-rivalry and non-exclusion being the attributes of what welfare economics defines as public goods.

At the national level, the demand for collective action to avoid such under- or over-provision is reflected in the assumption by the state of the responsibility for supplying or regulating the provision of these goods and services, but the collective action problem can and is usually solved by different forms of communal or private (generally non-for-profit) cooperation. At the international level, the demand for collective action to manage interdependence requires in this case handing in or, better, sharing national autonomy –"responsible sovereignty" in the terms of Kaul (2013) and Kaul and Blundin (2013), a term that is further discussed in the next section.

Looking at it in greater detail, the first form of cooperation embraces at least four issues: (i) the provision of "pure" global/regional public goods in the economists' sense of the term (non-rival, non-excludable); (ii) goods with significant externalities; (iii) managing of the global/regional commons; and (iv) shared infrastructure and networks (critical for telecommunications and the postal system).

In the second form of cooperation, the call for collective action is not associated with externalities or the attributes that economists defined as intrinsic to public goods –i.e., their technical attributes. Furthermore, it is consistent with the principles of national sovereignty in the traditional (Westphalian) sense, as nation-states (and/or local governments within them) continue to play the essential role in managing the associated public domain.

In this case, the origin of “publicness” is the definition by society of certain goods, services or rules as worthy because of their inherent social rather than technical attributes. They refer to those goods and services that society decides should be guaranteed to all independently of their capacity to pay, and the rules that citizens should respect in their interaction with each other (e.g., non-discrimination, protection of the weaker party in particular interactions, etc.). They can also be seen as the definition by society of certain realms in which citizens are equal by the nature of being citizens. The concept relates, therefore, to Musgrave’s (1959) defines as “merit goods” or what ECLAC (2002) defined as “goods of social value” than to the economists’ concept of public goods. In their provision or the enforcement of the associated rules, the nation-state continues to exercise full autonomy, though following at the international level agreed principles/norms. So, it rather responds to the concept of “sovereignty embedded in broader values and principles” –the concept that, as Jenks (2013) argues, was at the center of early post-WWII conceptions of international cooperation.

In turn, the third form of cooperation is also related to the demand for equality, but in this case of equality among nations –rather than among citizens. Its counterpart at the national level is policies adopted to reduce inequalities among different regions that are part of a country. It encompasses both the transfer of financial resources (at the national level essentially through the fiscal system) but also of definition of preferences in economic regulations or taxation for the backward regions. Similarly, at the international level, it involves either a transfer of resources (ODA or the European cohesion funds, for example), special credit channels for developing countries, or rules that create preferences for these countries.

As in the previous case, the traditional concept of sovereignty prevails in this form of cooperation. Furthermore, it can be argued that, to the extent that backwardness reduces the room for the effective exercise of sovereignty, international cooperation can be said to be aimed

at enhancing such sovereignty –increasing the “policy space”, to use the concept that was coined in in UN (particularly UNCTAD) debates.

This area of cooperation is related to mitigating the asymmetries that characterize the international economic system. In this regard, three contemporary asymmetries should be underscored: (i) the technological and productive, which relate to the fact that technological progress is highly concentrated in a few developed countries and its diffusion is imperfect and restricted or made more costlier by intellectual property rights (IPRs); (ii) the financial and macroeconomic, which relate to the fact that the global monetary system rests on national/regional currencies from developed countries and that there is a significant degree of financial market segmentation which limit the room of maneuver of developing countries to adopt counter-cyclical macroeconomic policies; and (iii) the asymmetries in the degree of mobility of factors of production, in particular limited mobility of unskilled labor vs. skilled labor and, particularly, capital (Ocampo, 2001).

Under these conditions, rules that do not take into account these asymmetries will tend to reproduce or deepen international inequalities. For this reason, the international system has agreed that global rules (in trade, investment, finance and IPRs) should follow the principle of “special and differential treatment” for countries at lower levels of development. But the scope of this treatment has been very limited in practice and its effectiveness weak. The UN also developed around the 1992 Rio Earth Summit the principle of “common but differentiated responsibilities”. This is a more useful concept, as it also recognizes the responsibility that developing countries have in an interconnected world, which are particularly important in a world in which the developing world are increasingly diverse. As we will see below, this diversity implies that there is a need to redefine the scope of these concepts.

The concept of “global public goods” (GPGs) derived from the economic literature¹ is thus too limited to understand all these forms of cooperation. There are, therefore, two alternatives: to restrict the use of the concept to the first form of cooperation, or to use in a broader sense, to encompass all three forms of cooperation. The first is the option adopted here, as it follows in a closer way the current literature on the subject. It implies that, aside from GPGs there are two other objectives of international cooperation: the provision of what we can call

¹ This is the concept that prevails in most discussions of GPGs. See, for example, Dervis (2005), International Task Force on Global Public Goods (2006) and Barret (2007).

Global Social Goods (GSGs) and development cooperation (understood as cooperation with developing countries). It should be underscored, however, that the use of the concept of “public goods” by non-economists, particularly the political and even the popular discourses, tends to follow the second alternative, and in this sense define “publicness” as those areas that nations define as of public interest.²

Needless to say, globalization has certainly strengthened the need for cooperation to manage interdependence –the first dimension— but has also generated challenges in the other two dimensions, notably the limitations on the “policy space” that nation states face in an increasingly interdependent world to provide GSGs and to catch up with developed countries. In turn, in the three areas, international cooperation faces two crucial problems: the incomplete character of the international agenda and the weak mechanisms for follow-up, accountability and, at the end, enforceability of international commitments. I will look carefully at the second issue below. So, let me concentrate briefly on the first one here.

This problem includes an incomplete set of institutions, and the asymmetry between the agenda and the instruments for action. Needless to say, the incomplete character of the agenda reflects power relations –and is, in this sense, the international agenda is inherently a biased agenda. This bias is reflected in the different degree of development of institutions in at least three ways: the nature of decision-making processes (which also follow different models in different organization), inadequate financing, and the different degrees of autonomy of organizations, particularly in relation to most powerful countries –including in the latter case the strengths and autonomy of their Secretariats.

For example, the incomplete map of cooperation in the first domain is reflected in the fact that there are areas where cooperation is accepted and relatively well developed (contagious diseases, international trade and transportation rules), others in which there are agreements but also significant gaps (climate change, global macro and financial stability) and some in which there is no or very limited cooperation (economic migration, tax cooperation). There also are “transnational private regulations”, many times imposed by powerful private parties through

² This is also implicitly the alternative adopted by Kaul *et al.* (2003), who argue that GPGs are basically a social construct, which implies that public goods are essentially those goods that society has defined as areas of public interest. This would imply that GPGs would include what we call Global Social Goods here, and even development cooperation.

practice or contracts (e.g., labeling and quality standards) and even endorsed by states (e.g., accounting standards) or international institutions (e.g., best practices in certain areas) (Cafaggi and Pistor, 2013). More generally, vacuums in the intergovernmental “regulatory space” will tend to be filled by powerful nations or powerful private actors: migration norms may be the best example of the first type, accounting standards and even the management of the internet of the second.

The UN system has been at the center of all forms of cooperation, again encompassing the BWIs and WTO. The BWIs and WTO have, of course, a central role in the first and third. Any reform of global cooperation must therefore have the United Nations system at its center.

II. The essential dilemma of cooperation in an international system

As it is widely recognized, the basic problem of all forms of international cooperation is the contrast between globalization and the national (or even local) domain of politics. This generates the unsettled relation between globalization and the nation-state that is implicit in the questions regarding the nature of sovereignty raised in the previous section. The challenges it poses can be illustrated with a contrast between Kaul’s “sovereignty paradox” and Rodrik’s “globalization paradox”.

Kaul defines the sovereignty paradox in the following terms: governments “are losing policymaking sovereignty, because they hold on to conventional strategies of realizing sovereignty, which may make them shy away from international cooperation. But, in policy fields marked by GPG-type challenges and interdependence, such behaviour actually undermines rather than strengthens states’ policymaking capacity” (Kaul, 2013, p. 34). To overcome this problem, she proposes –following a tradition in this field— the notion of responsible sovereignty, defined as its exercise in a way that is fully respectful of the sovereignty of others. On this basis, she proposes three essential elements of a more effective multilateralism: (i) the commitment to voluntarily strengthen national-level management of cross-over spillovers, (ii) the commitment to protect any state’s sovereignty if it comes under attack (with issues such as financial contagion, viruses, illicit trade or cyber-security), and (iii) the commitment to cooperate in meeting global system risks (Kaul, 2013, Box 2.3, p. 55).

In turn, Rodrik defines the globalization paradox as the result of the fact that “we cannot simultaneously pursue democracy, national determination, and economic globalization” (Rodrik,

2011, p. xviii). In his words, “Democracies have the right to protect their social arrangements, and when this right clashes with the requirements of the global economy, it is the latter that should give way” and, therefore, “A thin layer of international rules that leaves substantial room for maneuver by nation governments is a better globalization” (Rodrik, 2011, p. xix).

The problem with both formulations is that they are partial and, in terms of the discussion in the previous section, apply to different domains of international cooperation. Kaul’s responsible sovereignty should be the rule in the first domain (GPGs proper), but it is unclear whether it applies to the second (GSGs) and the third (development cooperation). In those two domains, and particularly since the nation-state is and will continue to be the space of political citizenship, the international system should not only respect national sovereignty in the traditional sense, but actually enhance the policy space of countries that have been traditionally constrained (economically and politically) from fully exercising it.

At the same time, however, when the exercise of national sovereignty can adversely affect other countries, because of interdependence (the domain of GPGs), full sovereignty in the traditional and Rodrik’s sense cannot prevail. So, the international system should be fully respectful of national decisions and of diversity of the international community that they generate, but such respect of sovereignty can only be exercised within the limits of interdependence. This is what has been clearly accepted in the trading system, which implies, for example, that subsidies should be internationally regulated and their exercise can be contested by countries that are negatively affected by other countries’ use of them. It has been equally accepted in the realm of exchange rate management, where countries are free to choose the exchange rate regime they prefer, as long as they avoid “manipulating” it to the detriment of others. Similar principles should clearly apply to other areas, where they have so far not been accepted—for example, in relation to IPRs, investment rules, tax or energy policies.

The complexity of this issue has, of course, increased due to two facts: the incomplete character of international arrangements—including the associated bias of the agenda and actions generated by world power relations—and the fact that globalization may weaken nation-states and therefore the capacity to exercise their “policy space” in social and economic development. Both generate strong arguments in favor of Rodrik’s position: international governance

structures should not constrain the “policy space” of nation-states to promote social cohesion and economic development.

In any case, the fact that interdependence weakens the space of nation-states, and that such space may not be fully recreated by the best international arrangement, at the end means that in the long run it is necessary to build democratic spaces of an international/global character, as part of partial transitions to a transnational order. But so far the efforts in this area have rendered at best partial results, as reflected in the European debates regarding the “democratic deficit” of the regional institutions –a deficit that, as already pointed out, may have increased in recent years.

In this regard, the best development at the global level is the role that global civil society plays in enhancing international cooperation, a role that has been captured by the concept developed by the UN Intellectual History Project of the “three UNs”: the intergovernmental, the Secretariat and civil society (Jolly, Emmerij and Weiss, 2008). Of course, the international role of civil society predates the creation of the UN, as it include, among many others, the anti-slavery movement, the struggle of the socialist internationals for better labor standards and the fight of the international feminist movement for the right to vote for women. In any case, it is an incomplete development, both because international civil society is not entirely a democratic force (as its representatives are not elected by citizens) and because at the global level it is still largely dominated by organizations from developed countries.

III. Building a better structure

The need for international cooperation in the three realms that have been identified, and the tensions that are inherent in international cooperation, pose a series of demands on the international system. These demands help to define six criteria to design a better global governance structure –and, by parallelism, to analyze the strengths and weaknesses of current structures.

The first criterion is that any system of international governance should be based on a strong subsidiary principle –the concept coined in European debates but that has a long history in the debates and practice of federalism at the national level. This principle not only involves respect for the policy space of nations but also the use –indeed, the reinforcement— of national

state capacities to implement international agreements, rather than the creation of institutions that substitute those national capacities.

At the same time, the international system is a complex system that encompasses countries of very diverse size and level of development. For this reason, the regional dimension is important, particularly to strengthen the voice of the weak nations and cooperation with them. This is based on old federalist principles: regional and sub-regional institutions give stronger voice and a sense of ownership to smaller countries. These institutions are, therefore, more likely to respond to their demands. For this reason, a dense network of global, regional and national institutions is both a more effective system of international cooperation as well as one that is more balanced in terms of power relations.

The third criterion is the need to overcome the tension between inclusiveness –and the legitimacy associated with it— and effectiveness. The main concern in this regard is that smaller decision-making bodies are generally more effective, both for consensus building and for implementing a set of agreements. The major challenge is, of course, how to avoid existing power relations from dominating those smaller bodies, thus eliminating the voice of smaller and less powerful countries. Many analysts (particularly defenders of the G-7/8 and G-20) tend to assume that effectiveness requires small bodies dominated by the most powerful countries, and that representative bodies are inherently ineffective. This is implicit in Bradford and Lim's (2011) formulation of this dilemma as a “trade-off between achieving legitimacy as a representative body and achieving legitimacy as an effective body”. But this view is not necessarily valid and indeed traditional democratic principles claim that more representative institutions are at the end more effective, particularly because of their capacity to generate stable consensus. Furthermore, given the fact that different actors may have different interests in the issues of the global agenda, a “variable geometry” of decision-making bodies according to the issues in the global agenda may be a better structure than one in which decision making is always in the hands of the most powerful countries.

The international community has resolved the tension between inclusiveness and effectiveness in several ways. The worst model (which does not belong to the economic and social sphere) is, no doubt, the veto power granted to the five permanent members of the UN Security Council, which can be characterized as a fossilized system of exclusion, as all reform

proposals to reform it have failed. The alternative UN decision making rule –“one country, one vote”–, used in the General Assembly, is clearly the most inclusive but may lead the powerful countries to ignore or at least disregard the associated decisions. For example, in relation to economic issues, it has led to what Toye and Toye call the “twin-track system”: “The UN General Assembly provides a world forum where economic ideas, interests and policy proposals are presented, discussed, and negotiated. Its authority is, and can continue to be, a moral authority [...] Once the process of UN discussion and negotiation produces agreements, however, their implementation is delegated to executive agencies in which the countries that will foot most of the subsequent bills place their confidence” (Toye and Toye, 2004, p. 280). This implies, however, that under any arrangement the UN General Assembly and the Economic and Social Council (ECOSOC) should be given the appropriate place as a forum for debate and consensus building, as it is clearly the most open and democratic forum in the world.

The model followed by the Bretton Woods Institutions (BWIs), which mixes weighted voting and constituencies, thus mixing power relations with universal participation and an inclusive element. Power relations are embedded in quotas/capital, which follow a “one dollar, one vote” principle; although they have not become fossilized, as in the UN Security Council, the process of redefining them has been slow, painful and certainly incomplete in recent years. It is mixed with a small share of basic votes that follow the “one country, one vote” principle, and which have been increased in recent reforms to protect small and poor countries. In turn, universal participation is pursued through a constituency system, which allows all countries to have a voice in decision making through the constituency to which they belong. An appropriate use of this system, which would require a dynamic estimation of quotas/capital according to agreed criteria with a larger share of basic votes, may provide the best way to mix representation with recognition of power relations. Such criteria would tend to deviate in significant ways from those currently in use, and could change from one organization to another, as it was actually made explicit by the different criteria used in recent IMF and World Bank reforms.

Another interesting model is the WTO model, based on consensus building through a system of “concentric circles” –the term coined by the WTO Director General Pascal Lamy.³ It is a bottom-up approach, in which negotiations are made among representatives of certain

³ See Lamy (2005) and Hoekman (2011). A graphic representation can be found in: http://www.wto.org/english/tratop_e/dda_e/meet08_circles_popup_e.htm

coalitions, which should then respond back to those coalitions (and, in this way, it is supposed to be transparent). It is an inclusive system, as all delegations are included in the negotiations and have to be part of the final decision, which is based on the principle of consensus. In practice, however, this system has proven to be relative ineffective in recent years in terms of decision making and does include elements of inequality, particularly arms twisting against weaker members.

The model that I have called “elite multilateralism” (Ocampo, 2011) is certainly suboptimal relative to the previous two. This model has been followed by the G-7/8 and in some areas of financial regulation (the Basle Committee on Banking Supervision) for some decades, and it is now used in the G-20 and the Financial Stability Board. As we will see in relation to the G-20, it has only been partly effective, involves areas of major conflicts of interests for its members and it is ad-hoc and exclusionary in its composition. What this implies is, at the end, that formal representative institutions (treaty-based organizations) should be preferred to ad-hoc grouping of countries (Gs), although the latter (and Gs made up of powerful but also of non-powerful countries) can play a role in consensus building in representative institutions –if we want, as part of a process of “concentric circles”.

A major form of exclusion has historically been the inheritance of the unequal economic and political (colonial) order upon which the current institutions were originally built up, which tended to discriminate against developing countries. So, the fourth criterion of better institutional structures is the equitable participation of developing countries in global decision-making and, particularly, economic decision-making. The central element in this regard is the unfinished process of increasing “voice and participation” of developing countries in the BWIs. As the de-colonization process proceeded in the post-war years, the UN became the organization in which developing countries have the broadest participation, and for that basic fact it is their preferred forum. This is also true, as already pointed out, of civil society. For both reasons, the UN Organization should not be sidelined in economic debates, as it is clearly the most open global forum for discussion and consensus building.

With the increasing heterogeneity of developing countries and the rise of some of them to leadership at the global level, the system has become more complex. The major developing countries –“emerging economies”, if we prefer that term— have, therefore, growing

responsibilities in the global order. At the same time, however, those responsibilities have to be differentiated from those of major developed countries, as they still are developing countries (as reflected, for example, in their technological dependence or the high share of low-productivity agents or sectors) and have clearly differential responsibilities in certain areas (again, and just to mention just a few issues, they do not manage global reserve currencies and have contributed much less to climate change). The Rio principle of “common but differentiated responsibilities” is clearly the guide to rethink this emerging world order. It clearly means that the major developing countries cannot be treated simply as weaker partners (as the older principle of “special and differential treatment” implied) but also should not be considered as partners with equal responsibilities.

A fifth demand on the system of governance is the need to design effective instruments of monitoring, accountability for, and at the end compliance with international commitments. Again, the world system of governance has struggled to find appropriate instruments. The best developed is, no doubt, WTO dispute settlement, which has created an international judicial body to guarantee compliance and allows countries to retaliate against those who do not comply with the agreements. The major weakness of this framework is, of course, the unequal capacity to retaliate that different countries have. Another strong mechanism has been the Montreal Protocol, which is clearly recognized as a model for environmental agreements. According to existing analysis, its specific advantages were the clear identification of chemical substances that affected the ozone layer, the availability of technological alternatives, and the limited time horizon the agreement involved.

International conventions are an intermediate case. When they have become national law, the domestic judicial system is in principle in charge of guaranteeing their implementation –a principle that may, of course, operate in an imperfect way in many national settings. Beyond that, the international reporting to and monitoring through the treaty bodies (committees) create a mechanism to check compliance with the conventions. The monitoring of core ILO and human rights conventions are the best examples. The pressure exercised by these bodies may have some effects but they can only exercise moral sanctions, whose effectiveness has proven to be weak. An additional and perhaps more effective mechanism may be the pressure exercised by international and national civil society on governments to comply with the conventions.

Peer pressure is another intermediate framework. It is extensively practiced by OECD, and has been introduced by the African Union and the Human Rights Council, with less effectiveness. It was also proposed after the 2005 UN Summit for the follow up by ECOSOC of global summits and conferences but it was only accepted in a diluted version (see below).

Well-developed surveillance mechanisms include IMF Article IV consultations and WTO's "Trade Policy Reviews", but their recommendations are again not binding –although in exceptional circumstances could lead to sanctions. As a result of the criticism that Article IV consultations may reflect the views of the most powerful countries, and in any case exercise only weak influence upon them,⁴ there has been an attempt to increase their profile and make them more "candid" since the global financial crisis. Several mechanism of multilateral surveillance have also be added: the "Consolidated Multilateral Surveillance Report", the "spillover reports" for the "systemic 5" (U.S., U.K., Eurozone, Japan and China), the "External Sector Reports", and the obligation of 25 jurisdictions with systemically important financial sectors to undertake Financial Sector Assessments Programs. It remains to be seen whether this more elaborate monitoring apparatus will make its influence felt. In the case of WTO, of course, the "Trade Policy Reviews" are matched by an effective dispute settlement mechanism.

In the UN, the follow up to the Millennium Development Goals (MDGs) was a significant innovation in terms of monitoring, which has been supported by the World Banks' "Global Monitoring Reports". The former included not only a well-developed statistical information system, periodic global evaluations, but also high profile national evaluations. This system could be used to develop an improved system to monitor the post-2015 development goals (including the Sustainable Development Goals, SDGs, approved in Rio+20), which could thus include global monitoring, high profile domestic monitoring and debates, and peer reviews in the context of ECOSOC. Again, pressure from international civil society and the rising number of follow-up mechanism put in place by them are very important complement to these inter-governmental processes.

Beyond some specific cases already mentioned, the independent secretariats of different organizations play an essential role in terms of independent monitoring and sometimes implementation of approved decisions. Secretariats also perform, of course, an additional

⁴ See, for example, the report of the IMF's Independent Evaluation Office on IMF surveillance in the run-up to the crisis (IMF-IEO, 2011).

function: providing neutral technical support to individual countries, which may be particularly important for the weaker members of world organizations. Furthermore, independent secretariats usually go beyond these functions to advance novel initiatives, help mediate disputes and identify the common ground on which global agreements might be forged.

Given the relation between sovereignty and governance structures already outlined in previous sections, the nature of accountability for international commitments also depends upon the objective of cooperation we look at. Compliance is critical in relation to areas that involve interdependence, but also in relation to some of the elements of the third objective of cooperation, particularly when they involve rules that guarantee differential treatment for developing countries. But, given the strong role of traditional sovereignty, monitoring and non-binding accountability mechanisms –peer reviews, committees that follow up the implementation of conventions, and high-profile national debates— may be a more appropriate instrument for the second and most of the third area of cooperation. However, when the second form of cooperation involves some form of rights (labor rights, discrimination against women, children’s rights), the global community should be into a stronger form of accountability –indeed as a sort of “responsibility to protect”, the principle that has been agreed in the political area.

The final demand on global governance is the coherence of the system, again of the broader UN system and the WTO. However, this should not be understood as a centralized coordination mechanism, as this would be impossible to implement in a system that was designed as radically decentralized. Similarly, the different governance structures in place imply that some level of duplication may be fruitful. For example, it would be a major mistake to eliminate UN debates on global financial and trade issues, based on the idea that these issues are under the responsibility of the BWIs and WTO, respectively. As I have argued, the fact that the UN General Assembly and ECOSOC are the most open forums implies that they can play a useful role in giving voice on these issues to actors (including civil society) that would have a weak voice in other contexts. In contrast to that, the proliferation of new issue-oriented agreements may have some virtues in terms of ownership by the relevant actors and the efficacy that is associated with that, but run the risk of undermining the coherence of a system which is, in any case, difficult to coordinate.

The idea of strengthening the coordination mechanisms is behind several proposals to create an apex organization, the most recent being the proposals made by the Commission of Experts Convened by the President of the UN General Assembly on Reforms of the International Monetary and Financial System (referred to below as the UN Stiglitz Commission) (United Nations, 2009). On top of that, ECOSOC is endowed by the UN Charter to serve as the basic instrument of coordination of the UN system. We will take a look at both in the next two sections, in the first case together with an analysis of the capacity of the G-20 to meet this role. There is also an interagency mechanism, the Chief Executives Board (CEB), that plays a coordination role, but we will not analyze it in this paper.

IV. A Global Economic Coordination Council

The proposals to create an apex organization with the capacity to direct and coordinate the UN *system* have been in the agenda for the past two decades. UNDP's *Human Development Report* proposed in 1992 replacing ECOSOC, which it deemed "too large and unwieldy", with a 22-member Development Security Council, with three basic functions: (i) design global policy frameworks in all key economic and social areas, providing a policy coordination framework; (ii) prepare a global budget of development resource flows; and (iii) provide a policy coordination framework for the smooth functioning of international development and financial institutions.⁵ The term "Economic Security Council" was coined three years later by Commission on Global Governance (1995). In both cases, the idea was to replace ECOSOC by the new body.⁶ Dervis' (2005, ch. 3) proposal to create a leaders' forum (L-27) out of the existing ECOSOC is also part of this family of proposals. In contrast, other suggestions have emphasized the reform of ECOSOC, to a large extent under the assumption that the Council has already been given the responsibility to coordinate the system in the UN Charter.

The most interesting recent proposal was that made in 2009 by the UN Stiglitz Commission to create a Global Economic Coordination Council (GECC). According to this proposal, the GECC would meet at the Heads-of-State level (like the current G-20) and would enjoy the formal support of a subset of existing United Nations entities. A basic list would include the Secretariat of the UN Organization, the International Labor Organization, the International Monetary Fund, the World Bank and the World Trade Organization. It would have,

⁵ UNDP (1992), pp. 82-83.

⁶ See a review of these and other proposals in Rosenthal (2005 and 2007).

nonetheless, the capacity to interact with and, in fact, direct all parts of the system, again broadly understood, to include all the specialized agencies –with the World Bank Group and the IMF among them—, as well as WTO, which would be brought into the system. It would mix a small decision making body (or bodies, if we add eventually ministerial bodies), which would mix the participation of systemically important countries with universal representation. This would be guaranteed with a constituency system similar to that of the BWIs, with weighted votes that would mix the two ingredients previously mentioned: basic votes and economic weight. In terms of former proposals of a UN Development or Security Council, there are, therefore, two basic differences in the GECC proposal: representation based on constituencies and the creation of a new institution and not an evolution of the existing ECOSOC, which would continue to function in parallel institution and as a principal organ of the UN *Organization*.

The capacity to coordinate the system would imply that the GECC would direct and coordinate all institutions that are part of the UN *system*, as well as identify areas of cooperation among them. It would also have as special responsibilities the identification of gaps in the current system of cooperation (e.g., the absence of a restructuring mechanism for sovereign debt) and identifying spillovers among the areas of responsibilities of individual agencies that would need attention (e.g., environmental effects of trade policies and social effects of budgetary policies). It would, in any case, leave to the more specialized bodies the specific decisions in their area of work, but it could also convene Ministerial meetings to handle some issues. For example, although some global monetary decisions could be left to the International Monetary and Financial Committee (IMFC), some broader global economic decisions may require new (one time or recurrent) ministerial meetings or bodies, mixing finance ministers with those in charge of other aspects of economic affairs (e.g., those directly related to the issues of domestic production, such as industry ministries).

Weighted voting would be a difficult principle to accept by those countries that defend the UN principle of “one country, one vote” and well as the balanced regional representation in elected bodies. However, the GECC proposal recognizes the fact that no relevant system of global economic government can operate without the most important countries being part of the decision making body. Otherwise, they would tend to simply ignore the decisions of that body. Of course, the specific weighting mechanism would have to overcome the problems of representation that the BWIs currently face. The gain for smaller countries is, of course, that the

powerful members of the international community would be coordinated by a representative universal body in which they have voice, rather than by one that the powerful countries appoint (or more accurately, self-appoint).

According to this proposal, ECOSOC would continue to be the intergovernmental organ in charge of the economic, social and environmental responsibilities given to the UN Organization. As all we will see below, specific and highly important global functions could be conferred upon ECOSOC, reinforcing its current role. The UN General Assembly will also continue to play important roles in global economic governance, reflecting its capacity to serve as very effective mechanisms for consensus-building and for the generation of new ideas for international cooperation. In this regard, the convening of UN Summits and Conferences has been one of the most important development. The UN Secretariat will also contribute to play an important role, through its main departments: the UN Department of Economic and Social Affairs (UN-DESA), UNCTAD⁷ and the UN regional commissions. The UN has also made important contributions to these debates through convening high-level technical groups, such as in the area of global finance, the Zedillo and Stiglitz Commissions (United Nations 2001 and 2009, respectively).

As recent international negotiations have shown, it may be difficult to reach agreement on most of the issues that are of crucial important for the world, or they could lead to the least common denominator, which would be seen by many as disappointing. In this context, as Ocampo and Stiglitz (2011) have proposed, the GECC could facilitate the creation of initiatives of “adhesion”, where a large body of countries would lead cooperative actions in some area of global or regional concern, and others would join in at some later date. The GECC would, of course, also perform a crucial role exploring and developing areas of common interest and finding partial or broader bases of agreement in critical yet controversial areas, which would be the adopted by the decision-making bodies of other organizations (e.g., the United Nations Framework Convention on Climate Change in relation to climate change issues, or IMFC and the IMF Board in relation to the reforms of the international monetary system).

A basic question relates to the relation between this body and the G-20’s at a Leaders’ Forum, the major innovation introduced in global governance during the recent global financial

⁷ UNCTAD is formally a program, but its functions are similar to those of the other entities that are part of the Secretariat.

crisis, which furthermore took the decision at the September 2009 Pittsburgh Summit to self-designate itself as “the premier forum for our international economic cooperation” (G-20, 2009, par. 19). Needless to say, the creation of this body was a step forward in relation to the G-7/8, as it recognized the role that emerging economies play in today’s global economy and the shifting global economic power relations associated with that fact. In turn, for emerging economies, coordinating actions with major industrial economies continues to be essential, given their vulnerability to adverse shocks from developed countries and their still limited capacity to replace the old engines of world economic growth.

The G-20 played a positive role: through coordinated expansionary policies, it avoided the repetition of the Great Depression; it launched the initiative to strengthen financial regulation worldwide, giving that responsibility to the Financial Stability Board (previously Forum), which coordinates the efforts of a series of specialized bodies, which now include all G-20 as well as other members; it approved the largest issue of Special Drawing Rights (SDRs) in history, increased the resources available to the IMF and promoted a reform in the capital/quotas and voting power of the BWIs; it created the most promising mechanism of macroeconomic policy consultation among major economies; and it avoided the repetition of the protectionist trends that destroyed the world trading system in the 1930s.

However, its record has been mixed. Ocampo and Stiglitz (2011) analyze its performance from the point of view of five principles that should underlie a good system of international governance: leadership, effectiveness, representation (which is the basic source of legitimacy), capacity to coordinate the system and reliance on an independent secretariat that independently monitors and in some cases implements the approved decisions. Based on these criteria, they come to the conclusion that the G-20 fulfills only the first criterion and partly the second and fourth. But it is not well endowed with the other characteristics that are essential to of the body that should be the “premier forum for international economic cooperation”.

Two of these issues deserve specific attention, particularly to evaluate the aforementioned tension between inclusiveness and effectiveness. In this regard, effectiveness was remarkable in its early years, reaching at the April 2009 London Summit. But the early “Keynesian consensus”, which had been the source of that success, broke down in the June 2010 Toronto Summit, reflecting the rise of the view that austerity was the road to a stable world economic recovery.

Early evaluations showed that its effectiveness waned dramatically (see, for example, Woods, 2011). When seen in the light of the outcomes of the global economy in 2012 and 2013, it is clear that it has been unable to generate its most important commitment: “strong, sustainable and balanced global growth” (G-20, 2009, par. 13). Furthermore, the mission creep that characterizes rotating secretariats—in which each host adds issues that it considers relevant, in the attempt to place its seal on the agenda—have meant that its effectiveness has been further eroded through time.

It can be argued on strong grounds that the legitimacy associated with representation cannot be substituted in any way, as it is essentially derived in the international system, as in all modern democracies, from universality. The problem arises from limited membership and, in particular, the ad-hoc method by which the Group has chosen its members.⁸ This implies that it may not be the adequate body to discuss certain crucial issues, as the relevant actors are not members. This includes, for example, issues related to least developed countries, none of which is a member, or even cooperation with developing countries, as none of the most committed international donors (e.g., those that meet the UN official development assistance target) are members.⁹

Furthermore, the way it operates tends to delegitimize the governance processes of other organizations. For example, when the G-20 reached an agreement in Seoul in November 2010 to reform the IMF’s quota and voting shares, the G-20 members that represent constituencies in the Fund Board did not take into account the views of other members of their constituencies. The Board thus ended up endorsing the decisions of powerful members while escaping the institutional constraints of having to take into account the views of less powerful Fund members. This has ended up generating a great paradox in this regard: the G-20 ended up eroding the governance principles of the institution that it has most help to strengthen, the IMF. The Group’s

⁸ The ad-hoc problems are associated with the exclusion of some countries that fulfill the criteria of large population and GDP (the most important case being Nigeria), the fact that in given regions members are not necessarily those that meet the criteria (e.g., among Arab members) and, once again, the overrepresentation of Europe.

⁹ This was, of course, equally so, a problem of the G-7/8. One of the most interesting cases relates to the decision of the Gleneagles G-8 Summit in 2005 to write off the debt of the Highly-Indebted Poor Countries. Although agreeing with this step, the smaller European countries that met the UN ODA target of 0.7% of GNI complained in the IMFC and the Development Committee that it was not the G-8’s business to adopt this decision (and capture the political benefits of doing so) since no individual member of the G-8 actually met the UN target.

mission creep is thus likely to further erode the institutional structures that the world has so painfully built up after the Second World War.

The most important question relates to how to move forward. The most strongest defendants of the G-20 (e.g., Martin, 2011) argue that it should just be a “steering committee” in particularly one that facilitates changes that generate a consensus among the most influential countries. However, this would imply major changes, in particular in avoiding sidestepping into the mandates and governance structures of representative international institutions.

A better perspective is to recognize that formal and informal mechanisms play a complementary role. As Dervis (2011, p. 195) has argued: “Both are needed. The informal gatherings can be more flexible, they can allow leaders or ministers to develop closer personal relationships. This setting allows relatively bold proposals to be made...” Interactions between formal and informal processes do play an important role in global governance, as they do in national politics or in regional agreements, but such interactions would be better conceived as elements of the consensus-building efforts that lead to decisions within formal international institutions. This is, for example, the role that the Group of 77 plays in the United Nations, and the Group of 24 in the Bretton Woods Institutions. Informal dialogues are indeed very useful building blocks in formal institutional decision making. Furthermore, the interaction between formal and informal processes works best when it facilitates a variable geometry of informal dialogues, as not all countries are equally relevant for specific international decisions.

The essence of is, therefore, in the words of Ocampo and Stiglitz (2011) that: “no matter how ‘representative’ a given informal dialogue is, or how powerful its members are, it can never substitute for regular multilateral decision making within formally constituted international organizations. If they attempt to do so, the informal bodies end up generating serious problems of legitimacy, tend to amplify the inequalities in decision making power among constituent members, and can eviscerate existing more democratic—and more functional—governance structures.”

For this reason, the G-20 should be seen as a transition to a more representative, and thereby legitimate mechanism of international economic cooperation. The Stiglitz Commission proposals may be seen as one way of legitimizing the G-20 by transforming it into a GECC. It is also the view of the Palais Royal Initiative on reforms of the international monetary system,

which proposes a three-level governance structure for the global economy that would have at the top a reformed G-20 based on a constituency system (Palais Royal Initiative, 2011, p. 24).

An intermediate solution by Dervis (2011) is to move to an institutionalized L-20+ as a global council that oversees, in an informal way, global economic governance as a whole. But formal governance, resulting in international binding decisions, will take place in the treaty-based organizations. This L-20+ would be made more representative by including members from regional groupings. In his own words, a formal global leaders' council (say a GECC) "may still be an ideal objective, but it is probably more practical to make the L-20+ into something resembling such a global council while keeping it informal" (Dervis, 2011, p. 209).

V. ECOSOC

Chapters IX and X of the UN Charter define the role of the UN cooperation in the economic and social field, and the mandates, functions and structure of ECOSOC. They give the Council two major responsibilities. The first relates to the analysis and policy recommendations in "international economic, social, cultural, educational, health, and related matters". In this regard, "It may prepare draft conventions for submission to the General Assembly and call conferences on matters falling within its competence" (Art. 62). In more recent times, Council has assumed a complimentary role in the follow-up of the major UN Summits and Conferences in the economic and social fields.

The second relates to the coordination of the UN system. In this regard, it "may coordinate the activities of the specialized agencies through consultation with and recommendations to such agencies and through recommendations to the General Assembly and to the Members of the United Nations" and can enter into agreements with the specialized agencies "defining the terms on which the agency concerned shall be brought into relationship with the United Nations", agreements which nonetheless need the approval of the General Assembly (Art. 63). In this regard, it exercises an oversight function, which includes the capacity to request reports from the specialized agencies, including "on steps taken to give effect to its own recommendations" (Art. 64). Aside from the specialized agencies, this coordination and oversight applies in particular to the UN Funds and Programs, which are part of the UN Organization but are not mentioned in the UN Charter as they are later creations. Equally, the Charter does not mention humanitarian affairs, an area in which ECOSOC came to be the main

mechanism of coordination at the global level. Beyond this objective, the Council has undertaken for some time the task of convening global debates on development crises and emergencies, with the objective of contributing in this way to a timely and effective global response.

Aside from these main analytical and policy functions, on the one hand, and coordination and oversight functions, on the other, the Charter also gives ECOSOC the mandate to interact with the Security Council on issues of responsibility of the latter –today called issues of security and development—and in the human rights fields; the latter function was effectively eliminated with the creation of the Human Rights Council in 2005. Finally, it gives the possibility of consulting with non-governmental organizations, which in practice has meant that it serves as the main channel of communication of NGOs with the UN Organization.

The Council has a wide array of subsidiary bodies, which have been created according to Art. 68 of the Charter, which have changed over time and which deal with specialized matters. They are of three types: functional commissions, regional commissions, and expert bodies (some of which are government experts whereas others serve in their personal capacity). So, ECOSOC is itself a system, which is very loosely coordinated –if at all! Some of these bodies, it can be added, function better than the Council itself, and the annual meetings of some are truly the major annual gatherings in their field, which involve a massive mobilization of civil society (e.g., the Commission on the Status of Women or the Permanent Forum on Indigenous Issues), or operate effectively as the apex global bodies for debate and decision making in certain fields (e.g., the Statistical Commission) or the only mechanism of dialogue on critical issues (e.g., the Committee of Experts on International Cooperation in Tax Matters).

In both of its major mandates, but particularly in relation to the first, there is a significant duality in relation to the responsibilities of ECOSOC and the General Assembly (GA). This comes from the Art. 60, which indicates that the “Responsibility for the discharge of the functions of the Organization set forth in this Chapter [on economic and social cooperation] shall be vested in the General Assembly and, under the authority of the General Assembly, in the Economic and Social Council”. According to Rosenthal (2007), this article, which almost reads as ECOSOC being a subordinate and not a principal organ, has its origins in the fact that the Dumbarton Oaks Proposals worked out in 1944 by the allies emerging from World War II

actually proposed ECOSOC as a subordinate body but the debates with other member states led it to be transformed into a principal organ.

In practice, this duality has been understood frequently as the General Assembly having the main policy responsibility, with ECOSOC being in charge of coordination. But this is not entirely correct. In the policy area, ECOCOC and its subsidiary bodies are quite active, at least or even more than the GA. On the other hand, in the coordination function, although the Executive Boards of the Funds and Programmes of the UN Organization are elected by ECOSOC,¹⁰ the GA Resolution 48/162 of 1994 states that the Boards are “subject to the authority of the Council” (Art. 21) but are mandated “To implement the policies formulated by the Assembly and the coordination and guidance received from the Council” (Art. 22). Similarly, the main report on the operational activities on development at the country level, the quadrennial (previously triennial) comprehensive policy review, is presented both to the GA and ECOSOC and is defined as a policy instrument “through which the General Assembly established key system-wide policy orientations for the development cooperation and country-level modalities of the United Nations system (GA Resolution 67/226 of 2012).

So, the duality has stronger roots, and it is no doubt associated with the sense that the General Assembly has universal membership while ECOSOC does not. In practice, the duality implies that the same issues are discussed twice, in different parts of the ECOSOC system and in the Second and Third Committees of the GA, in a way that simply duplicates the debates.

If coordination by ECOSOC of the activities of the Funds and Programs is loose, the situation is even worse in relation to the specialized agencies, which have an entirely independent governance structure. Furthermore, the BWIs do not even consider that they are subject to such coordination and, as we have seen, the major developed economies have always given the major role in economic issues to those organizations, which they control. Furthermore, it is unclear to what extent or even whether Art. 63 of the Charter really created a mechanism of coordination of what was designed as a highly decentralized system, and if ECOSOC has ever exercised coordination over the specialized agencies. Furthermore, the Council’s decisions and resolutions are not binding on these agencies –or, for that matter, on member states.

¹⁰ This is not entirely true of the World Food Program, half of whose Board is elected by ECOSOC and half by the FAO Council.

The weaknesses of ECOSOC can therefore be summarized as its ambivalent role in policy but even in coordination vis-à-vis the GA, its equally ambivalent role in economic issues associated to the preference of developed countries for the BWIs, its weak coordination of the Funds and Programs and even less so of the specialized agencies, and even its incapacity (or lack of tradition) of coordination of its own subsidiary bodies.

Despite these weaknesses, largely of institutional character, the ECOSOC system has definite advantages. They are derived, first of all, from its legitimacy and convening power. Developing countries have a strong confidence in the Council and its subsidiary bodies –though at many times in tension with their own preference for the GA as the major political forum. Given that it provides possibly the most open intergovernmental forums on economic and social issues in the world, civil society also has a definite preference for the ECOSOC system as a forum. With the increasing openness of the UN to the private sector, the convening power of ECOSOC has also been manifested in this area. It can be added that its network of subsidiary and expert bodies is also a source of strength, as shown in the success of many of them. And, of course, it can always exercise its policy and coordination responsibilities better or interpret them in novel ways.

Indeed, while recognizing the weakness of ECOSOC, perhaps the best essay on the Council concludes that it “has been quite successful in promoting the development debate, identifying emerging issues, and offering guidelines for policy makers. Many states have viewed ECOSOC as an impartial and objective meeting place where different positions and approaches can be contrasted, and implications of alternative policy prescriptions can be analyzed. It could even be argued that the non-binding nature of decisions and resolutions has been an asset in furthering the policy debate, and has contributed to the organization’s considerable achievements in the development of ideas, in its advocacy role and in its ability to shape public awareness” (Rosenthal, 2007, p. 143).

The potential use of the ECOSOC system in a better way was behind the 2007 reform adopted to implement the decisions of the 2005 World Summit (GA Resolution 61/16). The first central elements of this reform was to give ECOSOC the central role in the review of implementation of the international development goals, including the Millennium Development Goals, but understood more broadly as the integrated and coordinated follow-up and

implementation of the outcomes of all major UN Summits and Conferences. Although the major mechanism adopted for this purpose was the Annual Ministerial Reviews (AMRs) that take place in the Council, this mandate must be understood as a responsibility of the whole ECOCOC system, as some of its subsidiary bodies (notably the Commissions on the Status of Women, Social Development, and Population and Development) have major responsibilities for the follow-up of specific conferences. The proposals presented at that time by the UN Secretariat included the possibility of moving to a peer review process in the follow-up of the major Summits and Conferences, but it was significantly diluted and became only a series of “voluntary reviews”.

The second major reform was the creation of the biennial Development Cooperation Forum (DCF). The major idea was to serve as the hub of a series of now disparate processes of cooperation that involve North-South and South-South intergovernmental cooperation, both bilateral and multilateral, but also increasingly civil society and the private sector. As in the previous case, the Council has become multi-stakeholder forum for mutual accountability and coordination, as well as for sharing best practices and lessons learned.

Although the 2012 Conference on Sustainable Development (Rio+20) displaced in part the responsibility for the follow-up from ECOCOS’s Commission on Sustainable Development (which will thus be eliminated) to a High-Level Political Forum of the General Assembly, it nonetheless recognized that ECOSOC plays a “key role in achieving a balanced integration of the three dimensions of sustainable development” (United Nations, 2012, par. 83). It also reaffirmed that the Council “is the principal body for policy review, policy dialogue and recommendations on issues of economic and social development” and that it plays a major role “in the overall coordination of funds, programmes and specialized agencies, ensuring coherence among them and avoiding duplication of mandates and activities” (par. 82). This has set a new reform process, now under discussion, on which the UN Secretary-General has already presented its proposals (United Nations, 2013).

Based on its mandates and history, it is clear that ECOSOC should head the international system for cooperation with developing countries, continue to do so for the international humanitarian system and, most importantly, the follow-up of the various United Nations Summits and Conferences, which have developed the broadest agenda of global cooperation in

economic, social and environmental affairs (the UN Development Agenda, in short). In all of these areas, it should discuss the possibility of monitoring and eventually strengthening the mutual accountability for international commitments in the economic and social fields, possibly through peer review processes and high-profile domestic monitoring and debates, as outlined in section III of this paper. This mixes its policy and coordination role, and in the latter case it should involve a greater activity of coordination of the Funds and Programs and, at least in some areas, of the whole UN system.

In relation to policy setting and follow-up, this would imply, first of all, a responsibility to support the coherence of the UN system in the policy (and programmatic) area, analyze emerging global development challenges and propose ways of filling the gaps in global cooperation. I would involve strengthening the monitoring and mutual accountability for UN Development Agenda. This activity would be undertaken through the AMRs and by its subsidiary bodies in their particular competencies, but should also enlist the support of the specialized agencies around the issues that are chosen as the themes of the AMRs, taking into account their areas of specialization. This implies that ECOCOC should also be the main organ in charge of following-up on the post-2015 development goals (including the Sustainable Development Goals, SDGs). It would also imply strengthening the Global Development Cooperation Forum to achieve the objectives for which it was created. This means, in particular, that it should bring under its purview the agenda of aid effectiveness and thus the post-Busan process.

In turn, in relation to coordination, this implies that ECOCOC should strengthen its oversight of operational activities of the UN Organization, becoming in a sense the “board of boards” of Funds and Programmes. This involves a central role in guiding inter-agency coordination (the United Nations Development Framework), the Resident Coordinator system and the United Nations Development Assistance Framework. It should include, as the Secretary-General Report has suggested, an effective system to monitor the implementation of its decisions, according to the mandates of the quadrennial comprehensive policy reviews. Beyond the role as coordinator of the UN Organization, ECOSOC should use more effectively its role as coordinator of the UN system, particularly in the policy areas as well as the follow-up to the UN Development Agenda. As in the case of the AMRs, this coordination function should probably focus on specific issues –which can include at specific times other issues than the AMRs—

rather than being exercised in broad terms, which would be unrealistic. Finally, it should continue to play the role of coordination of humanitarian activities and response to specific emergencies.

In all of these areas, it is essential that ECOSOC should effectively function itself as a system, with a better mechanism of coordination of its subsidiary bodies –but, in turn, taking into account their particular specialization. ECOSOC should continue to exploit one of its basic advantages, which is its capacity to engage multiple stakeholders: not only member States but also civil society, foundations and the private sector.

It would be good if the reform process also addresses the main institutional issue that we have discussed above, the duplication of functions with the GA –which, as we saw, apply both to the policy and coordination functions. An ambitious reform would involve reporting directly to the Assembly and eliminating of the Second and Third Committees of the GA. With the creation of the High-Level Political Forum (HLPF), it would be necessary also to define more clearly the competences of the GA and its HLPF and of ECOSOC in relation to the sustainable development agenda. It would also be desirable to better structure the relations with the Security Council and the Peacebuilding Commission (two issues not dealt with here). The reform should also clarify what is the coordination function that ECOSOC exercises in relation to the specialized agencies.¹¹

VI. Conclusions

This paper proposes a typology of international cooperation in the economic and social field that includes three basic objectives: (i) the provision of Global Public Goods to manage interdependence among nations; (ii) the provision of Global Social Goods, understood as common social standards and a minimum level of social services for all world citizens; and (iii) promoting development cooperation aimed at reducing international inequalities, in particular different levels of economic development among countries. It argues that whereas the concept of sovereignty should be understood as responsible sovereignty in the first case –its exercise it in a way that is fully respectful of the sovereignty of others—, the traditional concept of sovereignty

¹¹ The Secretary-General has also proposed a series of institutional and procedural reforms that could contribute to a better council, including dividing the different segments of the Council throughout the year, create a full-time presidency as in the GA and enhance the profile of the Council by greater visibility for its President, more effective dissemination of its activities and decisions, and an enhanced role during crises and emergencies. These are all interesting suggestions.

should prevail in the second and third objectives; furthermore, in these cases international cooperation should aim at enhancing the “policy space” of countries.

The paper then proposes six basic criteria for rethinking the global structure of cooperation: (i) strong subsidiarity principles; (ii) reliance on a dense network of global, regional and national institutions; (iii) reliance on small but representative decision-making bodies that help overcome the tension between inclusiveness and effectiveness; (iv) equitable participation of developing countries in decision making; (v) effective instruments of monitoring international commitments, which should guarantee compliance in the case of GPGs and rules that guarantee differential treatment of developing countries, and non-binding accountability mechanisms –peer reviews or committees such as those that have been created for the implementation of international conventions in human rights— in other cases; and (vi) guaranteeing the coherence of the system. In the latter case, it calls for the transformation of the G-20 into a the Global Economic Coordination Council proposed by the Stiglitz Commission or a similar institution, as well as strengthening the functions of ECOSOC in the policy area, in the follow-up to global international commitments, as the major development cooperation forum, and as coordinator of cooperation of the UN Organization and at least an issue-oriented coordinator of the UN system.

The major opportunity for change and for reinforcing multilateral cooperation comes from the transition in which the world is involved toward a multipolar order as the result of the rise of emerging countries. In this transition, it is important, however, that these countries commit to multilateralism rather than the “elite multilateralism” of the G-20, or to what Wade (2011) has called “Westphelian assertion”, in which the emerging powers assert their national sovereignties in the form of “no’s”, yielding a low level of cooperation –which, as he indicates, may be masked by agreement on fine words. It is important in this regard that other developing countries –and notably, regional partners of the rising powers— exercise a strong push for them to choose multilateralism over the other two alternatives, which would only generate new forms of exclusion for medium-sized and small countries; less powerful countries would benefit (and, in fact, may be said to be already benefiting) from competition in the exercise of world power. As a strong ally of the UN, global civil society should continue to play a strong role in pushing in the same direction.

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