

Introduction

The chapters in this final part are about the global democratic deficit. The fundamental problem is that politics and power are no longer congruent. On the one hand, procedural democratic processes are largely confined to the nation-state. But on the other hand, elected governments no longer have the same power to respond to the demands of the electorate as they once did; this is even true of a powerful country such as the United States. Power has moved beyond national borders. Many of the decisions that affect the everyday lives of citizens are no longer taken at national levels. Democracy has become hollowed out, an often bitter and personalistic struggle for national positions that have less and less to do with policy choices.

Politics has, of course, spilled over national borders. An active global or international civil society has insistently drawn the world's attention to such issues as global poverty, climate change, disease, and human rights violations. New forms of identity politics around religion or ethnicity are increasingly transnational. Yet this new type of informal politics has no institutional counterpart and no address to which demands can be directed. Global civil society helps to change the global discourse; it influences the milieu of ideas that are discussed on a global level, but it has no formal access to decision-making.

Previous chapters have set out an interrelated agenda for “civilizing” globalization—the content of a possible global covenant. This includes

- how to overcome global poverty, how to protect the poor and disadvantaged, while not protecting national borders;
- how to transform national security machines into human security capabilities that can implement a comprehensive law-based approach to the reduction of violence world wide;
- and how to address the global challenge of climate change and invest in the new low-carbon technologies that are a precondition not only for slowing global warming but also for a new productive phase of economic growth.

The fourth part of the book suggests that some of these challenges might be met at the level of cities. Cities are closer and more responsive to civil society than states. Social safety nets, climate change strategies, and improved rule of law and policing are beginning to be practiced in a number of cities, such as Chicago, London, Medellín in Colombia, and Porto Alegre in Brazil. Even so, this approach is highly uneven, and cities are no substitute for a framework of global governance.

The chapters in this part, however, demonstrate that existing global governance is actually extremely weak. To be sure, in the period since World War II and especially after the end of the Cold War, the network of global and regional institutions has become ever broader and denser. Indeed there has been a proliferation of organizations, agencies, agreements, treaties, and so on. But some of the big problems include the following:

- The global governance framework is still dominated by a few great powers. It is sometimes argued that this is necessary for effectiveness. But what type of effectiveness and who benefits? If global economic redistribution or a global response to climate change is to be achieved, does there not need to be more voice for the poor and excluded, those who are most vulnerable to disasters, including war?
- The global governance framework lacks formal representativeness and accountability mechanisms, not only to the majority of states but also to global civil society. Thus the institutions lack the necessary legitimacy to be able to provide public goods and to enforce agreements.

- The global governance framework is hugely fragmented. A growing number of agencies and organizations generally have overlapping competencies and yet important responsibilities fall through the gaps between them. Thus the system is characterized by gaps and duplication.

The problems of lack of accountability and fragmentation are explored in David Held and Kevin Young's chapter in all three domains touched on by this book—finance, the environment, and security.

Ngairé Woods suggests that ad hoc global institutions such as the G20 might be the answer. The G20 grouping goes beyond a club of advanced industrial countries to include the emerging markets and, even though some 175 countries are excluded (not to mention the campaigning groups often arraigned beyond the guarded fences), she suggests that responsiveness might be preferable to representativeness. But despite its early achievements in heading off the worst of the global financial crisis, it is not yet evident how much can be done as the organization gets institutionalized and bureaucratized like the many other global agencies. The general picture remains bleak.

One way forward suggested by José Antonio Ocampo is through regional organizations, and he cites the European Union as a relatively successful example. At present, the EU is in crisis, facing a wave of sovereign debt amongst its weaker members. The knee-jerk reaction has been neo-liberal: more reductions in public spending, which may well worsen the problem in a spiral of beggar thy neighbor cuts. If the euro is to survive—and the members of the EU are keen that it should—then reforms will need to be undertaken along the lines proposed in this book. They would include the following ideas:

- A European fiscal mechanism that could guarantee a Europe-wide system of social protection. To achieve this, the EU would have to, at a minimum, double the EU budget (currently under 1 percent of the combined GDPs of member states) and to finance increased spending through taxes levied at a European level. This might include a carbon tax or a tax on short-term speculation, the so-called Tobin tax.
- A European program of investment in green infrastructure and the knowledge economy. This is needed to address climate change, lay the basis for a new sustainable model of development, and to bring the peoples of Europe together in the way that common investment in coal and steel did after World War II.

- An external policy based on human security. At present, the EU is pioneering a new type of security policy based on civilian-military cooperation and on a commitment to human rights, but it remains tiny; despite its economic weight, the EU has failed so far to act as a global power.
- To achieve all this, we need to bring politics and power together. There would have to be a pan-European set of democratic processes to elect European officials. There is, of course, a European Parliament, but although it is increasing in power, it is elected on the basis of national constituencies. The best solution would be a single elected president of the European Council and the European Commission.

If all of this were undertaken, the EU could offer a model of a new type of institution designed to enable nation-states and peoples to cope with globalization.

Underlying the model is a fundamental change in ways of thinking. In place of the market fundamentalism of recent decades, there needs to be greater concern about the public sphere. This is not necessarily the state sphere; it is about public authorities at all levels (regional, global, national, and local) that take responsibility for the challenges of our world. This is where a progressive American administration should take the lead.