

GOVERNANCE IN THE GLOBAL ENVIRONMENT

by Soedjatmoko

THE SECOND AURELIO PECCEI MEMORIAL LECTURE

ROME NOVEMBER 17, 1987

It is a great honor and pleasure to have been invited to give the second Aurelio Peccei Memorial Lecture. We all owe him a great debt of gratitude. He has shown us, through his personal example, that even in this complex and often sceptical world, one man can make a difference. The scale of the difference bears testimony to the depth of his commitment and concerns, as well as to the unflagging enthusiasm with which he pursued his goal.

The topic I will be discussing very much reflects Aurelio's concern in his final years. I am sure that it will continue to occupy the human agenda for many more years to come.

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The governance of the international system resides, in formal terms, in a collection of agreements and institutions entered into by the governments of nation-states. Some see the proliferation of such agreements and institutions slowly chipping away at the prevailing anarchy of the system, perhaps leading to the emergence of some kind of world government. But I would like to make clear at the outset that when I speak about international governance I am not speaking about international government. Indeed, one of the elements of the argument I will set out is the limited role that national governments per se are capable of performing in the governance of the international system.

By governance, I mean to encompass the aggregate of forces, systems, institutions, movements, conflicts and accommodations by which human beings cooperate and complete. Frameworks of human interaction as diverse as financial markets, armed conflicts, transnational corporations, international organizations, mass migration, drug trafficking, resource regimes, religious movements and intergovernmental negotiations all fall within the realm of governance.

The institutions and arrangements through which national governments attempt to manage such complex phenomena were devised, for most part, in the immediate aftermath of World War II. The world today is so fundamentally different from the world of 1945 that the obsolescence of the post-war institutions can scarcely come as a surprise. The population of the globe has more than doubled, with by far the largest share of growth occurring in the southern hemisphere. The achievement of decolonization has rewritten the political map

and multiplied the number of actors in the state system and opened a channel for the expression of the aspirations of the third world. There has been a revolution of mobility and communication, so that the problems and conflicts of one group of people can no longer be confined to one corner of the globe. The international division of labour has changed radically and disruptively, but in the process of doing so has contributed to an explosion of human productivity that has put undreamed-of affluence within the reach of hundreds of millions of people. The new affluence has heightened the awareness and the insupportability of absolute poverty, which has also grown with human numbers.

The rise in production to meet human needs and desires has created problems of waste, pollution and resource abuse on a global scale. The extension of humankind's prowess in penetrating hitherto inaccessible realms -- The deep seas, outer space, the most hostile deserts, mountains and frozen wastes -- has removed buffers and neutral areas that once served to cushion and dissipate hostilities. The exponential growth of destructive power, and its concentration in weapons systems that are small, powerful, portable and easily obtainable has magnified the difficulties of keeping the peace. The development of two vast arsenals of nuclear weapons has not only given the super-powers the ability to eradicate human civilization, but has also changed fundamentally the nature of international politics, with possession of nuclear weapons seen as the entry-card to great power status.

The current pace of demographic, economic and technological change is such that the next 40 years promise to be as, if not more, volatile than the last. Any new institutions or arrangements for international governance that are devised now may also be seen as obsolete in 40 years -- or even by the time they are in place. No single group of policy-makers has the capacity to marshal all the facts, understand all the alternatives, predict all the reactions to or anticipate all the interpretations of an action. This fact argues for maximum flexibility, the widest possible consultation, and a large degree of humility in framing new instruments of governance.

Apart from its volatility, the major characteristic of the international system is its complexity. Reaction to this complexity is very often a tendency toward reductionism -- one of the most serious manifestations of which is perhaps the fiction that the only actors of consequence in the international system are governments of nation-states. Even the term international reveals this bias. One might more accurately use the term global or trans-national, to describe the forces that drive individual and collective human interaction.

Today, there are a multiplicity of actors capable of making their presence felt in international relations. These actors exist at both lower and higher levels of aggregation than the nation-state. It has been amply demonstrated in recent years how powerful an impact can be made at the regional and even global level by very small groups of people accountable to no-one but themselves: for example, terrorists, arms dealers, or drug smugglers, operating on the margin of the state system, but also financial speculators. Unorganized masses of people acting unconsciously in concert have similarly profound effects on the ecosystem and economies they inhabit. Individual decisions such as whether to have another child, cut down a tree, open an overseas bank account, or move from the country to the city, aggregate themselves into major societal trends.

Accelerated social change in the Third World has put their political systems, irrespective of their ideological orientation under great stress. The dimensions of social change include the demographic, comprising population growth, changing age structures and population movements such as rural-to-urban migration, transmigration, immigration and emigration. The resource dimension continues to command attention as deterioration resulting from the pressure of human numbers, maldistribution of resources and unsuitable techniques of production threatens to reach various points of no return. The growing incidence of unemployment, underemployment and consequent underconsumption coincides with the continuous importation of labour-saving technologies.

Aggravated income disparities among classes, ethnic groups or regions seems to be a persistent accompaniment to development. The impact of communications technologies links all the sections of national populations, whether in conflict or co-existence, more closely than ever before.

That the nation-states of Asia have been unable satisfactorily to deal with the negative manifestations of accelerated change is evident in the persistent and intensifying problems of contemporary Asian societies. The frustration and despair of many of the young, the rise of urban criminality, widespread corruption, the growing resort to violence in all sectors of society (including the government), and above all the inability to arrest the spread of poverty engender a deep sense of malaise.

A serious erosion of the legitimacy of the state and the creditability of the prevailing political system, is both a cause and a consequence of the above trends. The first justification of the modern state was national liberation, the achievement of independence - or, in the rare case of the uncolonized country, the defence of national independence. The second justification was development, the achievement of a level of living that would permit people to realize their potential.

In many ways, both national liberation and development are now seen to have failed, or at least to have been severely compromised. With economic policy dictated by the international creditors and economic performance in the grip of commodity markets and currency exchanges, with the room for political maneuver severely constrained by the regional interests of larger powers, with the people becoming more familiar with the cartoon characters of the West than with the figures of the myths and legends of their own cultures, the sense of autonomy that national independence was assumed to bring has faded.

The great integrative ideologies that impelled the political movements of the early part of the twentieth century have lost their power to inspire, and no new ones have arisen to take their place. Yet the ground for political radicalization, born of the earlier-mentioned failures, remains extremely fertile. In combination, the two have meant a rise of protest movements with a deep conviction that the present system is unacceptable, but without a positive vision of the future on which they can build a programme capable of inspiring, convincing and building bridges to others.

Some groups faced with this dilemma have become violent and nihilistic, content to work on the destruction of the current system while leaving aside the question of what to put in its place. Others have delved back into the primary loyalties of religion, ethnicity, or race in an attempt to rediscover a meaningful source of social coherence and public morality. Others have plunged into progressive grass-roots activism, generating new social movements disassociated from the official political parties or formal political structures and quite uninterested in developing links with them. All of these forms of response are manifestations of a higher level of political consciousness among the poor and marginalized elements of society. They have given rise to new actors on the national scene who will both complicate and enrich the process of political development. To ignore their urge to be heard, to influence and participate in national development would be to squander a potential source of social and political energy and to create explosive new tensions within the polity.

Many such groups fundamentally reject "modernization", along with the goals and the means of development, both as processes that have failed to deliver on the promise of a better life for the many, and as processes directed toward the achievement of a concept of "the good life" that is at variance with the moral constructs of traditions and cultures in the Third World. Yet many of the traditional expressions of these norms and values - have lost much of their relevance in the greatly changed circumstances of life in the late twentieth century.

At the other end of the spectrum, the freedom of action of national governments is constrained by the decisions and requirements of supra-national institutions and forces. These include institutions such as the International Monetary Fund, organizations such as the European Economic ^{Community} and the United Nations, and Corporations such as Toshiba, Fiat or Citibank, as well as more diffuse forces such as currency and commodity markets, religious movements, the international communications media, and expatriate populations. The governments of individual countries, clearly, have very limited control -- though they often have considerable influence -- over either subnational or transnational processes. Moreover, governmental freedom of action is also constrained by an ever-tightening noose of environmental phenomena such as air and water pollution, climatic change, soil erosion and geological instability.

The bedrock of the contemporary international system is the principle of state sovereignty. But increasingly, state sovereignty is being revealed as a myth. Of course this has always been true that, as George Orwell might say, some states are more sovereign than others. But the myth of sovereignty has been, until fairly recently, a useful one, deliberately adopted to blunt the edge of brute force and constrain the exercise of coercive power. Certainly for the new nations in the Third World sovereignty is the expression of their right to self determination and identity, and their most powerful weapon in protecting their rights and to secure their rightful place in the world. Sovereignty therefore is still a valuable and necessary function. However, the functional integration of the global economy has for many Third World countries reduced the scope of autonomous decisionmaking at the national level, to the point where the content of national independence must be seriously questioned.

The myth of state sovereignty also encourages a tendency toward unilateralism, an unrealistic belief that the problems confronting a country can and perhaps should be dealt with by the government of that country acting independently. This fosters an illusion which is at best futile and at worse dangerous -- that certain values which are in fact indivisible can be divided up into pieces corresponding to the size and shape of particular nation-states. Security, prosperity, the integrity of the environment are no longer within the grasp of any single state, even the most powerful. Each nation is intimately bound to its adversaries as well as its friends by a common vulnerability.

I would like to dwell, for a few moments, on the nature of our common vulnerability, for it is something new in our era. The restrictions that it imposes on the behaviour of governments and other actors set the parameters of international governance. The three spheres that I have mentioned -- security, the economy and the environment -- provide some of the clearest illustrations.

War between the most powerful, nuclear-armed states has utterly lost its usefulness as a way of resolving disputes or achieving policy objectives. It can only be expected to lead to mutual annihilation. Geopolitics has been changed, radically and permanently, not only by the technology of nuclear explosives but by what Daniel Deudney has called the "Transparency Revolution": the advances in communications and transportation technologies that have abolished the geographical front-line or rear-guard as meaningful military concepts. Today, the global commons -- the ocean and the atmosphere -- are thoroughly militarized. Rather than serving as projective barriers or buffers, they are the fluid suspension media for a global war-making capacity against which there is no realistic defence. Security for the superpowers is no longer divisible, and it rests on the ability to avoid war rather than the ability to defend against attack. The non-superpowers are also implicated in this imperative, since they would suffer equally from the destruction of civilization and possibly permanent damage to the planet's ability to support life.

It is relatively easy to make the argument for common security in the nuclear sphere, though it is by no means universally acknowledged. But conventional war, too, in recent years has lost much of its effectiveness and its legitimacy as a method of pursuing national interests. The spoils of war are no longer seen as the just deserts of the victor. For example, the Israeli annexation of the West Bank and Gaza after the victory in 1967 in a war which it did not even start, is not recognized as legitimate even after 20 years. Libya has twice won the Aouzou strip from Chad but still is not its acknowledged master. Vietnam's conquest of Cambodia remains a bone of contention, even though much of the world was relieved to see the Khmer Rouge dislodged from power.

The reluctance of the international community to accept a military victory as the decisive outcome of a conflict has reduced the effectiveness of war as an instrument of policy. Development in military technology have had the same effect. Highly sophisticated, powerful, portable weapons are easily available on the open market, making it extremely difficult to put an end to resistance by military means. It takes only a handful of people to do great damage to a nation's infrastructure and tranquility, and only a modest amount of money from an interested bystander to equip them. The seemingly interminable conflicts in Angola and Mozambique, Afghanistan, The Philippines, Sri Lanka, Central America and The Middle East all bear witness to this. Not only is it easy and cheap to keep a conflict going; It is also easy for a small but determined force to inflict disproportionate damage to conventional military forces which tend to present large and concentrated targets vulnerable even to rather unsophisticated weapons, such as a mine or a car bomb. The picture of the mightiest navies in the world drawn into the Gulf and then thrown into disarray by small units of speedboats, laying mines by hand and firing machine guns or shoulder-launched rockets must be a sobering one for military strategists.

The declining utility of armed force as a method of attaining security forces us to look for alternative methods. I am not one to dream of an end to conflict among nations and peoples. Competition and conflict are normal states of affairs among states as among corporations or indeed members of a family. What is needed is greater reliance on methods of resolving, or at least managing, conflicts that are less destructive of the interests of the parties involved and the interests of the bystanders. It is, in other words, time to reverse the classic formulation that "War is Diplomacy by Other Means" and resuscitate the art of diplomacy. It might be more precise to say that we need to reinvent the art of diplomacy, for the issues, instrumentalities and dynamics of foreign policy have changed so thoroughly that time-honoured traditions of diplomacy may require major overhauls. Certainly, the application of sheer power to counter threats to security has shown itself to be costly, frustrating and, frequently, self-defeating. Economic security is perhaps even more elusive than military security. The global economy today functions as a single unit. Small and middle-sized countries especially are subject to economic forces over which they can exert little or no control, and which play themselves out in distant, anonymous financial centres. The collapse of commodity prices in the past fifteen years was in large part the result of recession in the industrialized countries, compounded by advances in synthetic materials, technology and, ironically, by overproduction as third world countries desperate for foreign exchange tried to export more and more to make up for falling prices. International capital markets shift huge sums of money around the world on electronic impulse, affecting the exchange rates, credit worthiness and interest payments of sovereign borrowers. The governments of the five, or seven, or ten largest market economies have been compelled to cooperate in order to moderate the violent fluctuations in some capital currency markets, but their policy coordination remains fairly superficial. I don't have to remind you of the recent stockmarketcrash to make this point. They have yet to come to terms with the need for deep intrusion into domestic economic prerogatives. Nor have other actors, such as banks, corporations and members of stock exchanges, accepted the need for self-regulation in the interests of the stability and prosperity of the system as a whole. Until they do so, they invite the intervention of the state, however, limited and imperfect its power to control may be.

The domestic impact of global economic forces may contribute to the erosion of the perceived legitimacy of the state. The state is expected to defend and advance the material well being of the citizenry. When it is seen to fail in this task, the state comes under criticism or even attack from the growing masses of people who are progressively alienated from a state that is unable -- or unwilling -- to provide them with opportunities to sustain or better their economic condition. In some countries, a pattern of instability has been established as successive governments, equally powerless to control the economy, fall. Opposition may well turn to violence, or provoke it as a particular regime clings to power in the face of economic failure.

However, the alienation resulting from economic stagnation may have positive effects in some situations. It may persuade people to throw their support behind an opposition that does have a positive alternative to offer, even though the measure may be unpalatable in the short run. It may particularly persuade the professional and middle classes, who often have a bias for the status quo, that their interests lie with change, in common cause with the poorer sections of society. Redemocratization in Southern Europe, Latin America and The Philippines was clearly given impetus by the economic failures of authoritarian regimes. Whether the political reformers will be able to better the economic record of their predecessors remains, in several cases, to be seen. Even the highest standards of economic management will not protect newly democratized countries -- or any others -- from the degradations of low export prices for commodities, high interest rates, the drying-up of commercial lending, protectionism in the major importing countries and speculative transfers of potential investment funds.

The problems of international governance seen as a systemic need, as opposed to the simpler notion of governing relations between national governments, are especially difficult when it comes to dealing with long-term issues and non-territorial issues. There is no constituency for the future, particularly the more distant future, beyond the lives or our own children or grandchildren. Today, we build nothing that is the equivalent of the medieval cathedrals, built to last for a thousand years and more. Shortrun considerations -- generally as short as a term of office -- dominate national political considerations. And domestic political cycles are generally out of phase with global needs -- whether they be a consistent approach to multilateral negotiations, a decades-long plan for environmental recovery, or a gradual phasing out of nuclear weapons.

If constituencies for long-term issues are weak, so are constituencies for concerns beyond national borders. This is true despite the realities of interdependence, which have blurred the demarcation between domestic and foreign-policy issues.

One increasingly important example of the interpenetration of domestic and international problems -- of which there are of course many -- is posed by the growing scale of population movements between countries. They are the result of continued and even worsening disparities in livingstandards and economic growthrates, of deterioration of the environment or of security, and of gross disparities in rates of population growth.

To take one example, many people feel that the probability

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This trend confronts many of the affluent industrialized countries with three options. One is to review the flagging international development effort. The second is to allow the free movement of people across national boundaries as is in large measure already the case with the free movement of capital. The third option would be to accept the inevitability of multi-ethnic societies, and to develop calibrated policies relating the scale of intake to improved absorption and integration policies that would help reduce the likelihood of racial or ethnic conflicts. The urgency of choice is obvious. However the absence of political will, the weakness of national and international constituencies, as well as the lack of an agreed analysis that could form the basis for a collective approach, are equally obvious.

The problems of policy-making on a global scale for long-term and non-territorial issues are therefore not just political. There is genuine scientific uncertainty about the consequences of decisions taken and implemented today, and disagreement about the implications of the uncertainty of serious accidents at nuclear power plants is large and outweighs any possible advantage, given the availability of safer alternatives. Other believe that the probability is low enough to justify the benefits, and doubt the viability of the alternatives on either technical or economic grounds.

In addition, many of the issues that have to be addressed lie at the intersection of traditional disciplines and fields of study: security and development; environment, and human settlement; hunger and poverty; climate and human modification of the environment; interdependence and autonomy; and science, technology, economic growth, employment and culture. As these interfaces are approached, it becomes obvious that often the basic conceptual tools for dealing with them are inadequate. The work that needs to be done will have to go beyond sectoral approaches, area studies and even interdisciplinarity, to find new modes of analysis for dealing with complex realities.

This holds for universities as well as governments, if we are to understand -- and act upon our understanding -- the complexities of simultaneous social, economic, political, technological and cultural change in each of our countries, and their reflection on the international system. For the turbulence in the international system cannot be separated from these profound and rapid changes at the national level.

What lessons can be drawn from this necessarily cursory sketch?. There is in the governance of interdependence an obvious need for institutions at national and international levels, capable of mediating between long-term ecological, security and economic needs and values on the one hand and those resulting from the shorter-run cycles of domestic politics; between the conciliation or adjudication of conflicting interests as presently perceived and the unexpressed interests of future generations; between national interests and of those of the human community as a whole.

The fundamental question confronting many Third World societies is how they can recover, preserve and enhance their capacities to respond creatively and authentically to rapid change, without either giving themselves up to or closing themselves off from external influences. How can they select what is useful and compatible with society's goals and reject what is destructive without relying on a rigid, authoritarian bureaucracy that squeezes rather than enlarges the spaces for freedom? A public philosophy, a civic culture based upon endogenous moral and ethical traditions and more inclusive political processes are a necessary starting point for meeting this challenge.

Another lesson is that a crowded, multivariied, competitive and interdependent worldcommunity, itself in rapid change, cannot afford to depend on a single global system for its governance. It will have to rely on a plethora of inter-governmental as well as non-governmental institutions, regimes as well as formal and less formal arrangements. The growing awareness of this need is very much reflected in the rapid increase in the number of both inter-governmental and nongovernmental organisations, within as well as without the UN family.

At the national, domestic level it is not primarily the government that determines the resilience of a society but the strength of its civic culture, the vigor and mutual tolerance of its civic, educational and religious institutions, as well as the vitality of the family. Likewise at the international level, it is the dynamism of the transnational nongovernmental organisations that determines the strength and cohesion of the worldcommunity and its commitment to the values of human solidarity and human rights.

In addition, the fact that many processès of change and the actors in it, have come to lie increasingly outside the control of governments, inevitably puts limits on the effectiveness of intergovernmental organisations. The creation of nongovernmental organisations in those areas where governments have only limited influence, capable of policing themselves -- and this includes professional organisations and institutions, commercial and financial associations, civic groups as well as adhoc independent studycommissions -- is therefore indispensable for effective multilateral action.

Much of this is already happening, but not at the pace and with the determination that the urgency with which global problems are pressing ~~in~~ on us, would require. Over and beyond this we will have to find new institutional answers to the need for greater participation, representation and coordination, as well as for greater accountability in dealing with these issues. While governments are responsible to their parliaments, there is a need for transnational institutions that can hold governments in some ways accountable for their actions or failure to act on global, regional or humanitarian issues. The European Parliament may well be looked at as a useful prototype - although not necessarily the only kind of regional and eventually possibly functional parliaments of some kind, capable of passing judgement on global, regional and humanitarian issues, and the intergovernmental as well as nongovernmental policies designed to deal with them.

From these speculative assertions it should be quite clear that there are no readymade answers to the new needs in the governance of the unstable complex systems that together constitute what we loosely call the global community. It is obvious that the human community is at the beginning of a new era -- a new learning phase -- in which innovation and investiveness are at a premium, not only in terms of policies and institutions, but also in terms of the forms of organisation itself. One suspects that the most responsive and effective organisations in a rapidly changing global informationsociety, will no longer be hierarchical in structure, but decentralised and co-archical, horizontal rather than vertical, with networks with some strong nodal points, and with a multidirectional flow of information within the organisation, that will allow for effective participation, dispersed autonomy and effective coordination. They would be equally sensitive to signals coming from their changing environment. In such a setting social learning, creativity, initiative and self organisation might well be the important properties of such organisations.

Much will depend on individual and social inventiveness, as well as on what might be called the learning capacity of societies, their component elements, and *of* the international community. The learning experience we are just beginning to embark upon will not only encompass the development of new organisational forms and concepts, but will also include an extension of social and moral sensibility, a willingness to assume responsibility for problems that go beyond our conventional definition of the national interest towards an extended concept of the public good that include both the human race around this globe, and its future generations.

To try to do this at a time when the complexity and intractability of so many global problems has led to reductionism, unilateralism, intolerance and privatism, will continue to be the major challenge of our time. It may well be the test by which history will measure each and all of us.