1 Rethinking Demand, Purpose and Progress in Global Governance: An Introduction

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Global governance is one of the most important and contested issues in international relations scholarship and policy making today.[1] With intensified globalization and the proliferation of collective action problems in diverse areas such as security, climate, human rights, refugees, health, economic relations and cyberspace, the need for global governance is ever more acknowledged. Yet there is also growing uncertainty and doubt about its future. While there is a tendency among policymakers to think

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[1] Much of the initial popularity of the concept of global governance has to do with two publications: James Rosenau and Ernst-Otto Czempiel, eds., *Governance without Government: Order and Change in World Politics* (Cambridge: Cambridge University Press, 1992); and The Commission on Global Governance, *Our Global Neighbourhood* (New York: Oxford University Press, 1995). The literature on global governance has proliferated. A partial listing would include: Craig N. Murphy, *International Organization and Industrial Change: Global Governance since 1850* (Cambridge: Polity Press, 1994); Majid Tehranian, "Globalization and Governance: An Overview," in *Democratizing Global Governance*, eds. Esref Aksu and Joseph Camilleri (Basingstoke: Palgrave Macmillan, 2002); Thomas G. Weiss, "The UN's Role in Global Governance" (UN Intellectual History Project, Briefing Note No.15, August 2009), www.unhistory.org/briefing/15GlobalGov.pdf; James Rosenau, "Strong Demand, Huge Supply: Governance in an Emerging Epoch," in *Multi-Level Governance*, eds. Matthew Flinders and Ian Bache (Oxford: Oxford University Press, 2004), 31–48; James Rosenau, *Along the Domestic-Foreign Frontier: Exploring Governance in a Turbulent World* (Cambridge: Cambridge University Press, 1997); James Rosenau, "Governance in the 21st Century," *Global Governance* 1, no. 1 (Winter 1995), 13–43; Thomas Biersteker, "Global Governance," in *The Routledge Handbook of Security Studies*, eds. Myriam Dunn Cavelty and Victor Mauer (New York and London: Routledge, 2009), 439–51; Geraldine Fraser-Moleketi, ed., *The World We Could Win: Administering Global Governance* (Amsterdam: OIS Press, 2005); Andrew Hurrell, *On Global Order, Power, Values, and the Constitution of International Society* (New York: Oxford University Press, 2007); David Held, Anthony McGrew, David Goldblatt and Jonathan Perraton, *Global Transformations: Politics, Economics, and Culture* (Stanford: Stanford University Press, 1999); Louis Emmerij, Richard Jolly and Thomas G. Weiss, eds., *Ahead of the Curve? UN Ideas and Global Challenges* (Bloomington: Indiana University Press, 2001); Thomas Hale, David Held and Kevin Young, *Gridlock: Why Global Cooperation is Failing When We Need It the Most* (Cambridge: Polity Press, 2013). For some of the literature on global governance dealing with issues of legitimacy and efficacy, see pp. 15–17, notes 27–34.

of global governance as a "good thing,"[2] the rationale for and progress of global governance are marked by uncertainty. The spread of the institutions and forms of global governance is remarkably different across issue areas. Debates and controversies abound over the reform of existing institutions of global governance and the creation of new ones.

Adding to the uncertainty is the fact that the architecture of global governance erected after World War II is now under considerable stress. That architecture was built around the United Nations (UN) system of multilateral institutions, which were in turn considered to be the foundations of a liberal international order reflecting, at least initially, the power and purpose of the United States.[3] As the issue areas requiring transnational response have proliferated, the number of actors demanding greater space within the global governance system have also multiplied. Among them are the rising powers, like China, India and Brazil, who seek greater voice and influence in the existing institutions and are prepared to erect new ones when their demands are frustrated. But the rising powers are hardly alone. Other players in global governance include civil society networks, corporations, private foundations, regional organizations, and various types of partnership among them.

Hence, it is not surprising that a good deal of the recent work on global governance has focused on the proliferation of actors and its changing architecture.[4] This has led to a more sophisticated and

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[2] As Barnett and Duvall note, "Most definitions [of global governance] revolve around the coordination of people's activities in ways that achieve more *desirable* outcomes" (emphasis added). See Michael Barnett and Raymond Duvall, "Power and Global Governance," in *Power in Global Governance*, eds. Michael Barnett and Raymond Duvall (Cambridge: Cambridge University Press, 2005), 6.

[3] In tracing the origins of multilateralism, Ruggie observed, "it was less the fact of American *hegemony* that accounts for the explosion of multilateral arrangements than of *American* hegemony" (emphasis original). See John G. Ruggie, "Multilateralism: The Anatomy of an Institution," in *Multilateralism Matters: The Theory and Praxis of an Institutional Form*, ed. John G. Ruggie (New York: Columbia University Press, 1993), 8. See also: G. John Ikenberry, *After Victory: Institutions, Strategic Restraint, and the Rebuilding of Order after Major Wars* (Princeton: Princeton University Press, 2000), 26; G. John Ikenberry, *Liberal Leviathan: The Origins, Crisis, and Transformation of the American World Order* (Princeton: Princeton University Press, 2011). This formulation about the centrality of the US role in postwar norms and institutions of global governance has become increasingly challenged, see Chapter 3 by Kahler and Chapter 6 by Sikkink, which point to the role of other Western and non-Western actors. See also: Amitav Acharya, "Posthegemonic Multilateralism," in *International Organization and Global Governance*, eds. Thomas G. Weiss and Rorden Wilkinsom (New York: Routledge, 2013).

[4] An important recent example of this is Deborah D. Avant, Martha Finnemore and Susan K. Sell, eds., *Who Governs the Globe* (Cambridge: Cambridge University Press, 2010). Also influencing the move toward a broader understanding of "who governs" is the literature on "new multilateralism" which focuses on the role of civil society actors and transnational movements. See Robert W. Cox, "Multilateralism and World Order," *Review of International Studies* 18, no. 2 (April 1992); Robert W. Cox, ed., *The New Realism: Perspectives on Multilateralism and World Order* (New York: St. Martin's

nuanced understanding of global governance than the earlier literature that focused on large international institutions. But the emphasis on "who governs"[5] obscures the question of "why govern." The focus on the supply side of global governance, such as its institutions and actors, old and new, state and non-state, and the myriad forms of their *modus operandi*, often takes the demand for global governance for granted, and neglects the more fundamental question about why global governance is needed in the first place and what are the sources generating that need.

In this volume, as its title suggests, we give more play to the "why govern" question. In other words, we focus more on the *demand* side for global governance. We are of course very interested in the actors and supply of global governance. But without a systematic examination of what motivates them to participate in global governance, it is difficult to get a complete picture of why global governance remains contested, and whether and in what form it might survive the challenges it currently faces.

While a good deal of work on global governance covers one or a few issue areas, this volume examines nine: human rights, mass atrocities, climate change, refugees, trade, finance, health and cyberspace, and social media. These include both the traditionally studied areas of global governance, such as trade and security, as well as newer areas such as climate change and cyberspace. By offering a detailed examination of the sources of demand, the actors and governance outcomes in nine issue areas, and analyzing the findings comparatively, this volume offers a more systematic and comprehensive picture of global governance, its past, present and future prospects, than available works on the subject.

Press, 1997); Michael G. Schechter, ed., *Future Multilateralism: The Political and Social Framework* (New York: Palgrave Macmillan, 1999); Robert O'Brien *et al.*, *Contesting Global Governance: Multilateral Economic Institutions and Global Social Movements* (Cambridge: Cambridge University Press, 2000). Another influential body of literature that expanded our conception of actors in multilateralism and hence global governance is Margaret E. Keck and Kathryn Sikkink, *Activists beyond Borders: Advocacy Networks in International Politics* (Ithaca, NY: Cornell University Press, 1998).

[5] One of the most important texts the subject devotes four pages to the demand for global governance under the heading: "An Increasing Need for Global Governance?" This has the merit of suggesting that the demand for global governance is not yet beyond doubt, but the discussion that follows is all too brief to permit any definitive answers to the "why govern" question. Margaret P. Karns and Karen A. Mingst, *International Organizations: The Politics and Processes of Global Governance*, 2nd edition (Boulder: Lynne Rienner, 2010), 21–5. An important exception to the absence of attention to the demand for global governance is James Rosenau's work. Rosenau includes normative forces and interdependence (functional), but not strategic motivations, as factors generating demand for global governance. Moreover, he assumes that the demand for "governance" (not global governance per se) is "strong and pervasive," whereas in the volume, we think the demand is variable and non-linear and varies along issue areas. See Rosenau, "Strong Demand, Huge Supply," 34.

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The concept of demand is of course imprecise. In general terms, origi-nating from the Old French word *demander*, the term demand means "ask, make inquiry."[6] In economics, demand is defined as a "principle that describes a consumer's desire and willingness to pay a price for a specific good or service."[7] This concept of demand has a rationalist or utilitarian meaning. A commonly held assumption among economists is that "when the price of a good rises, the amount of it demanded decreases."[8] But this conception of demand does not hold true for global governance. Applying the utilitarian concept, one would expect that the growing cost of global governance, meaning policies and institutions needed to address transnational issues, would inhibit the desire to cre-ate and maintain them. But we see no such negative correlation between the increasing cost of and the increasing demand for global governance. In fact, the reverse is true of many areas. For example, the demand for global climate or Internet governance is rising in tandem with the cost of providing institutions and services to govern these areas.

Hence, there is something more behind the demand for global govern-ance. In this volume, we look at demand in terms of its strategic, utilitar-ian, functional as well as social and normative elements. This broader notion underpins our framework for investigating the determinants of the demand for global governance to be discussed later in this chapter. But it might be stressed here that we take into serious consideration the social purpose behind demand, which has to do with the shared interests and identity of the actors as well as the moral or normative considera-tions behind the demand for global governance. Simply put, actors may demand global governance not because it generates value or material benefits to them relative to cost, but because it makes them good citizens of the world and is the right way of ensuring global order and justice. In some issue areas, such as human rights, normative factors may lead to increasing demand for governance institutions even when they run coun-ter to their economic or security goals.

A demand-side understanding of global governance focusing on a wide range of issue areas has several advantages. First, it offers a deeper analysis of the rationale for global governance and why there are varia-tions in the forms and institutions of global governance than those types of works which simply analyze the architecture or supply of global gov-ernance. Global governance institutions and processes are what their

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[6] "Demand," vocabulary.com, www.vocabulary.com/dictionary/demand.
[7] "Demand," investopedia.com, www.investopedia.com/terms/d/demand.asp#ixzz3ydo527Dl.
[8] David R. Henderson, "Demand," *The Concise Encyclopedia of Economics*, accessed May 16, 2014, www.econlib.org/library/Enc/Demand.html.

demanders make of them. New areas of demand, calling for protection against genocide, climate change, financial meltdowns, and the abuse of the Internet, explain not only the creation of new norms and institutions, but also add diversity to the overall architecture of global governance, such as the decentralization of existing governance systems (as in finance), the growth of regionalism and plurilateralism (in trade) or the shift from intergovernmentalism to multistakeholderism (in security and cyberspace governance).

Second, understanding demand and its variations may also tell us something about the design (membership, scope, mandate, decision-making rules, etc.) of global governance institutions and their efficacy. If the demand for global governance is motivated by a search for enhanced power and influence, then the resulting mechanisms and approaches will tend to be hegemonic, hierarchical or minilateral (concert-like). Weaker actors and civil society groups are likely to be excluded. Such institutions may sacrifice legitimacy for the sake of presumed efficacy. If the demand for global governance is fueled by functional reasons or the nature of issue areas at hand, then they would tend to be technocratic. Such institutions are likely to be dominated by the most relevant actors in a given issue area and highly receptive to the influence of epistemic communities. The key agenda-setting role in these institutions is likely to be played not by the great powers, but by the middle powers. Leadership is more likely to be intellectual and entrepreneurial, rather than material. If on the other hand the demand for global governance is driven largely by normative reasons, they would tend to be more inclusive, less concerned with efficacy than legitimacy, and give more space to weak states (and not just emerging powers), transnational social movements, and regional and local institutions. These institutions and approaches might trade off efficacy for legitimacy.

Third and perhaps most important for the purpose of this volume, focusing on demand also helps us to get a better sense of the current trends and future of global governance. If demand is decided only by functional needs, then it might diminish if the efficacy is low, or if the existing system failed to deliver. But if demand is driven by other factors, such as normative or strategic, it will continue to support sustain global governance regimes, even if the existing suppliers of global governance are deemed to be weak or inefficient. A puzzle about global governance today is that the demand for it appears to remain strong,[9] even though there is a growing perception of inefficacy in the provision of global

[9] Stewart Patrick, "The Unruled World: The Case for Good Enough Global Governance," *Foreign Affairs* 93, no. 1 (January/February 2014).

governance and its institutions.[10] This puzzle cannot be explained without taking into account the normative determinants of demand or the social purpose of global governance. This also means despite the fragmentation that is happening, the demand for global governance can be sustained as long as enough people think it is morally desirable for the sake of global solidarity and justice.

The Independent Variable: Determinants of Demand

Much has been written about the definition of global governance and there is no need to revisit them here in detail. Suffice is to note that a universally agreed definition of the concept remains elusive. Thomas Biersteker calls global governance a "permissive concept … in the sense that it gives one license to speak or write about many different things from any pattern of order or deviation from anarchy (which also has multiple meanings) to normative preferences about how the world should be organized."[11] Exasperated observers see it mainly as a term of convenience. As Thomas Weiss puts it, "Global governance should perhaps be seen as a heuristic device to capture and describe the confusing and ever-accelerating transformation of the international system."[12] The UN Intellectual History Project defines governance as "the regulation of interdependent relations in the absence of overarching political authority" and global governance "as the sum of laws, norms, policies, and institutions that define, constitute, and mediate trans-border relations between states, cultures, citizens, intergovernmental and nongovernmental organizations, and the market."[13] Drawing on this and other definitions,[14] we take global governance to involve *formal or informal management of cross-border issues affecting a significant proportion of the international system by states, international institutions and non-state actors, through power, functional cooperation, laws, regimes and norms*. This definition is broad enough to cover intergovernmental cooperation and institutions as well as non-state actors including the civil society and transnational social movements.

Since this volume focuses on the demand for global governance, we begin by looking at what causes and shapes that demand. Employing a

[10] Patrick, "The Unruled World," 58–73.
[11] Biersteker, "Global Governance," 439.
[12] Thomas G. Weiss, "Governance, Good Governance and Global Governance," *Third World Quarterly* 21, no. 5 (2000), 808.
[13] UN Intellectual History Project, "The UN's Role in Global Governance," Briefing Note No. 15 (August 2009). www.unhistory.org/briefing/15GlobalGov.pdf.
[14] Especially Thomas G. Weiss and Ramesh Thakur, *The UN and Global Governance: An Idea and Its Prospects* (Bloomington: Indiana University Press, 2006).
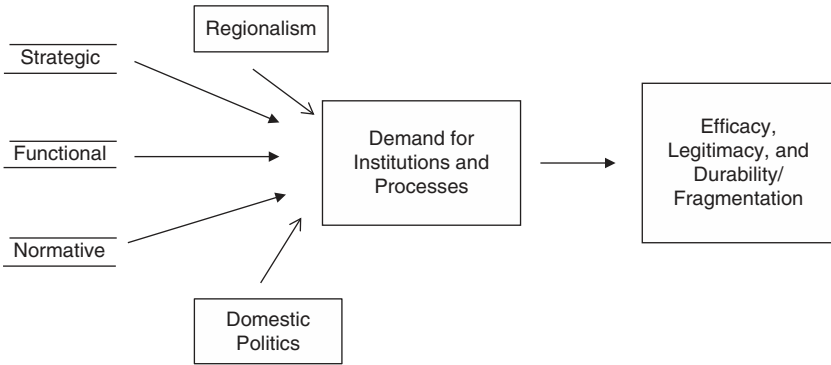
Figure 1.1 Determinants of Demand for Global Governance

broader conception of demand, we identify (Figure 1.1) five determinants: strategic, functional, normative, domestic politics and regionalism. Our notion of "determinants" focuses not just on the initial triggers of demand, but also how demand is shaped and reshaped through interactions, leading to its modification, strengthening and weakening subsequently. We acknowledge some overlap among these categories, especially between the first three and the last two, but we also felt it to be important for the conceptual framework to pay attention to different levels of analysis. Hence in our framework, the first three sources of demand – strategic, functional and normative – are explored mainly at the global level; global governance after all is a transnational and transregional phenomenon. But to get a broader sense of demand, we also asked all the case studies to explore the importance of domestic politics and regionalism, which are rather distinct levels where demand for global governance is also generated. The importance of domestic politics is of course well recognized in the literature on global governance, but we also felt regionalism to be an important and distinctive category deserving its own space because it brings into play questions of proximity, identity and autonomy, which are not captured by the other determinants of global governance.

It is also important to clarify here that although our discussion of the determinants of the demand for global governance is guided by theory, the overall conceptual approach of this volume is eclectic, rather than parsimonious.[15] Understanding the factors generating the demand for

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[15] On analytic eclecticism, see Rudra Sil and Peter J. Katzenstein, "Analytic Eclecticism in the Study of World Politics: Reconfiguring Problems and Mechanisms across Research Traditions," *Perspectives on Politics* 8, no. 2 (June 2010), 411–31.

global governance requires one to cut across the conventional theoretical divides among realism, liberalism and constructivism, etc. Employing or privileging any particular theory in explaining what global governance is and why it is so important is unnecessarily restrictive. For example, some scholars see the whole notion of global governance from a liberal lens where demand is spurred by the spread of capitalism, free trade, regulation and institutions. Yet strategic calculations, changes to the distribution of power and the emergence of new norms also drive the demand for global governance. Those who see global governance from a constructivist lens may exaggerate the impact of norms and the possibility of socialization and transformation in the global governance architecture. Thus, although there is no "realist chapter" in Part I of this volume, we don't think realism is irrelevant to the study of global governance. Hence, we bring in the role of strategic considerations behind the demand for global governance in our list of determinants that also form the analytic framework of the case studies.

Another reason against theoretical parsimony in the study of global governance is that it can undercut the policy relevance of the study. It is true that policy prescriptions that derive from different theoretical perspectives vary depending on the diverse and conflicting assumptions about the role of power, interest and norms in world politics. Most policymakers seek comprehensively solutions, or at least a menu of different options in dealing with collective action problems, which can only come from the adoption of multiple theoretical lenses. An eclectic or holistic approach thus offers the most comprehensive range of policy prescriptions from which policymakers can make their choice. And by not privileging any particular international relations theory, we hope to identify synergies and common positions and build a dialogue among them.

Strategic

From a realist perspective, the demand for global governance depends on the strategic motivations and calculations of states, especially the great powers. Realists generally view international institutions as being of marginal importance to world politics, and argue that they matter only to the extent that the great powers want them to matter.[16] Hence, global governance is not an end in itself but a means to enhance the relative power and influence of states. Great powers may see value in participating in global governance as a means to gain influence over weaker states

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[16] John Mearsheimer, "The False Promise of International Institutions," *International Security* 19, no. 3 (1994), 5–49.

and deny rival states influence over the international system. Great powers may be tempted to use incentives and sanctions to shape the preferences and role of less powerful actors in international institutions that are central to global governance. In other words, global governance may be seen as just another arena of world politics that is subject to the control and manipulation by the great powers.[17] Often, great power interest in global governance is selective, focusing on threats to national or coalition security interest: such as terrorism, illegal migration, pandemics. Changing strategic interests and calculations may redefine the purpose of existing great power-led institutions and reorient them towards global governance. Thus, the North Atlantic Treaty Organization (NATO) has changed, at least to some degree, its identity and purpose from being a classic collective defense mechanism alliance to an institution of global governance engaged in humanitarian intervention and counter-terrorism.

Although international relations scholars generally view power or the distribution of power as a quintessentially realist concern, it has some overlap with liberal perspectives to the extent that they both privilege the role of materially powerful actors. Thus, there is an affinity between the realist view of global governance as the policy of great powers to maintain their power and influence, and liberal perspectives that claim that world order and global governance depends on a "liberal order"[18] built by the United States (with help from other liberal powers such as those in Western Europe as well as Canada and Australia) that not only defined the structure of global governance until now, but may continue to do so into the future by co-opting or accommodating the rising powers.

The demand for global governance may rise and fall with changes to the distribution of power. The end of the Cold War brought about "both political changes toward democratization and economic changes toward liberalization,"[19] which increased the demand for global governance from civil society actors. Another shift which is affecting the demand for global governance is the fading of the "unipolar moment" and the advent of what has been variously described as a "multipolar," "polycentric," "post-American" (Fareed Zakaria), "Nonpolar" (Richard Haas), "G-Zero" (Ian Bremmer), "No One's World" (Charles Kupchan) and "Multiplex World" (Amitav Acharya).[20] Underlying these concepts is the

[17] Robert Gilpin, "A Realist Perspective on International Governance," in *Governing Globalization: Power, Authority and Global Governance*, eds. David Held and Anthony G. McGrew (Cambridge: Polity Press, 2002), 237–48.
[18] Ikenberry, *Liberal Leviathan*.
[19] Karns and Mingst, *International Organizations*, 23.
[20] For a discussion of these terms, see: Amitav Acharya, *The End of American World Order* (Cambridge: Polity Press, 2014), chapter 1.

rise of powers such as China, India and Brazil, and their questioning of
the legitimacy of the existing architecture of global governance devel-
oped during the era of American and Western dominance. The rising
powers seek major reforms to global institutions not only out of concerns
of justice, e.g. to make them more representative and democratic (see
discussion below under the normative sources of demand), but also to
gain status and influence.[21] This introduces a major fault line at the heart
of global governance for decades to come. Some proponents of global
governance think optimistically that the contest might be resolved peace-
fully by co-opting the rising powers into the existing liberal international
order. From a realist view, however, strategic calculation will produce
competition to decide the fate of global governance, with emerging pow-
ers using institutions as a platform to enhance their status and influence
while the established powers do their best to use their hold on the exist-
ing institutions of global governance to slow or undermine the rise of
new power centers.

Functional

From a functional perspective, the key to understanding the demand
for global governance lies in the nature of the problem or the issue area
to be governed. To a large extent, this perspective on global governance
reflects the liberal view of international relations, which rejects the real-
ist skepticism of the positive role of interdependence and institutions
in world politics. Liberals see global governance as a fundamentally
rational enterprise. While the demand for global governance is driven
by utilitarian calculations, unlike realists who stress strategic purpose
and view cooperation as a means for states to secure greater power and
influence, liberals see the rationale for global governance in terms of the
need to resolve a growing number of collective action problems in an era
of expanding interdependence.

Thus, the demand for global governance derives from the emer-
gence and proliferation of transnational issues, such as climate change,
financial volatility, terrorism, refugee flows, pandemics, and the expan-
sion and control of the global cyberspace. Despite their diversity, such
issues have certain common features. The most important is that they
are aggravated, if not always caused, by globalization, which acts as rapid
transmission belt for these threats and challenges. Second, and related
to the above, these issues respect no national or regional boundaries and

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[21] Amitav Acharya, "Can Asia Lead? Power Ambitions and Global Governance in the
Twenty-First Century," *International Affairs* 87, no. 4 (2011), 851–69.