Building global governance from small components: feasible, flexible and fast

The model proposed is a network of governance councils, each dealing with a single problem domain, either global, regional or national in nature. The model is inspired by existing examples of multi-stakeholder, non-treaty-based, single-purpose international entities. The membership and configuration of each governance council includes some combination of states, IGOs, donors, private sector representatives, experts and NGOs. Membership is based on willingness to work constructively on the problem domain in a “coalition of the willing”. The governance councils use standards, best practices and soft power in order to implement efficient solutions.

Author
Richard Lennane
1. Abstract

The model is based on two fundamental considerations: (1) it is very difficult, and likely impossible, to significantly alter or restructure the existing UN system; and (2) nation-states and the associated system of treaties and international law are increasingly unsuited to dealing effectively with global challenges.

This model is therefore designed to operate alongside the existing UN system, and to integrate nation states, intergovernmental organizations, private sector corporations, public and private donors, professional/scientific bodies, academic experts, and relevant NGOs, into a flexible, effective, resilient and largely self-regulating system.

The model consists of a network of units, or governance councils, each dealing with a single problem domain, either global in nature (e.g. climate change, population growth), or regional or national (e.g. Syrian conflict, Northeast Asian security). These governance councils are based on existing examples of multi-stakeholder, non-treaty-based, single-purpose international entities, such as the GAVI Alliance. The membership and configuration of each governance council will vary according to circumstances, but in general each council will include some combination of states, international organizations, donors, private sector corporations, experts and NGOs. Importantly, these members will be chosen based on their willingness to work constructively on the problem domain: the governance council will in effect be a “coalition of the willing”.

The system of governance councils can be built piece-by-piece, at whatever pace is practical. Since each council is self-contained and can operate independently of other councils, it does not matter if progress is slow, or interrupted. The system will start performing as soon as the first council is launched. A Governance Council Coordination Unit will support and finance the assembly and launch of governance councils, which will thereafter be responsible for their own financing. Each council will have a small secretariat, but its overall administrative requirements will be very small.

Each governance council will be free to develop its decision-making procedures according to its composition and circumstances, but there will be a ground rule (enforced by being a condition for access to seed funding) that no participant shall have a veto, and that total consensus (i.e. unanimity) shall not be required for any decision.

Each governance council will develop and implement measures to deal with its problem domain. These could involve working with national governments, or directly with sub-national actors (local governments, professional associations, industry, etc). Governance councils will have no legal or formal power to impose their plans: they will instead rely on persuasion, incentives and “soft power”. While this sounds impractical, existing entities such as GAVI and the Financial Action Task Force have proved it is not only possible, but may work better than legal mechanisms. The development and certification of standards will likely be one of the main tools used.

The lack of formal powers also provides a built-in protection against abuse. In addition, the system of governance councils is self-regulated in a “survival of
the fittest” way by the fact that underperforming, dysfunctional or otherwise ineffective councils will soon lose funding and support, and be forced to close down. They can then be replaced with a new council of different configuration and redefined problem domain. Thus failure is an important part of the system: over time, ineffective or poorly conceived councils will be replaced, and the average quality of the system will increase.

Overall, this model will be inexpensive, flexible, quick to start, low risk, compatible with the existing UN system, likely to be effective, and – most importantly – feasible. Implementation could begin tomorrow.

2. Description of the model

1. BACKGROUND AND MOTIVATION

Given the scale, structure and organization of the UN and the existing system of global governance, it is not realistic to replace it entirely. Even making relatively small and widely-supported changes (such as reforming the Security Council) has proved intractable. We therefore need to construct a new system that co-exists with the current one, interacts with it where useful, and solves the problems that the existing system cannot. This new system must complement the UN, and not duplicate the work that the UN does well; rather, it must tackle the areas that the UN has failed to deal with effectively.

If it is to be realistic, the new system must be able to be built piece-by-piece in small, self-contained units, each of which performs a useful service on its own, in a single problem domain. As more units are added and linked to others, their collective scope and capacity grows. Conversely, units must be able to be abolished (or merged, or changed) without affecting others or disrupting the system.

The new system must not repeat the flaws of the UN: it must be flexible and easily downsized; it should not require a large bureaucracy; it should work not just between national governments but should also engage sub-national actors directly; it should not be beholden to vetoes, consensus or other rigid decision-making rules; and it should include the private sector, international organizations, academia and civil society alongside states as equal partners. As Anne-Marie Slaughter wrote in her article *Networks, not nation-states, will solve global crises*[1], the only way to manage many global challenges is “to leave the realm of traditional law and politics and to design, build, and manage regional and global networks. These networks can include government officials, particularly at the sub-national level, such as governors and mayors, but must also engage corporate and civic actors.”

The most practical way of developing such a system is to model these “units” on international multi-stakeholder non-treaty-based entities that are already in existence and operating successfully. Several of these are examined in the World Economic Forum white paper *Poly-Governance Models to Address Global Challenges* [2]. Examples include the GAVI Alliance, the Global Community Engagement and Resilience Fund (GCERF), the Global Alliance for Improved Nutrition (GAIN), the Global Covenant of Mayors for Climate and Energy, and the Financial Action Task Force (FATF). Although these entities vary in their structure, composition and financing, they share some key characteristics:
• they deal with a single problem domain (GAVI does vaccines, FATF prevents money-laundering, etc);

• they are outside the UN system, are not based on intergovernmental treaties, and have no legal means of enforcement or ensuring compliance; they must therefore secure consent and compliance in other ways;

• they do not implement programs directly, but rather establish and certify standards, provide advice, and/or provide funding to governments or other entities;

• they are therefore very small and efficient in comparison to traditional international organizations (FATF, which essentially oversees the entire global financial system, has a staff of around 30);

• they can deal with national governments, or directly with sub-national actors (local authorities, NGOs, professional bodies, etc) even when the national government is not supportive (the Global Covenant of Mayors for Climate and Energy is a good example of dealing directly with local authorities to reduce carbon emissions, in spite of national government reluctance to act);

• they are called alliances, partnerships, task forces, groups, covenants, or funds (dynamic, temporary) – rather than organizations, centres or institutions (static, permanent).

Our new system will incorporate these characteristics.

2. STRUCTURE
The overall structure of the system will be a network of units – we can call them governance councils – that collectively will tackle a wide range of global challenges that are not currently being dealt with effectively. This network of governance councils will operate alongside and in cooperation with the UN and the existing international system.

Each governance council will deal with a single problem domain. This could be of global scope (e.g. climate change, population growth) or limited to a particular region or country (e.g. Syrian conflict, Northeast Asian security).

The precise composition, structure, and mode of operation of each governance council would depend on the nature and size of the problem domain, and the number of different stakeholders involved. But in general, the governance council would include representatives of interested governments, relevant intergovernmental organizations, interested private sector corporations, public and private donors, professional/scientific bodies, academic experts, and relevant NGOs.

It is important that a governance council should only include governments (or other actors) that are already willing to work constructively on the problem. In this sense, each governance council should be a “coalition of the willing”. The aim is not to use the governance council as a forum to settle differences between
governments, but rather to use the collective, coordinated resources of the council to better effect change outside.

Decision-making procedures could likewise be determined separately by each governance council according to its composition and circumstances, but there will be a ground rule (enforced by being a condition for access to seed funding – see below) that no participant shall have a veto, and that total consensus (i.e. unanimity) shall not be required for any decision.

Very large problem domains might require several governance councils, divided regionally or thematically. Similarly, a governance council that was growing too large and unwieldy might decide to split itself. Conversely, two or more smaller councils working in related domains might decide to merge. It is also possible that overlapping or rival councils might emerge: this is not a serious problem, and is part of the self-regulating nature of the system discussed in the next section.

Each governance council will have a small secretariat to support its work. In the start-up phase, the secretariat will be provided by the Governance Council Coordination Unit (see below). The purpose of the secretariat is only to support the functioning of the governance council; it will not perform program delivery or implementation functions.

The system of governance councils will be supported by the Governance Council Coordination Unit. This will be a small organization that will assist, facilitate and coordinate the creation and operation of the governance councils. The unit will research problem domains that might be suitable for a governance council, identify relevant stakeholders, guide the creation of new governance councils, and advise on splits and mergers. It will facilitate communication between the different governance councils, and help identify opportunities for inter-council cooperation. Crucially, the unit will also provide seed funding for governance councils that meet the necessary criteria (this is a key quality-control stage).

Regularly – perhaps every two or three years – there will be a global conference of representatives of all the governance councils, to share experiences and review the operation of the system as a whole.

3. OPERATION
Each governance council, drawing on the knowledge and resources of its members, will develop approaches for dealing with the issues in its problem domain. These approaches will naturally be varied, but might include:

- developing standards, incentives for adhering to them, and procedures for certifying adherence to them (this is what FATF does, for example);
- producing guidelines, procedures, sample legislation, or policy and technical advice;
- developing a network of partnerships with local authorities, businesses or NGOs, funding or otherwise assisting their work (this is what the Global Covenant of Mayors for Climate and Energy does);
• commissioning relevant research and analysis;

• financing and coordinating program delivery, such as humanitarian relief, public health interventions, etc, where existing mechanisms have failed or are unable to operate;

• convening conferences or facilitating mediation between governments, or between governments and other entities;

• building consensus for launching a traditional multilateral treaty negotiation, in the UN or elsewhere, if that is judged to be the best way of addressing a problem.

In carrying out these and other activities, the governance councils will have no international legal authority and no actual power to impose their decisions or actions on national governments or anyone else. Instead, the councils will rely on various forms of incentives and “soft power” to achieve their objectives. This sounds weak and ineffective, but need not be. The Financial Action Task Force, for example, has no legal power to enforce compliance with the standards it issues – but the rate of compliance is high, because states that FATF finds not to be in compliance are essentially cut off from the international banking system.

It will not always be possible for a governance council to find such a powerful and direct incentive, but there will usually be some combination of measures that will work. Finding them will be a key part of the design process for each governance council. Much will also depend on the early operation and output of the council: if it is seen as useful and effective, its standards or other outputs will attract greater attention and acceptance. And once a number of governments are using the standard (or whatever it is), others will follow suit – even if they dislike the process and/or the governance council. (Many countries outside – and critical of – the Australia Group export control regime nevertheless quietly base their national export controls on the Australia Group lists.)

4. FINANCE
At the beginning, each governance council would receive seed funding from Governance Council Coordination Unit. After that, each council would be responsible for its own funding. This would typically come from members of the council, but might also come from external donors. Each council would be free to make its own arrangements, which might change over time. In any case, with a small secretariat and minimal institutional presence, running costs would be modest.

The Governance Council Coordination Unit would require start-up funding, preferably from private philanthropic sources, as the unit should as far as possible be seen to be independent of any government. Once the system is established and a number of governance councils are operational, the unit could be funded by a levy on each council.

5. ACCOUNTABILITY
While the normal standards of probity and auditing will apply, the chief means of accountability is essentially through a Darwinian system of “survival of the fittest”. In short, those governance councils that fail to perform or make a difference, or
that stagnate, or get tangled up in lengthy internal disputes, or engage in dubious practices, will see their funding and support dry up and they will sooner or later be forced to shut down. In other words, governance councils will be effective and useful – or they will fade away.

There is also the consideration that, as noted in the operations section above, the governance councils have no actual power: they cannot compel anyone or any government to do anything. There is therefore little prospect of an abuse of power. The Governance Council Coordination Unit will provide some monitoring and guidance, and its role as provider of seed funding will enable it to ensure that the initial set-up of each governance council is done in a way that minimizes the chance of later malfeasance.

Once the global network of governance councils grows large – say, over 50 councils – then a dedicated accountability and audit organization might be required. But in general, the system will be self-regulating: a governance council that performs poorly (for whatever reason) will end up starved of funds and will disappear – perhaps to be replaced by a new one.

6. IMPLEMENTATION
The system of governance councils is easy to implement, compared to the traditional kind of international organization. It does not require the consent of all states, or even any state. It does not require lots of money. It does not require negotiating a hosting agreement, or diplomatic privileges and immunities. It does not require a treaty or any kind of legal basis. It can start very small – with a single governance council – and grow gradually, building interest, influence and capacity as it goes.

The first step would be to establish the Governance Council Coordination Unit. This could be very small at first: 2-3 staff, for example. The unit could be established almost anywhere, but would probably be best located in an international centre such as Geneva or Vienna. Wherever it is set up, it would take whatever legal form is typical there for an NGO, and accordingly would have a board or committee that would oversee the work of the staff. Initial financial requirements would be modest, and could be sourced from the Global Challenges Foundation and/or other philanthropic organizations.

Once established, the unit would set about assembling the first governance council. This would involve identifying a problem domain, identifying and approaching stakeholders, and eventually convening some kind of launch conference. From there, the unit’s involvement would gradually diminish as the governance council found its direction and established its financing. The unit would move on to the next council, and the next; and would presumably have to expand its capacities at some stage, perhaps launching multiple councils simultaneously.

7. EXAMPLE
The following example illustrates how governance councils might work, with respect to a real global challenge.

**Governance council on biological risks**
A global pandemic is one of the catastrophic risks that is frequently cited and
much worked upon by the WHO, national health authorities, and many others. At the same time, counter-terrorism authorities worry about bioterrorism, the security of laboratories, dual-use knowledge and materials, and the deliberate release of disease. Still others deal with laboratory safety and the risk of accidental release. Natural, deliberate or accidental: a catastrophic pandemic could result from any of these three. Yet these three different policy worlds are poorly connected, and cooperate in a rather haphazard way.

So a governance council on biological risks is established, with the mission to reduce biological risks by improving information sharing, harmonizing existing policies and practice, and developing new measures. Members of the council include WHO, the World Organization for Animal Health, the Food and Agriculture Organization, Interpol, IAP: the Global Network of Science Academies, international and regional biosafety associations, publishers of scientific journals, the Biotechnology Industry Organization, and the International Federation of Pharmaceutical Manufacturers and Associations, along with 17 national governments.

The council begins work with a start-up grant from the Governance Council Coordination Unit, and soon acquires additional funding from the Bill and Melinda Gates Foundation, and the US and Swedish governments. Focusing first on “dual-use research of concern” (legitimate biological research that could be misused by others), the council develops a standard for the conduct of such research. There is some disagreement between the counter-terrorism members and the scientific and industry members over how onerous the standard should be, but a compromise is reached. The publishers of scientific journals agree that they will not accept papers where the standard has not been followed. Once this is made public, the standard is quickly adopted by universities and research institutes. Industry follows more slowly, as the publication incentive is less relevant, but in the end adheres to what has become a widely-accepted standard.

After a year or two of operation, concerns are raised that some labs are claiming to follow the standard, but are not in fact doing so. The governance council decides to institute a certification scheme. This is outsourced to the regional biosafety associations, each of which develops its own operations plan and funding model. The journal publishers agree to require not just the standard but a current certification before they will publish a paper.

Meanwhile, the governance council has been working on other things: antimicrobial resistance, transport of pathogen samples, and other issues that do not fall neatly into the purview of a single international organization.

### 3. Motivation

**1. Core Values**

Decisions within the governance model must be guided by the good of all humankind and by respect for the equal value of all human beings.

As each governance council is created to deal with a particular challenge or problem that is threatening the wellbeing of humankind or compromising equality or justice, the overall cumulative effect of the global system of governance councils will be to advance the good of humankind and promote respect for the equal value
of all human beings. This will remain the case even if, as is likely, a few governance councils fail to achieve their goals, or inadvertently end up making their problem domain worse.

This protection of core values is an inherent quality of the system, rather than being dependent on decisions made within the system. Indeed, the system is designed to largely avoid the need for decisions on policy, and generally to restrict decision-making to operational matters within each governance council. The only stage at which decisions involving core values will be involved is in determining which governance councils to create, when, and with which initial members.

2. DECISION-MAKING CAPACITY

Decision-making within the governance model must generally be possible without crippling delays that prevent the challenges from being adequately addressed (e.g. due to parties exercising powers of veto).

Each governance council will develop its own working methods and decision-making procedures, according to its membership. But as noted in Section 2, a condition for receiving seed funding from the Governance Council Coordination Unit will be that the decision-making procedures do not allow any member to wield a veto, and do not require full consensus (i.e. unanimity) for any decision. This will avoid the most common delays. Another factor is that the members of each governance council will be broadly like-minded, as a “coalition of the willing”, so that it will be easier to reach decisions than in more disparate settings, such as the UN General Assembly.

3. EFFECTIVENESS

The governance model must be capable of handling the global challenges and risks and include means to ensure implementation of decisions.

The design of the governance council concept is based on existing entities that have proved to be effective in handling global challenges and risks: the GAVI Alliance, the Financial Action Task Force, and others. All these use varying means to ensure implementation of their decisions. Many rely on building a solid product that is attractive to most stakeholders, and finding incentives or leverage to persuade the rest. Another approach, used for example by the Global Covenant of Mayors for Climate and Energy, is to get around opposition by national governments by working directly with local governments, commercial industry, or other sub-state groups. Each governance council will adopt the methods most suitable to the circumstance, and may alter them over time in the light of experience.

As for the effectiveness of the governance council system as a whole, this will be maintained by a process of natural selection. Governance councils which prove ineffective or dysfunctional will soon lose members, financing and legitimacy. Eventually they will be obliged to close down. Such closures will be an expected and important part of the system; there will be no shame associated with closing down a council.

4. RESOURCES AND FINANCING

The governance model must have sufficient human and material resources at its disposal, and these resources must be financed in an equitable manner.
On launch, each governance council will receive seed funding from the Governance Council Coordination Unit. After that, the council will arrange its own finances according to its membership and mission. Typically, council members will each pay a share, adjusted according to their financial capacity and role. Where charitable foundations or other funding organizations are members of the council, generally they will be there to provide significant financial support, above and beyond their membership dues. Governance councils will also be able to seek funding from outside the council, typically to pay for program implementation.

The Governance Council Coordination Unit will be financed initially from a start-up grant, preferably from an independent philanthropic source. Once the system of governance councils is up and running, the unit can be financed from a levy on the councils.

Human resources needs will be very modest to start, and will grow with the system. The Governance Council Coordination Unit will need a small professional and administrative staff. It will then have to find and recruit the secretariat of each governance council as it is set up.

5. TRUST AND INSIGHT
The trust enjoyed by a successful governance model and its institutions relies on transparency and considerable insight into power structures and decision-making.

In general, governance councils will operate with full transparency, unless there is a pressing reason not to. As each council deals with a single problem domain, it will be quite easy for the media and the public to monitor its activities and publications.

Trust will be supported by the fact that the governance council model has no power to compel or impose anything. It cannot pass resolutions or impose sanctions; it works essentially by persuasion and consent.

One valid point of criticism may concern the means by which the Governance Council Coordination Unit decides on which governance council to create when, and with what membership. For this reason, it might be wise for the unit to establish a consultation process and/or an advisory board.

6. FLEXIBILITY
In order to be able to fulfil its objectives effectively, a successful governance model must contain mechanisms that allow for revisions and improvements to be made to its structure and components.

The governance council system is designed from the outset to be totally flexible.

New councils can be created as needed, so the model can quickly respond to new and emerging global challenges. Dysfunctional or underperforming councils can be closed down, and councils that prove to have overlapping responsibilities can be merged. Each governance council has almost complete freedom to arrange its own decision-making, finances, membership, operating procedures, and so on.

7. PROTECTION AGAINST THE ABUSE OF POWER
A control system must be in place to take action if the organization should
overstep its mandate, e.g. by unduly interfering with the internal affairs of nation-states or favouring the special interests of individuals, groups, organizations, states or groups of states.

Protection against the abuse of power is built into the system. First, as discussed above, there is very little power to be abused. A governance council cannot impose anything on anyone. Second, it would theoretically be possible for a governance council to favour certain states – in the provision of aid, for example – but only if a large majority of council members were in favour of this, which is most unlikely if there is any kind of diversity and balance in the council membership. Third, any attempt by some members of the council to seize control can be remedied by other members simply leaving the council, leading to its closure. A new council can then be launched in its place, with a different mix of members.

8. ACCOUNTABILITY

It is a fundamental requirement of a successful governance model that it performs the tasks it has been charged with, and the governance model must include the power to hold the decision-makers accountable for their actions.

The chief accountability mechanism is the “survival of the fittest” environment for the governance councils. Where a council consistently fails to perform, or performs wrongly, it will lose members, funding and legitimacy and eventually close down. This is why it is important that each governance council deals only with a single problem domain: it makes performance assessment much easier than with a large multilateral organization. There is also less at stake: shutting down a single governance council is relatively trivial, and does not greatly affect all the other councils. But if some department of, say, the International Labour Organization is underperforming, there is not much member states can do about it (besides complain) – shutting down the entire ILO would be ridiculous overkill.

References