Trends in Global Governance and Future Scenarios 2030
globe report
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<th>Description</th>
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<tr>
<td>AB</td>
<td>Appellate Body</td>
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<tr>
<td>AI</td>
<td>Artificial intelligence</td>
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<td>AIIB</td>
<td>Asian Infrastructure Investment Bank</td>
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<td>ARF</td>
<td>ASEAN Regional Forum</td>
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<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
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<td>AU</td>
<td>African Union</td>
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<tr>
<td>AUKUS</td>
<td>Australia United Kingdom United States</td>
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<tr>
<td>BCBS</td>
<td>Basel Committee on Banking Supervision</td>
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<tr>
<td>BIS</td>
<td>Bank of International Settlements</td>
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<tr>
<td>BRICS</td>
<td>Brazil, Russia, India, China and South Africa</td>
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<tr>
<td>BTWC</td>
<td>Biological Weapons Convention</td>
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<tr>
<td>CADSP</td>
<td>Common African Defence and Security Policy</td>
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<tr>
<td>CAF</td>
<td>Corporación Andina de Fomento</td>
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<tr>
<td>CBDR</td>
<td>Common But Differentiated Responsibilities</td>
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<tr>
<td>CDM</td>
<td>Clean Development Mechanism</td>
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<tr>
<td>CGPCS</td>
<td>Contact Group on Piracy off the Coast of Somalia</td>
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<td>CMIM</td>
<td>Chiang Mai Initiative Multilateralization</td>
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<tr>
<td>COP</td>
<td>Conference of the Parties</td>
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<tr>
<td>CPTPP</td>
<td>Comprehensive and Progressive Agreement for Trans-Pacific Partnership</td>
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<tr>
<td>CRA</td>
<td>Contingent Reserve Arrangement</td>
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<tr>
<td>CSDP</td>
<td>Common Security and Defence Policy</td>
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<tr>
<td>CWC</td>
<td>Chemical Weapons Convention</td>
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<tr>
<td>DSM</td>
<td>Dispute settlement mechanism</td>
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<tr>
<td>EAPC</td>
<td>Euro-Atlantic Partnership Council</td>
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<tr>
<td>COP</td>
<td>Conference of the Parties</td>
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<tr>
<td>ECOWAS</td>
<td>Economic Community of West African States</td>
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<td>EDA</td>
<td>European Defense Agency</td>
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<tr>
<td>FATF</td>
<td>Financial Action Task Force</td>
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<td>FIGO</td>
<td>Formal intergovernmental organisations</td>
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<td>FLAR</td>
<td>Fondo Andino de Reservas</td>
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<td>FSB</td>
<td>Financial Stability Board</td>
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<td>GA</td>
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<td>Government and Business Forum</td>
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<td>GATT</td>
<td>General Agreement on Tariffs and Trade</td>
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<td>GCAA</td>
<td>Global Climate Action Agenda</td>
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<td>GDELT</td>
<td>Global Database of Events, Language and Tone</td>
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<td>GHG</td>
<td>Greenhouse gas</td>
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<td>GIOR</td>
<td>Global Intergovernmental Organizations Radar</td>
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<td>GMI</td>
<td>Global Methane Initiative</td>
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<td>GVC</td>
<td>Global value chains</td>
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<td>IADI</td>
<td>International Association of Deposition Insurers</td>
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<td>IAEA</td>
<td>International Atomic Energy Agency</td>
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<tr>
<td>IAIS</td>
<td>International Association of Insurance Supervisors</td>
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<td>ICC</td>
<td>International Criminal Court</td>
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<td>International Contact Groups</td>
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<td>IGO</td>
<td>Intergovernmental Organisation</td>
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<tr>
<td>IIIF</td>
<td>Institute of International Finance</td>
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IMF  International Monetary Fund
IO  International organisations
IOPS  International Organization of Insurance Supervisors
IOSCO  International Organization of Securities Commissions
IPCC  Intergovernmental Panel on Climate Change
MEA  Multilateral environmental agreements
MEF  Major Economies Forum on Energy and Climate
MNE  Multinational Enterprise
MPIA  Multi-Party Interim Appeal Arbitration Arrangement
MRV  Monitoring Reporting Verification
MTCR  Missile Technology Control Regime
NATO  North Atlantic Treaty Organization
NAZCA  Non-State Actor Zone for Climate Action
NDC  Nationally determined contributions
NGO  Non-governmental organisations
NLP  Natural Language Processing
NPT  Non-Proliferation Treaty
NRA  National regulatory agencies
NSA  Non-state actors
NSG  Nuclear Suppliers Group
NTB  Non-tariff barriers
OAU  Organization of African Unity
OPCW  Organization for the Prohibition of Chemical Weapons
OSCE  Organization for Security Cooperation in Europe
PMSC  Private military security companies
PPP  Private Public Partnership
PTA  Plurilateral trade agreements
RCEP  Regional Comprehensive Economic Partnership
REEEP  Renewable Energy and Energy Efficiency Partnership
RFA  Regional Financing Arrangements
RTA  Regional trade agreements
SCO  Shanghai Cooperation Organization
SDG  Sustainable Development Goal
SGGOR  Security Global Governance Organizations Radar
SOE  State-owned enterprises
SSA  Sub-Saharan African
TGI  Transnational governance initiatives
TPNW  The Prohibition of Nuclear Weapons
UNCTAD  United Nations Conference and Trade and Development
UNEP  UN Environment Programme
UNFCCC  United Nations Framework Convention on Climate Change
UNSC  United Nations Security Council
US  United States
VSS  Voluntary sustainability standards
WHO  World Health Organization
WMD  Weapons of Mass Destruction
WMO  World Meteorological Organization
WSSD  World Summit for Sustainable Development
WTO  World Trade Organization
Executive Summary

Trends in Global Governance and Future Scenarios 2030 (GLOBE Report 2030) is one of the final outputs of the project Global Governance and the European Union: Future Trends and Scenarios (GLOBE), supported by the EU under the Horizon 2020 research and innovation programme. It defines contemporary tasks and future outlines of global governance by focusing on four macro-sectors: trade, security, finance, and the environment. This report is based on original research carried out by GLOBE partners on different challenges that global governance confronts today. It also includes data from an original online survey of staff members from international organisations (IO), which identifies the perceptions and prospects of global governance in each of the four sectors.

The report is based on two layers of analysis: first, how institutional dynamics are evolving and shaping future trends of global governance, and second, how different sector scenarios impact the development of global governance. We also consider how international politics might shape sector-level global governance. While the first part of this report, Trends in global governance, is devoted to the first layer, the second part, Future scenarios of global governance, concentrates on the second layer.

Our findings are multi-faceted. In the first part, our research focuses mainly on the role of IOs in global governance. It identifies several challenges that global governance institutions face, namely in the governing structures of IOs and their decision-making rules, in misaligned mandates, and in limited resources such as in funding and information. While these are not universal problems, the observed trends and patterns around these critical areas affect many IOs across multiple sectors. The four macro-sectors we examine in the report illustrate significant differences regarding the importance of institutional path-dependence of IOs and the degree to which informal IOs and other international entities are relevant in their global governance activities.

In the case of the trade sector, we observe that a relatively new institutional configuration – reformed in the 1990s – experienced some difficulties when the globalisation movement became less pronounced and some protectionist attitudes emerged among significant powers. In addition, institutional rigidities and the relative absence of informal IOs – and other entities operating in the trade sector – made it challenging to adapt sectoral global governance mechanisms. However, the main IO in this sector still had enough strength to steer new developments towards providing global public goods.

For the security sector, we confirm an ongoing institutional path-dependence that today still favours the persistence of many formal IOs that were established during the Cold War. In the context of changing geopolitical scenery, and with the appearance of new security threats, informal IOs and ad hoc arrangements – which are more flexible and less costly to set up – have stepped in to fill governance gaps where formal IOs have been ineffective. In addition, the highly globalised situation since the 1990s has contributed to the greater relevance of multiple actors, from terrorist groups and criminal networks to tech giants and private military security companies. This has contributed to the hybridisation of the security field. Despite this, the global governance of security in most issue areas remains state-centric.

In the environment sector, we do not see a single global regime; but rather a regime complex that includes several architectures. Some architectures show weak formal IOs with reduced path-dependence problems that have articulated complex global agreements. We also detect that some informal IOs and hybrid entities have
flourished recently. This has allowed them considerable flexibility to navigate global governance, with some success, ahead of the tremendous challenges that climate change presents. Between the different issues of environmental global governance, we find multiple policy processes, which, however, still need to be connected.

The finance sector represents a case in which some long-lasting IOs prevail. Many of them show path-dependence problems in their evolution, and they co-exist with a very high level of informality in the governance of this sector. This was one of the first sectors to articulate embryonic forms of global governance based on the direct coordination of central banks and regulatory authorities without other governmental participation and has continued with the original model nowadays. So, this configuration has easily resisted attempts to transform, or to create, major formal IOs that could lead the sector globally. Though, under these circumstances, when a major crisis occurs, there is often a direct involvement of major powers (as the role of G7/G20 exemplifies).

"We will observe an interactive dynamic between IOs and nation-states regarding their capacity to shape future scenarios."

Levels of responsibility and the policy scope that global governance will achieve in future years, will remain largely determined by the strategies and goals of nation-states, in particular – but not only – by the behaviour of the major powers. Global governance would be very different in a world heavily shaped by a US–China confrontation and geopolitical tensions and conflicts. This would be in contrast to a world in which countries’ desires for regional integration would allow strengthened forms of regional governance that limit major-power confrontations and add stronger voices to world politics and to world economies. In any case, we expect successful IOs will continue to accumulate resources and to gain reputations globally over the decade to 2030, thus allowing them to be more autonomous and operative, and to produce much demanded global public goods. Actually, we will observe an interactive dynamic between IOs and nation-states regarding their capacity to shape future scenarios, and we expect this interactive dynamic will appear much more varied and resourceful than any we have been able to observe in previous decades, involving also innovative configurations beyond formal IOs.

The second part of GLOBE Report 2030 discusses four future scenarios in global governance for the next decade: a) the “drifting” scenario, which expects that current geopolitical tensions between the US and China will worsen and will define future major world cleavages; b) the “shifting” scenario, where unstable alliances are the norm, and North–South conflicts intensify; c) the “rising” scenario, where nation-states lose some dominance in international affairs, while other global actors, such as for-profit non-state actors (NSAs), rise with contested and plural goals, and d) the “flowing” scenario, in which there is a multipolar world with more inclusive global governance actions. An analysis of the prospects of the four selected macro-sectors of global governance under each of these scenarios is introduced, with intriguing results for the development of global governance in the years to come.
The four macro-sectors we examine in the report illustrate significant differences regarding the importance of institutional path-dependence of IOs and the degree to which informal IOs and other international entities are relevant in their global governance activities.
This report, *Trends in Global Governance and Future Scenarios 2030*, delineates current challenges and foreseeable patterns at the global level in the coming years. Our purpose is to encourage a focused discussion about the evolution of global governance in the near future. The report also discusses relevant policy implications for the governance of global affairs from a sector point of view. Here we integrate different analyses and discussions pursued within the GLOBE research project based on empirically driven study of the problems global governance faces. We also consider current theoretical and comparative discussions about its challenges.

Our perspective on global governance assumes that profound differences exist across multiple sectors and policy issues, making separate assessments necessary. This does not prevent showing that, when taken altogether, global governance developments during recent decades of globalization have increased largely, often beyond the logic and the scope of traditional international organisations (IOs). We also argue that nowadays, in many sectors, the importance of the global dimension as a key arena for multi-level policymaking is much more relevant than most analysts concede when focusing on national or regional policy levels.

Here, we examine global developments by focusing on four macro-sectors: trade, security, finance, and environment. They show different configurations of global governance, each with its characteristics and particularities. Actually, sector variations in global governance are very large, to the extent that almost each policy issue can be perceived as unique in its operating arrangements. Thus, our basic understanding for grasping current patterns of global governance is to focus on how each sector has developed particular forms of organisation and patterns of interaction. These forms are, to a large extent, firmly rooted in the institutional challenges each sector has faced, and they are much less exposed to trends favouring inter-sector harmonisation.

In this report, we identify a macro-sector as a broad policy area in the international arena that involves multiple subsectors and salient issues, often loosely interconnected. Multiple actors constantly move around, while knowledge, ideas, policy frameworks and institutions articulate complex configurations that eventually produce global outputs. Global policy outputs can vary per policy sector and per specific global governance problem. Still, the regulatory dimension is clearly present in most cases. In contrast, other forms of policy intervention are much less intense – although not non-existent – given the myriad difficulties in implementing them at the global level. Regulatory frameworks, based on formal treaties or other formulations, from standardisation procedures to soft-law mechanisms, are the most frequently used instruments in global governance across the different sectors. We will pay particular attention to them.

This report identifies some key challenges that global governance faces as well as the main trends that can be envisaged for its near future. We focus on referred sectors both to discuss how their configurations can evolve under different world scenarios and to assess specific maladies based on the research activities we carried out in the context of the GLOBE project. Discussing
future trends in any global governance sector is a difficult exercise, as several layers of influence can be distinguished. In this report, we identify two layers for our analysis: first, how institutional dynamics are evolving and shaping the future trends of global governance, and second, how different (and specific) sector scenarios have an impact on the evolution of global governance, while we also consider how international politics might shape sector-level global governance. While the first part of this report, Trends in global governance, is devoted to the first layer, the second part, Future scenarios of global governance, concentrates on the second layer. Regarding the first part, we discuss global governance challenges and the gridlocks within each macro-sector, and we characterise their configurations, composed of policy frameworks, governance institutions and organised actors. GLOBE has mapped them out in detail for each policy area. We have also examined in our project some particular problems or areas of tension that emerge when dealing with the provision of global public goods at the sector level. Our results show how some key institutional problems for the sector’s governance have been confronted and which severe challenges remain.
GLOBE also identified the perceptions and prospects of global governance in each sector, launching an original online survey to staff members from international organisations. In this survey, respondents were asked to share their opinions on the main trends of the future of global governance. Looking specifically at the 2020 decade, we focused our questions on examining perceptions about the role of IOs in the increasingly complex environments of global governance they are involved in. We were also interested in staff members’ perceptions of their organisations’ internal dynamics. For those aspects, we inquired about their views on their organisation’s performance and how they perceived its main difficulties and problems. We examined these results for each of the four sectors of interest.

In the second part of this report, we discuss several future scenarios – some more optimistic, others more negative – that can seriously impact the evolution of global governance institutions and global governance outcomes. We will elaborate on these views with a limited-time perspective, focusing on their possible evolution in the coming years, referring to the year 2030 as a reference point. Our purpose is to explore possible developments of global governance regimes under very different configurations, including those creating multiple sources of stress, to assess how institutional designs and regimes can overcome such tensions while adjusting to, or navigating into, new global scenarios that might emerge.

Global governance sectors are exposed to many different influences outside their institutional development, ranging from the evolution of the global economy to geopolitical tensions. Our prospective analysis of how different scenarios will shape the future of global governance focus both in general and at the sector level. We perform this task in the second layer of our analysis. We present four stylised world scenarios, while we avoid discussing specifically about how different episodes and unexpected major occurrences can shape global governance in the coming years (i.e. a new financial crisis or a natural disaster). In this sense, we just extrapolate how future developments at the sector level can transform or alter existing dynamics of global governance. We then elaborate on the four scenarios about how the world can evolve in future years, selecting different macro-tendencies, and discussing their impact on global governance as a whole and on the different macro-sectors already identified.

The first part of the report is divided into five chapters. The second part is divided into two chapters, finally followed by the conclusions. The first chapter introduces some global governance institutional challenges, focusing on the difficulties of reforming current institutions or setting up new arrangements. It also discusses strategies to overcome complexities, such as the logic of orchestration or the promotion of intermediaries. The next four chapters of the first part are devoted to current configurations and future global governance trends in four particular sectors – trade, security, finance, environment – following the approach described above. In the second part of the report, chapter six presents future global governance scenarios and considers some key variations in the global context from both the political and economic perspectives. Chapter seven adopts these general governance scenarios and familiarises each one with each of the macro-sectors previously examined to propose future challenges for each sector. The final chapter concludes by integrating the trends from the different sectors and offers a comprehensive clarification of the future of global governance in the coming years.
Building on previous research, this chapter summarizes some key findings of the GLOBE project. We focus on the institutional problems of global governance and discuss the most relevant challenges global governance is facing across different macro-sectors. We examine the prospects for the continuity of IOs based on treaties among sovereign states – called formal IOs – as an essential institutional structure in most global governance fields. We also identify other forms of organization and coordination in the global sphere at the sector level which are eventually promoted by formal IOs. This includes informal IOs, transgovernmental networks, public–private configurations, regulatory intermediaries, and other forms that contribute to global public goods provision. As a whole, all these forms of organization and coordination appear highly relevant for the future of global governance, although with variable intensities across sectors.

Our research has focus mainly on the role of IOs in global governance (basically both formal and informal organizations, but occasional also trans-governmental networks and other associative forms), and has identified a number of major challenges global governance institutions face, namely in the governing structures of IOs and their decision-making rules, misaligned mandates, and limitation of resources, such as funding and information. While these are not universal problems, the observed trends and patterns around these critical areas affect many IOs across numerous sectors of global governance.

All these problems may have a direct impact on the legitimacy of IOs, that should not be simply considered as a normative preference, but it “is central for international organizations (IOs) to make a difference in world politics” (Tallberg and Zürn 2019, 581). Actually, global governance participants strategically seek to legitimise, delegitimize, or relegitimize IOs. In fact, it is widely acknowledged that most IOs have made conscious efforts in recent decades to become – or at least appear – more inclusive, representative, transparent, accountable, and effective. At the same time, IO legitimacy has become increasingly contested, as denationalized policymaking processes are far removed from affected domestic constituencies and often struggle to deliver outcomes that are widely considered fair and effective. Thus, in considering future scenarios of global governance, we also will consider how IOs legitimacy may be endangerer or strengthening, as a consequence of how they deal with the challenges we examine.

GOVERNING STRUCTURES AND DECISION-MAKING RULES

A common problem IOs face is the difficulty balancing the needs of a diverse set of members and stakeholders. These difficulties are generally due
to rigid decision-making rules and to the inflexibility of governance structures, aggravated by frequent, stark differences in member states’ preferences. Within trade governance, for example, the World Trade Organization (WTO) has failed to reach consensus on the Doha Development Agenda after nearly 20 years of negotiations. Because the WTO rules are reached through consensus, decisions on important changes have been difficult to achieve. This is due to fundamental divisions between member states regarding core elements of the negotiation agenda, for example, regarding the granting of “Special and Differential Treatment” to developing countries. As a result, many member states have sought to establish bilateral and plurilateral agreements, which, while not necessarily at odds with a multilateral approach, make it less of a priority for some member states.3

These consensus-based governance structures of “one country, one vote” are only one of the possible ways in which IOs’ flexibility and decision-making capabilities can be constrained. Conversely, IOs granting greater weight to the votes of certain member states may also face other difficulties. In some cases, an IO grants extra voting privileges – such as a veto power or votes with more weight – to a particular member or set of members either to gain their support or as a response to greater financial contributions. This distorts member states’ share of the weighted votes concerning their perceived or actual contribution to an IO or their increasing global footprint (Hallaert 2020). Such a situation may also face rejection or resistance by less powerful members for being unfair and unrepresentative. Also here there is a danger to become a frozen institutional configuration, almost impossible to be altered. Examples include the United Nations Security Council (UNSC) and the International Monetary Fund (IMF), where decision-making powers, vote shares, and veto rights no longer reflect a fair distribution of power or global influence.4

Difficulties in reaching agreements among IOs member states because of outdated decision rules, in one or other direction, also have an impact on how to solve many of the problems that global governance involves. These concerns are also reflected in the responses of IO staff to the GLOBE Survey on “International Organizations and the Future of Global Governance”. When asked about the likelihood of their own IO facing internal issues, they ranked the lack of organisational efficiency and policy effectiveness highest. As shown in Figure 1, 41% of respondents indicated “almost always” or “often” regarding the lack of organisational efficiency and 34% regarding the lack of political effectiveness. In contrast, problems related to the professional capacities (Lack of professional expertise) or to the legitimacy to act (Lack of international legality) are ranked low.
Mandates and Autonomy

Second, IOs face limitations on their mandates, as they are often not granted sufficient policy autonomy or scope of action to meet their goals (Otteburn & Marx 2020). On the one hand, an IO’s mandate may be too narrow, and therefore does not allow the IO to undertake all the necessary activities to meet its expected governance goals or grant the IO enough independence and flexibility to adapt to changing global conditions. Furthermore, several IOs are confronted with new demands that they cannot address, since they fall outside their mandate. For example, the WTO is increasingly pushed to address climate and sustainability issues, but its current mandate does not allow it to do so.

On the other hand, an IO’s mandate might be seen as too broad, thus limiting its ability to meet different targets, notably when it lacks the means to accomplish its mandate. For example, some UN agencies have a very broad agenda, such as the United Nations Environment Programme (UNEP), creating challenges in dealing with a wide range of environmental issues, including climate change, that ends in making them less effective (Coen et al. 2020). This mandate “conundrum” creates many complications for IOs which they try to address. Our research shows that, in practice, IOs frequently engage in activities beyond those in their mandates. Over time, IOs rarely stay within the confines of their mandate but rather expand their missions and take on new activities – a process sometimes referred to as “mission creep” or “mission expansion”. This can have a dual and somehow conflicting effect. On the one hand, it might allow them to respond effectively to new challenges in an evolving global context. On the other hand, mandate extension might undermine their legitimacy with, and support by, member states, or by a broader group of stakeholders, thus diverting resources to multiple goals.

Figure 1: GLOBE Survey results on perceived organisational problems
But who sets the mandates of IOs? On paper, most IO mandates are subject to their member states’ authority, but at an operational level, IOs may have considerable autonomy regarding how they fulfil their mandate. What is more, in many cases, IO staff members (also denoted as secretariats) are agents that are able to influence policy discussions and to set agendas. They can thus often indirectly shape the direction in which the IO’s mandate evolves (see Box 1 for more details about IOs staff members). For example, we have examined how the UN’s sustainable development goals (SDG) have been adopted by two regional organisations – the European Union and ASEAN –. Our findings show their different procedures, capacities and purposes, but also illustrate how in both organisations SDGs contribute to expanding their policy agendas and to allowing secretariats to shape significant discussions as to their priorities.³

To shed more light on how this works, the GLOBE Survey asked staff questions about their IOs’ perceived autonomy from individual member states’ influence in different areas of activity. The respondents could rate each item on a five-point scale from “extremely autonomous” to “not at all autonomous”. Most respondents valued significant levels of autonomy in their organisations, particularly when referring to their IOs’ internal affairs. The responses also suggest a certain degree of realism that IOs are bound by their principals. Autonomy when fulfilling an IO’s mandate may be more limited when setting key strategies or when dealing directly with the disputes of member states.

![Figure 2: GLOBE Survey results on perceived autonomy from member states](http://example.com/image.png)
Box 1: Gender and Seniority in International Organisations (IOs)

The breadth of demographic answers from our survey suggests that we managed to survey a rich and diverse pool of respondents. With the purpose of comparing our resulting distribution to an approximated target population distribution, we took as a proxy the reference of official staff statistics from UN organisations, which included data on 116,388 staff members from 38 organisations for the year 2020. About half of these organisations are included in our sample. Our analysis show, that we approximated the composition of the UN workforce to a reasonable level. Regarding gender distribution, the survey was completed by 543 male and 447 female respondents. In addition, 14 preferred not to identify their gender, while no one opted for the ‘Other’ option. This represents a distribution of 54.1% men and 44.5% women. Comparing our numbers to the gender distribution of the UN system staff, we find a very similar pattern (54.9% male and 45.1% female). It is also noteworthy that among younger cohorts, women represent the majority, both in our sample and in the UN organizations as a whole.

In the survey, we also asked about the level of seniority that respondents have within the hierarchy of their IO. As a proxy for this, we asked about the number of employees supervised by the respondent (Figure 3). Of the respondents, 38% did not have any supervisory responsibilities, 32% supervised between one and five employees, and 30% supervised more than five employees. The significant proportion of respondents having a responsibility to supervise other employees (62%) indicates that the seniority of those staff members who answered the questionnaire is quite high. When considering the gender gap across the different levels, it also emerges that a higher share of male staff members has supervisory responsibilities, with a proportion of one to two in the highest-level bracket.
As to the autonomy of IOs, and based on information derived from their statutes, a growing pattern of increasing authority in global governance has been documented in recent decades. In particular, regional organisations have experienced a rapid increase in the level of their authority and now show higher levels of authority, on average, than global organisations. The levels of authority are distributed across IOs with significant variations, as seen in Figure 4. While some IOs do not show any authority over their member states, others display a significant level of organisational autonomy and capacity to make their own decisions in different areas of policy making.

"Multi-issue IOs tend to have above-average authority, but their authority is not equally distributed across policy fields within the organisation."

Figure 4: Distribution of authority in selected IOs.

Mean authority during 2009-2013, based on THE WZB International Authority dataset. Dotted horizontal line indicates the estimated population average of authority.
Global governance sectors also show different levels of authority. Results indicate that the most authoritative organisations are multi-issue and economic IOs, including the trade sector. We also find that security IOs have lower levels of authority, as states have a strong presence in their decision-making processes. In contrast, other sectors show uneven levels of IOs authority. For example, the Bank of International Settlements’ (BIS) comparatively formal authority score illustrates the informal nature of financial governance. Multi-issue IOs tend to have above-average authority, but their authority is not equally distributed across policy fields within the organisation. For example, whereas the non-proliferation of weapons of mass destruction (WMD) is largely governed by the UN Security Council (UNSC) with its high competencies, climate-change governance is relegated to a vast UN-related network of transnational conferences, with no effective autonomy in decision-making to shape global public goods provision.

LIMITED RESOURCES AND BUDGETARY PROSPECTS FOR IO’S GOALS

Third, many IOs struggle with limited resources, and these shortcomings can then involve different problems. Our research found that IOs frequently lack the necessary resources, including funding, staff, and access to information, with the latter two resources usually being functions of the first. Also, recent research has shown that when an IO is less financially secure – and often reliant on voluntary contributions earmarked for specific purposes – it is likely to have fewer permanent staff. This is likely to negatively impact its autonomy and performance (Ege & Bauer 2017). These budget gaps are still partially due to the cuts made during the 2008 financial crisis, after which some member states never again increased their financial contributions to IOs. This created uncertainty in IOs and demonstrates the difficulty for them to perform – albeit with significant differences between those operating across different issue areas. If

For example, the lack of access to funding and information is a significant challenge for UNEP and the United Nations Framework Convention on Climate Change (UNFCCC) in climate governance. Moreover, lack of support is likely to be self-perpetuating in many IOs. For instance, in security governance, the lack of financial support for the North Atlantic Treaty Organization (NATO) from some member states has led the biggest funder – the US – to reconsider its support. As states limit the resources available to IOs, IOs are increasingly unable to fulfil their roles and are likely to face further difficulties in garnering sufficient support.

Despite these shortcomings, it is hard to forecast or speculate on the evolution of IO budgets, as they are subject to many fluctuating factors. To get an approximation of the most plausible pathways for how IO budgets may evolve in the coming years, GLOBE relied on the unique and privileged insights of those directly affected by budgetary changes: IO staff. While also operating with incomplete information and with similarly limited capacities to predict the future, they draw on their vast experience working within the institution and within the wider system. Hence, IO staff’s expert opinion may yield more reliable indications of future developments. Hence, in the GLOBE Survey, we also asked IO staff about their perceptions of the future evolution of their IO’s budget (considering the 2020 decade).

From two questions in the survey – a) What is the likelihood of your IO suffering from a shortage of financial resources? and b) What is the likelihood of your IO increasing its annual budget in the coming years? – we can draw a detailed picture of how IO staff anticipate their IO’s budgetary
situation to evolve (Figures 5 and 6). Actually, respondents are not very optimistic. Many expect difficulties, although variations are quite large, and staff from UN system organisations appear to be more doubtful about annual budget prospects than staff from other IOs which operate across different fields (See GLOBE Policy Brief 3).

When focusing on IOs’ vulnerabilities to financial blackmailing that can compromise their performance, concerned states and large private donors should spearhead a global alliance of like-minded multilateralist partners to establish a global governance emergency reserve. This reserve could serve as a “budgetary backstop” which is accessible on demand to those IOs suffering temporary funding problems. Thus, it would help bridge the undue withholding of members’ contributions or help balance the unexpected withdrawals of voluntary contributions. These partners might also coordinate reforms of IO decision-making rules and governance structures, and continue to engage with, and assist, existing informal IOs, wherever it is conducive to its policy objectives and the upholding of a functioning rules-based international order.

INFORMALITY IN GLOBAL GOVERNANCE

In light of current gridlocks and challenges, informal IOs have emerged as one of the above-mentioned alternative forms of global governance. These non-treaty-based institutions have rapidly become a prominent feature of contemporary global governance (Roger 2020). GLOBE research has unearthed several interesting findings, inter alia, the instrumental role of diverse formal IOs in making informality work and has observed this as an increasing trend that is going to significantly impact the future of global governance.10

So, what does informality mean in a global governance context? Why does it matter to global governance, and how can it contribute to addressing global issues? Increasingly, when states set international rules and provide public goods, they have to rely less on treaties and to rely relatively more on soft law, which deliberately eschews legally binding obligations.11
Similarly, across a range of issue areas, in the place of formal international organisations like the UN and the WTO, there has been a proliferation of informal IOs that exist in a “twilight zone” beyond the traditional boundaries of international law. Within Europe, this shift has been especially pronounced. European states have used informal instruments extensively across numerous domains of world politics. Traditionally, informal bodies like the Eurogroup and the E3 group – a body central to the Iran nuclear negotiations – are becoming increasingly important. Research has demonstrated how certain “problem structures”, or the level of conflict between states, incentivise states to establish institutions with more informal designs. Especially when issues require speedy decision-making, flexible implementation, or a high level of confidentiality, informal governance appears to have certain advantages. However, not only states benefit from the possibilities that such informal structures create in global governance settings; many other actors, including professional entities, regulatory agencies, parliamentary groups, and many other public organisations, have established several informal international entities, such as trans government networks. These organisational forms have proliferated in recent decades in most global policy areas. They facilitate the diffusion of ideas and norms and also enhance their coordination activity across multiple levels of governance.

Also, well-established IOs are very much involved in promoting such informal organisations and increasingly operate in multiple global governance fields. Their assistance occurs via several mechanisms. First, formal IO assistance can reshape the choice for informality by making policymakers more confident that informality can work from the outset, or by making it more likely that an informal design will be maintained when problems arise later (Roger 2022). Second, in practical terms, larger bodies can lower the costs of producing governance by lending resources and by extending key services to informal IOs. They facilitate the proliferation of new institutions that would not otherwise represent viable solutions. This feeds into theories on IO “mutualism”, i.e., as different types of organisations develop links, they mutually strengthen and legitimise themselves (Green & Hadden 2021).

Taken together, our research reveals extensive direct and indirect support provided to informal bodies by a growing number of well-resourced, general-purpose institutions, most notably the EU, but also from other IOs such as the World Bank or regional development banks. Our findings suggest that formal IOs are very likely to serve as an important supply-side driver of informality. Put differently, formal IOs can collectively act like a coral reef that provides key resources and services and thus enables an assortment of smaller organisations to flourish (Roger 2022).

**CONNECTING INTERNATIONAL ORGANIZATIONS**

The institutional challenges discussed here can undermine IOs’ capacity and ability to perform as core global governance actors. What, then, are the implications? First, by distilling these major institutional challenges of traditional IOs in global governance, we have the opportunity to reflect on different reform pathways. For example, to avoid frustration and the delegitimisation of IOs, their mandates need to be updated and specified to better reflect current and future global governance challenges. In “normal times”, reform would require significant political investment, continuous focus, and, ideally, a concerted push by a coalition of like-minded countries and institutions. However, reform could also be triggered by a geopolitical shock or a “perfect storm”. In this sense, policymakers should continue to
explore means of creative alternative governance to devise pragmatic and proportionate tools for responding to global challenges, and to implement those tools at critical junctures.

Actually, we should contemplate that some challenges are being resolved or compensated for through the inclusion of other institutions, especially alternative forms of governance, such as informal law-making, experimentalist governance, and multi-stakeholder initiatives. Moreover, in recent times, non-state actors’ roles in IOs have expanded in multiple ways, creating new avenues for participation and involvement in the decision-making processes together with state representatives. While innovative entrepreneurial governance approaches may help to circumvent gridlocks, and may prove more flexible and adaptive to emergent challenges, we should ask whether they also risk further undermining the authority of existing IOs, perhaps making them less relevant in the coming years. Furthermore, it is not taken for granted that these interactions between new global governance actors and traditional IOs are conducive to better governance. So, what do people from the inside say about their IO’s interactions with those entities and organisations that populate global governance spaces?

Here, the GLOBE Survey again reveals that the perception of those problems related to the interactions between IOs and their relations with other international actors are not very intense (Figure 7). Only some concerns emerge as to the problems raised by the involvement of too many actors and the possible competition between them in addressing global issues. Our data also shows that UN staff are the most concerned across all surveyed areas, including the implementation of field actions. These high levels of concern are probably due to the wide scope of mandate and membership, while they also potentially express the frustration among staff members about the complexity of governance challenges in which the UN system is involved.

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**Figure 7:** GLOBE Survey results on perceived problems in interacting with other IOs

![Bar chart showing perceived problems in interacting with other IOs](chart.png)
There is an important shortage of authoritative connections across sectors in global governance. We do not find relevant actors and institutions capable – or resourceful enough – to define priorities across different policy areas and then to impose those priorities. No doubt, there are multiple connecting organisations and all types of actors playing as intermediaries or translators from one sector to another. Still, their potential to articulate policy preferences and priorities is insignificant in almost all situations. Actually, global governance also includes an enormous hollow core that general-purpose IOs cannot govern. Major attempts in recent decades to address this hollow core as a complement, or even as an alternative, to the United Nations gridlocks, have been the establishment of networks of powerful nation-states that have met regularly to discuss and coordinate, from the top of their governments, the most relevant policy problems of global governance. The creation of G7/G8 and G20 networks during the 2000s answered the difficulties of (conventional) general-purpose international organisations in coping with the growing agenda of globalisation problems which already existed at that time. Similarly, sector-focused IOs were often limited in their capability to solve complex global policy problems of an inter-sectoral nature. Thus, in the past two decades, globalisation was advancing rapidly without leading competencies, and unresolved global governance problems accumulated as a result. These informal networks of powerful nation-states were perceived as a quick response, able to provide effective remedies to the large increase of the global governance hollow core that occurred during this time. Essentially, G7/G8 and G20 goals were not only to provide answers to globalisation tribulations by defining and agreeing on policy preferences and setting clear priorities, but also to act as recognised global governance designers, contributing to the renovation or restructuring of global governance institutions when a strongly ineffective partner was emerging. However, their purposive aims confronted the shores of global policies and the intricacies of existing arrangements, obtaining, in most cases, only very modest results regarding the capacity to redesign the institutional architectures of global governance. In addition, recent changes in world politics, particularly of the geopolitical dimension, have made resorting to this type of top-level global governance coordination much more uncertain. Meanwhile, the resilience of many IOs and sector-based global governance institutional arrangements have provided some level of stability as well as the foreseeability to cope with the uncertainties of providing global public goods.

Such challenges will become more evident and more urgent to solve in the coming years, as the scope of problems and issues that current global governance deals with is continuously
increasing in a world that not only remains highly globalised, but is more complex to maintain when existing connections and interdependencies are considered. The expansion of global issues that need to be addressed, as well as all the growing tensions, have created critical difficulties concerning their procedural and institutional dimensions in global governance, as we have illustrated.

Until now, institutional innovation in the global sphere has aimed at addressing governance shortcomings when managing collectively complex problems, but in most cases, this aim has not been widespread, and muddling-through has been the dominant pattern. Actually, most formal IOs have been quite resistant to major institutional changes, as long as their path-dependence patterns have been quite strong, while the explosion of informal international actors and multiple experimental governance structures has predominated as auspicious alternatives, and most probably will continue to proliferate extensively in the coming years. However, with the international rules-based order under threat, global challenges such as climate change make it even more urgent to devise and implement well-functioning global governance mechanisms. As Box 2 illustrates, the direct involvement of some global leaders who aim to undermine the reputation of IOs can be very harmful to the IOs’ prospects.

"Global challenges such as climate change make it even more urgent to devise and implement well-functioning global governance mechanisms."
Box 2: Global governance radars

Three data-based global governance radars were created in the context of the GLOBE project: the Security Global Governance Organizations Radar (SGGOR), the Global Governance Themes Radar (GGTR) and the Global Intergovernmental Organizations Radar (GIOR). These radars rely on digital news sources, retrieved through GDELT Full Text API, and using NLP and standard statistical techniques. The GIOR, specifically, is a tool to monitor how the world’s news media are talking about Global Intergovernmental Organizations. As an example of how the GIOR can be used, an exploratory analysis was carried out on the impact of former US president Trump’s rhetoric on the legitimacy of the World Health Organization (WHO).

The daily average sentiment of news pieces mentioning the WHO on the one hand, and the WHO and Donald Trump on the other, were extracted from news sources in Brazil, China, France, Germany, Russia, Spain, the UK, the US, and outlets with global reach. The analysis covered the time period between January 1st, 2019 – October 21st, 2020.

**Figure 8:** Daily average sentiment of news pieces 2019-2020,

A comparison of news mentioning the WHO versus news mentioning both the WHO and Donald Trump revealed that the WHO is viewed in a more positive light when mentions of Donald Trump are excluded from the news. The analysis suggests Donald Trump’s rhetoric has a negative impact on the perceived legitimacy of the WTO in the media. Put differently, the WHO is perceived in a much more positive light when Trump is not part of the narrative, which probably means that overall, the WHO’s perception is much better than can be deduced at first sight. It also suggests that the fate of many IOs can be strongly affected by political discourses of some global leaders, shaping the prospects for their future developments (for a methodological perspective on GDELT, see GLOBE Report D2.6, “The empirical use of GDELT big data in academic research”, December 2020).
A SECTOR-BASED PERSPECTIVE OF GLOBAL GOVERNANCE

In the previous pages, we examined some major institutional challenges of global governance and related cross-sector trends. We identified that these challenges are strongly related to a growing concern about the importance of global public goods and the need to deal with very complex and interdependent problems worldwide. An interconnected and globalised world needs a whole range of global governance institutions, many of them highly specialised and capable of producing and managing global public goods – including coordination and regulation – but also other institutions capable of establishing some inter-sector connections. This is even more relevant when some globalisation trends are in crisis, or when serious geopolitical tensions emerge, and global governance institutions and transnational regime arrangements cannot cope with them, or facilitate remedies to keep them working as usual.

To this purpose, the particular approach taken for the whole GLOBE research project considers the macro-sector angle in scrutinising global governance. Examining different macro-sectors in depth, and comparing them further, has been the research strategy adopted by GLOBE as a way to observe substantial variations in how global governance is evolving. Projecting these sector variations into future scenarios should be useful for hypothetically gauging the resilience of global governance arrangements and their capacity to advance innovations, as well as to better understand how multiple global crises can impact them. Thus, discerning the variety of reactions, adaptations and transformations that might occur in future scenarios should provide insights into the flexibility and effectiveness of global governance in the turbulent waters of the planet (Coen et al, 2022).

Actually, as stated in the introduction, our report adopts a largely sectoral perspective, focusing on four macro-sectors, each with very different institutional characteristics, and significant internal variation and fragmentation in most cases. Because of the large institutional differences across different sectors, a sector-based approach to examine trends and the future of global governance can provide much more interesting inferences and fine-grained discernments about what is relevant to endorse, and in which cases particular reforms or transformations are more critical -despite its internal fluidity. In other words, to examine the future of global governance, we need to discuss how global policymaking runs across large sectors to solve the problems they cope with – to avoid excessive uncertainty. In fact, the challenges and problems that global governance is required to address in each sector are very diverse, as are the global public goods that are intended for, and produced to cope with, these problems. 14

The criterion we employed to identify different sectors was based on two basic dimensions that shape the institutional dynamics of any macro-sector in global governance. Our aim was to have four cases that represent different configurations, not only to be able to track trends in very different settings, but also to compare them when confronted with future scenarios. The first dimension we considered was the nature of IOs in each macro-sector: whether predominantly formal (based on state treaty), or whether some informal ones were expanding, thus adopting multiple associational modalities. The second dimension was the relevance of path-dependence for the existing IOs, involving (or not) a strong resistance to altering their key institutional rules (Rixen et al. 2016). Actually, in many sectors, but not all, institutional configurations of global governance are dogged by old structures and designs which were established when globalisation was much less relevant and global policy problems less demanding and less all-encompassing.
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Table 1: Four distinct cases of Global Governance

<table>
<thead>
<tr>
<th>Strong path-dependence</th>
<th>Mixing formal &amp; Informal IOs</th>
<th>Dominant formal IOs</th>
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<tbody>
<tr>
<td>Finance</td>
<td></td>
<td>Security</td>
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<tr>
<td>Weak path dependence</td>
<td>Environment</td>
<td>Trade</td>
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The four global governance macro-sectors we selected for our research – Finance, Security, Environment and Trade – fit these two dimensions very well. First, the global governance of the trade sector represents a case in which historical path dependencies are not very relevant, as the core institution (WTO) was established quite recently and has developed more inclusive mechanisms compared to other sectors. Formal IOs dominate this sector, including the role of some US system-specialised entities. The trade sector represents a large policy area in which key issues and disputes often tend to be more relevant for the articulation of global governance rather than for the establishment of comprehensive regulatory frameworks in particular subsectors.

Second, we have the security sector, which is extremely sensitive to geopolitical tensions and the prominence of the sovereign state. This sector illustrates a case in which strong institutional path-dependence is highly relevant for the articulation of sector governance, although it is challenged by fragmented configurations that continuously undermine existing arrangements. Most global governance institutions in this sector have remained unaltered for decades, with strong state involvement at all levels. Despite such institutional stability, many global security concerns have transformed significantly and have become more complex and uncertain over the years.

Third, the finance sector, in which institutional path dependencies from many decades ago are still shaping how the global governance in the sector is framed, despite several attempts to restructure or layer existing global governance institutions. In this sector, the expansion of informal IOs is very visible, and the reliance on multiple network-like institutional structures to perform global policies has restricted the implementation of global public goods, as for example shared regulatory frameworks.

Finally, the environment sector illustrates an area of global governance that articulates an inter-sectoral policy in addition to its specific issues. Essentially, nowadays, it integrates a multiplicity of policy issues, many revolving around the need to fight climate change and make the world more sustainable. In this case, we do not find any relevant path-dependent institutions operating as core entities and steering the sector. Some informal IOs are expanding in the environment sector, although, at the same time, we also observe the role of relatively new formal IOs aiming to consolidate their role and lead more significantly in this area.

All in all, it is quite discernible that these sectors are diverse in their institutional evolution, actor configurations, and the range of global policy problems they face. Also, performance issues are very different across the different sectors, considering different theoretical perspectives (constitutive effectiveness, state compliance and goal attainment). In this sense, we expect that, as a whole, by examining these four cases in detail, as we do in the following chapters of this report, we will be able to illustrate how global governance operates in our current times.
Institutional configurations of global governance are dogged by old structures and designs which were established when globalisation was much less relevant.”
Trends in Global Governance and Future Scenarios 2030

02 Sector trends: Global trade governance

Though global trade governance has been carried out by a mix of public and private actors via formal rules and informal practices since the signing of the General Agreement on Tariffs and Trade (GATT) in 1947 – and its reincarnation as the World Trade Organization (WTO) in 1995 – the actors and institutions involved in trade governance have operated mainly within the rules-based system set out by the WTO. Member states of the WTO – currently 164 countries that conduct 98 per cent of world trade – are expected to set their trade policy in deference to WTO rules. Bilateral and plurilateral free-trade agreements established between individual countries or regions are formed by observing WTO rules, are notified to the WTO, and are even monitored by the WTO. The other IOs engaged in trade governance carry out their activities and set their policies based on WTO rules. However, internal governance challenges at the WTO – exemplified by the failure of the Doha Development Agenda and by the increasing contestation of the multilateral trade system – have laid bare many of the challenges that the WTO, and the trade regime as a whole, have been facing in recent decades. Moreover, shifts in global economic power have brought new objectives and actors to the foreground (Hopewell 2021).

While the WTO has retained its position as the leading institution in trade governance since its creation, the trading regime has changed in recent years. Major trading economies are increasingly resorting to bilateral and regional trading arrangements, including proposals for mega-regional trade agreements such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Though the goals pursued by such agreements are aligned with those of the WTO, they present a more piecemeal approach to trade governance, because different actors and different institutions are more likely to move at different speeds. In addition, the concept of “free trade” has been increasingly subject to scrutiny as several trading economies turn toward protectionism and increasingly take unilateral measures. Meanwhile, a sharp rise in private initiatives, such as voluntary sustainability standards (VSS), now exerts significant influence over a striking diversity of issues in trade governance.16

Figure 9: The global trade regime
Global trade governance is primarily oriented toward trade liberalisation by reducing trade barriers. While trade governance is still concerned with tariff reduction as the traditional barrier to trade, and as tariffs have fallen globally, other barriers – often called non-tariff barriers (NTBs) – have gained ground. These NTBs include import quotas, subsidies, and regulatory standards. The WTO and various bilateral and plurilateral agreements have sought to address these NTBs to improve trade flows and to combat protectionism (Mavroidis & Sapir 2022). The pursuit of trade liberalisation is underpinned by the belief that freer trade results in improved economic growth and development, leading to poverty eradication. Economic growth is considered by many to be a global public good that, in theory, can be considered non-rival and non-excludable, such that all may benefit from it, even if not equally.

The interlinkages between trade and other issue areas – particularly climate change and the environment, human and labour rights, security, and other issues – have therefore come to the forefront. In this vein, it has become increasingly recognised that trade is a crucial component of the United Nations 2030 Agenda, and that trade governance must be leveraged to contribute to the SDGs, as defined in the 2030 Agenda. Global trade governance, therefore, has come to encompass much more than trade liberalisation, and the institutions engaged in it have attempted to incorporate the pursuit of other public goods into trade governance, including environmental protection, good governance, and human and labour rights (Wouters et al. 2020). However, progress with these goals at the WTO level has been plodding. Where the WTO has fallen short, other institutions and actors have attempted to pick up the slack, contributing to the proliferation of actors described previously.

Based on this, we next present the main traits of the trade sector and the emerging trends of the IOs operating in the field. Actually, the evolution of the trade regime in recent times is taking place simultaneously at multiple levels, making a very fluid and complex configuration. The formality of organisations still predominates, and their establishment, or renovation, is relative, meaning that path-dependence effects are not very strong compared to other sectors. Three partly interconnected shifts are particularly significant for the stability of trade global governance in the coming years.

First, WTO is widely understood to be facing an “existential crisis”, with severe challenges to its ability both to solve disputes and to serve as a negotiating forum. The WTO’s dispute settlement mechanism (DSM) is critical for the implementation and enforcement of WTO rules and, ultimately, the effectiveness and legitimacy of the WTO itself. However, in recent years, the US
has grown increasingly dissatisfied with the DSM and, in particular, with the Appellate Body (AB) (a key body tasked with hearing appeals of WTO panel reports), accusing the AB of judicial overreach. Citing these and other concerns, the US has blocked appointments to the AB, which eventually resulted in the AB ceasing to function in December 2019. Now unable to process appeals, the DSM is effectively defunct, as the WTO member states continue to lodge appeals “into the void”, rendering panel decisions unenforceable (Wouters & Hegde 2022; Van der Loo 2022; Kerremans 2020). As an interim measure, the EU has led an effort among a group of WTO members to create a Multi-Party Interim Appeal Arbitration Arrangement (MPIA) that utilises the existing general arbitration mechanism as an interim appeal mechanism for the small group of parties to the MPIA (currently 25 WTO members) to arbitrate disputes among themselves (Van der Loo 2022). In addition, the WTO’s capacity to serve as a negotiation forum is increasingly in question, as consensus among members is required for WTO rule-making. With 164 members and diverging perspectives on, and different approaches to, trade governance, consensus on several critical issues has been nearly impossible to achieve. In addition, it seems unlikely to materialise in the near future, bringing WTO rule-making nearly to a standstill. This has meant that the WTO is unable to respond to the growing need for policies on numerous trade-related issues, including regulatory divergence, digital services, sustainability and human rights, investment, intellectual property, and others. Meanwhile, various reform proposals have been put forward by WTO members. Still, the future of the WTO remains uncertain, resulting in a weakening of the WTO and a severe challenge to its effectiveness and legitimacy.

Second, and partly related to these developments at the WTO, global trade governance has witnessed a marked rise in the number of bilateral and plurilateral trade agreements. As the WTO cannot meet the need for rule-making on new issues as they arise, their member states have resorted to forming agreements between one or more other states that deal with these regulatory gaps (Kerremans 2020; Wouters et al. 2020). More than 350 agreements have been notified to the WTO and are currently in force. Sometimes they involve many states, constituting what are sometimes macro-regional trade agreements. This sharp increase in regional trade agreements (RTA) has given rise to questions regarding the impact on non-parties to the RTA, such as competitive disadvantage. There is also the concern that the rise of these macro-RTAs could undermine the role of WTO in future emerging regional trade areas and in strong regional governance spaces, or that they could further inhibit rule-making at the multilateral level, as they could provide alternative routes to the state of trade governance as it appears now.

“Still, the future of the WTO remains uncertain, resulting in a weakening of the WTO and a severe challenge to its effectiveness and legitimacy.”
Third, in light of the above trends, and especially in the context of increasing protectionism worldwide, some states have already resorted to unilateral measures regarding foreign trade. Within this context, we can highlight the case of EU, that remains a champion of multilateralism and continues to push for WTO reform, to make it more efficient and to promote enhanced cooperation at the multilateral level (Wouters & Hegde 2022; Bercero 2022). However, the EU’s push for reform has not been an obstacle to a deliberate shift to assertive autonomy, as it is also pursuing unilateral policies to achieve a value-based global trade policy. In particular, the EU Commission’s latest policy review, “For an Open, Sustainable and Assertive Trade Policy”, re-asserts the importance of trade policy as a tool to protect the strategic autonomy of the EU.

“The EU's push for reform has not been an obstacle to a deliberate shift to assertive autonomy, as it is also pursuing unilateral policies to achieve a value-based global trade policy.”
MAJOR TRENDS IN THE GLOBAL GOVERNANCE OF TRADE

In recent decades, policies and agreements aimed at liberalising trade, combined with advances in communication and transportation technologies, have increased trade volumes exponentially. A parallel increase in complexity has accompanied this growth, and this significant rise in trade of intermediate goods and commodities through global value chains (GVCs) has resulted in intricate networks of firms that present new challenges in trade governance. Furthermore, as traditional barriers to trade such as tariffs have fallen, a variety of NTBs have gained ground, including, inter alia, import quotas, subsidies, and regulatory standards. The composition of global trade has also changed in recent years, with a sharp increase in trade in services.

Alongside these changing dynamics, global trade policy is showing a trend of increasingly impacting a number of other policy areas traditionally considered separate from trade, for instance, sustainable development, protection of labour rights, intellectual property rights protection, and national regulatory schemes (Otteburn & Marx 2022). An example of this can be seen in Figure 10, that shows how Voluntary Sustainability Standards (VSS) have been growing since 1990s, although in most recent years this increase did not continued with a similar strength. Current trade agreements, particularly those negotiated by economically advanced economies, often go beyond ensuring market access to include a significant number of so-called “non-trade issues”. This is despite concerns from some developing countries that the inclusion of such issues is disguised as protectionism or as a constraint on their sovereignty and development.

Relatedly, a growing number of states are increasingly contesting some of the underlying principles of free trade in recognition of some of the negative consequences of economic development. These consequences include a widening inequality between economies, environmental degradation, the (sometimes abrupt) relocation of production and the accompanying precarity or loss of employment, and the loss of regulatory autonomy to protect or bolster essential industries. These trends are already having an impact on the global governance of trade, as the economic and political power of these concerned countries has grown over the years. In addition, the agenda for global trade policy has shifted and, at times, has splintered. This has resulted in different agendas being set by different countries or groups of countries, and in traditional leaders being less able to steer trade policy in their preferred direction.
Actually, the GLOBE Survey shows that IO staff in the trade sector is less concerned about future trends – such as global inequality, financial crises, the rise of cities and regions, or democratic backlashes – that are shaping the upcoming decade. This could hint at a sense of exceptionalism in the trade sector, where the impact of global trends is perceived less drastically by staff in the trade sector than by staff from other sectors. To some extent, this represents a case of a sector that has been expanding during the last decades and strengthening its formal IOs. In the following sections we discuss the more optimistic prospects about the future of global governance – where they still prevail in this sector – despite the presence of growing difficulties.

Figure 11: GLOBE Survey: Future Trends in the Trade Sector vs. other sectors

In your opinion, how likely will the following trends shape the upcoming decade 2020–2030?

<table>
<thead>
<tr>
<th>Trend</th>
<th>Other sectors</th>
<th>Trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global inequality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Climate change</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial institutions coping with global crisis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Democratic backlash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Economic nationalism and protectionism</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cities and regions gaining legitimacy and strength</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Geopolitical clashes among big powers</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FRAGMENTATION VS INTEGRATION IN GLOBAL TRADE GOVERNANCE

While the trade governance regime can be considered to be substantially integrated, in recent years, a growing contestation at the WTO has emerged, evolving and differentiating the objectives for trade governance. This changed consensus about the desirability of further trade integration between countries, increasing evidence of negative
trade-related impacts on other issue areas, and shifts in global economic power, have begun to pull at the edges of what was once a relatively tightly knit trade regime. Therefore, over time, achieving consensus among all 164 WTO members has become increasingly challenging. With the WTO unable to move forward on specific agendas – for instance, the Doha Development Agenda – some countries have resorted to forging ahead alone, or establishing separate groups through bilateral and plurilateral trade agreements (PTA). In recent years, the number and scope of RTAs and PTAs have increased tremendously. The ongoing challenges of the WTO negotiation rounds, and the increasing need for trade agreements to go beyond the reduction of tariffs to other issues such as services, investments and intellectual property, have resulted in a proliferation of these agreements, which cover a wide range of topics beyond tariff schedules and emphasise regulatory harmonisation and the reduction of NTBs. However, some of these measures have come under scrutiny by some countries – such as India and South Africa – which argue that these exclusionary agreements are incompatible with WTO law.

Alongside these dynamics, another recent trend has been taking place outside the context of the WTO: the proliferation of private and public–private regulatory initiatives (Marx & Westerwinter 2022), such as voluntary sustainability standards (VSS), to address specific global challenges that are particularly related to sustainable development and sustainable GVCs. The proliferation of VSSs, the number of which swelled from the 1990s to 2010, usually aligned their mission with existing international commitments but pursued various objectives and set a diverse range of standards across the world. With no central authority overseeing these various initiatives, their proliferation can also be seen as a trend towards the fragmentation of the trade governance regime.11 However, recent attempts have been made to incorporate VSS and other multi-stakeholder initiatives into formal trade policies set by national states and regional organisations. Additionally, the establishment of new VSSs has tapered off, and many existing VSSs have consolidated or ceased to operate. This has led to some degree of stabilisation and reintegration within the trade regime.

While some significant trading powers push for regulation and policies to tie sustainable development to trade policies, others prefer to keep so-called “non-trade issues” and development-related concerns separate from trade policy and to focus primarily on further trade liberalisation. Others appear to be rethinking trade liberalisation entirely. As a result, moving forward with a common approach to new trade policies has become increasingly difficult. In addition, enforcing existing policies has also become a challenge due to the paralysis of the WTO’s dispute settlement mechanism. These difficulties have opened up new possibilities for states to pursue bilateral measures. The outcome has been that challenges to the goals that the global trade policy regime has pursued for the last several decades are growing fast.

FORMAL VS INFORMAL ORGANISATIONS IN TRADE GOVERNANCE

The pre-eminent institution of global trade governance is a formal organisation: the WTO. With 164 members, its rules apply to most countries worldwide. Until recently, the WTO’s dispute settlement mechanism was the central tool for resolving trade disputes between countries, and compliance with the mechanism’s outcome was high. Thus, despite the series of recent crises the institution is facing, the WTO remains the central authority on global trade governance. Some other formal organisations, such as regional
organisations, especially the European Union, Mercosur, and ASEAN, and US systems specialised entities, such as the United Nations Conference and Trade and Development (UNCTAD), also play an essential role in trade governance.

According to our survey, when we asked trade staff about the effectiveness of different global governance instruments, they rated “hard” ones (such as international treaties and technical standards) higher than “soft” ones (such as declarative instruments and knowledge instruments). The differences from the other sectors were most pronounced. Also, this can be seen as indicative of the relevant role of formal organisations in this macro-sector, which used to have a greater capability to use “hard” instruments. Related to this, it emerged from the survey that staff from the trade sector are much less concerned in general than staff from other IOs regarding the problems their IO will face. This effect is especially marked regarding the potential lack of expertise, but it is also noticeable regarding issues such as legality, democratic decision-making, and efficiency. This leads us to conclude that staff from the trade sector seem to believe in the quality of their own IOs more than staff from other sectors believe in theirs.

**Figure 12:** GLOBE Survey: Effectiveness of policy instruments in the trade sector vs. other sectors

How effective do you consider the following policy instruments to be for global governance?
Despite not being core actors in the trade sector, informal IOs did play a significant role in it. Though originally established to coordinate a response to different financial crises, informal groups such as the G7 and G20 have become important forums for achieving consensus among key countries on the future of global trade governance. With a different role, the G77 – the informal group of developing countries that was first brought together by UNCTAD – since its very beginning, has been related to trade policy by speaking with one voice on global trade policy. Today, trade is one of the key topics on the agendas of G7, G20 and G77 group meetings and summits. Though these groups do not make binding rules, and the agreements they reach do not represent formal commitments, when they reach consensus – particularly the G7 and G20 – they often set the course of action for other international forums, especially the WTO. With consensus difficult to achieve among the 164 WTO members at its ministerial conferences (Kampel & Nedumpara 2022), negotiations and decisions reached in these informal forums are particularly relevant to the development of successful strategies.

PUBLIC VS PRIVATE INVOLVEMENT IN TRADE GOVERNANCE

Global trade governance is largely conducted by public actors – namely national and regional governments – in line with rules set out by the WTO. Still, non-state and private actors have become increasingly active in, and important to, global trade policy. Multinational enterprises contribute to global trade governance through the regulation of GVCs, which have become a powerful global governance mechanism, by exercising control over suppliers and partners within their

“Staff from the trade sector seem to believe in the quality of their own IOs more than staff from other sectors believe in theirs.”
value chains. NGOs also play an active role in trade governance by putting pressure on other actors or by setting standards themselves.

Most notably, and as previously described, trade governance has witnessed a growing number of private and public–private initiatives that have attempted to regulate particular aspects of global trade. VSSs set and monitor firms’ compliance with voluntary standards that go above and beyond formal rules. Such standards can bring in higher levels of expertise and may also be able to react more nimbly to new developments, particularly as trade policy carried out by public actors is slow to materialise.

The increased involvement of private actors in trade governance does not appear to displace public governance. In many cases, it appears to be complementary. For example, an increasing number of free-trade agreements refer to various private initiatives, such as the 2011 FTA between the European Union and South Korea, which mentions that parties will cooperate in the area of fair and ethical trade, private and public certification, and labelling schemes including eco-labelling. Additionally, VSSs and private initiatives are increasingly integrated into governmental public policy. For example, South Korea’s Act on the Sustainable Use of Timber explicitly recognises some VSSs as proof of verification of the legality of certain timber and timber products.

**INSTITUTIONAL AUTONOMY VS NATIONAL STATE INVOLVEMENT**

For many years, the WTO enjoyed considerable institutional autonomy in leading global trade governance, as well as enjoying a high degree of compliance with its rules and dispute settlement mechanism. Indeed, the WTO’s dispute settlement system was very effective in ensuring compliance throughout the early years of the mechanism and was very important for combating anti-dumping subsidies and other non-compliance through global rules. The high level of its effectiveness appears to have been a primary reason for the opposition to this mechanism by major trading powers, especially the US, which found itself forced to comply with adverse rulings. This opposition resulted in the US taking several steps to undermine the mechanism, most notably by failing to ratify the appointment of new members of the Appellate Body. This has sharply curtailed the WTO’s ability to engage in key components of its autonomy, namely compliance monitoring and enforcement (Van der Loo 2022).

These difficulties can be related to the questions in our survey to staff about future developments of their IO (basically WTO and UNCTAD), where the trade sector appears less optimistic about the future than other sectors. This effect may be partly due to the already high level of content observed in the previous questions, which would leave less room for future improvements. This is exemplified by the question on the likelihood of budget increases, which the trade sector rated as being highly unlikely. Trade sector staff also seem to be more concerned about their IOs facing “persistent decision-making gridlocks”, “major shifts in international power balances”, and “a shortage of financial resources”. These responses correspond to their concerns about the improbability of the budget increases mentioned earlier, as well as to the difficulties of solving the failure of some key mechanisms, such as the WTO’s dispute settlement system.
Moreover, in recent years, increasing protectionism by several major trading powers and contestation within the WTO have led to a sharp increase in states taking unilateral measures, including backpedalling on the key principles of trade liberalisation and less support for global governance initiatives in the macro-sector. Thus, the challenges in reaching consensus on key agenda items have limited the WTO’s capacity for rule-making and agenda-setting. Nevertheless, the WTO and its existing regulations still retain considerable normative weight and, despite ongoing crises, there is no clear trend showing that WTO is losing its leadership position rapidly. The observable trend is that new RTAs and PTAs are created in line with rules set out by the WTO and are notified to the WTO so that it can monitor parties’ compliance with them. Overall, even other actors engaged in trade governance, such as national states, regional organisations, and informal IOs, set or guide trade policy following WTO rules.

Figure 13: GLOBE Survey: Future problems of the trade sector vs. other sectors

Over the upcoming decade (2020–2030), how likely is it that your organization will suffer from?
In this report, we treat peace and security as a single concept, in line with the Charter of the United Nations. More specifically, international peace and security are defined as (1) the absence of organised collective violence between major human groups, and (2) freedom from fear of man-made physical violence or direct threats to a state’s integrity or an individual’s safety and physical integrity. The first dimension of security outlined above draws from Johan Galtung’s (1969) concept of “negative peace”, while the second borrows from the human security paradigm, in which security is understood from two different angles: freedom from fear and freedom from want. The latter refers to economic and social issues with security implications, namely cross-cutting issues such as the eradication of poverty and inequality.

"There is a significant trend towards the rising importance of non-state actors in global security governance."

Global security governance has traditionally been the purview of states and the IOs they have established. This remains largely unaltered, but there is a significant trend towards the rising importance of non-state actors in global security governance. Thus, we observe formal IOs composed of states, informal IOs of a governmental nature, and multiple types of non-state actors engaging in global security governance. The functions these organisations fulfil in global security governance are outlined in the following paragraphs.

To begin with, formal IOs in security governance undertake several functions, from establishing norms or facilitating information-sharing, to monitoring, capacity-building, and engaging in direct coercion measures, including the use of force. They are, however, large IOs that move slowly when confronted by sudden challenges and often suffer from a host of shortcomings, such as their dependency on member states for funding and issues related to legitimacy, representativeness, and effectiveness. The strong role of states in global security governance was observed clearly in the GLOBE Survey. We asked staff members about the autonomy of their organisations with respect to member states. Compared to their peers from other sectors, they perceived less autonomy regarding the review of internal operations, but also less in the field of compliance, as well as less autonomy for policy- and strategy-setting. In the security sector, the United Nations Security Council (UNSC) is the most relevant IO; however, it experiences strong gridlocks in its decision-making processes.
Some informal IOs also participate actively in global security governance. They are often specialised, focusing on a single issue, and tend to have limited geographical scope and membership. Consequently, they require minimal bureaucracy and enjoy lower transaction costs, both of which allow for greater flexibility. They can, however, be dominated by powerful states. In global security governance, a specific type of informal organisation is relevant: the so-called “international contact groups” (Sauer, 2019). These are often created on an ad hoc basis to address a concrete and temporary conflict. Often, they complement the UNSC by filling operational gaps, particularly in crises. Overall, the number of informal IOs has increased significantly since the 1990s and, in international peace and security, they have found a place with formal IOs in the sector.

Non-state actors can also play an important role in the governance of security. Non-governmental organisations (NGO), for example, have contributed to security governance for decades, particularly since the early 1990s. NGOs may be able to position themselves as neutral in
certain conflicts, and can thus facilitate dialogue between states and other actors such as warlords, militias, and rebel groups. For example, Colombian NGOs, and in particular women’s NGOs, played an important role in the negotiations of the Colombian Peace Process (Céspedes-Báez & Jaramillo Ruiz 2018). They are also involved in providing humanitarian assistance; participating in long-term development programmes to help prevent further conflict; contributing technical assistance, and tapping into local expertise.

Epistemic communities – knowledge-based networks of experts from governments, IOs, research institutes and private companies (Haas 1992) – bring knowledge and expertise to the table. For-profit NSAs have been involved in different types of public–private partnerships (PPPs) and self-regulation efforts. Examples include the Bali Process Government and Business Forum (GABF), which aimed to bring together governments and the private sector in the fight against human trafficking (United Nations Office on Drugs and Crime, 2021), and the Kimberley Process Certification Scheme, to avoid the market circulation of bloody diamonds.

Within the GLOBE project, we examined the national security strategies of 14 states (comprising the E7, G7 and BRICS countries) in global security governance to understand what these countries considered as security threats. There were ten categories of security threat: the use of force; proliferation of weapons of mass destruction (WMD); terrorism; cyber threats; transnational organised crime; health; environmental degradation and climate change; migration; economic threats, and resources and infrastructure. Actually, only three of these were identified by all of the states as key threats: the use of force, the proliferation of weapons of mass destruction, and terrorism (see table 2). Thus, in the following pages, we focus on the global governance architectures that address these three security threats specifically.
**Table 2: Comparative detailed table on Global Governance of three security threats**

<table>
<thead>
<tr>
<th>Security threat</th>
<th>Main governance mechanism</th>
<th>Formal IOs</th>
<th>Key treaties</th>
<th>Informal IOs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Use of force</strong></td>
<td>Global and regional formal international organisations (Formal IOs)</td>
<td>United Nations Security Council (UNSC), North Atlantic Treaty Organization (NATO), ...</td>
<td>UN Charter, The North Atlantic Treaty, Constitutive Act of the African Union, ...</td>
<td>G7, International contact groups (e.g., E3+3), ...</td>
</tr>
<tr>
<td><strong>Weapons of mass destruction (WMD)</strong></td>
<td>Treaties and soft-law regulations, Global IOs in some issue areas (e.g., nuclear weapons)</td>
<td>International Atomic Energy Agency (IAEA), Organization for the Prohibition of Chemical Weapons (OPCW), United Nations Security Council (UNSC)</td>
<td>Treaty on the Non-Proliferation of Nuclear Weapons (NPT), Chemical Weapons Convention (CWC), Biological Weapons Convention (BWC)</td>
<td>Nuclear Suppliers Group (NSG), Wassenaar Arrangement, Zangger Committee, ...</td>
</tr>
<tr>
<td><strong>Terrorism</strong></td>
<td>Regional organisations, informal IOs</td>
<td>No comprehensive organization that deals with counter-terrorism; Counter-Terrorism Committee of the UN, the Counter-Terrorism Implementation Task Force of the UN; Regional formal IOs</td>
<td>No comprehensive treaty on terrorism; Multiple UN conventions (e.g., International Convention for the Suppression of the Financing of Terrorism) and regional conventions (e.g., Council of Europe Convention on the Prevention of Terrorism, Inter-American Convention Against Terrorism, ASEAN Convention on Counter Terrorism, OAU Convention on the Prevention and Combating of Terrorism)</td>
<td>Financial Action Task Force (FATF), Global Counter-Terrorism Forum, ...</td>
</tr>
</tbody>
</table>
THE USE OF FORCE ARCHITECTURE

The global governance architecture for the use of force consists of a network of public and private actors involved in different phases of conflict: pre-conflict, conflict, and post-conflict. Although a division of labour exists between actors – depending on the different phases of a conflict – the UN remains a central player, particularly in the conflict phase, as the UN Charter has established the UNSC as the only body with the competence to authorise the use of force. Other actors operating internationally can also make important contributions. Formal IOs focusing on development, such as the World Bank, participate in “structural conflict prevention” through development programmes and the promotion of good governance. Many regional organisations and NGOs may aid in these efforts by helping design and implement development strategies. Regional security organisations often act as first responders when conflicts begin to emerge, while informal IOs, including international contact groups, can help bring about consensus among relevant players. Once a conflict escalates, the UNSC takes centre stage and can decide whether to activate a range of tools at its disposal, from coercive diplomacy and peacekeeping missions to the authorisation of the legitimate use of force. Regional IOs may intervene in peacekeeping or peace enforcement under UNSC approval and oversight. Many actor types, including international courts and tribunals, are involved in post-conflict phases. The International Criminal Court (ICC) and ad hoc tribunals created by the UNSC can play crucial roles in bringing war criminals to justice and thus helping societies to deal with the atrocities committed during conflict.

Several shortcomings are associated with the governance architecture of the use of force. These shortcomings can also be identified as governance gaps. The heavy weight of states in this architecture means that rivalry and contestation, or the lack of political will, can hamper the effectiveness of formal international organisations. The intense rivalry between permanent members and the ensuing gridlock at the UNSC is a perfect example. Another shortcoming is that UNSC does not have a functioning Military Staff Committee, intelligence analysis unit, or an...
adequate post-conflict building body. Added to this, coordination issues and duplication efforts are not uncommon. Some trends to overcome state-centric gridlocks by using the power of global governance have been observed in recent decades, with the involvement of multiple NGOs and trans-governmental organisations.

THE WEAPONS OF MASS DESTRUCTION ARCHITECTURE

The governance architecture for WMDs – nuclear, chemical, and biological – differs from the architecture for the use of force, as it relies heavily on treaties and soft-law regulations, and on the UNSC as a last resort. The architecture for nuclear non-proliferation is the most developed one, with the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) as its cornerstone. This treaty differentiates the responsibilities of nuclear- and non-nuclear-weapon states: nuclear-weapon states must work towards eliminating their arsenals and assisting non-nuclear states if they wish to develop nuclear energy. In contrast, non-nuclear-weapon states commit to not developing them. This has led many states to claim that the treaty is discriminatory, and progress has been limited in terms of arsenal reduction.

The IAEA is tasked with signing “safeguards agreements” with non-nuclear states. These agreements allow it to conduct verification activities to ensure that nuclear materials are used for peaceful purposes. The IAEA also monitors compliance with the NPT in collaboration with regional organisations. This gives IAEA a central role in the governance architecture for nuclear weapons. Informal international organisations have been active in preventing proliferation as well. They have, for example, developed guidelines and standards related to trade in nuclear goods, as in the case of the Nuclear Suppliers Group (NSG). International contact groups can also act as key players, as evidenced by the role the E3+3 played in striking a deal with Iran. NGOs and epistemic communities have been important in anti-nuclear-weapons campaigns by rallying international support and providing technical assistance. Currently, NGOs and civil-society organisations are working towards increasing their membership in the Treaty on the Prohibition of Nuclear Weapons (TPNW), which aims to ban the use of nuclear weapons completely.

Although the NPT does not completely prohibit the use of nuclear weapons, the treaties at the core of the chemical and biological weapons architecture fully ban their use. The Organization for the Prohibition of Chemical Weapons (OPCW) is tasked with verifying compliance with the Chemical Weapons Convention (CWC). The work of this organisation is complemented by informal organisations involved in establishing standards, and other international organisations, global or regional, contributing to verification activities. While chemical weapons and nuclear non-proliferation architectures have an effective central formal IO, this is not the case for biological weapons architecture. The Biological and Toxin Weapons Conventions (BTWC) rely on the Implementation Support Unit at the UN’s Office for Disarmament to verify compliance. To fill this gap, informal IOs such as the Australia Group have stepped in, for example, to develop controls for the export of dual-use biological goods.

“All non-proliferation efforts face a common challenge: the speed of scientific and technological advancement constantly expands or modifies the goods and materials that must be controlled.”
All non-proliferation efforts face a common challenge: the speed of scientific and technological advancement constantly expands or modifies the goods and materials that must be controlled. The appearance of new actors – both state and non-state-related – with access to nuclear, chemical or biological weapons also represents a key challenge.

THE COUNTER-TERRORISM ARCHITECTURE

Compared with the use of force and WMD architecture, the governance architecture for terrorism is relatively underdeveloped. Even though terrorism took a more central position on the global agenda after the 9/11 attacks, the first UN conventions on terrorism date back to the 1960s and 1970s, for instance, the Convention on Offences and Certain Other Acts Committed on Board Aircraft, adopted in 1963, and the Convention for the Suppression of Unlawful Seizure of Aircraft, adopted in 1970. It was only in the 1990s that the term “terrorism” began to feature more prominently, as in the case of the International Convention for the Suppression of Terrorist Bombings, adopted in 1997. Since then, various organs and mechanisms have been created in the UN system to fight against terrorism. These include the Counter-Terrorism Committee, the Counter-Terrorism Implementation Task Force, and the Global Counter-Terrorism Strategy. Still, no comprehensive international treaty or organisation deals exclusively with counter-terrorism. Part of the reason why efforts to develop such an organisation or treaty have failed – as in the case of the UN Draft Comprehensive convention on International Terrorism – is that definitional issues stand in the way of achieving global consensus (i.e., there is no universally accepted definition of terrorism).

Some regional IOs, however, have been able to provide regional definitions of terrorism and have established measures for its prevention. The EU, for example, has developed the most comprehensive anti-terrorism toolbox. In addition, several organisations are involved in anti-terrorism efforts in the EU, including Europol; Eurojust; Frontex; the EU’s Police Chiefs Operational Task Force; the EU Counter-terrorism Coordinator; the European Maritime Safety Agency, and the EU Agency for Network and Information Security. The absence of a common definition of terrorism seems to be one of the greatest obstacles for an effective governance architecture. Functional overlaps and duplication efforts between organisations have also posed important challenges. Importantly, the lack of mechanisms to verify compliance with existing measures, the different levels of commitment between states, and their reluctance to share intelligence and use information-sharing institutions have also complicated anti-terrorism efforts.
A BRIEF COMPARISON ACROSS ARCHITECTURES

The governance architecture for using force is the most complex and most developed compared to the institutional architecture of other security threats. When comparing the architectures that govern the three key threats – the use of force, the proliferation of WMDs, and terrorism – formal global IOs remain relatively central in all cases, with the weight of intercontinental or regional threats varying from case to case. Table 3 shows the role of different actor-classes across the three security threats. Thus, in the use of force and the WMD architectures, global IOs – the UN, the IAEA, and the OPCW – play a clear and central role. In the field of counter-terrorism, however, regional IOs are the key actors. The critical role of formal IOs in global security governance matches the dominance of states in this issue area. However, this traditional configuration, which for decades permitted significant stability of the world order, has started to show some weaknesses, as it has suffered multiple tensions of late.

Table 3: Comparing actor classes across three security threats

<table>
<thead>
<tr>
<th></th>
<th>Use of force</th>
<th>Non-proliferation WMD</th>
<th>Terrorism</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Formal IOs</strong></td>
<td><strong>Universal</strong></td>
<td>Very high</td>
<td>Very high</td>
</tr>
<tr>
<td></td>
<td><strong>Regional</strong></td>
<td>High</td>
<td>Medium</td>
</tr>
<tr>
<td><strong>Informal IOs</strong></td>
<td></td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td><strong>Courts &amp; Tribunals</strong></td>
<td></td>
<td>Medium</td>
<td>Low</td>
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<tr>
<td><strong>NSAs</strong></td>
<td><strong>NGOs</strong></td>
<td>High</td>
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<td></td>
<td><strong>MNCs</strong></td>
<td>Medium</td>
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</table>

Source: Sanchez Cobaleda (2020)

As we discuss further, informal IOs and other actors are developing relevant roles and challenging the global governance status quo that is based on formal organisations that are highly resistant to institutional changes. Informal IOs, however, take on varying roles in each of the subareas studied above: these IOs tend to be important in counter-terrorism and anti-proliferation efforts, but less important in the use of force. Finally, there is variance as well in the relevance of other actors. General purpose NGOs, for example, are crucial in all phases of conflict, while in non-proliferation efforts, specialised advocacy NGOs are actively engaged. This is not the case for counter-terrorism activities, where NGOs play a much more marginal role.
FRAGMENTATION VS INTEGRATION IN GLOBAL SECURITY GOVERNANCE

Having examined the core of the global security governance architecture, we reflect in this section on the most relevant security governance trends currently underway. The nature of current security challenges and the trend towards a multipolar world have brought about a slow unraveling of the world order. This crisis has been decades in the making and has become very visible recently. Multipolarity has been accompanied by the growing assertiveness of a number of states (e.g., China, Russia, Iran, Turkey), all of whom are preoccupied with the affirmation of their national sovereignty. This has increased and shifted the weight in the list of security actors who matter. As new constellations of actors, interests and values arise, and as pre-existing governance configurations are no longer seen to be in the interest of powerful players, we begin to observe the emergence of a competing world order with multiple global governance implications. It is here that we first note the trend towards fragmentation. As the current global governance order erodes, the space for the contestation of dominant security institutions, paradigms, ideas, norms and practices grows. This much is evidenced by the varied reactions to the Russian invasion of Ukraine.

Adding fuel to the fire, threats have multiplied, as complex, cross-cutting issues such as climate change and technological development enter the agenda. This has accelerated the speed of change, increasing both uncertainty and the potential for surprises. Not only that, but these issues have also contributed to the growing North–South division. For example, the devastating effects of climate change are overwhelmingly felt in developing countries, despite the fact that these countries represent a negligible share of emissions. Moreover, the recent COVID-19 pandemic has not done much to mend relations.

Many Southern countries have been unable to access vaccines, while high-income countries stockpiled them; a situation which has been characterised as one of “vaccine apartheid”.

The erosion of the existing world order, in conjunction with the complex nature of current security issues, has put quite some pressure on existing security institutions, which either do not allow for enough flexibility or cannot adapt. This has brought about the fragmentation of global security governance, particularly in the area of the use of force. Although the UN remains at the centre, its legitimacy and effectiveness are increasingly questioned. A continuing gridlock at the UNSC and contentious relations between permanent members have created a situation of paralysis at the council. This has prevented these larger, formal structures from fulfilling their purpose – i.e., to maintain peace and facilitate cooperation, as stated in Article 1 of the United Nations Charter – thus opening up governance gaps and weakening security governance globally.

To fill these gaps, states have resorted to various governance configurations. To begin with, we observe a trend towards regionalisation, with a strengthening of some regional organisations. This has been the case for NATO since the 2014 Ukraine crisis, and in particular following the Russian invasion of Ukraine in 2022. The Shanghai Cooperation Organization (SCO) has also gained more prominence recently. In 2017, India and Pakistan officially joined the SCO, and in 2021, Iran began its accession process. Recently, Belarus and Turkey have also announced their intention to become members. In Southeast Asia, ASEAN plays a key role in security governance, mainly through the ASEAN Regional Forum (ARF), which includes all major powers in the Asia–Pacific region (He 2019). In Africa, the African Union’s (AU) role in security governance has also risen in prominence, particularly...
since the launching of the AU’s Common African Defence and Security Policy (CADSP). The involvement of the Economic Community of West African States (ECOWAS) in counter-terrorism efforts is also worth noting (Bala & Tar 2021).

The need to fill governance gaps has also contributed to the emergence of another trend: the informalisation of security governance. We can observe this trend in the proliferation of G-groups (G7, G20,..), IIGOs, and international contact groups (ICGs), which are explored further in the section below. Such transformations tend to affect the staff of many formal IOs in this sector, who hold pessimistic views of their ability to cope with global security challenges in the coming years. From the GLOBE Survey, we observed that staff in security global governance organisations are much less optimistic about their organisation’s future developments. They point to future budget constraints or a lack of sensitivity to public scientific debates. Also, the risk of being influenced by external actors is taken seriously. In that line, security IOs’ staff are more worried – compared with other sectors – that their organisations will suffer from severe problems in the next decade, problems such as persistent decision-making gridlocks, lack of professional expertise, or shortages of financial resources.

**Figure 15:** GLOBE Survey: Future developments of security sector vs. other sectors

**Over the upcoming decade (2020–2030), how likely do you think it is that your organization will...**
FORMAL VS INFORMAL ORGANISATIONS

States increasingly began to turn to informal IOs for security-related issues in the 1960s, but this trend has accelerated, and it will likely continue to accelerate in the future. New institutions which are less costly to set up – in terms of sovereignty and monetary costs – are increasing, as they allow for greater flexibility in dealing with current security challenges. They can adapt to the changing geopolitical landscape and the complex nature of security issues. These newly created informal organisations may either complement or contest existing arrangements, as they will need to interact with traditional formal IOs, which are overarchingly resistant to institutional changes. However, our survey of staff members indicated fewer interaction challenges than staff in other sectors, especially concerning competition and overlapping responsibilities.

Among the essential informal IOs in global security governance, we find that the G7/G8’s involvement in security issues has been growing recently. For instance, the G7/G8 played a role in security governance by spearheading initiatives such as the Missile Technology Control Regime (MTCR). Other relevant security-related informal structures include the G5 Sahel, actively coordinating regional security policies in West Africa, the Euro-Atlantic Partnership Council (EAPC), launched by NATO, and the Proliferation Security Initiative, which aims to stop proliferation-related trade in WMDs. Further informal initiatives are ICGs like the Balkans Contact Group, which was established in 1994 and has also grown in importance. At least 27 ICGs have been created since 1977 (Henneberg 2020). Recent examples include the Contact Group on Piracy off the Coast of Somalia (CGPCS), launched in 2009, the Global Coalition against Daesh, formed in 2014, and the International Contact Group on Venezuela, established in 2019.

More recently, we have seen a surge of more minor, ad hoc, issue-specific groupings of countries which assemble to achieve limited but significant strategic results. The most prominent examples seem to be Western-led, although such groupings have also emerged in other regions. Examples include the Quad, the AUK-US partnership, and the India Trilateral Forum, all of which focus on the Indo-Pacific region.

PUBLIC VS PRIVATE INVOLVEMENT

The relevance of non-state actors in global security governance has been increasing. On the one hand, these actors have increasingly become the target of governance efforts. Transnational terrorist networks, piracy networks, and warlords, for example, constitute significant security challenges, and various international organs and mechanisms have been set up to deal with them (e.g., the Counter-Terrorism Implementation Task Force). On the other hand, NSAs have also become more relevant as contributors to security governance efforts, although their importance and roles vary from issue area to issue area.

The private sector can also influence security governance through lobbying efforts (i.e., attempts to shape or prevent regulation). However, this is not the only way in which for-profit actors are involved in security governance. For example, Christian Bueger’s (2015) work on piracy shows how maritime insurance companies and shipping companies have strongly supported anti-piracy governance efforts by, for instance, funding the International Maritime Bureau’s Piracy Reporting Centre (IMB PRC). Weapons manufacturers play a role as well. We see this in the case of the Small Arms Survey, which involved weapons manufacturers in the fight against the illicit arms trade. The same can be said of chemical companies.
and companies dealing with nuclear goods, which play a key role in non-proliferation efforts by working with formal and informal IOs.

The importance of transnational NGOs in security governance has also increased over the years. These NGOs are increasingly involved in activities beyond advocacy, contributing to policy formation and development, the establishment of international norms, and implementing and monitoring international treaties or voluntary codes of conduct. Some examples of security-related campaigns led by transnational NGOs include the International Campaign to Ban Landmines, the Cluster Munition Coalition and the International Network on Explosive Weapons. Private military security companies (PMSC) have also seen their influence increase. They are involved in various activities, from engaging in combat, providing armed guards to protect persons, objects, or buildings and other places, to the detention of prisoners or the training of local security forces. The EU, for example, relies on PMSCs for the enforcement of migration policies (Davitti 2018).

As Westerwinter et al. (2021) explain, it is also worth noting that we have witnessed an explosive growth of transnational governance initiatives (TGI) in the last few decades in areas related to global security. Although they are less prominent in security than in other issue areas, they have become much more common in recent years. TGIs involve at least one state and/or IO, one business actor, and one civil-society actor. They are institutionalised to the extent that they provide a basis for regular interactions. These initiatives have involved developing standards and codes of conduct for issues such as conflict minerals and private security. These informal governance configurations include the Kimberley Process; the International Code of Conduct for Private Security Service Providers Association; the International Multilateral Partnership Against Cyber Threats, and the Public–Private Alliance for Responsible Minerals Trade. Countries’ involvement in these initiatives is clustered: wealthy OECD countries are more likely to join TGIs, whereas developing countries, for example, are more likely to join more informal IOs.

Finally, as Biersteker (2020) shows, transnational policy networks – assemblages of governance composed of networks of expertise across public and private institutions – have become increasingly relevant. These networks tend to operate in spaces around formal IOs, but their involvement is with less institutionalised arrangements. They have been involved in policy formation, policy development, and policy reform for various issues, including piracy, targeted sanctions, cybersecurity, internet governance, and the development of codes of conduct for PMSCs. These networks tend to be complementary to UN activities in areas where governance is lacking strength. They are also more technical in orientation and less associated with advocacy efforts.
Global environmental governance is multifaceted. We do not see a single global regime in this macro-sector; but a regime complex that includes several architectures. These architectures involve different actors of a very diverse nature and with multiple regulatory elements that are only partially related to each other and are non-hierarchically organised. Here we focus on global climate-change governance, which refers to collaborative efforts by states and other actors to steer social systems towards preventing, mitigating, or adapting to the risks posed by climate change (Jagers & Stripple 2003). A safe and relatively stable climate can be understood as a vital global public good that needs global collective action (Coen et al. 2020). Since the 1980s, climate change has emerged as a priority issue within the broader framework of global environmental governance. The global climate-change governance architecture has become increasingly complex in recent decades, giving rise to a variety of public and private regulatory arrangements. Nonetheless, the 1992 United Nations Framework Convention on Climate Change (UNFCCC), strengthened by the 2015 Paris Agreement, continues to serve as a central node within the UN structures.

An important player in global climate-change governance is the EU, which is committed to increasing its climate ambition in line with the Paris Agreement (Kreienkamp et al. 2022). While some argue that global climate-change governance is polycentric, others argue that it is concentric, whereby environmental policy takes the shape of an octopus, touching different neighbouring fields and topics. Therefore, we find different climate-relevant actors, initiatives and regimes across a range of issue areas such as human rights, security, biodiversity, and health.

We can identify at least three goals related to the fight against climate change: i) climate-change mitigation, aimed at stabilising greenhouse gas concentration in the atmosphere at a level that prevents dangerous warming; ii) climate-change adaptation, aimed at enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change, and iii) climate-change justice, aimed at ensuring equity and fairness of climate action, including addressing loss and damage from climate change (Coen et al. 2020). An overarching challenge, key to the achievement of all three goals, is the alignment of financial flows with climate targets and the mobilisation of funds to support developing and climate-vulnerable countries. The international climate-change regime remains primarily focused on mitigation, which is also the original key objective of the 1992 Convention, although adaptation and loss and damage are increasingly pressing concerns, especially for developing countries.

"While some argue that global climate-change governance is polycentric, others argue that it is concentric, whereby environmental policy takes the shape of an octopus."
Climate change is also recognised as a major threat to sustainable development. Sustainable Development Goal (SDG) 13 aims to “take urgent action to combat climate change and its impact”, and at least two other SDGs tackle this topic, namely SDG 14 (life below water) and SDG 15 (life on land). Ultimately, progress on nearly all SDG risks will be hindered by accelerating climate changes, and will have a different impact on local populations around the globe. For example, health impact of global climate change mitigation can be very varied according to increased vulnerability, due to multiple factors, including limited resources for adaptation, weak public health and few supportive social policies (Ingole et al. 2022).

Central to the global response to climate change is the 2015 Paris Agreement, which sets out the goal of limiting global warming to well below 2°C above pre-industrial levels and pursuing efforts towards a 1.5°C limit. The Paris Agreement tries to circumvent global cooperation problems that have made progress difficult in the past, notably under the 1997 Kyoto Protocol. Unlike the Kyoto Protocol, however, which represented a traditional regulatory design logic, the Paris Agreement aims to “catalyse” action that is aligned with the collective target of reaching net zero after 2050. Targets for individual state parties are no longer negotiated at the global level. Rather, the Paris Agreement requires parties to submit nationally determined contributions (NDCs). Importantly, NDCs are submitted by every state party, making the Paris Agreement the first universal climate treaty. Unlike the national targets specified in the Kyoto Protocol, targets put forward in NDCs are not legally binding. However, they are subject to binding procedural requirements, normative expectations of progression, and the highest possible ambition. Compliance mechanisms under the Paris Agreement are explicitly facilitative. The emphasis is on transparency, as it is hoped that this will build up peer pressure as well as pressure from below, including from national constituencies. To ensure efforts are consistent with the collective targets, national pledges must be updated regularly. In addition, five-yearly “stocktakes” serve to assess collective progress towards the Paris Agreement’s long-term goals and to identify opportunities to ratchet up ambition. There is also an increased effort to engage non-state actors such as cities and businesses.

INTERNATIONAL ORGANISATIONS IN THE FIELD

The leading IOs in global climate-change governance are the UNFCCC, the Intergovernmental Panel on Climate Change (IPCC), and the UN Environment Programme (UNEP). As they are formal IOs established comparatively recently, there are no strong path-dependent institutional effects in this sector of global governance, and there is still significant room for adaptation and adjustment regarding the key actors involved in this regime. There is also a mix of formal and informal IOs operating in the whole regime, which creates a very fluid institutional architecture with particular global governance characteristics.
The UNFCCC is the primary multilateral instrument for addressing climate change at the global level. It provides both a legal framework – in the form of the 1992 Convention – and an institutional and administrative infrastructure to support negotiations on concrete mechanisms to implement the Convention and to monitor progress. Its supreme decision-making body is the Conference of the Parties (COP). The COP includes all states that have ratified the Convention. The default mode of decision-making in the COP is consensus, often cited as a significant obstacle to more progressive action because a single country can halt the entire process (Hale 2017; Coen et al. 2020). Since the UNFCCC entered into force, the COP has negotiated two separate instruments to complement the Convention: the Kyoto Protocol (whose second commitment period ended in 2020) and the Paris Agreement.
The Intergovernmental Panel on Climate Change (IPCC) was founded in 1988 by the United Nations Environment Programme (UNEP) and the World Meteorological Organization (WMO). The IPCC provides scientific guidance to the international community on the magnitude and timing of climate change, its possible impacts, and the variety of reply policies. It is best known for its six Assessment Reports. The last one was released in 2021. The 195 member states meet at least once a year in a plenary session of the Panel, which is the decision-making body of the IPCC. From the beginning, the IPCC has played the hybrid role of a “boundary organisation”, enhancing cooperation between scientists and policymakers while seeking to maintain a distinct boundary between these two worlds. Although its reports are drafted by thousands of scientists and experts worldwide, the IPCC remains an explicitly intergovernmental organisation, and its outputs require government approval. Thus, the IPCC has the difficult task of developing consensus knowledge that is both scientifically sound and politically acceptable.

UNEP was founded by the UN General Assembly in 1972. Since its foundation, its mandate has often been amended and strengthened, although its main goal remains to ensure cooperation on environmental issues within the UN system. UNEP provides expertise and guidance on such activities and contributes to developing international environmental law. UNEP administers several multilateral environmental agreements (MEA), including the Convention on Biological Diversity, the Vienna Convention, and its Montreal Protocol on Substances that Deplete the Ozone Layer. UNEP was crucial in the UNFCCC negotiations, but subsequently it lost influence in the climate-change discussion when the UNFCCC Secretariat took over the coordination efforts (Coen et al. 2020). Nevertheless, UNEP continues to produce the fundamental Emissions Gap Reports. The decision to establish UNEP as a Subsidiary Programme of the UN General Assembly – rather than a more autonomous and specialised body such as the WHO – probably undermined its authority (Ivanova 2008). In addition, the efforts of the EU and the AU to make UNEP a “United Nations Environment Agency” or a “World Environmental Organization” have been frequently discouraged by the disapproval of the big players such as the US.

Staff working in the climate-change IOs, when asked about the effectiveness of different global governance instruments, were remarkably consistent with the average responses of other sectors. However, survey respondents did report slightly higher levels of perceived effectiveness for two of the other sectors. While all sectors rated the effectiveness of “hard” global governance instruments (such as international treaties and technical standards) as higher than “soft” ones (such as declarative instruments and knowledge instruments), the climate-change sector reported an even stronger belief in regulatory instruments than other sectors. Respondents also displayed some more confidence in the effectiveness of declarative instruments (statements, resolutions, recommendations, etc.) compared to other sectors.
The survey findings point in a more precise direction when looking at the views of the staff regarding future developments of their organisations, where the climate-change sector appears more optimistic than other sectors. This effect is especially pronounced in two scenarios: where IOs will be sensitive to scientific policy debates and discussions, and where staff expect these organisations to increase their annual budget. On the other hand, staff from the climate-change sector displayed higher levels of concern over the potential that their IOs would suffer from decision-making gridlocks during the current decade. However, their responses were strikingly similar to other sectors regarding other potential problems, such as significant shifts in international power balances or a shortage of financial resources.

Our survey painted a mixed picture of how staff from the climate-change sector rate problems they might face during the current decade. While staff from IOs dealing with climate change are more concerned about efficiency problems, the outlook is more optimistic regarding a potential lack of expertise or lack of democratic decision-making.
FRAGMENTATION VS INTEGRATION

Years of multilateral impasse, as well as the complexity of the climate-change challenge – which extends into many other areas – has contributed to the institutional fragmentation of the global climate-governance system, thus configuring an institutional trend that will most probably continue in the coming years. Future fragmentation of global-climate governance has become an important point in the discussion of academics and policymakers, emphasising not only that the number of actors has grown and diversified significantly, but that this has also led to multiple problems of coordination and cooperation (Coen et al. 2020).

This fragmentation primarily concerns power politics and reflects significant shifts of power within the global economic system that have redrawn and deepened divisions between countries during recent decades. Moreover, it can be said that in many places, too many organisations are engaged in environmental governance, often with duplicative mandates. Beyond definitional boundaries or the practical challenge of effectively coordinating within such a dense actor ecosystem, as the next section clarifies, climate-change governance also confronts different views regarding its global public goods dimensions, with significant distributive and normative consequences.

One frequently highlighted consequence of fragmentation is that responsibility for environmental issues is widely dispersed among different structures, resulting in suboptimal policy coordination. For example, despite some apparent link and issue crossovers, the evolving regimes for climate change and biological diversity have little in common and barely remain interconnected. The proliferation of different rules and institutions within this sector is often in the interest of some powerful states, allowing them to increase or perpetuate their dominance at the international level by choosing the platforms that suit them best, or by making it difficult for weaker states to agree on any particular issue.

FORMAL VS INFORMAL ORGANISATIONS

Besides the formal IOs such as UNFCCC, IPCC, and UNEP, informal IOs also heavily influence climate-change governance, as they are very active at different levels and have multiple initiatives aimed at setting relevant agendas (Roger 2020). For example, in the 1980s, climate change came onto the G7 group’s agenda and started to produce different collective commitments on this type of policy. G7 addressed these topics even before the UN regime (Livingston 2016). However, even if the G7/G8 member countries made concrete commitments on climate change, at the same time they were responsible for the vast majority of global greenhouse gas (GHG) emissions. Other informal IO, as the G20, aims to include countries from the Global South in the global decision-making processes. However, even if some declarations and intentions existed, they did not take the lead in G20 climate-change governance. In fact, the G20 group also overpromised in this case. The 2009 G20 Pittsburgh Summit assured the phasing out of all fossil fuel subsidies by 2025, although the G20 countries still provide USD 150 billion annually for the exploration and extraction of fossil fuels for energy (Merrill & Funke 2019).

Other informal international organisations are also involved in climate-change governance, such as the Major Economies Forum on Energy and Climate (MEF), which US President Barack Obama launched in 2009. MEF was built on a former initiative of the Bush administration: The Major Emitters Forum. The MEF includes 16 countries as well as the EU, and accounts for more than 80 per cent of global GHG emissions (Van Asselt 2014).
PUBLIC VS PRIVATE INVOLVEMENT

The provision of global public goods in the climate-change domain is not exclusively a “public” affair, as private involvement plays an important part in its governance. It can include non-state and sub-state actors, from private businesses to cities and to multi-stakeholder partnerships. In the face of deficient public commitment, this private-sector activity gives promising opportunities to address different transnational climate problems, sometimes pushing for more ambitious pledges than governments. Actually, the private sector often takes on roles usually reserved for public authorities by creating, implementing, and enforcing climate standards and regulations. Beyond mitigation, scholars have also begun to examine the role of this class of actors – who are often closer to the ground – in accelerating more global and transnational adaptation governance. However, hopes that private climate action could help bridge the gap left by governments are dampened by doubts about whether corporate actors actually “walk the talk” when it comes to implementing climate commitments, in particular regarding how carbon-based metrics are used, often in a less than reliable method (Coen et al. 2022). A particular case is the diffusion of climate change national laws in Europe and beyond, that succeeded in the last two decades, promoted by international NGOs like Friends of the Earth, that acted as policy entrepreneurs.30

Besides the growing size, scope, and ambition of sub-state and non-state action, we also find an enhanced integration of private actors into the new post-Paris climate regime. Since the Paris Agreement, a series of UNFCCC-led orchestration efforts under the Global Climate Action Agenda (GCAA), first initiated in 2014, have facilitated dialogue, knowledge exchange, and cooperation among state, sub-state and non-state actors. This has resulted in a hybridisation of the previously strictly multilateral climate regime and the strong involvement of stakeholders of a very different nature in the global governance of climate change. In this hybrid environment, private businesses are essential because they present significant sources of GHG emissions. Whereas in the early days, the fossil fuel industry itself mainly conducted all anti-regulatory lobbying efforts possible, in the past two decades, we have seen a rapid diversification of business strategies. While privately established institutions have developed primarily bottom-up, they frequently use the international climate regime as a point of reference. For instance, there are nearly 30 private carbon-accounting standards that, in one way or another, align themselves with the standards set out under the UNFCCC’s CDM. The result is a hybrid network of private rules using general rules as “anchors”. Corporate climate action is increasingly seen as an opportunity to build a green reputation and to increase resource efficiency. Several leading companies have committed to serious
climate action, often in the absence of direct regulatory pressure, for example, by adopting specific emission-reduction targets, increasing energy efficiency, switching to renewable energy sources, or committing to zero deforestation.

We also observe the establishment of many public-private partnerships (PPPs) in the sector, since the World Summit for Sustainable Development (WSSD) in 2002, when PPPs had proliferated in diverse areas of global governance such as health, human rights, the environment, and sustainable development (Andonova 2017). The UN system has endorsed PPPs as an integral part of twenty-first-century global governance, most recently through the SDGs, which designate PPPs as a key “means of implementation” (SDG Knowledge Platform, n.d.). PPPs are also firmly embedded within the normative structures of the UN.

Confronted with the complex problems of climate-change governance, PPPs are described as the best chance for making possible a sustainable future for the planet (Gray & Purdy 2018). The Renewable Energy and Energy Efficiency Partnership (REEEP), the Global Methane Initiative (GMI), and REN21 (Renewable Energy Policy Network for the 21st Century) are some of the most recognized PPPs in the climate-change domain. National governments or international organizations are usually the founders, although sometimes non-state actors also act as promoters. For example, the UNFCCC’s GCAA, especially the NAZCA listing, counts over 120 cooperative initiatives.

CHALLENGES TO IMPLEMENTING GLOBAL POLICY

When asked about problems in climate-change governance, experts point to “climate nationalism”, while others mention that climate-change governance is not a “collective action”, but a redistributive problem. While the Paris Agreement has a framework for action, its success depends on translating it into binding national norms. Climate-change protection is in the interest of many trans-sectoral IOs. Between the different fields of global governance, we find millions of policy processes, which, however, are not connected.

It remains an open question whether existing global-climate governance arrangements can provide the necessary measures to prevent catastrophic global warming. The Paris Agreement may have saved the opportunity to save the planet (Coen et al. 2020). However, this window of opportunity is closing, with scientific studies predicting that global temperatures will cross the 2°C warming threshold as soon as 2035.

"Confronted with the complex problems of climate-change governance, PPPs are described as the best chance for making possible a sustainable future for the planet."

In climate-change governance, we find an incredible diversity of state and non-state actors and the massive potential for positive innovation for existing governance structures beyond top-down regulation. However, experts predict a rocky road with cooperation problems continuing to stump effective global-climate governance. The political leadership that enabled the adoption of the Paris Agreement in 2015 has since degenerated. During recent COP conferences, several powerful states, such as the US and China, actively blocked progress or stayed on the side-lines, undermining any momentum for scaling up collective and individual ambitions. While one of the first moves by the Biden administration in 2021 was to re-join the Paris Agreement, the US role in climate policy may shift again with a change
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“As the main environmental coordinating body of the UN, UNEP could play an important coordinating function and a catalytic.”

of power in Washington. Even if the EU is leading in this field, its influence is limited if other actors such as China or the BRICS do not play along. Central to solving this coordination problem is effectively exploiting potential synergies between climate change and other governance domains. IOs from other sectors are more involved in climate-change governance, which has to help align global capital flows with the 1.5°C target.

There is a growing awareness of the interlinkages between different environmental problems, e.g., climate change and migration, or climate change and food systems. There is a tendency to approach these problems more systematically, bringing in concepts such as “circular economy” or tools of environmental–economic accounts to inform these policies, aiming overall at greater policy coherence. However, the global economy still runs overwhelmingly on fossil fuels, and powerful states and vested private interests continue to stymie rapid climate action, even as they seek to gain a “green reputation”. Mitigation efforts will also have to contend increasingly with the imperatives of a just transition and the need to secure broad-based societal buy-in by sharing the costs and benefits of ambitious climate action fairly and equitably at the global, national, and local levels.

The Paris Agreement represents a paradigmatic operational shift towards global-to-local policy implementation, with a potential application to other policy domains. The ambitious climate targets set by the Paris Agreement demand rapid (re)deployment of local institutional capacity as well as public buy-in. However, experts are not confident that the implementation of the Paris Agreement will be successful in the future. As Green expressed it, “kicking the can to the domestic level makes sense because the action has to happen there, but it leaves us in the blind, what to do on the global level when domestic governance is not successful”.

Empowered, independent climate-advisory bodies and MRV agencies promise to be a central pillar of this new phase of climate governance. As the main environmental coordinating body of the UN, UNEP could play an important coordinating function and a catalytic role in ensuring that climate-change action is integrated throughout the UN. However, this function is undermined by low policy focality in a densely populated regime ecosystem, chronic underfunding, and repeated problematic appointments to senior leadership positions.
Figure 18: The global climate-change regime complex.

Source: Coen et al. 2020

There is also a growing number of sector-specific initiatives and networks in the private sector. For example, private standards, certification schemes, and other transparency initiatives often serve as the critical mechanisms for defining, measuring, and rewarding businesses’ climate performance in areas where no legal regulation exists. Private actors also play a vital role in reporting and disclosing corporate climate action. While this does not necessarily reflect a decline of public
authority, it is a testament to the changing role of states as a collective governing body and to the increasing complexity of governance arrangements. As a result, private actors are increasingly expected to contribute to resolving global public-goods problems. However, addressing “wicked” problems like climate change through private action requires revisiting central efficiency assumptions regarding market mechanisms without losing sight of normative concerns of power hierarchy, accountability, and representation. The multidimensional nature of climate change makes it impossible to solve this problem with a single, well-defined, and fully integrated system. Besides that, bottom-up and voluntary corporate climate-governance systems seem not to move corporations towards an improvement of Paris-aligned emissions trajectories; they have quite the opposite effect, being at the same time resource-consuming (Coen et al. 2022).

Substantial work is required to enhance the reliability of all climate metrics – keeping in mind time horizons – based on empirical studies. Strong commitment to the UNFCCC process will be needed, with strategic coalition-building increasingly important to amplify the voice of the EU and of other climate-progressive actors. Policymakers should recognise whose interests are served by carbon-centric climate governance and how it came about. This will also require aligning all finance flows with the Paris Agreement and away from incumbent fossil fuel interests (e.g., emerging central bank divestment from “brown” corporate bonds).
“Bottom-up and voluntary corporate climate-governance systems seem not to move corporations towards an improvement of Paris-aligned emissions trajectories; they have quite the opposite effect.”
By global finance, we mean the activities, institutions, and actors involved in the production and allocation of money, financial instruments, and the coordination of activities among financial actors and between those actors and savers, lenders, investors, and regulators at the international level. The governance of global finance is heavily populated by informal IOs, but we also find some traditional IOs, such as the Bank of International Settlements (BIS). There are also huge regulators such as the Federal Reserve in the US or the European Central Bank that are heavily involved in global governance. In addition, we find multiple informal networks of actors operating in highly technical and complex domains where deliberations proceed in closed circles of experts and privileged interests (private and public alike).

The macro-sector of finance in global governance covers three distinct areas. The first is public finance: government and sub-government borrowing from different lending institutions while using different forms of finance such as taxes, bank loans and bonds. The second area is corporate finance: loans, bonds, and stocks from domestic and international markets for small, medium, and large businesses. The third area is consumer finance: for example, mortgages, short-term loans from banks, alternative lenders, and credit cooperatives. By global financial governance, we refer to the collection of governance arrangements – public, business, and civil – across the three large areas that comprise the incomplete and evolving institutional landscape that governs the financial industry and its governing bodies worldwide.32

Global finance governance features actors and institutions responsible for our financial welfare. Their policies and decisions shape our world in much the same way, perhaps more, than any other actors. If all this is not enough, consider the uncertainties inherent in the new financial innovations known together as “Fintech”, which includes, perhaps most importantly, the rise of private or non-state digital currencies and the invasion of global digital giants such as Google, Facebook, Alibaba, Amazon, and Apple into the financial world. The globalisation of capital thus goes hand in hand with the involvement of financial institutions and actors in other sectors at the global level (Abdelal 2007; Ford 2017). An important critical juncture in this field was the 2008 global debt crisis. Also, the Russia–Ukraine war initiated in 2022 has been important for Fintech’s development, as illustrated by the West’s financial sanctions used as leverage to win the war.33

A pro-market approach to financial regulation at the global and national levels seems to be the norm. In practice, the extent to which the approach involves light regulation varies significantly across different parts of the system – with insurance on the light side compared to banks – depending on the country, region, size of the institution, era, and type of issue. Cross-border capital flows have grown substantially in the last three decades. Actually, this liberalisation rests on systems of rules and institutions supporting pro-market principles, broadly shared worldwide, on how to manage world finances. However, liberalisation involves uncertainty and instability, and this requires even more shared rules to make global finance work.

Global financial stability can be conceived of as a public good, and some market dynamics may hamper it if a global regulatory system does not prevent potential failures (Stiglitz 2006; Frieden 2016). Everyone enjoys financial stability when it occurs, and reaps its benefits. Still, the costs of stability are not chargeable to individuals in a way whereby each person pays according to his or her benefit. Financial instability destroys not only economic assets but also human lives. In this sense, the stability of financial markets at the global, regional, and national levels is priceless. This does not mean that there is consensus around the desirability of stability; it
only means that the issue of global financial stability is the overarching public good that has had the greatest effect on global financial governance.

Stability, nonetheless, does not come for free. It has costs, and these costs are not necessarily evenly distributed. This is especially true of interest in finance, because financial markets are notoriously unstable and subject to periodic crises, resulting in substantial economic and social costs. This instability is expressed in bankruptcies; volatility of capital markets; currency and exchange-rate crises; over-indebtedness of sovereigns, corporations, or households, and general instability of the rules of the game (e.g., sudden changes in the capital account regimes or of interest rates). The more interdependent the world is, the more important the problems of negative and positive externalities of global financial stability are, and the more important it is to maintain that stability.

"Global financial stability can be conceived of as a public good, and some market dynamics may hamper it if a global regulatory system does not prevent potential failures."

Neither globally nor even in the EU do we have a formal, well-resourced body that acts, for example, as a lender of last resort. No central global financial institution exists to set and enforce global rules on finance. Instead, the main mechanisms of compliance are still market discipline and voluntary compliance, supported by multiple international organisations and networks. In other words, unlike national or state-level financial markets, global financial markets – for states, corporates, and individuals – lack clear “rules of the game”. Neither is there any comprehensive formal institutional setting to govern them, or a global sovereign to act as lender of last resort, or a bankruptcy option for dealing with financial instability and to ensure that financial crises are managed and resolved in an orderly fashion. In the absence of such tools, responsibility has been laid at the feet of the IMF, although its mandate is quite limited.

In the language of the public goods literature, we can say that the benefits of financial stability are not excludable (we do not charge globally or nationally for stability), and it is non-rivalrous (benefits do not come at the expense of others). To overcome this challenge, we need to trust governments to identify stability as a good and to balance it against gains and risks. However, at the global level, there is no single clear governor. So, how should architecture be designed to solve the problem without leading to only some carrying the costs or reaping the benefits at the expense of others? The answer to that question is not that clear; no decisive move towards a stable formal solution has emerged in the last decades. Instead, some narrow regimes and informal institutions have to tackle the issue. Governments’ approaches to global financial regulation differ widely, torn between a hands-off approach (self-regulation) and a hands-on approach.

In this context, however, the GLOBE Survey showed that staff in the finance sector have a similar sense of global governance instruments as other fields, but with some specificities. When asked about the effectiveness of different global governance instruments, global finance staff were remarkably consistent with the average results of other sectors. They rated the effectiveness of “hard” instruments (such as international treaties and technical standards) as higher than “soft” ones (such as declarative instruments and knowledge instruments). However, compared with IO staff from other sectors, finance IO staff believed even more strongly in the effectiveness of technical standards and knowledge instruments, which are actually those mostly used in the macro-sector.
INTERNATIONAL ORGANISATIONS IN FINANCE GLOBAL GOVERNANCE

In finance global governance, we identify two large subsets of IOs. On the one side, several formal IOs coming out of the Bretton Woods system, under the leadership of the IMF, specialise in macro-financial stability and managing the excessive public debt in national states (Copelovitch 2010). On the other side, there are several informal IOs that focus on regulatory aspects of the finance industry at the global level, consider private operators, and establish frameworks to be adopted at the national level by regulatory authorities.

In the first subset, relevant IOs are directly participated in by states (central government representatives), weighted according to their share of the capital. In the second subset, states do not participate directly in informal IOs but are independent regulatory agencies or central banks that participate and operate actively. This is also why these IOs do not constitute treaty-based organisations, and in this way, they

Figure 19: GLOBE Survey: Effectiveness of policy instruments in the financial sector vs. other sectors

How effective do you consider the following policy instruments to be for global governance?

![Figure 19: GLOBE Survey: Effectiveness of policy instruments in the financial sector vs. other sectors](image)

- Treaties
- Regulatory instruments
- Declarative instruments
- Knowledge instruments

Other sectors
Finance
also maintain significant levels of autonomy from state hierarchies. However, it has not been significantly difficult to make these informal IOs more robust and capable of coordinating with their members on the policies and regulatory frameworks they propose and articulate.

As a major IO in the field, we can identify the Bank for International Settlements (BIS), a very particular formal organisation which is participated in by central banks and which is focused on facilitating their technical cooperation. The BIS, created in 1930 and located in Basel, currently has a membership of 63 central banks from all parts of the world. In recent decades, it has promoted and hosted several informal IOs, in particular, the Financial Stability Board (FSB), but also the International Association of Insurance Supervisors (IAIS) and the International Association of Deposit Insurers (IADI). The BIS has also established very influential committees, for example, the Basel Committee on Banking Supervision (BCBS), which has been a critical body in defining banking standards in recent decades. Also, a predominance of technical and professional rather than political profiles is evident in the personnel involved in all these entities (Alexander 2009; Seabrooke 2006).

This dual structure does not present signals of early crisis nor identify symptoms of instability. The division of work that it entails (public finance vs private finance regulation) has been operating for many decades in global governance, and despite recurrent failures and unresolved crises, it has resisted any attempt to in-depth reform and can still resist further tensions in the near future. Thus, what we can expect is that some reinforcement will happen within each subset: a potential improvement in country-risk detection and early intervention – in the case of public finance – and a better regulatory environment capable of preventing a banking crisis without undermining financial activities based on open markets and free capital movement.
Figure 20: Main International Organizations involved in Global Finances Governance
When we discuss which IO rules the global governance of private finance, no easy answer emerges. We observe a clear predominance of informal IOs in the sector, and this is a trend that has become stronger over the years, in parallel with financial globalisation. As a result, there is no formal IO dominating the scene, nor a set of them, and it appears to be very unlikely that such an organisation will emerge in the coming years. Generally, there are no signs within the sector of an increasing formalisation of most international organisations which operate in this sector; organisations that were initially created as informal organisations by central banks and national regulatory agencies. This institutional peculiarity that exists in the global governance of this sector, which has been in existence for many decades, does not show a specific crisis that indicates prospects for a major transformation in the coming years (Jordana & Rosas 2019).

Most of the actions implemented were at the national level, and many others involved strong coordination among countries’ regulatory authorities and central banks, as well as planning to reform global governance in the finance sector. It was the G7 network directly, and subsequently the G20, that took the initiative of reforming and strengthening the governance in the sector as a way to prevent future crises and to cope with financial system risks.

Following this commitment, some organisational innovations was introduced in the area, and a stronger role for the FSB was envisaged as a way to provide more centrality to a major international organisation in this sector. However, although some reforms were introduced in the years immediately after the global crisis for this purpose, and the FSB was expanded and gained more relevance in different aspects, no large transformations occurred in the global governance of the sector. The informal nature of the organisations remained, without major changes, although they attained some more “formal” status in various respects (Jones & Knaack 2019).

In our GLOBE Survey, we asked staff members to assess aspects of their IO specifically. It emerged from the survey that staff from the finance sector are much less concerned about the problems their organisations might face than staff from other sectors believe in the quality of their sectors. This effect is especially marked in their responses about the potential lack of efficiency, but it is also noticeable in their responses about issues such as a lack of expertise, legality, democratic decision-making, and effectiveness. This leads us to conclude that staff from the finance sector seem to believe in the quality of their own IO much more than staff from other sectors believe in the quality of their sectors.

"Staff from the finance sector seem to believe in the quality of their own IO much more than staff from other sectors believe in the quality of their sectors."
These findings chime nicely with answers to the questions about future developments of their organisation, where staff in the finance sector appear to be more optimistic than staff in other sectors. They agreed overwhelmingly that their organisation would be sensitive to scientific policy debates and discussions, with reported levels even higher than other sectors. They also displayed higher confidence that their organisations would be equipped/trained for better technical capabilities. This effect can also be observed when asking staff about the likelihood of their organisations suffering from specific problems in the current decade. For all possible answers, staff from the finance sector reported much lower levels of perceived risk. This effect was especially pronounced in the likelihood of their IOs suffering from persistent decision-making gridlocks. According to the finance sector, the most likely issues would be significant shifts in international power balances, followed by ideological changes in key member states.
"Monetary weaponisation (financial sanctions) has become more and more widespread in recent times, and this has created a trend towards more fragmentation."

We identify several major trends in the global governance of finance that have emerged or have been reinforced in the last decades. These trends derive from institutional transformations and adjustments in the global governance of the sector, for example, those related to the proliferation of independent agencies governing the regulatory governance of the sector at the national level. Functional pressures are also important in determining trends for global governance, for example, the ways in which some areas of financial activity are rapidly changing in the context of rising digitalisation and globalisation.

**FRAGMENTATION VS INTEGRATION IN FINANCE GLOBAL GOVERNANCE**

The absence of a wide-ranging IO in finance has been much discussed in periods of financial crisis. Actually, prospects for integration are not visible within the sector, and there is a clear trend towards more fragmentation and specialisation of global governance in finance, both private and public. In the governance of public finance, this can be perceived when new lending IOs are established. The relevant transformation has emerged in the last decade and has challenged the dominance of European and Anglo-Saxon partners in global public finance architecture in particular, due to the emergence of the Asian Infrastructure Investment Bank (AIIB) or the more aggressive role of the Development Bank of Latin America (CAF) in its financial strategies. Monetary weaponisation (financial sanctions) has become more and more widespread in recent times, and this has created a trend towards more fragmentation in the governance of international means of payment.

In the case of private finance, this trend is also evident and can be related to the existence of different institutional designs for financial regulation at the national level (i.e., agencies vs central banks, but also integrated financial services regulators vs single issue regulators). This has challenged the emergence of institutional conventions at the global level, but there are many other aspects that constrain this purpose, such as the fast innovation rate occurring in the financial sector. There are several informal IOs, each one concentrating on different financial operations, as for example, insurance (International Association of Insurance Supervisors (IAIS)) or pensions (International Organization of Insurance Supervisors (IOPS)). Actually, in recent decades, we have observed the emergence of a large number of regulatory networks established by financial supervisors, with a regional or global reach, as detailed in BOX 2. Most of these networks focus on coordination and mutual support activities. In addition, the emergence of new areas of finance activity that add to the risk of instability have required a combined regulatory action, have often triggered ad hoc solutions within existing informal structures, or have resulted in the establishment of new regulatory networks.
Box 3: The expansion of trans governmental regulatory networks in global finance

Global finance governance is a sector with a very dense population of trans governmental networks, most created by national regulatory agencies (NRAs) and/or central banks at the regional, subregional or global level. We identify four broad sub sectors with some degree of separation as to the diffusion of trans governmental networks: Securities, pensions, insurance, and banking and financial services. In the securities area, a global trans governmental network of agencies (IOSCO) has emerged in recent decades, becoming the hegemonic informal IOs in the sector and establishing regional committees in the Americas, Europe, Asia-Pacific and Africa/Middle East. However, some other networks exist in this subsector, but of limited activities in the Americas, Arab world and ASEAN countries. In the insurance and pensions subsectors, there is a parallel network structure, with two major trans governmental networks, one of the insurance supervisors (IASS) and another of pensions supervisors (IOPS), that emerge as very active informal IOs. In addition, there is a specific global network of pension fund supervisors. A significant number of regional trans governmental networks also exist at the regional level in these subsectors, in particular in Latina America and Africa. In Europe, several dedicated

Figure 22: Global finance transgovernmental networks 1970-2020

Trans-governmental networks formed by regulatory agencies and/or central banks in the banking and financial services sectors are very different, as there is no core network. The FSB and the BIS, with the associated committees such as the Basel Committee, articulate a complex global financial governance system, largely informal. However, beyond this structure, there are many trans governmental networks created by national finance supervisors, in many cases at the regional or sub regional level, and in other cases focusing on a specific area of regulations (for example, deposit insurance or Fintech). While the European case shows a strong institutionalisation at the regional level, with an increasing role of the ECB in banking supervision, as well as the development of other European agencies created one decade ago (ie, EBA); other regions in the world maintain a large variety of regulatory networks, with very different levels of activity and involvement in global governance. Altogether, they contribute to global governance, articulating bottom-up and top-down regulatory interactions in a very fluid and dynamic way Jordana (2017).
An important issue in the global governance of finance is the prevalence of national regulatory frameworks from different parts of the world and the persistent role of states, despite multiple soft-law frameworks regarding most aspects of transnational financial markets (Helleiner 1995). These frameworks can constrain the development of more articulated global regulatory approaches, as many national regulatory authorities maintain common global rules at the minimum necessary. In this sense, regulatory fragmentation is a growing challenge for the global governance of finance, as informal coordination mechanisms and regulatory harmonisation might not work as expected.

FORMAL VS INFORMAL ORGANISATIONS

Historically, informal organisations have predominated in the finance sector, and no major efforts were made to address this situation. However, some evolution is more visible, as large informal organisations tend to increase their capabilities and have well-established structures. In general, there is a trend towards blurring the boundaries between formality and informality in this sector. This trend can be observed in several forms, including, among others, the establishment of symbolic relations between the formal and informal IOs populating the sector, or the attainment of certain formal legal rights and immunities for informal bodies. For example, informal debt intermediaries are also quite common in the sector – e.g. the London Club (private) and the Paris Club (public) – backed by private and public actors relevant in the sector (Josselin 2009). After the 2008 financial crisis, the G20 was expected to set the global financial agenda. However, in later years, those expectations were not fulfilled.
PUBLIC VS PRIVATE INVOLVEMENT

In the finance sector, existing traditions of self-regulation and the involvement of private interest in public governance have been moderated, in particular after large financial crises caused by regulatory failures. However, private involvement in global governance is strong and more relevant in emerging financial areas. In addition, there is a predominance of private intermediaries, for example, the relevant role of credit rating agencies, both public and private, that have been very resilient in the central role of providing reliable assessments of debt quality. Actually, private regulatory intermediaries in the global governance of finance have very relevant roles in a number of cases, illustrating the fluid dynamics of this sector, and the lesser involvement of public institutions in some key governance issues.

There are also several international business associations involved in the global governance of the sector that show different characteristics. While some are light network-like entities, more focused on establishing forums for global debates, others are well-established private organisations. These include organisations such as the Institute of International Finance (IIF), among many other more specialised business organisations, that are involved in different areas of finance and represent the interests of private players in most global governance debates in the field.

INSTITUTIONAL AUTONOMY VS NATIONAL STATE INVOLVEMENT

Global finance is a macro-sector in which the separation between states and entities regulating the sector’s activities is higher compared with the other sectors considered. This is also one of the oldest sectors in which forms of global governance have emerged which combine institutional autonomy and a separation from state apparatus with relevant private activity and self-regulation. Actually, most regulatory authorities and central banks enjoy significant institutional autonomy at the national level, and they articulate networks and organisations at the international level, thus contributing to making global governance institutions in this macro-sector very independent from national governments. This allows a secular trend towards very autonomous behaviour of the international community of finance regulators vis-à-vis their state representatives, behaviour which has become more and more reinforced over the years. As an effect of this, the resulting delegation of authority by states to global governance institutions in finance is very limited, beyond certain exceptional cases, as the European Central Bank (ECB), within the very advanced European integration model.

However, as global financial governance institutions are not very resourceful to prevent large crisis, there is a trend during times of financial instability that national states and powerful regulators such as the Federal Reserve or the ECB should intervene in global finance and address urgent problems that existing IOs are not able to cope with (Singer 2007). Strategies designed to prevent financial risk and devastating financial crises are often requested, but market pressures and the constant drive for profit press towards weaker systems of supervision and regulation. Worldwide, a system of risk supervision and mitigation is not in place. Only a few regional initiatives have emerged in recent decades – particularly in the case of Europe (ECB–SSM), but also in Southeast Asia, in a much more modest form (ASEAN–Chiang Mai) – despite the very reduced interest of these states in delegating regulatory powers to regional IOs.

“The resulting delegation of authority by states to global governance institutions in finance is very limited, beyond certain exceptional cases.”
Future scenarios of global governance

Global governance scenarios: a general view

The second part of this GLOBE Report 2030 discusses future scenarios in global governance. In this part, we look into plausible ways of how critical drivers of change might shape global governance in the coming years. These future scenario descriptions are, therefore, not intended as predictions. They are part of a creative exercise to shed light on some possible shapes the future could take for global governance architectures in different macro-sectors. By looking at various plausible and diverse outcomes, the reader can begin to reflect on their likelihood, implications, appropriate responses, and desirability.

To construct different global governance scenarios, we begin by reflecting on what we term “premises” and “uncertainties”. Premises are overarching drivers of world change that contain an element of certainty. Premises anchor our analysis and allow us to tease out uncertainties, which are the more unpredictable elements contained within the premises. Thereafter, we reflect on how premises and uncertainties might evolve and interact with each other and with the broader geopolitical context. We then construct four stylised world scenarios by deciding on plausible combinations of these premises and uncertainties. These world scenarios allow us to consider a range of alternatives, some producing more optimistic outputs regarding human wellbeing, development and peace, others producing less optimistic outputs.

The world scenarios envisaged are: a) the “drifting” scenario, which expects that current geopolitical tensions between the US and China will worsen and will define major world cleavages; b) the “shifting” scenario, where unstable alliances are the norm, and North–South conflicts intensify; c) the “rising” scenario, where nation–states lose some dominance in world affairs, while other global actors, such as for-profit non-state actors (NSAs), rise with contested and plural goals, and d) the “flowing” scenario, in which there is a multipolar world with more inclusive global governance arrangements.
From these world scenarios, we then derive global governance implications. First, we discuss some general implications for the future of global governance that might be associated with each scenario. Second, in the following chapter we concentrate on the consequences of the world scenarios delineated here for the futures of the different global governance macro-sectors, based on the trends we have analysed in the previous parts of this report.

**DRIFTING SCENARIO: THE BIPOLAR WORLD WITH MULTIPLE TENSIONS**

This bipolar world is driven by superpower dynamics sharply divided into two antagonistic spheres of influence: China and the US. As the geopolitical divide has deepened, international cooperation remains scant, and barriers to trade and financial flows have continued to grow. The invasion of Ukraine has resulted in a long-drawn ceasefire since 2023, and Taiwan has become the site of repeated shows of force by China, intensifying tension and mistrust. This has forced companies and investors to be very selective in deciding where to continue operating. Such policy decisions and geopolitical stances have created a downward spiral, with significant consequences for the pace and inclusiveness of world growth. Consequently, consumer and business confidence has been at rock bottom for years, and high public debt levels have crowded out access to finance in many countries. In most parts of the world, nationalism is rising, fundamental rights have been restricted, and steps to mitigate climate change have slowed.

**Regressive global governance in the drifting scenario**

Global governance in this scenario would be regressive, fragmented, minilateral, and highly informal. This world, divided into two spheres of influence, with bloc-affiliated institutions in each, is characterised by fierce geopolitical competition. As intergovernmental relations are tense, there would be little cooperation in most areas.

Barely any formal international agreements would be made, and multilateral approaches to solving global issues would generally be avoided. Instead, there would be a preference for noninstitutionalised, ad hoc, multilateral or bilateral cooperation on specific issues. The process of global governance would be largely state-centred, and non-state actors and sub-state authorities would not take on prominent roles under this scenario. Overall, this would result in the breakdown of global trade due to the rise of protectionism-based economic nationalism, the final paralysis of the UNSC, the breakdown of global climate-governance agreements, and increasingly divergent international financial regimes.

Formal IOs of global reach would either cease to exist or would reorient their activities towards one of the geopolitical blocs. This would be the case of the Bretton Woods institutions – namely the IMF and the World Bank – which would operate only in the US sphere, while new similar institutions would appear in the Chinese sphere. Global informal intergovernmental organisations like the G20 would stop meeting and would be replaced by separate, smaller, ad hoc groupings. However, in response to the absence of effective global governance institutions, some regional organisations would increase their relevance in several policy areas.
SHIFTING SCENARIO: INSTABILITY AND THE PREVALENCE OF THE NORTH-SOUTH CONFLICTS

This is a scenario characterised by instability, distrust, and tension, where the spectre of authoritarianism looms large. A bipolar superpower structure never took hold, and shifting alliances have become the norm. Long-standing conflicts between countries in the North and South have crystallised into paralysing disputes, with territorial conflicts and issues related to climate change exacerbating these differences. The Russian war in Ukraine has resulted in a stalemate, and the EU has found it challenging to maintain a common position in the face of the unending disruption caused by Russia’s actions and international responses to the war.

Manufacturing technology has reshaped labour markets, supply chains, and productivity dynamics, and although protectionism has not fully taken hold, financial rules and access to key resources and technology have been weaponised, serving partners’ interests in multiple ongoing conflicts. Social inequality is also growing, driven by the lack of public steering in digitalisation and technological innovation. Under these circumstances, democratic backsliding is increasing as security considerations take precedence over all matters. Overall, uncertainty remains high, given the unstable regulatory waves and international alliances.

Disjointed global governance in the shifting scenario

This scenario refers to an uncertain world, in which shifting alliances – based on short-term common interests and volatile expectations among states that are highly concerned with asserting their national sovereignty – would be the norm. Tense intergovernmental relations would result in a generalised distrust of multilateralism and an overall failure of the global governance mechanisms that existed a few years before. This would result in a shift towards mini-lateral, ad hoc frameworks. The institutional collapse of global governance would be a real danger that would directly impact fundamental aspects of how globalisation has operated during the last few decades. For example, although no sweeping rounds of protectionism would take place in this scenario, multilateral approaches to trade governance would be avoided.

Most formal IOs would lose much of their authority and legitimacy, and would remain largely ineffective. Accordingly, there would be a preference for informal IOs, which would be issue-based, small in size, and short of resources. Even though there would be no clear blocs, China and the US would constantly veto or threaten to veto UNSC resolutions, leaving the institution deadlocked. Similar problems would emerge in many other IOs. For example, WTO members would be unable to agree on reforms, leaving the conflict over the Appellate Body unresolved. The UNFCCC would manage to muddle along, but without much real traction in terms of the implementation of the Paris Agreement.

RISING SCENARIO: MARKETS AND STATES IN GLOBAL REGULATORY GOVERNANCE

In this scenario, states have become less pre-eminent, and market actors have emerged as champions. Open markets prevail, and the pursuit of economic growth takes precedence over all other considerations. In Russia, the war in Ukraine proved to be costlier than initially thought, sparking fierce domestic resistance and widespread protests against the regime. As a growth-orient-
ed China improved relations with the West and grew increasingly impatient with the instability caused by the war, Russia capitulated after securing a series of concessions from NATO.

The rising economic tide in this world is due to the recognition of the benefits of both collaboration and competition, where multiple public and private actors would intervene and interact. Large corporations and megacities have increased their clout and now provide a solid basis for rapid technological adoption, productivity, and economic growth, creating, in turn, the fiscal space for determined climate action. Also, independent regulators and regulatory intermediaries proliferate across governance levels, allowing global markets to expand as much as possible while preventing their malfunctioning or self-destruction.

The price of rapid economic growth in this scenario has been the continued rise in income inequality in many countries and a more significant divide between urban and rural areas: both factors fuelling unhappiness and feeding intrastate tensions. Territorial conflicts and distributive concerns remain issues, and the provision of global public goods based on regulatory instruments represents a significant challenge. Decreased polarisation in the US, however, has brought about a political environment that is more conducive to international cooperation.

**Incremental global governance in the Rising scenario**

Due to fluid intergovernmental relations, multilateralism would revive in this scenario, and cooperation would increase in many global policy fields, such as in financial regulation, climate change, and public health. A hybridisation process involving actors of different natures, would give a more significant role to sub-state authorities (particularly megacities) and for-profit non-state actors, such as digital corporations or multinational enterprises (MNEs). Thus, transnational private regulation would increase in most sectors. The old formal IOs would largely retain their traditional influence in global governance, albeit facing increasing internal contestation from the emerging and Southern countries, and external competition from global governance institutions of different natures, including informal IOs and various hybrid forms.

The return to open trade, the re-globalisation of supply chains, and economic interdependence would allow relations between states to improve and would decrease confrontation between the superpowers. This would allow, for example, the UNSC to escape the persistent gridlock it has suffered for many years. Despite all this, the UNSC would still face severe criticism, as it would remain unrepresentative, with regional powers increasingly contesting the balance of power. Also, many other problems related to the weak presence of authoritative state structures worldwide would hamper the UN initiatives’ role.

Global regulatory governance with limited public authority at different levels would show its potential for preventing conflicts and gridlocks in a highly globalised, complex and multifaceted world. Still, it would also experience difficulties in coping with a myriad problems related to regulatory failures, coordination problems, accountability troubles, and other related issues. In particular, private self-regulation promoted by mega-multinational firms would emerge as a major challenge to more neutral and open regulatory initiatives sustained by large coalitions of public and non-profit global actors.

"Private self-regulation promoted by mega-multinational firms would emerge as a major challenge to more neutral and open regulatory initiatives."
FLOWING SCENARIO: A MULTIPOLAR WORLD OF STRONG REGIONAL GOVERNANCE

Slower but steady growth in China, a modest resurgence in Europe, and the strong performance of emerging countries have brought about a more multipolar world in which no superpower dominates. In this world scenario – that is, a flowing ensemble – international relations are less contentious, and confrontations among states have become less common. Russia has also adopted a more constructive approach, after it retreated from its invasion of Ukraine on the basis of an intricate agreement reached in late 2023, to which NATO assurances were an integral part.

Coalitions of countries with territorial proximity find their voices in the international order. Thus, a general focus or sector-based regional organisations become more operative and contribute to providing regional public goods to member countries. This allows domestic politics in many countries to address citizens’ demands and to provide more redistributive policies, occasionally at the regional scale. These transformations, along with reduced intrastate and interstate (regional) inequality, would create room for experimentalist governance, including more participatory processes.

As the situation evolves from bipolarity to multipolarity during the decade of the 2020s, progress is made, including some trial-and-error attempts, towards the creation of new global dialogues and cooperation platforms across major powers, and the creation of better organised regions. US administrations are constructively involved in these new platforms as the country moves away from the highly polarised situation of the 2010s. Domestic social dynamics and reduced inequality also nudge China to become nimbler in its attitude towards international relations, thus becoming more involved in multipolar governance.

Transformational global governance in Flowing scenario

Global governance in this world scenario would be based on improved and strengthened multilateralism, with emerging Southern countries better incorporated into a more inclusive global governance architecture. A combined role of regional organisations with emerging and middle powers would also hinder the construction by major powers – the US and China – of a polarised global governance architecture. Global governance would become more inclusive, partly by layering traditional IOs’ decision-making rules to adapt to the changing geopolitical landscape, including the emerging role of regions in world politics. Where these adjustments would prove too difficult, a combination of informal IOs and hybrid global partnerships would be created. Trust in formal intergovernmental organisations would therefore increase again.

In this flowing world scenario, the UNSC would be a responsive organisation, thanks in part to layered institutional adjustments to its decision-making procedures, and in part because regional actors would become more involved in security governance. Multilateral cooperation on climate change would thrive at the UNFCCC, which, in turn, would undergo a process of hybridisation that would launch a process to create a UNFCCC General Citizens’ Assembly. Other major IOs would also adjust their decision-making structures, and new institutional forms of global governance would emerge. This, in combination with the emergence of other regional IOs with a strong international presence, would allow for a more fluid and flexible production of global public goods.
TRADE GLOBAL GOVERNANCE

a. Drifting scenario

In this bipolar world, trade governance has become fragmented, with separate bloc-affiliated institutions arising and a generalised preference for less institutionalised bilateral or regional agreements. The WTO progressively lost authority and legitimacy as the world took a protectionist turn in the 2020s. The conflict over the Appellate Body has proven insolvable in the current geopolitical landscape, and attempts at reforming the institution failed at the beginning of the decade. In the end, two separate trade governance institutions emerged, each subordinate to the two superpowers. They defend policies which, instead of promoting free trade, compartmentalise it. In this world, trade wars have become common, and trade policy has been instrumentalised to serve as a foreign policy tool. Supply chains are segmented along geopolitical lines and are more compressed and more vertically integrated. Despite the difficulties faced by global intergovernmental institutions, some regional organisations have survived in this world. As the share of extra-regional trade dramatically decreased, regional organisations stepped in to promote intra-regional trade, albeit with little appetite to get involved in dispute resolution. Trade between regions, however, remains stunted, and there is no movement on convergence across regional trade agreements. Transnational multinational enterprises have also been greatly affected by the protectionist turn, and they face many barriers when operating across borders. Economic nationalism has been on the rise, and many governments have begun to support the emergence of national champions, particularly in strategic sectors of the economy.

b. Shifting scenario

The WTO has resisted reforms, and the conflict over the Appellate Body remains unresolved. Thus, the organisation finds itself without a dispute resolution mechanism to settle issues among members. While there have been no sweeping rounds of protectionism, multilateral approaches to trade governance are avoided worldwide. This has meant that the WTO is paralysed and is focused on a narrow scope of activities. Instead, a preference for bilateral agreements can be observed. For instance, the Regional Comprehensive Economic Partnership (RCEP) or the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) have been scrapped and replaced by a patchwork of bilateral agreements. Supply chains have had to be rethought as ad hoc bilateral or small-group agreements come and go. There is considerable uncertainty beyond the short term about what rules apply to many of the international transactions.

In this world, global trade is stagnating. Multilateral approaches to trade governance are avoided, and instead, bilateral agreements are preferred. Trade has also been regionalised, with the share of intra-regional trade increasing, just as extra-regional trade is decreasing. However, there is no convergence across RTAs, and although intra-regional trade flows are increasing, most regional organisations have not been able to gain leverage in international relations, nor have they advanced much in terms of institutionalisation. Overall, this has resulted in the slow compression of supply chains, and some countries are now engaged in re-shoring efforts and have begun to create economic champions, further contributing to the progressive disconnection of trade policies.
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**c. Rising scenario**

With the reinvigoration of trade, the WTO was finally reformed, albeit with limited success. Although disputes over the Appellate Body were temporarily resolved, the organisation remains dominated by major players, which calls into question the effectiveness of institutional reforms. New free-trade agreements are signed, and RTAs begin to converge, but strict regulation over women’s rights, labour rights, and sustainability standards is mostly absent. Due to the increasing relevance of private actors, voluntary standards have proliferated. Still, the power of MNEs has allowed them to pre-empt strict regulation; therefore, existing efforts, for the most part, reflect the minimum common denominator.

Thus, inter-regional trade has continued to increase, also benefiting from renewed offshoring dynamics. There are difficulties, however, in dealing with big digital corporations. The great powers of digital corporations have allowed them to escape regulation across many jurisdictions. Antitrust efforts have failed to rein in these corporations, and by 2030 they seem almost untouchable. They provide valuable services to governments and contribute mas-
sive investments in R&D, nevertheless, they can also engage in unfair practices, such as “data colonialism”, while escaping accountability. This is a great problem in countries with the most extensive digital gap. However, free trade has become the norm again, and the reinvigoration of the WTO has affirmed the governance of rules-based international trade.

d. Flowing scenario

Under this scenario, the WTO was finally reformed, and its operations are in full swing. The conflict over the Appellate Body was satisfactorily resolved, and new rules regarding state-owned enterprises (SOE) were incorporated. In this context, trade governance enjoys a level of coordination not seen before, and the ghosts of protectionism have been steadily fading. Regional trade agreements now connect, following a trend of increasing single-level convergence. Further, concerns over women’s rights, labour rights, and sustainability are commonly incorporated into trade deals, signalling a turn towards more inclusive, transparent and fair trade deals.

The WTO reforms paved the way for invigorated activity of other formal IOs in the field of trade. They also paved the way for the development of multiple exchanges and arrangements with many sector-based IOs – both formal and informal – in areas such as global finance, green energy, and internet content, to facilitate global policy coherence across key sectors in global governance. Many global trade provisions interrelate with sector regulations on a myriad issues, particularly regarding the regulation of services. Such attempts suggest relevant efforts to move global governance beyond the sector-based “silo” pattern that has characterised it historically.

SECURITY GLOBAL GOVERNANCE

a. Drifting scenario

In this bipolar and state-centred scenario, nation-states increasingly avoid relying on intergovernmental institutions and prefer to govern security matters bilaterally or through ad hoc groups of countries. The UNSC finds itself in handcuffs in this divided world. Despite rising antagonism between the US and China, neither superpower has found it in its interest to exit the UNSC. However, a long-drawn ceasefire in Ukraine and the increasing militarization of the Indo-Pacific have torn the P5 members further apart. The organisation has become much more restricted and more narrowly focused, and tensions between its authority and legitimacy are surfacing. To sidestep these tensions and to compensate for the paralysis at the UNSC, informal configurations are often sought, and it is along these lines that the bulk of communication between blocs occurs. Some bloc-affiliated formal IOs still exist, but their mandates and powers are very limited.

The IAEA and the Non-Proliferation Treaty (NPT) remain in place, partly because UNSC members have retained their influence. On the other hand, Interpol has been gravely affected by a climate of pervasive distrust of intergovernmental relations. As the willingness to share information steadily decreased, the organisation eventually broke down and was replaced by informal IOs. The Organization for Security Cooperation in Europe (OSCE) suffered a similar fate. Attention to its mission diminished as the political schism already existing within the organisation only widened. Most of these organisations have been replaced with bloc-affiliated regional formal IOs. Although NATO continues to exist, and still plays a role in safeguarding European security,
it has shifted its focus towards Chinese influence in Africa, Central Asia, and the Pacific. The EU has not fully taken over NATO’s functions, but the situation in Ukraine has pushed it towards making some progress in the Common Security and Defence Policy (CSDP), inevitably constrained by the dire economic situation.

b. Shifting scenario

Global security governance in this world scenario is carried out primarily in informal configurations, which often take the form of ad hoc groupings of countries that are issue-based, with narrow mandates on strategic issues. Formal IOs are ineffective in this world, where multilateral approaches are distrusted and alliances constantly shift. Global governance remains state-centred, and countries are greatly preoccupied with asserting their national sovereignty. Global security governance is progressively more fragmented and lacks cohesion. Several threats of very different natures have proliferated: cyberattacks, warlords, rogue states, and authoritarian far-right governments, among others. Political repression and surveillance are widespread across the world, and in most cases, they preclude institutionalised civil-society participation.

The UNSC has not been reformed, and it remains deadlocked. Even though there are no clear blocs, China, Russia and the US constantly veto or threaten to veto UNSC resolutions. The UN, in general, is underfunded and weakened as, in this world, there is little appetite for multilateralism. After a stalemate was reached in Ukraine in 2023, NATO lost momentum and has been weakened by US disengagement. It has also lost Turkey as a member. The EU has found it difficult to maintain a common position in response to the continued military presence of Russia in Ukraine, and this has negatively impacted progress towards an enhanced CSDP. Defence configurations tend to form around like-minded countries based on similar interests, priorities, or threat definitions. They are more flexible than traditional alliances, making them better suited to a constantly changing world. Regional mini-lateral groupings with similar security concerns are also common.

In this world scenario, private security actors acquire greater relevance. Private military security companies sponsored by regional powers take advantage of the chaos and seize control of critical energy sources, such as oil fields in the Middle East and North Africa. Also, preventing cyberattacks, and the highly technical nature of cybersecurity, have endowed the private sector with a key role in governing this issue. The IAEA and the NPT have remained central in non-proliferation efforts. Still, some countries are threatening to exit the agreement, and non-state actors and rogue states have emerged as significant threats to the NPT. New informal IOs have been developed to address these threats, and they also focus on access to other weaponry, such as drones and semi-autonomous...
weapons. The EU has found it challenging to maintain a common position in response to the new threats, which has negatively impacted progress towards an enhanced CSDP. As the number of authoritarian-leaning governments within the EU grows, the EU itself is weakened.

c. Rising scenario

In a world of slightly improved global governance cooperation, some global corporations have acquired an outsized relevance, and have taken important roles in global security regulation. This is particularly the case for big tech corporations, though private security contractors have become powerful too. At the same time, there has been a return to multilateralism and cooperation, although they are not always effective in addressing global security concerns.

Some failed oil-producing states that degenerated into civil-conflict zones remain high on the UNSC’s agenda, forming a growing threat. The NPT remains effective, and warlords and terrorist networks are closely monitored for potential access to nuclear and dual-use materials. However, terrorist organisations are on the rise overall as discontent rises along with domestic economic inequality. Military strategies are still favoured as a response, rather than comprehensive approaches that consider the needs...
of the local population. Interestingly, the NPT’s disarmament pillar has finally gained traction due both to cooperation between the US and China and to the role of multiple non-state actors concerned with regulating nuclear proliferation.

The revival of multilateralism has brought renewed strength to the UN. Good relations between the superpowers have allowed the UNSC to escape gridlock, and the prevalence of intrastate conflicts has endowed it with a broader role. The strong development of some sub-Saharan African (SSA) countries increases funds and options to send in missions for conflict prevention, resolution, and stabilisation, often in cooperation with the UN. Despite all this, the UNSC still faces severe criticism, as it remains unrepresentative and thus faces legitimacy issues, with emerging powers increasingly contesting the current balance of power.

The Russian war in Ukraine proved costlier than expected. The Russian economy took a big hit, and opposition to the war grew, with massive protests erupting in major cities. China, though initially supportive, began to increasingly favour a quick resolution to the war as domestic economic concerns pressed it to prioritise stability and economic growth. As a result, Russia retreated from the invasion after obtaining a series of concessions from NATO members. Social unrest, however, prevails, and opposition the regime has grown stronger. This has helped soften the country’s international presence, as domestic concerns have taken over and relations with China have taken a step back.

NATO has reduced transatlantic frictions related to defence spending. The US seems content with the status quo, given that it faces no clear confrontations and does not contemplate large-scale foreign interventions. In parallel, the European Defense Agency (EDA) has acquired a more significant role, channelling funds towards innovation in the European defence industry to develop technology-based solutions to security problems. The areas of cybersecurity and artificial intelligence (AI) stand out in this respect. Big tech corporations have positioned themselves as key players in defence matters, funnelling advances in AI and other dual-use technologies into military, intelligence, and defence agencies in exchange for lucrative contracts. They have also become contributors towards counter-terrorism efforts through their surveillance capabilities, and they have been involved in self-regulating some weaponry, such as AI-enabled autonomous weapons systems.

d. Flowing scenario

In this multipolar world, multilateralism has been revived, and there is a generalised trust in formal IOs. Emerging powers are better incorporated into the global governance security architecture. Traditional institutions have been reformed to adapt to the changing geopolitical landscape and its security implications. At the same time, innovative arrangements have also been put in place for IOs to adapt to changes in the balance of power.
With the revival of multilateralism, the UN has received quite a boost. It actively highlights the links between security and health, climate change, and migration. The human security perspective has featured prominently at General Assembly debates and meetings, ultimately leading to the adoption of a resolution calling for the creation of new UN agencies dedicated to nexus issues with a security bearing. The stable international environment has also allowed for greater coherence within the UNSC, resulting in improved responsiveness. The use of the veto has declined significantly, and the UNSC has managed to maintain its legitimacy and authority. However, many members continue to raise concerns about power imbalances in the organisation’s composition, and decision-making reforms are discussed intensively.

Civil-society organisations have gained more influence as progress has been made towards their institutionalisation at the UN. Efforts have been directed at removing barriers to the consultative status of NGOs in UN bodies by limiting the ability of states to defer applications. Furthermore, experimentation is taking place with participatory processes: UN appointment processes are no longer based 100% on the decisions of member states. Instead, a component of direct elections by citizens has been added, thus complementing the choices made by the member states.

Progress has also been made at the regional level in global security governance. There is an emerging regional security architecture in the Middle East. The Shanghai Cooperation Organization (SCO) has also taken a more prominent role, although tensions between India and China remain. After domestic opposition to the war grew unsustainable, Russia was forced to change course. In 2023, NATO played a key role in negotiating an intricate agreement with Russia that finally put an end to the war. NATO has stayed mildly relevant, although some of its functions have also been taken over by the EU, whose drive towards strategic autonomy has resulted in a more robust common security-and-defence policy in Europe. The drive for strategic autonomy has also been delivered in other areas with an outward dimension, such as health and technology.

GLOBAL CLIMATE GOVERNANCE

a. Drifting scenario

In this bipolar world scenario, characterised by intense geopolitical competition, international cooperation to mitigate climate change has been notably absent. The cornerstones of climate governance, the UNFCCC and its Paris Agreement, have become largely irrelevant, and their authority and legitimacy have quickly waned. At this point, countries under China’s sphere of influence have mostly exited the agreement, and while some countries in the US sphere remain, the US itself is also absent. This massive loss of support has caused severe resource constraints for the UNFCCC and an even more significant climate-finance crunch. International NGOs decry the lack of compliance with existing NDCs, as well as the failure of the Paris Agreement’s “ratchet mechanism”, but this falls on deaf ears, because governments and populations are preoccupied with other issues. By 2030, many countries will not submit new NDCs, and ambitions will decrease significantly.

Relations between China and the US regarding climate-change governance have soured beyond repair, and the world fell into two separate blocs. This has extinguished all hopes of further talks among major emitters on implementing the Paris Agreement. NGOs, activist groups, and grassroots movements have voiced their concerns, but they lack the authority or the coercive power to spark meaningful change. Further, as citizens become
more preoccupied with economic and geopolitical issues, and as relations between countries become more complex, climate movements lose their broad, transnational bases and become narrower and more localised. The exception lies with transborder epistemic communities of engaged scientists, who periodically launch cries for climate action despite the irrelevance of the IPCC and non-action by governments. The private sector, as well, has been unable to advance the energy transition. As governments lost interest, support for public–private partnerships rapidly disappeared, and the number of initiatives decreased exponentially. A race to the bottom in sustainability standards quickly ensued, although some sector-specific initiatives for adaptation remain.

b. Shifting scenario

With economic and security concerns taking centre stage, the sense of urgency regarding the climate crisis seems to have waned, and progress in this area has become mostly rhetorical, with no progress on curbing emissions. The UNFCCC has managed to muddle along but without much real traction in compliance or the implementation of the Paris Agreement. The loss of leadership from key states such as China has slowed down progress in negotiations. Thus, little action exists on mitigation and adaptation, and initiatives face severe budgetary constraints as the appetite for green financing has been reduced in the current economic context. Further, many low-income countries have begun to question the balance concerning the Common But Differentiated Responsibilities (CBDR) principle and are demanding more ambition and resources from the Global North. This has contributed towards a greater divide between high-income and low-income countries that has spilled over to other areas of global governance.

The lack of action on the part of the Global North has sparked tensions with the Southern regions, which are amongst the most affected by the adverse effects of climate change. The African Union, for instance, has been preoccupied with dealing with food security issues and the availability of water. As adaptation costs continue to rise dramatically, the need for climate finance increases drastically, but developed countries are largely unwilling to provide the much-needed funds. Climate justice issues are notably absent from discussions involving high-income countries. Slow progress, land grabs in low-income countries, and pipeline projects through indigenous territories have sparked fierce resistance from coalitions of indigenous peoples in many countries. However, these groups – who are some of the most affected by climate change – remain excluded from climate talks and thus resort to more radical actions. At the more radical end, some activist groups have even been involved in cyberattacks on high-emitting industries.

c. Rising scenario

The private sector has acquired an outsized role in this world scenario. Aided by its high relevance, technology drives the transition in this
scenario, and there are hopes of a “techno-fix” for climate change. After some difficult years, large intergovernmental forums and formal IOs are becoming increasingly relevant again. The UNFCCC has been revived, driven by the US–China tandem pushing cooperation forward. The ratchet mechanism of the Paris Agreement is working as intended, with countries increasing their ambitions in each submitted NDC. Further, a hybridisation process is underway, whereby NSAs and sub-state authorities, particularly MNEs, energy companies, and cities, are increasingly included in talks at the UNFCCC.

In this scenario, changes to lifestyles and consumption patterns, environmental justice issues, and ideas about decoupling economic growth from resource-use are still absent from the agenda. However, consumers have become activists, and boycotts are common when companies do not make ambitious climate commitments, or do not live up to the ones they do make. Companies, therefore, are pushed towards making ambitious commitments to reduce emissions and to walk the talk. Accordingly, NGOs also take a more assertive role by engaging in adversarial and confrontational tactics. For instance, a commonly used tactic is naming and shaming individual, state, and company emissions profiles, taking advantage of the lax privacy controls in this rising scenario world.

Big tech firms are deeply involved in developing new or improved energy technologies for mitigation, and in creating PPPs to push these technologies forward in terms of R&D, standard-setting, and market creation. As private approaches have become more relevant, so too has climate-change self-regulation. This has been led by non-state actors, by multi-initiatives from informal and hybrid IOs, and by the vital role of regulatory intermediaries. Sub-state authorities, particularly cities, have also acquired powerful roles beyond implementing national policies. These entities, organised in transnational networks, are increasingly advancing their policies for adaptation and mitigation, and they are essential sites for bottom-up experimentation.

Overall, climate governance in this world scenario is less state-centred and has undergone a process of hybridisation whereby the private sector and sub-state authorities, particularly megacities, are increasingly involved. Good relations between superpowers have driven multilateral cooperation, and the focus is on adaptation and mitigation technologies. However, there is still little concern about climate justice issues, and many risks remaining in this green transition. Many warn that the high levels of economic growth and resource-use offset intense climate action, thus reducing the impact of climate initiatives to below what is necessary to keep global warming in check.

d. Flowing scenario

In this world scenario, the rulebook for the Paris Agreement is fully agreed upon. After several years and the first global stocktake, the dismal findings made it clear that far greater mitigation and adaptation ambition was necessary. Thereafter, a separate UNFCCC agreement, specifically on adaptation, was reached. It involved information-sharing, enhanced finance, and advanced data gathering, to enable optimal adaptation measures for each location. Furthermore, developed countries are meeting their financial targets, though developing countries continue to highlight the need for more funding. Overall, good progress has been made towards meeting NDCs. The IPCC is no longer under pressure to produce politically acceptable synthesis reports. The periodic Assessment Reports and special reports have had a large impact and have led to the mobilisation of civil society as well as to the greater involvement of countries.
Many formal and informal IOs from different backgrounds and of different sizes have maintained a strong focus on climate action. Much climate action is also taking place at the regional level. The EU remains a climate leader with the European Green Deal. The African Union has also made great strides: regional solar power projects have been developed, especially in East Africa. Regional governance schemes are also directly involved in leading and supervising climate-change policies. The main challenge, however, has been easing the geopolitical tensions arising from the energy transition. As more renewables are deployed, tensions have sparked around critical minerals, land use, and water use, among other resources.

In the flowing scenario, global climate governance has undergone a hybridisation process. Non-state actors, especially civil society, are gaining more relevance. The creation of a UNFCCC citizens’ General Assembly (GA) on climate change is a possible initiative in this world scenario. This has increased the multi-level complexity of governance. As varied actors at different levels of the governance architecture interact, increasing multi-level convergence can also be observed, and global governance further strengthens into a hybrid, coalitional, and polycentric architecture centred around the UNFCCC. The focus of global-climate governance would also be broadened to include debates on environmental justice. Reparations for irreversibly damaged nations are now being negotiated.

GLOBAL FINANCIAL GOVERNANCE

a. Drifting scenario

Global financial governance has changed from a hybridised, networked architecture centred around the G20 and the Financial Stability Board (FSB) into two separate, informal, and mini-lateral regimes for each sphere. On the one hand, the US-dollar sphere has retained many of the Bretton Woods institutions. On the other hand, in the renminbi-centred Chinese sphere, a combination of new and reformed institutions has come to the fore. These regimes have evolved separately and are increasingly divergent, although strong functional differentiation persists. The monetary regime, banking, securities, insurance, and accounting and auditing standards are all governed in silos, with almost no linkages or coordination. Private actors and civil society play a small role in this scenario in either of the two blocs.

The BIS and the FSB have retained their influence as coordinators in the US sphere, along with the IMF, which has reoriented its activities to focus on the US sphere. China has disengaged from both institutions but has managed to play a more assertive role in global financial governance through regional institutions. For instance, the Contingent Reserve Arrangement (CRA) has been expanded and transformed into a new financial IO in the Chinese sphere that competes with the IMF. The Chiang Mai Initiative Multilateralization (CMIM) – the multilateral currency swap arrangement launched by ASEAN+3 – has also been wholly delinked from the IMF and is now linked to the Chinese-led monetary fund. The G20, previously at the core of global financial informal governance, has ceased to be involved in these issues.

b. Shifting scenario

Difficult North–South intergovernmental relations, and a generalised distrust of multilateral approaches in this world, have reduced cooperation on financial regulation to a merely technocratic approach. As a result, the architectural core of global financial governance remains intact. Thus, the BIS retains its position as the main institution for banking regulation, information-sharing, and lending to central banks. It also remains highly exclusive, with the US and the EU main-
taining their influence over it. China also stays engaged in this organisation, despite not playing a key role. Similarly, the IMF has retained its influence and its role in safeguarding monetary and fiscal stability. However, in the absence of institutional reforms to reflect the changing geopolitical landscape and appease the Southern countries’ concerns, the IMF faces serious legitimacy issues, particularly from emerging economies. Given the economic situation and the reluctance of governments to participate in these multilateral forums, there have also been debates about country contributions that have imposed resource constraints on the IMF.

In this world scenario, informal institutions have remained the main game in financial governance, something that looks unlikely to change. The G20 remains at the core of global financial governance, albeit in a weakened position, and faces legitimacy issues due to accusations of exclusiveness. The FSB, the main informal intergovernmental organisation for coordination on financial issues, has strengthened its role as a coordinator and has increased linkages between different issue areas and regions. However, these linkages remain limited and are highly contested by the South. Furthermore, in the absence of institutional reforms, the FSB faces similar legitimacy issues as the IMF, the BIS, and the G20. Overall, global financial governance remains highly informal and mini-lateral, but it has avoided further institutional fragmentation. This has been achieved mostly by strengthening the role of the FSB rather than by creating new formal institutions.

c. Rising scenario

Generally fluid intergovernmental relations have allowed for cooperation on financial regulation, thus expanding the global regulatory governance of this macro-sector. However, the ambitions of setting up an overarching global financial organisation are still distant. Although regulatory differences have converged to some degree, financial orders have evolved separately for the most part as many regional powers distrust delegating regulatory powers in this field completely. Still, emerging powers increasingly contest the global financial governance order, calling for deep institutional reforms to reflect the changing geopolitical landscape.

The BIS remains a key player in global financial governance, with central banks worldwide remaining highly independent. The FSB, an informal IO with a more flexible organisational structure, has strengthened its position in global financial governance, and has facilitated some regulation coherence and promoted the role of regulatory intermediaries in many specialised financial areas. As a central coordinator, the FSB aims to reduce functional differentiation between issue areas as well as to improve coordination between regions.

In general, financial governance in this scenario has been characterised by the development of separate financial arrangements. Global financial governance is also less fragmented now, as the strengthened role of the FSB has
allowed for greater coordination. However, it remains highly shaped by major financial interests, with a few major public and private actors dictating the course of events at critical junctures. This has sparked tensions with emerging powers, whose patience is waning ahead of a possible financial crisis.

d. Flowing scenario

In this multilateral scenario, concerted regulation of global finance has not progressed as fast as other areas of global governance. This is due to strong path-dependence and strong informal dynamics dominating the macro-sector. Still, although there have been no sweeping reforms of global financial governance, key financial governance institutions have been reformed to become more inclusive. Though BIS remains relatively exclusive, it has altered its opaque institutional structure to incorporate regional powers better. The same can be said of the IMF, which has undergone a series of institutional reforms to reflect the changing geopolitical landscape in this multipolar world. The FSB has gained strength as a central coordinator and has managed, to a certain degree, to reduce functional differentiation and improve coordination between regions. This has contributed to limiting the fragmentation of global financial governance. Overall, however, global financial governance remains quite informal, mini-lateral, and fragmented. Notably, civil-society organisations are increasingly involved in financial governance. They have been mainly involved in monitoring but are now shifting their focus towards influencing global financial regulation.

For the most part, regional financial orders have continued to evolve separately. Thus, separate regional financial arrangements, which are increasingly coordinated and institutionalised, have consolidated on their own. The Chiang Mai Initiative Multilateralization (CMIM), launched by ASEAN, has been delinked from the IMF. Furthermore, the Macroeconomic Research Office and CMIM have been combined into a unified institution with greater resources and authority, and improved surveillance and economic analysis capabilities in Asia. In the EU, progress towards establishing a European Monetary Fund was underway. In Latin America, the Latin American Reserve Fund (FLAR) was created and has progressively expanded its membership to include Brazil and Mexico.
What are the main trends in global governance, and which future scenarios should we expect in the decade up to 2030? In this concluding part, we elaborate with some final remarks on its possible evolution in the coming years, which can contribute to global governance research (Roger et al., 2022). We will discuss configurations for each macro-sector and will consider their institutional variations and the challenges highlighted in the previous analysis presented in chapters 2 to 5. This is associated with the different macro-sector scenarios stylised in chapter 7, to foresee potential difficulties for global governance in each sector.

Further, we introduce five significant organisational challenges that current IOs are confronting to expand their room for manoeuvre and to become more capable of dealing with uncertain futures. The extent that some IOs will be partially or fully successful in these challenges will determine whether they will be a better fit to cope with and survive broader combinations of the scenarios described. Also, the occurrence of a major crisis, as the COVID-19 pandemic illustrated, may have the potential to shape future directions. Global governance in the 2030s will probably be a mix of the four scenarios we described in chapter 6. None of the four scenarios we have suggested will fit perfectly into the situation that we might observe at the end of the decade. Most likely, a combination of the four scenarios will materialise, and the actual question is how to assess what proportion of each scenario will be included in the mix that the near future will bring to us.

The four macro-sectors examined in this report illustrate significant differences regarding the importance of institutional path-dependence of the main IOs prevailing in the sector and the degree to which informal IOs and other international entities were relevant in their global governance activities. Here, we revise how these characteristics were visible in our examination of each macro-sector. More importantly, we discuss what we can derive from the adaptive capacities of the main IOs to steer global governance at the sector level and to provide answers for each sector’s global challenges. Alternative forms of global governance, in which IOs are less relevant, are emerging and will develop further in the coming years.

In the case of the trade sector, we observed that a relatively new institutional configuration – reformed in the 1990s to cope with the accelerating trend of globalisation – experienced some difficulties when the globalisation move became less pronounced and some protectionist attitudes emerged among major powers. Some institutional rigidities, as well as the relative absence of informal IOs and other entities operating in the trade sector, made it difficult to adapt sectoral global governance mechanisms to changing circumstances, although the WTO still had enough strength to steer new developments towards the provision of global public goods. Consequently, global governance trends in the trade sector are not very auspicious, as institutional gridlocks may remain strong, while other alternatives to guide global governance could be difficult to mobilise. This can be aggravated if the drifting or shifting world scenarios prevail, as chapter 7 details. In contrast, the rising and flowing scenarios can facilitate trade institutions in addressing their institutional problems. A potential expansion of global governance in this sector would be possible, and it would be related to...
the capacity of integrating and coordinating policies with other macro-sectors involved in transgovernmental regulatory issues.

For the security sector, we confirmed a long-lasting institutional path-dependence that favoured the persistence, up to today, of many formal IOs established during the Cold War. This does not contradict the fact that the role of informal IOs and hybrid entities in the sector has increased in recent times. In the context of a changing geopolitical landscape, and with the emergence of new security threats, informal IOs and ad hoc arrangements – which are more flexible and less costly to set up – have stepped in to fill governance gaps where formal IOs are ineffective. The highly globalised situation since the 1990s has contributed to the greater relevance of a number of non-state actors, from terrorist groups and criminal networks, to tech giants and private military security companies (PMSC). This has contributed to some hybridisation of the security field. Despite this, security governance in most issue areas remains largely state-centric, although differences exist between issue areas. A reconceptualisation of the concept of security since the 1990s, influenced by feminist security studies, has also allowed for the consideration not of only interstate conflict, but also of issues related to intrastate conflict, to the security of individuals, and to cross-cutting issues with security implications.

Under these circumstances, the role of security governance in the coming years can be very different, according to each world scenario. Suppose that drifting dominates, the UNSC would remain in existence, albeit highly restricted and narrowly focused. Other formal IOs would lose much of their authority and would be replaced by bilateral agreements, ad hoc arrangements, or bloc-affiliated formal IOs. In a flowing scenario, global security governance would evolve in a more stable mode: institutional reforms would adapt well-established organisations to new security problems, while the roles of civil-society actors and sub-state authorities would expand. As to the shifting scenario, we would observe a trend towards the deterioration of formal IOs, which would be substituted by informal configurations, either of a public nature or in hybrid forms. Overall, the architecture would become more fragmented. Finally, the rising scenario would see a return to multilateralism in a less state-centric world, where for-profit NSAs such as mega-corporations would gain outsized influence in security governance. Formal IOs such as the UN and its Security Council would prevail, but private governance initiatives would receive quite a boost.
Environment governance represents a case in which informal IOs and hybrid entities have flourished in recent years. In contrast, some weak formal IOs with reduced path-dependence problems have articulated major decision-making processes that have culminated in very complex global agreements. This has allowed considerable flexibility to navigate, with some success, into global governance ahead of the tremendous challenges that climate change presents. However, organisational difficulties from UN bodies, and the absence of state involvement in promoting new entities, have prevented stronger IO leadership in this macro-sector. Such problems would be exacerbated in the drifting scenario, where international agreements would be diluted due to the world’s polarisation, thus initiating a race to the bottom in sustainability standards. A shifting scenario would involve a series of gridlocks related to multiple conflicts and discussions among countries, North–South disputes in particular. Climate action would be weak, as formal IOs such as the UNFCCC would lose authority and face serious resource constraints. Non-state actors and sub-state authorities would also see their influence diminish. The rising scenario would accentuate the private dimension of global climate-change action, while formal IOs would remain supportive of these initiatives. The flowing scenario, on the other hand, would be characterised by a revival of formal IOs, which would undergo a process of hybridisation that would, in turn, result in the institutionalisation of civil-society participation.

Finally, the finance sector represents a case in which some long-lasting IOs prevail. Many of them show strong path-dependence patterns in their evolution which co-exist with the dominance of informality in the sector’s global governance. Global finance governance was one of the first sectors to articulate embryonic forms of global governance, based on the direct coordination of central banks and regulatory authorities without other governmental participation. So, the sector has informally resisted attempts to transform or to create major formal IOs that have direct governmental involvement and have the capability to lead the sector globally. In this sense, the model’s weakness is complemented by a direct implication of states in this sector’s global governance when major crises require fast action by powerful actors. All in all, the finance sector has appeared to be very resistant to institutional changes and major global governance innovations. It has shown strong stability over decades, and has only been transformed in a few cases by some new developments at the regional level.

In the four global finance scenarios, we show different transformations of this relatively stable configuration. The drifting scenario represents a polarised world in which old institutions in the US area remain with few changes, while the China pool creates new but parallel IOs. The shifting scenario represents a continuity of the current configuration, with minor adjustments for new emerging conflicts and disputes. Only the rising and the flowing scenarios involve some important global governance transformations for the management of global finance, and provide more stability to the financial order. While
the rising scenario would be characterised by the development of RFAs, loosely coordinated by some key global IOs of informal nature, the flowing scenario allows for the possibility of institutional reforms in some of these key global institutions to make them more representative.

Our findings also show some interesting cross-sector trends. First, IOs tend to expand their mandates to involve themselves in new areas of activity and sectors related to the increasing interdependence they perceive across different policy areas in global governance, despite the risk of having only a nominal presence in many areas. Many IOs are compelled to expand their operations beyond their core activities and to project their initiatives into different fields, often beyond their original mission. This is partly due either to the inter-sector connections and dependencies that are more relevant and visible today or to strategic moves and critical events that trigger complex effects in many different areas. Such a dynamic transformation will have strong implications for how global governance develops and might impact the role that well-established IOs will show in the coming years. We envisage a future in which IOs will compete fiercely in many cases, but in which they will also eventually cooperate intensively. Such attitudes will be much more intense than we have observed in previous years, as IOs aim to expand and obtain a pre-eminent role in many global policy areas. Major IOs will establish coalitions and alliances, and even mergers – among themselves and with large NSAs – to enter into new relevant sectors, with the aim of exploiting synergies and being able to set policy agendas, while still collaborating with the most influential states.

Second, cross-sector trends also indicate that differences between formal and informal IOs will tend to blur. While traditional IOs will expand their informal dimensions and promote public–private partnerships, transnational networks – as well as many other organisational forms beyond the formal involvement of national states – and successful informal IOs will increase their formal structures, ensuring their liaisons with major states’ decision-making machinery when necessary. Actually, some institutional convergence will emerge. This means that relevant IOs, departing from established institutional designs, will tend to display similar mechanisms for operating in complex environments that are populated by states of different sizes and complexity, multiple autonomous for-profit and non-profit entities, and a myriad civil-society agents. The implications for the development of future global governance will be significant: a hybrid mode of global governance will proliferate to produce global public policies; there will be fewer differences related to the organisational dimension, and there will be some adjustments to the nature of each sector and the specificity of the public goods to be produced.

Third, IOs will continue showing a trend to become autonomous of member states, although not completely independent from them. However, differences across sectors will be very significant: security will remain very state-centric, trade states will remain strong, and in the finance or environment sectors this trend might accelerate. This will mean that IOs will gain some degree of freedom in defining their goals and implementing their operations, although powerful states will be able to set the boundaries of IO actions. Diversity in the sources of financing for each IO can play an important role in facilitating such autonomy, as member states’ general contributions would not be the only way of funding IOs. Own sources of income can be very relevant to allow more capacity for autonomous action, particularly if funding does not come from private donors, with their funding agendas that might include earmarked funds and citizens’ contributions. Thus, direct funding from IO services can

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be more strategically employed, as can resources from non-conditional funds and deposits.

Fourth, the future of global governance will not be based on the monopoly of IOs but on a mix of entities of different natures, where some IOs will become more powerful and relevant, while others will adopt a low profile. This will also include large areas in which private governance will be hegemonic. The private governance model can be based on the delegation of tasks to private entities by a public authority, but it can also be related to the collective action of many private actors. Also, actors can vary widely, including the presence of regulatory intermediaries, private companies, knowledge actors, and many other non-state actors. Confrontations between public and private global governance will be very common across sectors in the near future. This exists today but will be more visible and conflictual in the future, as tensions for the leadership in global governance will emerge more frequently in many different areas.

Fifth, and finally, national states’ role will evolve slowly towards strategic and supervisory activity rather than towards direct involvement and participation in the IOs’ decision-making. Still, states will keep many global policy issues under their control – in particular in sectors like security and trade – but they will delegate, implicitly or explicitly, many other decisions that require some level of coordination and harmonisation to upper levels of government. In any case, governments will be active in shaping their citizens’ views of the IOs’ role, either in a supportive or a negative way. Global governance is just the top layer of the complex, multi-level governance that exists in many policy areas today, and national-level governments will remain very influential. In this sense, the regional layer of governance will probably emerge as key in multi-level governance, and will also have more direct state involvement. Actually, the magnitude of this level allows multiple interactions among states, while it is becoming more manageable, for functional reasons, to provide public goods and services to the countries in their regions.

In our understanding, levels of responsibility and the policy scope that both global and regional governance will achieve in future years, are largely determined by the strategies and goals of nation-states, in particular – but not only – by the behaviour of the major powers. While successful IOs will continue to accumulate resources and reputation globally over the decade, thus allowing them to be more autonomous and operative, the extent to which they will be capable of providing enough global public goods will still largely depend on major states and their political behaviour. Although predicting political developments is beyond our purpose and capacity, we have suggested four world scenarios that roughly cover different directions. In each scenario, state actions will combine with a set of dynamics and premises to contribute to the evolution of global governance. Global governance would be very different in a world that is heavily shaped by a US–China confrontation and continuous geopolitical tensions and conflicts, in contrast with a world in which countries’ desire for regional integration would allow strengthened forms of regional governance that limit major power confrontations and add stronger voices to world politics and world economies. This is contextual to multiple uncertainties – technological, political, economic, etc. – that nobody can foresee; nation-states have an autonomous role in shaping these developments. However, there is also an interactive dynamic between IOs and nation-states regarding their capacity to shape future scenarios. While the dynamics of global governance in 2023 - as the Ukraine war illustrates - appear to lead to the first two pessimistic scenarios of drifting and shifting, some positive developments could push the pendulum at any time toward the more optimistic scenarios of rising and flowing. We leave it to the readers of this report to consider which scenario they consider more probable.

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ENDNOTES

1 The GLOBE Survey was completed by 1,004 staff members of 30 international organisations between May 2021 and November 2021. The selected organisations include United Nations (UN) organisations and non-UN organisations, including three Directorates-General (DG) of the European Union. For more information, see the dedicated webpage GLOBE Survey, and the Jordana et al. (2022) Technical Report “International Organizations and the Future of Global Governance”, IBEI Working Paper 22/58, February 2022.

2 For a detailed exam of legitimacy issues regarding IOs, while considering the different sectors included in the GLOBE project, see GLOBE Report D7.1, Legitimacy of International Organizations Across GLOBE Issue Areas, February 2022.


4 For further development on this issue, see GLOBE Report D8.1, “Shortcomings of the current governance and institutional models”, November 2020.


14 The literature on sectors of global governance is very large, with multiple interpretative approaches (see Kim 2020, or Abbott & Snidal 2021). In particular, in the context of the GLOBE project we explored their emergence and reconfiguration in a few cases (see Schmitt 2022 on Artificial Intelligence, or GLOBE Report D4.3, Case study in cyber-governance, November 2022), to assess the flexibility and modality of emerging issues of global governance, related to the macro sectors we examined.

This section is based on the GLOBE Report D3.1., “Mapping of the Trade and Development Global Regimes and Institutions”, September 2019.


In separate contributions, the GLOBE project also undertook a dataset study of the global governance architecture for cybersecurity, and an analysis of the security–migration nexus, to examine the expansion of the sector into broader areas. See GLOBE Report D4.3, "Case study in cyber-governance", and GLOBE Report D4.4, “The security–migration nexus”, respectively, for further analysis of the global governance of these issues.

For a more detailed discussion in the GLOBE context, see Kouliopoulos (2020).

For a detailed comparison across the three architectures, see Sánchez Cobaleada (2020).

The following discussion is informed by interviews with security experts conducted in May–June 2022, in the context of the GLOBE project, as well as a GLOBE security workshop organised in Barcelona, in June 2022.

See also GLOBE Report D4.2, “Case study of the European Security Architecture: NATO and OSCE”, for a complete overview of the European security architecture.

The participation of regional blocs at the UNFCCC has been examined in detail in a GLOBE report to assess how multi-level governance articulates the climate change goals, comparing the EU and ASEAN cases. Although ASEAN countries have tended to be more responsible, no regional coordination has emerged, as compared to the EU case (GLOBE Report D5.3, “Multilevel Governance of Global Climate Change - Problems, Policies and Politics Case Studies of the EU, ASEAN, and National Climate Laws”, November 2020).

Based on discussions from GLOBE Climate Change Stakeholder Meeting, Brussels, July 2022.

This section is based on the GLOBE Report D.6.1, Mapping Global Financial Institutions, November 2019.


REFERENCES


