# **Effective Multilateralism:**

# 2019 VISION20-Brookings Blue Report

#### April 2019

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## From the V20-Brookings Workshop on April 10, 2019

The V20 team welcomes the ambitious and broad approach taken by the Japanese Chair to the G20 in 2019, including supporting multilateral trade, climate change action, the Sustainable Development Goals (SDG), quality infrastructure, supporting a successful innovation process that serves society, coping with aging societies, and continuing international cooperation against tax erosion.

In last year's Blue Report for the Argentinian G20 Summit, we called for greater collective leadership: "Global leadership from the G20 is needed to 'Vision the Future' of social cohesion, inclusive economies and depolarized politics. It is essential for all members of the international community to realize the seriousness of the moment and rally around a common resolution and identifiable practical actions with the potential to offer clusters of hope."

But we are not blind to the current trend of disruptive politics, including in the U.S. with the current administration's bilateral and unilateral 'America First' politics. Such policies and behavior by this American administration makes collective G20 leadership difficult, if not impossible.

Should we then 'throw up our hands' and dismiss the prospects for multilateral leadership? We do not believe that is required. In describing the way forward, we have in various ways urged G20 leaders to exercise 'effective multilateralism,' defined as selective, targeted, and purposeful actions with varied coalitions. We believe encouraging effective multilateralism is a vital tool in meeting the challenges the G20 and the international system face.

Meeting global governance challenges starts with effective multilateralism.

## Recalling the "Visioning the Future Project"

As we expressed in past, "Our 'Visioning the Future Project' focuses on defining the future by building a new blueprint of values and organizing principles for the global system." The V20 is committed to a well-defined goal: a new and better articulation of the relationships between global, national, and local levels. We also emphasize new avenues for dialogue across cultural, regional, and North-South divides to avoid a downward cycle of mutual misperceptions.

We need a new inclusive and socially positive vision of a global order that can give hope to all. This hope is critical in countering the race to the exits from current globalization. Leaders need to perform better at three things. Leaders need to find a better way to describe the tight interconnections of various levels of governance. Leaders also need to better express the imminent problems facing communities, their regions and the global order. Leaders ultimately need to persuade their publics that pursuing and achieving collective policy can ameliorate these problems. The isolation we have noted in the past between leaders and their publics remains stark when it comes to the collective G20 efforts. In our view, the serious gap between leaders and publics needs to be addressed now.

## A Proposed Overall Framework for G20 Progress

The turbulence of rising nationalism and accompanying unilateral initiatives of leaders continues to shake the Liberal Order. Brexit not only undermines the public's faith in politics in the United Kingdom but similarly shakes solidarity in the EU. The backlash against globalization continues to pulsate through parties and politics in France and Germany and also several Nordic countries and Eastern European member countries.

The EU has identified the correct answer to global governance challenges. But it is not clear that the architecture proposed is adequate or effective in the current global order: "The EU is committed to supporting **effective multilateralism** with the United Nations at its core.". This includes support for all three pillars of the United Nations, namely Human Rights, Peace and Security, and Development. All G20 countries must step up. But the state of the UN, and its membership, especially in the Security Council, leaves us unable to express confidence in the actions of the UN. The future may include UN revitalization, but G20 countries, and others, must act now.

What is damaging to purposeful collective action? We believe that unilateral and bilateral action will not only be inadequate but will undermine collective relations. For instance, the move from multilateral trade of the WTO to the unilateral and bilateral actions of the current U.S. administration only underscores the destructive outcomes of these initiatives. Trade growth is harmed and the United States, itself, cannot be seen to have improved its own trade position.

The open question remains, however: what is appropriate and effective multilateral behavior? We assess that 'effective multilateralism' today resides in those fora and coalitions that are prepared to move forward on policy and act on a collective action basis whether they include all, or not. Formal or informal institutions are not the limiting concern. While effective multilateralism operates at the state level, there is a far wider set of actors including foundations and other private and public corporations. These actors engage sub-state actors such as cities, regions, and provinces. Collectively, this variety of communities increases the number of actors and enables these actors press for more collective and effective action.

At the G20 level we have seen the success of Japan in stepping in with others to successfully conclude the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), though the new U.S. administration had pulled out of the trade relationship. This is an example of effective multilateralism in action.

We also saw effective multilateralism in action in the efforts of the G19 – the G20 without the United States. In Hamburg at the G20, and notwithstanding the new U.S. administration's steps to withdraw from the Paris Climate Change Agreement, the G19 remained firm in their commitment to achieving the needed carbon emission reductions. As the 19, the G20 Declaration confirmed: "We reaffirm our strong commitment to the Paris Agreement, moving swiftly towards its full implementation in accordance with the principle of common but differentiated responsibilities and respective capabilities ..."

We are watching effective multilateralism in action today through the efforts by the foreign ministers of the G7 countries seek to conclude "a cyber space strategy to protect their political systems from internet attacks and manipulation of social media by foreign powers such as Russia and China, and to provide a framework for sanctions and public exposure of offenders."

And we saw effective multilateralism at the gathering in San Francisco for the Global Climate Action Summit (GCAS) that was held from September 12-14, 2018. This summit is a notable event called by California's Governor Jerry Brown and former New York Mayor Michael Bloomberg. The attendees included many sub-state actors from provinces and states, municipalities and regions (some 6,000) and many non-state actors including foundations, activists and private corporations (some 2,000). These actors were intent in promoting efforts and commitments on carbon emission reductions at something other than the national government level, especially in the face of the Trump administration's determination to withdraw from Paris Climate Change Agreement.

## Concrete G20 Recommendations from the V20-Brookings

There is indeed much room to cooperate effectively. We have identified a first set of three initiatives for the G20 that we believe can be addressed through effective multilateralism:

International Monetary and Financial Cooperation, involving all G20 countries and others, can provide concerted global leadership in the IMF, the FSB, and the BIS to avoid another financial crisis. All G20 countries have cooperated on these issues in the G20 finance ministers track in the early 2000s and in the G20 leaders' summits in the 2008-2011 period. We believe further action is possible and such collaborative efforts can reduce the threat of financial crises.

Global Leadership in Implementing the Sustainable Development Goals (SDGs) as a Framework for Differentiated National Strategies of Systemic Transformation for Greater Social Inclusion. The 2016 Chinese G20 hosted in Hangzhou put a high priority on the SDGs and people-centered development. The Obama administration also encouraged SDGs efforts. Further efforts are possible. We suggest gathering G20 members to display best efforts to advance the yardsticks in Agenda 2030 nationally and locally. A 'best practices' initiative tied to the annual United Nations High-level Political Forum on Sustainable Development (HLPF) could be designed to highlight successful efforts and provide a setting where the most effective actions could be reviewed and adopted.

Global Leadership on Climate Change, The G19, at least, could take the lead in efforts to organize climate change actions including starting possibly with 'green infrastructure' to mobilize "from billions to trillions" for sustainable investment in infrastructure. Such efforts could include projects under the Belt and Road Initiative and those by Multilateral Development Banks and the World Bank. Further, there is the need over the next two years to develop a set of ideas which could become pillars for new approaches by all G20 countries in the 2020s for significant carbon emission reductions.

## Advancing G20 Accountability to Citizens

We urge the G20 to not only advance collaborative policies under an effective multilateralism approach but to focus more determinately on greater accountability and inclusiveness. What follows are approaches the V20 believes can and should be undertaken by the G20. We are hopeful these approaches can advance G20 global governance leadership and accountability to all the publics represented 'at the table'.

• The G20 agenda-setting process too frequently has been laid hastily 'at the doorstep' of in-coming host officials. A more collective effort should initiate agenda setting at the commencement of a new hosting. A broader more encompassing G20 process is required as the G20 moves forward.

Agenda setting, as the V20 has witnessed, is most successful when identified priorities focus on 'big picture' structural items and not just operational level matters.

 Where possible, the G20 should embrace a greater diversity of voices and a larger number of participants. The ultimate objective is to create a far wider audience of stakeholders in the G20 process. Such an approach can enhance accountability to a wide swath of publics through the G20 and beyond.

This wider participant approach can enhance the effort to provide the right process to the challenges facing the G20 in global governance. G20 must credibly show that it is on the side of fairness and against narrow interests and mere rent-seekers.

The V20 urges the G20 to focus on practical implementation: policy performance and experimentation and then an assessment of results. The G20 should encourage an 'experimentation approach' in policy-making such as we have seen China, for instance, employ in the past in its adoption of new policies and structures. The G20 will as a result be able to help take successfully tested ideas to scale.

As the V20 has urged in the past, the G20 networks and leaders must communicate directly to citizens and address the gaps that we have witnessed populist leaders entering.

- We urge G20 leaders to find ways to diffuse national identity crises and 'us vs them' situations that pit local communities against foreign others. Leaders should expand the circle of common interest for their citizens.
- As the V20, we encourage the G20 to develop a new paradigm beyond the discredited Washington Consensus. Such a new approach, the V20 anticipates, will be a hybrid paradigm allowing for multiple equilibria and pathways for G20 states and beyond.
- We urge G20 authorities to advance ways to strengthen the role of government as a neutral 'umpire' relative to the market. The rise of private power in markets and the privileged access and inequality this has caused has created great unfairness and opened the door to corruption. New norms and rules should be a priority for G20 Leaders intent on creating a level playing field.
- The speed of innovation and technological change has brought profound disruption that requires authorities today to advance policy innovations that match the technological disruptions

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# **Annex**

# Reports from the Field

#### **Paris Peace Forum**

November 2018, Paris

#### **VISION20 Fellows**

Alexander ASH Anne-Marie DAHMS Sara HARB Tommy KOH Denby MCDONNELL

#### **Global Solutions Summit**

March 2019, Berlin

#### **VISION20 Fellows**

Mathilde AUGUSTIN Samantha CORONEL Tommy KOH Denby MCDONNELL Jory SMALLENBERG

# V20 Participation in the Paris Peace Forum

The inaugural Paris Peace Forum (Forum) was held from November 11, 2019 to November 13, 2019 on the 100th anniversary of the end of World War I. The Forum sought to reinforce multilateral cooperation to achieve global peace. VISION20 Founding Co-chair Professor Yves Tiberghien, VISION20 Lead Fellow Tommy Koh, and VISION20 Fellows Alexander Ash, Anne-Marie Dahms, Sara Harb, and Denby McDonnell attended the Forum.

Professor Tiberghien moderated a panel in the 600-seat agora on the future of debt, featuring Deputy Directory of the IMF Hugh Bredenkamp, Chair of the European University Institute, Jean Pisani-Ferry, President of the Paris Club Odile Renaud-Basso, and President of the Japanese Institute for International Affairs Kenichiro Sasae. The VISION20 Fellows organized two meet-up sessions – VISION Tomorrow's Order and VISION Tomorrow's Development – bringing together Forum attendees to engage in the act of visioning the future of global governance and global development.

#### About the Forum

The Paris Peace Forum involved 75 heads of state. It was attended by over 12,000 top leaders across the Forum's thematic areas: peace and security, environment, development, inclusive economy, and new technologies. Two absences, however, were notable: United States President Donald Trump and United Kingdom Prime Minister Theresa May. Neither attended the Forum due to other domestic priorities. The absence of the heads of state of these two countries that constructed the current world order underlines the contemporary Liberal Order tensions.

The Forum was structured around agora panels and lab sessions where leaders and practitioners engaged with key global issues such as the role of cities in the environment, cross-border migration, the use of social media, and national inequality. Project leaders of 121 top global initiatives shortlisted by the Forum were invited to pitch their projects there. Beyond providing visibility, the Forum also arranged for seed funding for the top five projects, allowing these successful projects to implement their ideas at scale.

#### **Key Takeaways**

The Forum emphasized the need to move from abstract to concrete steps in efforts to pursue peace. The inclusion of 121 projects at the Forum demonstrated a strong commitment to action. Booths that showcased these projects enabled project leaders to engage with decision-makers and experts across state and not state areas. Collectively, this dimension of the Forum built momentum towards real and tangible impacts through a focus on implementation.

On this front, the Forum demonstrated a strong need for macro and micro synchrony. The concrete steps sought by each micro-level project cannot exist independently of the macro-level challenges pertaining to multilateral issues such as climate change or global economic governance. Greater emphasis on the bidirectional relationship between local level projects and global level discourse remains critical but still underdeveloped. An overarching framework or infrastructure that enables synchrony and synergy across both dimensions is key.

Harnessing new technologies to open conversation was another emphasis of the Forum. Multiple panels highlighted the impact social media has on creating space for smaller governments and people on the world stage. The Forum itself leveraged technology to facilitate connections. A proprietary app allowed for participants to register for meet-ups and workshops. The Forum also partnered with "Braindate" to incorporate technology that enabled participants to sign up for timeslots to meet with others who have common topical interests.

While space has been opened, it is worth thinking about how this space comes at the opportunity cost of more noise. Increased deliberation and participation may result in greater tension or divergence. To manage this, a strategy to garner support for multiple perspectives remains necessary. While participation makes action more legitimate, the challenge of having to find points of convergence between multiple competing views also needs to be resolved.

Overall, the Forum encouraged a bottom-up approach to global governance challenges. While there were panels which engaged with high level decisionmakers, the focus was largely on the impact that local projects can have. This clearly emphasizes the importance of action over discourse and prioritized those actions that are being done. It might be worth engaging more critically over how global governance can provide a complementary ecosystem for which these bottom-up projects can thrive.

Consistent with this bottom-up approach is the prioritization of strong and innovative ideas across actors and dimensions. While localized projects are oftentimes great sandboxes for innovative ideas, the same commitment to creativity and innovation is also needed at the global level. This is harder to achieve than local level change since a larger scale makes interventions more complex. At the same time, incentives and platforms can be created to encourage risk-taking.

#### **Next Steps**

The Forum made a positive contribution of global governance. It is expected to continue. The Forum organizers have launched their call for project applications for 2019. Two challenges remain. First is how to couple these local projects with evolving narratives and infrastructure at the global level. Second is how the projects with the best and most pragmatic ideas and approaches can be sourced and presented. If these two challenges are overcome, the Forum can build momentum that fundamentally transforms how global governance is approached.

# V20 Participation in the Global Solutions Summit

The third annual Global Solutions Summit (GSS) was held from March 18, 2019 to March 19, 2019 in Berlin. The Summit seeks to bring together international research organizations, thought-leaders and decision-makers from across political, business and civil communities. V20 Co-chairs Professor Yves Tiberghien, Dr. Alan Alexandroff, and Dr. Colin Bradford attended the event. V20 Lead Fellow Tommy Koh, and V20 Fellows Mathilde Augustin, Samantha Coronel, Denby McDonnell, and Jory Smallenberg attended the Forum

Dr. Yves Tiberghien presented on a panel that focused on "Reforming Global Economic Governance: The Role of Emerging Economies". The panel discussed issues surrounding global collective action during an economic power shift. During these times of "unstable politics," Professor Tiberghien emphasized that "domestic policies have to evolve" to address global challenges. Dr. Colin Bradford spoke as part of the closing plenary on "Future Challenges for the G20" where he encouraged participants to think in ways that are blended rather than binary to achieve cooperation and avoid conflict.

#### About the Summit

The GSS involved 1,600 participants from international research organizations, academia, and politics across 120 countries. It serves as a forum for discussion on policy recommendations for the G20 prior to Japan's upcoming G20 Summit in June 2019. The Summit is closely intertwined with the T20 process and serves as an early discussion forum prior to the T20 Japan Summit in May 2019.

Key topics at the Summit mirrored the T20 Japan task forces. They include the following: an agenda for sustainable development and universal healthcare; an international financial architecture for stability and development; climate change and environmental issues; economic effects of infrastructure investment and its financing; cooperation with Africa; social cohesion, global governance, and the future of politics; the future of work and education for the digital age and gender equality; trade, investment, and globalization; small and medium enterprise policy; and aging population and its economic impact.

#### **Key Takeaways**

Central to the Summit's discussions was the notion of recoupling economic outcomes and social progress. Recognizing rising inequality and economic anxiety as crucial issues, the GSS panellists raised possibilities for a more inclusive set of rules and institutions that underpin the global order. Both within-country and between-country discrepancies were highlighted as sources of economic frustration and anxiety. Delivering strong and positive economic results to those that contribute their work and labour is a critical part of this recoupling.

In addition to economic and social recoupling, the GSS also focused on how multilateral problems require multilateral solutions. On this front, the consensus was that no country can act alone in order to solve the big global challenges of the day such as climate change and vulnerabilities in the infrastructure that underpins the global economy. The effort to build strong coalitions for action is a critical piece in creating progress on large and complex global issues. The question of who is coordinating the action is key.

The role of differences between Eastern and Western perspectives was also raised as an important consideration for the reimagining of the global order. Differing values and priorities that exist across cultures may lead to diverging visions of what the future global order should be. More crucially, the willingness of all sides to consider each other's approach as legitimate and valid is necessary in order to create a vision that is acceptable to all.

To overcome East-West differences and to build a stronger and more inclusive global narrative, the notion of blended narratives was emphasized as a likely way forward. The ability to blend the priorities and values of different cultures can result in a system of values and arrangements that are acceptable across cultures. An emphasis on blending will also reduce the antagonism that accompanies seeking to advance specific hegemonies.

The GSS also placed a strong emphasis on youth action and youth leadership. Through the Young Global Changes initiative, the GSS prioritized providing a platform for youth to engage with existing leaders. Panel chairs at the Summit called on these Young Global Changers before others in the audience. This emphasized the importance of ensuring that those who will be most affected by change are likewise being heard in the process of preparing for change. At the same time, the need for youth to be less ideological and more flexible in their beliefs was also raised as a limitation.

#### **Next Steps**

The GSS continues to be a relevant and important platform for key voices in the think tank and global governance space to engage with pressing issues. The format of the GSS which emphasizes the task forces for the T20 Summit is an effective way to align the discussions at hand. Moving forward, strategies that enable the blending of narratives and the convergence of Eastern and Western approaches to governance will be key in reimagining the future of global political and economic governance as one that recouples social and economic outcomes.

# The VISION20 Initiative

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