THE EU AS A GLOBAL ACTOR IN A MULTIPOLAR WORLD AND MULTILATERAL 2.0 ENVIRONMENT
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Introduction

This paper discusses a number of long-term global trends that are likely to affect the ambition of the EU to be a global actor. Being or becoming a global power is indeed not only determined by an internal and voluntary policy of that actor. It also depends on a number of external forces. The first part of this paper will present two ongoing transformations of the world that together are weakening the position of the EU as an aspiring global power. The first trend is a shift in economic gravity from the East to the West. The second trend is a demographic decline in Europe. Both trends make it increasingly difficult for the EU to be a global power. But at the same time one can also identify a number of developments with regard to multilateralism that bear in them opportunities for the EU to increase its influence as a global actor. The second part of this paper focuses on two such trends, the shift to multipolarity and the changes in the multilateral architecture. As for the latter, this paper introduces the notion of ‘multilateralism 2.0.’ as a metaphor to grasp these changes.

It will be argued that the described trends are of particular relevance for the European Security Strategy as they imply that Europe’s prosperity and stability is increasingly determined by outside forces and by changes in the geo-political world-order. As such the challenge for the EU is twofold:

– To make sure that it can act as one of the poles in the emerging multipolar order;
– To contribute to shape that multipolar order into one that strengthens global governance.

Finally, it will be argued that the EU can under the given circumstances only affirm itself as a global power if two conditions are fulfilled:

– The EU deepens its integration with the rest of the Western world; and
– The EU steps up its role as a change-agent in the multilateral system.

Together these two issues have the potential to balance the forces that are weakening the position of Europe as a global actor. But in order to capitalise on this potential, Europe also needs an ambitious new ‘story-line’ or grand strategy. The paper ends with presenting some possible avenues for such a storyline.

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1. Forces that are weakening the Position of the EU as a Global Actor

For a long time the EU has had ambitions and capacities to play a global role, especially in 'first pillar' domains such as trade, development, environment and social issues (see Orbie, 2008 for an overview). More recently the EU increasingly develops a security strategy and architecture with global ambitions as well (see Tardy, 2009 for an overview). With the Lisbon Treaty, the EU has even made an important step forward in realising its global aspirations (Van Langenhove and Marchesi, 2009; Van Langenhove and Costea, 2007). Jean-Luc Dehaene, former Vice-President of the European Convention and one of the defenders of the idea of a European Constitution, recently described the Lisbon Treaty as ‘a new European quantum leap’ that allows Europe to operate as a global actor (interview in Knack, 25 November 2009).

These European ambitions are in line with an old tradition in Europe to see itself as an actor that could and should play a role in the world to the extent that the rest of the world is even supposed to mirror Europe. This has been described as ‘Europeanisation’. Indeed, Europe, and by extension ‘the West’, has ever since the birth of the Industrial Revolution been the centre of gravity of the world. Not only were there the scientific and technological inventions that gave rise to unprecedented boosts in productivity that detached Europe (followed by the USA) from the rest of the world (Steingart, 2008). There were also institutional and political inventions such as the birth of the liberal state and the idea that peace and trade were interlinked. Combined with new ideas about sovereignty, legitimacy of state power and nationalism this resulted in a system of interstate competition that further “opened up huge economic asymmetries in the world economy, revolutionized international transport, and helped to cement the geopolitical dominance of Europe over Africa and Asia” (Findlay and O’Rourke, 2007, p. 364). Meanwhile, “Western values and assumptions have been internalised to a remarkable degree in almost every other major culture” (Roberts, 1985, p. 278). Today, as mentioned by Sapir (2007), the EU is the world leading exporter of goods, largest trader of services and biggest donor of both development and humanitarian aid, the second largest foreign investor and the second destination for foreign migrants. Moreover, the Euro has become the second most important currency and the EUs GDP equals that of the US.

Young (1937) defines Europeanisation as a term ‘intended to express the effects on Asiatic, American and African cultures and civilisations of permeation by the peculiar social system set up in modern Europe”. See Kühnhardt (2008, pp. 9-12) for a discussion of this concept.
And yet, one can also speak today of a ‘European malaise’ (cf. Beck and Grande, 2007, p. 3) and claim that the heydays of Europe are over and that its economic and political power are declining. There are many signs that a top has been reached and that the indicators go downhill from here. At the time of writing this essay, the world just witnessed how at the COP15 meeting in Copenhagen, Europe was excluded from the final negotiations. And there is accumulating evidence for the decline of European industry. Traditional industries are losing markets and the most competitive companies become targets of take-overs from Asia. This can be related to a combination of two factors: the external factor of the “rise of the rest” and the internal factor of demographic developments.3

1.1. The Economic Gravity Shift from West to East

The US is still the most powerful economy in the world and the EU is second in size, but the fact that the BRICs are gaining economic power is already an unmistakable trend. And, more specifically, China and India are becoming economic giants that account for a huge share in growth of the world’s GIP. Predictions are that, by 2050, the part of the EU’s and the US’ shares of world economic output are going to further decrease dramatically. A recent foresight exercise organized by the European Commission4 foresees that before 2025, China could become the second world economic power of the world and India the sixth, ahead of Italy and behind France. The same study predicts that the exports of the EU would count for 32% of the world volume in 2025 while the share of Asia will be 35%. The EU will then no longer be the first world exporter. At the same time, Europe (and the US) is losing its scientific and technological supremacy to the benefit of Asia. One indicator is R&D: as other regions of the world step up their R&D investments, the EU’s relative importance to world innovation is going down. Its global share of patent applications for instance has dropped 14% over the past 6 years.5 The Eurocentric world is now at long last a thing of the past, and so is the Transatlantic predominance of the West (Fritz-Vannahme, 2009, p.3). On top of it, the present financial crisis seems to have accentuated if not accelerated this trend. Roger Altman (2009)

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labeled the present financial crisis ‘The Great Crash 2008’ and described it as a geographical setback for the West.

1.2. The Declining Demography

Assuming that no catastrophic events will happen, the world population is expected to grow from approximately 6.6 billion in 2009 to approximately 8 billion in 2025 and 97% of that growth will occur in the developing countries. As a consequence, while the world population continues to grow, the percentage of people living in the ‘West’ is continuing to decline. And within Europe the working age population will continue to shrink. As mentioned in the METRIS (2009) report, demography is coming back as an important element in the understanding of contemporary transformations. It is predicted that, by 2030, 75% of all people on the planet will live in Asia and Africa. And the population of the EU will account for 6.5% of the world population. This will have consequences for multilateralism as membership and voting rights in multilateral organizations will need to adapt to that reality. Currently, the West is already overrepresented. Europe’s weight in the global institutions in terms of seats and/or votes is increasingly exceeding its relative share in population or GDP (Ahearne, 2006, p.3).

Together these economic and demographic challenges affect the EU’s strive to become a global power. Put bluntly: it looks like Europe will have neither the people nor the economic weight for it. And on top of it, Europe is likely to face moral challenges as well that will even question its ability to exercise soft power. Indeed, being the epicenter of humanity for so long has resulted in Europe being a provider of a number of social innovations and related values that have shaped today’s world. These include the separation between state and religion, the concepts of free market and democracy, the principles of sovereignty and regional integration, etc… A lot of these principles go back to both the American and French Revolution. Each time it are European (or Western) inventions which were then trough colonialism or other means exported to the rest of the world. But the question is to what extent the rest of the world will continue to see these values as having a universal character? It remains to be seen to what extent the economic shift in gravity and the demographic decline will influence these debates and how it will affect the positions of those who believe that for instance Human Rights do have a universal value, notwithstanding the cultural diversity of the globe.

2. Changes in the Multilateral System

Being – or not being – a global power, is not only a matter of one's relatively strength. It is also determined by the playing fields or ‘theatres’ where such power and influence can manifest themselves. These ‘theatres’ are by now largely institutionalized in the so-called multilateral system with its political (UN) and economic (WTO, IMF…) components. It is there where states meet and interact and even bilateral relations are often limited by what the multilateral rules allow. Even those who dreamt of a unipolar world still needed to take into account the existence and the (relative) legitimacy of the multilateral system (Calleo, 2009). In other words, being a global power cannot be realized outside the theatres of multilateralism. But as it happens, those theatres are in full change as well, partly because of the shift to so-called multipolarity which is related to the trends described above. Partly also because of the changing nature of the related concepts of global governance and legitimacy.

2.1. The Shift to Multipolarity

Multilateral relations between states are not a game where all players have equal rights and duties. There are also power differences between states. Thinking about multilateralism can hence not be done without referring to the world-order and to the way international relations are organised in terms of power. World-order, sometimes also called ‘international order’ has been defined by Bull (2002, p. 8) as: ‘a pattern of activity that sustains the elementary or primary goals of the society of states, or international society’. For Bull, this included maintaining the sovereignty of states and the absence of war. Within this framework one can picture ‘poles’ (sometimes also labelled as ‘powers’) as states endowed with the resources, political will and institutional ability to project their interests at the global level.

From this perspective, the world has for a long time been organised around a ‘bi-polar’ frame: the deep rift between East and West and its precarious balance built upon the MAD principle. With the end of the Cold War, it was said that the world had become ‘uni-polar’ (Krauthammer, 1990) with the US as ‘lonely superpower’. But since 2001 there are numerous signs and developments that testify that the unipolar moment of the US has come to an end. This does not necessarily implies a weakening of the US. As noted by Zakaria (2008, p. 2), the current shift to multipolarity can be seen as largely due to ‘the rise of the rest’: the unprecedented economic growth over the past decades in countries all over the world. ‘Multi-polarity’ is indeed the new catch-word. Others such as Haass
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A 'non-polar' world: “a world dominated not by one or two or several states but rather by dozens of actors possessing and exercising various kinds of power” (Haass, 2008, p. 44) and the Economist even mentioned the birth of a 'neo-polar' world. Although, given the increased interconnectivity and interdependencies between the poles, one could also speak of inter-polarity, as Grevi (2008) does. While it is certainly true that the position of the US has weakened in recent years, this does not mean however that we can now picture the world-order as one where several (super)powers compete with each other for dominance. Impressed by the rapid economic growth of the BRIC countries, it is often assumed that multipolarity is already there. But such pronouncements mistake current trajectories for final outcomes (Brooks and Wohlforth, 2009, p. 55). Reality is that there is still only one state with a global predominance: the US. The other poles are (still?) more regional than global (Brazil, India, China and Russia). A crucial issue in all this is the relationship between hegemony and the regional poles. Acharya has rightly pointed to the crucial role of hegemons in defining and organising regions and to the centrality of regional security in world politics. He therefore proposes to speak about 'regiopolarity' rather than multipolarity (Acharya, 2009, p. 7). Consequently, he sees the future as a regiopolar world-order (see also Acharya, 2010). The question then is if there is a role for the EU to become the representative of the European pole in this regional word-order? Or is the world not really moving in that direction and is a new bipolarity emerging? One with the US and China as global powers? The COP-15 meeting of December 2009 in Copenhagen showed in any case an interesting phenomenon: the final agreement was reached in a meeting where the EU, or for that matter any European member state, was absent. In other words, if the world-order moves in the direction of multi- or even regiopolarity, then the EU will have to fight to get a (power) position that equals its ambitions.

2.2. The Current Crisis of Multilateralism

The present system of multilateralism has its origins in the Second World War and the failure of its precursor, the League of Nations. At its heart lies the worldview of Franklin Roosevelt who strived for a world founded upon four essential human freedoms: the freedom of expression, the freedom of religion, the freedom from want and the freedom from fear. For this to be realised, Roosevelt dreamt of a single organisation at the global level that would bring all states together in order to maintain international peace and security, develop international cooperation in solving common economic, social and cultural problems, and promote and encourage human rights and fundamental freedoms.

Roosevelt first suggested the name ‘United Nations’ in 1942. On 26 June 1945 the UN Charter was signed, marking an important date in the history of multilateralism. Between 1945 and 2000 lots of other regional and global interstate structures have been created to help to deal with the world problems. Today what is called the ‘multilateral system’ consists of a myriad of agencies and institutions but a central place is given to the UN and the so-called Bretton Woods institutions. Of course the principles of multilateralism go back further than 1945. One can link them to the emergence of a Westphalian world-order built upon sovereign states and the possibilities and necessities for those states to cooperate with each other. Westphalia developed slowly over three and a half centuries and was never consolidated into one single document. Neither was the 1648 Treaty directly responsible for the creation of what we now call the modern or liberal constitutional sovereign state. The world-order based upon a state system should rather be seen as an unintended consequence of Westphalia (Valaskis, 2001, p. 48). It is a result of putting the sovereignty principle into practice that states became what they are: territorial entities that exclude external actors from domestic authority (Krasner, 1999). This in turn opened the room for a body of international law based on treaties between sovereign states.

Multilateralism was thus created as a form of cooperation among states that institutionalises intergovernmental co-operation and substitutes anarchy. Starting-point for most scholars who study multilateralism is the definition by Keohane and its expansion by Ruggie. “I limit multilateralism to arrangements involving states” says Keohane (1990, p. 732) and that is a core issue of most of the academic thinking on the issue. Multilateral arrangements are institutions defined by Keohane as “persistent sets of rules that constrain activity, shape expectations and prescribe roles” (Keohane, 1988, p.384) in a purely institutional (rather than normative) manner. Ruggie however, presents a definition that is not only institutional but also normative, including behaviour. For Ruggie, multilateralism is “an institutional form that coordinates relations among three or more states on the basis of generalised principles of conduct (…) which specify appropriate conduct for a class of actions, without regard for the particularistic interests of the parties or the strategic exigencies that may exist in any specific occurrence” (Ruggie, 1993, p. 11). Ikenberry states that multilateralism operates at three levels of international order: system multilateralism, ordering or foundational multilateralism, and contract multilateralism. Multilateralism, he continues, can also be understood in terms of its sources. It can emerge from the international system’s structural features, the independent influence of pre-existing multilateral institutions, domestic politics and finally multilateralism can be traced to agentic sources (Ikenberry, 2003). So there are many varieties of multilateralism. Multilateralism is a highly demanding institutional form.
It is a truism to say that the world has changed profoundly since multilateralism emerged and became institutionalized in its present form. But still it is good to recall some of the key elements of those changes. Firstly, when the UN was founded, 2/3 of its current members did not even exist as sovereign states as their people were still living under colonial rule. In 1948 there existed only 74 states in the world. Today, we are close to 200 states. Most of those states are relatively small (about half of today’s existing states have a population of less than 5 million). The more states take part in the multilateral system, the more difficult it becomes to govern it.

Secondly, when the UN was created, the world was not as ‘globalised’ as today. Trade barriers were high and so were transport and communications costs. Today, world exports have risen to extraordinary levels. Technological advances have created a new context for connectivity amongst people, industries and governments. Globalisation is the buzz-word. However, the benefits and opportunities of globalisation remain highly concentrated among a small number of states. And while there have been successful efforts to craft strong rules facilitating the expansion of global markets, the social dimensions of this are far less covered by global labour standards. In other words, the multilateral system is unevenly developed. There is a relatively strong institutionalised form of economic multilateralism (cf. WTO, IMF and World bank) and political multilateralism (cf. UN Security Council). Its functioning can be critically assessed and although as mentioned before, there are some success stories to report, there is also a track record of failures. The present crisis of the Doha Development Round and the inability to reform the composition and functioning of the Security Council are just two examples.

Multilateralism is clearly under challenge in the 21st century and has been so since the end of the Cold War. More than a reflection of the failure of the concept, this crisis is the sign of a changing international context, which has rendered the traditional intergovernmental multilateralism of the post WWII-era anachronistic. In today’s reality, states play a relatively minor role as protagonists in the security system, as threats have acquired a system-wide significance. In order to overcome this crisis, the multilateral institutions, namely the UN, need to adapt to this change, reinventing themselves according to the new context. Thus, as the world is changing, so must the concept of governance, namely its reflection in the multilateral system. The developments of the past years have put severe strain on many of the traditional principles and tenets of multilateralism. Part of this is translated into a critique of how the UN functions. Many authors have pointed to all kinds of dysfunctions such as the complexity of the UN system with its decentralised, overlapping and incoherent array of councils and agencies or the divides between developed and developing countries. But, as
Weiss (2008) noted: the core problem is systemic and rooted in a mismatch between an organisation founded to serve and protect sovereign states and the actual presence of global problems that go beyond the interest of individual states. The emergence of truly global problems such as climate change, proliferation of weapons of mass destruction and many others have indeed led to an increasing paradox of governance: “The policy authority for tackling global problems still belongs to the states, while the sources of the problems and potential solutions are situated at transnational, regional or global level” (Thakur and Van Langenhove, 2005). As such the building blocks of multilateralism, the states, seem to be less and less capable of dealing with the challenges of globalisation. But because the multilateral world-order is so dependent on the input of states, multilateralism itself is not functioning well. The drama according to Weiss (2008) is that on the other hand the UN would never have emerged at all, if it was not configured as an instrument of state interests…

In sum, there seem to be sufficient reasons to claim that the ‘values and institutions of multilateralism as currently constituted (…) are arguably under serious challenge’ (Newman and Thakur, 2006, p. 531). But, as suggested by those same authors, the fundamental principle of multilateralism is not in crisis! What is needed is an aggiornamento of the organisational issues in order to be in tune with today’s reality.
3. Web 2.0. as a Metaphor for a Renewed Multilateralism

Multilateralism is thus both a normative concept (it is an ideal that some promote) and a practice (it refers to a set of existing practices and institutions). At both levels it is subject to change and one can think of how an updated global multilateral governance system could look like. Such a vision could be called ‘Multilateralism 2.0.’ This is a metaphor as it refers to a jargon used in the ICT world. As all metaphors it has its limitations. But metaphors in science can also serve the purpose of viewing things from new perspectives (Harré, 1976). There is a long tradition within International Relations to use metaphors such as ‘balance of power’ or ‘concert of nations’ (for an overview, see Little, 2007). And as mentioned by Fry and O’Hagan (2009, p. 10): ‘metaphors that are deployed to understand world politics should also be seen as contributing to the constitution of world politics’. The core of the metaphor advanced here is an implicit reference to what is now called ‘Web 2.0.’, a concept currently used to be described as the second phase in the development of the World Wide Web. It describes the change from a ‘web’ consisting of individual websites, to a platform of interactive web applications, to the end users on the Word Wide Web. The multilateralism 2.0. metaphor tries to grasp how the ideals and practices of multilateralism are currently undergoing a similar transformation. It is partially a descriptive metaphor as it tries to capture what is going on. But it is also a normative metaphor that points to what is possible and desirable.

3.1. The Transformation from Multilateralism 1.0. to Multilateralism 2.0.

Using ‘Web 2.0.’ as a metaphor in thinking about governance is, however, not totally new. Even more: ‘Web 2.0.’ practices are influencing practices of governance today as they are increasingly finding their way into public governance. Government 2.0. is an attempt to integrate the social networking and interactive advantages of web 2.0. approaches into the practice of governments. As noted by Potter (2008, p. 121): “Web 2.0. has the potential to change fundamentally how foreign ministries manage knowledge and communicate”. Eggers (2005) writes that there is a need for governments to move away from industrial approaches and into the information age. In other words, move away from the bureaucratic ideal to networked organisations. But this implies more than just adopting Web 2.0. tools. It is also about recognising that conventional governments are unable to address society’s challenges alone. For Eggers (2005) the shift to Government 2.0. implies that the days of government – be it national or
local – acting as singular actors are over. The new paradigm is one of collaboration between governments at different levels (including sub-national governments) and between governments with all other relevant actors in society. The shift from Web 1.0. to Web 2.0. also offers new opportunities for online public diplomacy in terms of advocacy, and policy developments between governments and citizens across the globe to address cross-national policy challenges (Potter, 2008, p. 125). This in turn has consequences for how multilateralism is organised.

There is a long tradition of critical thinking about multilateralism and the need to reform the present multilateral system (see De Senarclens and Kazancigil (2007) for an overview). Even the use of the ‘Web 2.0’ metaphor in international relations is not new. Ikenberry (2008) has proposed a somewhat similar metaphor in an article on ‘liberal internationalism’ and America. He proposes to identify three major versions or models of liberal international order: versions 1.0., 2.0. and 3.0. The first is associated with Woodrow Wilson’s ideas of an international order organised around a global collective security body in which sovereign states act together to uphold a system of territorial peace. The second is the more Rooseveltian idea of the US taking the lead in the post 1945 reconstruction and leading to the American-led liberal hegemonic order. The third is seen by Ikenberry as a post-hegemonic liberal internationalism that “has only partially appeared and whose full shape and logic is still uncertain” (Ikenberry, 2008, p. 73). But he sees the 3.0. liberal order as one where “authority would move toward universal institutions” (Ikenberry, 2008, p. 81) and as one where there is a further erosion of norms of Westphalian sovereignty as well as the continuing rise of the notion “responsibility to protect”. In my view, Ikenberry over-emphasises the differences between the varieties of liberal internationalism he describes. I would rather speak of versions 1.0., 1.1. and 1.2., as they all have the centrality of states in common. And he also underestimates the current changes and change-drivers that are affecting multilateralism as an institutional practice.

As a result of (i) changes in (national) governance and (ii) overall changes in the way the world is organised, we are currently witnessing the beginning of a transformation from multilateralism 1.0. to multilateralism 2.0. The shift from multilateralism 1.0. to multilateralism 2.0. as I see it is characterised by the emergence of network thinking and practices in international relations. In multilateralism 1.0. the principle agents in the interstate space of international relations are states. National governments are the ‘star players’. Intergovernmental organisations are only dependent agents whose degrees of freedom only go as far as the states allow them. The primacy of sovereignty is the ultimate principle of international relations. In multilateralism 2.0., there are other players than
sovereign states that play a role and some of these players challenge the notion of sovereignty. There are signs that multilateralism 2.0 is partially already there. But of course there are also strong forces to continue with multilateralism 1.0. As such it is not even sure that a fully fledged multilateral system, version 2.0, will ever appear. As will be argued later, it is here were Europe can have a decisive role to play.

3.2. Multilateralism 2.0. in a Renewed Multipolar World-order

The trend towards multipolarity is more than just a re-distribution of power at the global level. It is also about a change in who the players are and how the playing field is organised. This is where the concept of multilateralism 2.0 can help to better understand what is going on.

A first characteristic of multilateralism 2.0 is the diversification of multilateral organisations. In recent years there has been a dramatic rise of all kinds of international organisations and regimes. According to Schiavone (2001), the number of intergovernmental organisations has grown from 37 to well over 400 in the period between 1990 and 2000 (see also Higgott, 2006). And increasingly these organisations look more to networks than to formal (bureaucratic) organisations. In line with a ‘trans-nationalisation of policies’ (Stone, 2004) one can state that multilateralism 2.0 implies the rise of transnational policy networks (Djelic and Quach, 2003; Stone, 2008).

Secondly, there is a growing importance of non-state actors at the regional rather than global level. States have by now created a large number of global and regional institutions that have themselves become players in the international order. Some of these new players, although not states, do resemble states. An institution like the EU exemplifies this trend (one can point for instance to its presence as observer in the UN, its voting rights at the IMF and its membership at the G8, etc.). Other regional organisations – although not to the same extent as the EU – are following suit. As a result, one can say that we are currently witnessing a transition from a world of states to a world of regions (Van Langenhove, 2008, 2009). This trend is further reinforced by the phenomenon of devolution whereby state powers are in some states transferred to subnational regions. And some of these subnational regional entities have growing ambitions to be present at the international stage as well. It is a fascinating phenomenon: both supra- and subnational governance entities are created by states and can therefore be regarded as ‘dependent agencies’ of those states. However, once created these entities start to have a life of their own and are not always totally
controllable by their founding fathers. The sub- and supra entities have a tendency to behave ‘as if’ they were states. All of this challenges sovereignty as both the supra-national and sub-national regions have indeed to some extent statehood properties. Again, the EU is exemplary as it is the only international organisation that gives citizenship to the citizens of its member states (Hoeksma, 2009). Together this has weakened the Westphalian relation between state and sovereignty. In Europe, Flanders has perhaps more autonomy in Belgium than Luxembourg in the EU. Yet Luxembourg is considered to be a sovereign state, while Flanders is not. It is symptomatic of this trend that the Harvard Business Review chose as one of its ‘breakthrough ideas’ for 2010 the concept of ‘independent diplomacy’ (Ross, 2010). In that article the question was raised: why pretend that only nation-states shape international affairs?

Thirdly, next to the increased relations between ‘vertical’ levels of governance, there is a growing interconnectivity between policy domains horizontally. Finance cannot be divorced from trade, security, climate, etc. A distinctive characteristic of Multilateralism 2.0. is thus that the boundaries between policy domains (and the organisations dealing with them) are becoming more and more permeable. Instead of clear separated areas of policy concerns that bring with them separated institutions that deal with them, there are now communities of different actors and layers that form together a global agora of multiple publics and plural institutions (Stone, 2008).

Finally, the involvement of citizens in multilateralism 1.0. is largely limited to democratic representation at the state-level. The supra-national governance layer does not foresee direct involvement of civil society or any other non-governmental actors. In multilateralism 2.0. there is increased room for non-governmental actors at all levels. This is perhaps the most revolutionary aspect of multilateralism 2.0. but also the most difficult one to organise.

Organising multilateralism in a state-centric way has only been possible through the postulate of all states being treated as equal. This means that irrespective of the differences in territorial size, the size of population, military power or economic strength, all states have the same legal personality. Or in other words, the Westphalian principle of sovereign equality means one state = one vote. This postulate does of course not correspond with reality. In multilateralism 2.0. this can be balanced by a more flexible system that compares actors along certain dimensions (such as economic power) regardless of the type of actors they are. In other words, one can for instance compare big states with regions or small states with subnational regions. As such one can picture multilateralism 2.0. as an ad hoc order in which no single institution or organisation is the centre, no one framework ideal. This is what Haass calls “à la carte multilateralism”. Or
as Zakaria (2008, p. 242) notes: “the UN might work for one problem, NATO for another, the OAS for a third”. This allows not only a more flexible form of multilateralism. It could perhaps also lead to a more just system with a more equal balance of powers.

The Multilateralism 1.0. world-order is often pictured as a stratified space of layers of governance from local to global. Advocates of the principle of subsidiarity argue that all governance should be done at the lowest level possible. Others stress that cooperation between the different layers is needed to promote ‘multi-level’ governance. But the recent reality is much more complex than a single bottom-up hierarchical line of governance. First of all, there is no single ‘top’ level in Multilateralism 2.0. The UN and the Bretton Woods institutions together with new fora such as the G20 stand for a plurality of top-levels. Second, at the regional level there is no perfect match between a regional territory and a regional organisation. On the contrary one can identify in most cases many different regional organisations that cover more or less the same territory. Thirdly, there is not a fixed set of poles but there are diverse and shifting poles at the level of continents, regions or states. Fourthly, as the multilateral theatre is no longer uniquely the playing-ground of states, this opens the possibility for increased civil society participation in global governance. And finally, states are not necessarily the lowest level as in some cases subnational entities can have their own direct relations with the regional or global level without passing through the state level. The result is a complex web of relations between four types of actors with statehood properties (global institutions, regional organisations, states and sub-national regional entities) together with non-state actors such as NGOs or transnational policy networks.

The transformation from Multilateralism 1.0. to Multilateralism 2.0. is currently happening and all actors (old and new) involved will have to further shape it and adapt to it. In the past, the principle of subsidiarity has been a powerful guiding principle in trying to organise relations between the different levels of governance. The complexity of Multilateralism 2.0., however, calls for a new normative ideal to be used as guidance for good governance. One such principle could be that of mutuality. According to this principle ‘it should be the obligation of each level of government as it participates in joint decision-making to foster the legitimacy and capacity of the other’. (Landy and Teles, 2001, p. 414). Applied to multilateralism 2.0., this would mean that rather than asking the question if this or that policy item is a regional, federal, European or global issue, the question is to ask: what conditions are necessary to enable a certain level of government to contribute to managing the issue and how can the other levels foster those conditions? In other words, governance at different levels
should not be seen as competing activities. Rather they should act in such a way that they aim to strengthen the other level...

But whatever the efficient principles used to organise multilateral relations, the main problem remains the legitimacy of global governance. Or as Lamy (2010) recently put it: global governance is a challenge for democracy. The trend towards multilateralism 2.0. has the potential to increase the level of participation of civil society in global governance.
4. **The Way forward for the EU**

There is overwhelming evidence that the world is going through a process of change that is unprecedented and that results in an acceleration of all kinds of uncertainties. In such an environment, the question that matters most is ‘What’s next?’ (see Patten, 2009). Of course, no one can predict how the world will further evolve, at best one can try to think of potential scenarios (cf. Atalli, 2006). And also, policy-makers of all kinds can try to adapt to change by ... installing change. This is true for the world of business, but also for political governance at the geopolitical level. Not only are we thus witnessing tremendous societal changes, there is also a growing awareness of the need for changes at the political level. Think of the ‘change we can’ adagio of President Barack Obama or the recent idea of President Sarkozy to replace GDP indices by Gross Welfare Product indices. The scientific community seems to follow suit: the first strategic report of the European Research Area Board (October 2009) calls for a ‘New Renaissance’ or a paradigm shift in how we think, live and interact together.8 Central in the thinking of ERAB is to address the ‘Grand Challenges’ such as climate change, energy supply, water resources, ageing societies, healthcare and sustainable prosperity for all. This is a challenging idea. In the past the EU has already advanced an ambitious agenda (the ‘Lisbon agenda’) for sustainable development combining environmental, social and economical elements. But it was based upon an idea to become the ‘most competitive economy’ in the world. This is exactly the same strategy as all other actual and aspiring global actors set for themselves... As such this might be a grand strategy that opens the door to a ‘race to the bottom’. The only alternative is to stress the growing interconnectedness of the world and to acknowledge that an internal agenda cannot be achieved in isolation. It needs to be supported by an international movement of convergence in the same directions. And we all know what direction we have to go: to face the common global challenges. In other words, achieving the Millennium Development Goals is the strategy that all global actors should set for themselves.9

If Europe wants to respond adequately to the global challenges and to the newly emerging world-order it needs as Fritz-Vannahme (2009) said ‘a new story line’. One can point to many possible issues that could be part of such a new story-

9. These ideas have been elaborated in one of the working groups to prepare the 2009 annual conference of the EU-Institute for Security Studies. The author was member of that working group. See: http://www.iss.europa.eu/fileadmin/fichiers/pdf/seminars/annual_2009/wgreport.pdf.
line.\(^{10}\) The issues raised by ERAB around the ‘New Renaissance’ idea certainly are attractive and bear within them the possibility of finding a ‘unique selling proposition’. Given the developments outlined in this paper, one can think of two (inter-related) tracks that could further strengthen Europe’s position in the multipolar world of tomorrow:

- Deepening Western integration, and
- Acting as change-agent within the multilateral system.

But both avenues need to be related to the above sketched ‘grand strategy’ aimed at mobilising civil society and policy-makers in Europe around a central idea. Taking the ERAB report seriously is certainly worth exploring. Europe has great research traditions and that should offer new ways to solve problems.

4.1. Deepening Western Integration

Europe, the EU in particular, has a serious handicap in its ambition to be a global actor. As size matters, both for economic and political power, being divided into a plejad of small actors does not help. Of course, since the start of the integration process after World War II a long road has been travelled. But much more needs to be done. Notwithstanding the Euro as common currency, economic policy is still to a large extent national policy of the member states. The same holds for security policy. Although there are EU-wide security policy documents, the major member states still have their own national security strategies. Increased European integration seems therefore the only way forward. Only then will the national interest of all member states become part of the overall European interest. But perhaps an increased European integration will not be enough to counterbalance the fact that Europe’s relevance in the world is shrinking. Perhaps even a fully integrated Europe will not be big enough to allow the realisation of its global ambitions. In this context, transatlantic relations gain importance. A strong partnership between the EU and the US can strengthen their common economic position in the emerging multipolar system. It can also consolidate the position in the global multilateral fora and it can help to defend better common European and Western values.

EU-US relations are currently firmly anchored in the NATO context. But the Alliance focuses on security issues and it is going through a reform process of which the outcome is uncertain. Meanwhile, the EU and US economies are very

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\(^{10}\) Fritz-Vannahme (2009 p. 1) refers to Timothy Garton Ash as the one who has pointed out on several occasions that the EU lacks a credible story. The concept of ‘grand strategy’ has been advanced by Biscop (2009).
much interconnected. The current trade and investment ties between both are deeper and thicker than between any other two continents. In 2007, the Transatlantic Economic Council was established in order to advance bilateral efforts to reduce regulatory and other barriers to trade. And although trade disputes concern only about 2% of trade volume, they do concern major issues and industrial sectors.

Today’s world of trade relations is characterized by a dense web of free trade agreements. According to the WTO, the number of FTAs amounts to more than 400. The EU is an active player at the level of FTAs. Not only is it itself a regional trade agreement, it also has an active policy of signing such agreements with states and regional organizations across the world (De Lombaerde and Schulz, 2009). Currently the EU is the champion of interregional relations worldwide (Söderbaum and Van Langenhove, 2006), except for North America (Aggarwal and Fogarty, 2006).

It is indeed remarkable that there exists no FTA between the EU and the US. Deepening EU-US transatlantic relations by developing for instance a customs union would be a major undertaking that cannot be seen separated of its broader geopolitical context (see for instance Balladur, 2008). It would constitute a major step towards a transatlantic policy outside NATO. And it would have the potential to act as a counterforce to the BRICs. As Steingart (2008, p. 251) notes: ‘It makes sense to pursue the idea of a transatlantic alliance, as implausible as it may sound. The idea is unreal – as unreal as the idea of a European Union after the end of World War II’. But then, already in 1962, US President J.F. Kennedy noted the following, in his address delivered on America’s Independence Day: ‘The United States will be ready for a Declaration of Interdependence, that we will be prepared to discuss with a united Europe the ways and means of forming a concrete Atlantic partnership’. It might well be that today’s increasingly multipolar world with its global challenges provides the right context for such a project. Nevertheless, the water still seems deep. When Angela Merkel proposed such a transatlantic FTA in 2008, her proposal was not well received. But meanwhile, talks between the EU and Canada have started. And a recent resolution of the European Parliament calls for using the Transatlantic Council to achieve a unified transatlantic market by 2015.11

Equally so there is room for increased integration between the EU and Russia and its sphere of influence. Currently Russia is facing a demographic challenge too. Some estimates project a fall from 141 million people today to below 100

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million by 2050 (Acharya, 2009). And its combined GDP is only a fraction of that of the EU. In the geographical space between the EU and Russia are a number of countries that are somehow between two ‘poles of attraction’. As there is little prospect for EU membership on the one hand and as the economic position of Russia is currently not such that it can give much help, these countries risk to continue facing big economic and political problems. An increased economic integration between the EU, Russia and the pivotal countries in between could be the way forward.

The overall result could even be a new economic power that comprises the US, Russia and the EU. Such a ‘pole’ or regional powerhouse could perhaps be big enough to compete with ‘the rest of the world’.

4.2. Acting as a Change-Agent in the UN System

In a multilateral 2.0. world-order, states, international and regional organisations, transnational policy networks and non-governmental actors are the building blocks of the multilateral system. In other words, states are no longer the ‘star players’ but only players. Moreover, it is no longer possible to make a clear distinction between states and international organisations as some of the latter have statehood properties as well! Furthermore, the interactions between all these actors are not organised in a hierarchical way but in a networked way. This implies that there is no single ‘centre of the universe’ in terms of governance. It also implies that there are sufficient ‘theatres’ of multilateral relations. The old multilateral 1.0. system has become only one of the many playing fields. With multilateralism 2.0. we are experiencing what Bull (2002, p. 108) calls the international political moves or ‘many chessboards’.

Such a multilateralism 2.0. that operates in a multipolar world could give good prospects for generating a non-hegemonic world-order. Such a world-order has been described by Acharya (2008) as one that is not simply a function of the power and preferences of hegemonic states. Instead one can expect a fluid web of multi-stakeholder partnerships between different types of actors at different levels of governance including the regional level. Baldwin and Low (2008) have recently made the case for a ‘multilateralising’ of (economic) regionalism. It could well be that an opposite trend will occur as well: the regionalisation of multilateralism. This is in line with a realistic view on what the UN and other international organisations can do and cannot do. One has to ‘recognise that many multilateral processes will work most effectively at the regional level, based upon shared values, identity and regional leadership’ (Newman and Thakur, 2006, p. 539). Or as Verhofstadt (2010, p. 69) put it: integration that
transcends borders is the logical response to the 21st century realities. So regions could become major ‘nodes’ in the system. On the one hand they are to be considered as sub-global entities characterised by a dense intensity of economic and political relations that can be relatively autonomous of the rest of the world. On the other hand they have a ‘centre of gravity’ that can act as a ‘pole’ in the multipolar world.

As Europe is the most regionalised region in the world, with a regional organisation (the EU) that aspires to be a global power, it could play a central role in transforming the current multilateral system. Actually, it might also be that Europe needs to play that role in order to safeguard its own position. As Renard (2009, p. 7) put it: ‘Either the EU participates in the shaping of the coming order and becomes one of its major poles, or it will be relegated to the position of a mere spectator in global affairs’. The EU’s plea for a more ‘effective multilateralism’ goes in that direction and can be seen as a (timid) attempt to influence the multilateral playing field. But there is still a long way to go. At the level of the WTO, the EU is talking with one voice: it is the EU Commissioner for Trade who negotiates at the Doha Development Round on behalf of all EU Member States. But at the IMF or the World Bank, Europe is not yet at that point.

Meanwhile, multilateralism 2.0. is becoming more and more a reality, also with the creation of the G20. The current G20 is focusing on the impact of the economic crisis but is an innovation that can be exported to other policy domains, including peace and security. 19 out of the 20 members of the G20 are states. Only one of them is a regional organisation. Giving a bigger role to regional organisations in the multilateral system might be the innovation to pursue. Not only in the G20 but also in the Security Council and the Bretton Woods agencies. Europe could take the lead in this.
5. Conclusions

World-orders do not change overnight. It took three and a half centuries to develop Westphalia into how it looks today. And, equally important, it meanwhile never was consolidated into one single document. Furthermore, multilateralism 1.0. and the related idea of a liberal international order is still a relatively young child of Westphalia. And meanwhile globalisation now challenges that Westphalian world-order. However, neither states nor multilateral organisations are passively undergoing the forces of globalisation and the many technological changes that are altering the face of the world. They are changing themselves as well, as they are stimulating changes in governance by inventing or introducing new practices and norms. Some of the multilateral organisations have moved away from the old-fashioned organisational forms such as holding a General Assembly meeting that lasts for weeks. The OECD is exemplary of this trend and could become a model for other international organisations (Schäfer, 2006).

The problem is that there does not yet seem to be an overall normative policy-framework to guide actions. Of course one cannot hope that one single set of ideas could even be a ‘solution’ to all current problems. Working towards such an ideology would for sure be counter-productive and perhaps even dangerous. But it cannot be denied that normative concepts and clear visions of where to go are an important element of any strategic change process. It is not without reasons that in organisational reform so much emphasis is put on the development of visions and mission statements as the basis of strategic planning processes. This has also been the case when multilateralism was originally shaped.

In sum, the signs are there that multilateralism is moving from a 1.0. mode to a 2.0. mode. But as mentioned before, states have been the architects of multilateralism 1.0. and they crafted a form of multilateralism that is in tune with state interests. The big challenge today is whether non-state actors will have the power and the degrees of liberty to be involved in crafting multilateralism 2.0. At least one such an actor, the EU, has the ambition to be involved in such an operation. With its embracing of the principle of ‘effective multilateralism’ it has clearly indicated to be willing to contribute to reforming multilateralism. But the paradox might be that its own member states with their own 1.0. forms of diplomacy are perhaps not yet ready for such a move.
References


