



# Global and European Governance in the world of 2030

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## Features in a long phase of internationalisation:

- a) Redistribution of ruling power in international relations in a continuously more open world . Overall shift from West to East.
- Not an orderly pattern (no flying geese hypothesis).
- Bumpy road towards knowledge based economies KBEs
- b) important sectoral dimension : agriculture, other primary resources, manufacturing, services, finance, knowledge, information .....with a prevailing role of the internationalisation of finance

# 1) Increasing role of non-state actors in international affairs

## 2) Changing role of states in national affairs

- 1) International institutions (expanding UN agencies and new as WTO )
- Multinational firms (liberalisation, loosening of anti-trust and anti-cartel legislations, assisted by specialised business services, including lobbying activities)
- CSOs (Civil Society Organisations, e.g. NGOs and lobbying activities)
- 2) Weakening of direct role of the states in national affairs ... Towards “regulatory states” ... which impact welfare and well being structures, and is cause and consequence of changes in national politics
- 3) Inequality between countries may thus decrease while it increases within countries



# Global and regional Governance as responses to structures of risks

- Specifications of global governance contexts are meant to illustrate new relative positions of nation states ....still accounting for the existing hierarchy among nation states and the inter states solidarity deployed:
- Four global contexts: G1 reduced government, G2 US-China accomodation, G3:Regionalisation, G4 Multipolar collaboration
- ...matched more or less strictly with a similar perspective taken at the level of the EU: E1 Struggling on, E2 : Break Up, E3 :multispeed, E4: towards federal Europe.
- These governance structures can be seen as more or less effective responses to various types of risks , more or less strongly acknowledged in national political forums

# Risks A: Bounded Prometheus or Malthus Revenge

- Two forms:
- 1) Exhaustion of non-renewable resources
- **Security** of access issues (too high prices, shortages) WTO and UN agencies try to cope
- New technologies fail to find substitutes or ...
- 2) New technologies present new risks (**safety**) ..from nuclear to biotec ..including nanotechnologies
- It may concern all sectors, from agriculture to energy, manufactures and FINANCE
- 3) Security Risks or safety risks both affect countries very differently ....poor versus rich for the first ones, environmentally cautious or not for the second ones



# Risks B: Threats on Environment

- Since 1972 (limits to growth report) sustainability has become an issue of increasing importance
- An international issue (if not global) ,
- Limits to business as usual as well as to delocalisation of pollution,
- Global Governance (under UN guidance) fails to monitor sustainable paths (from Rio 1992 to Copenhagen 2010)
- Moreover, CO2 emissions are not the only problem



## Risks C: Inequality and Social Unrest

- Structural adjustments, pressuring lower wage classes (developed economies) or favouring the rise of high bourgeoisies (emerging economies)
- Retreat of the States impacting welfare and well being
- Both of these issues fuel a rising inequality within countries
- Leading to social tensions and political unrest



# Risks D: nation states collapses

- The implosion of any globalised market can have devastating effects on nation states
- The **2008 global financial crisis** is one case in point
- It could have occurred with energy, agriculture, health,... or a major environment disaster
- In the case of finance it led right away to uncontrolled **rises in public debts** ... and threats of countries bankruptcies which became central issues
- Survival of some nation states comes to depend on external solidarity





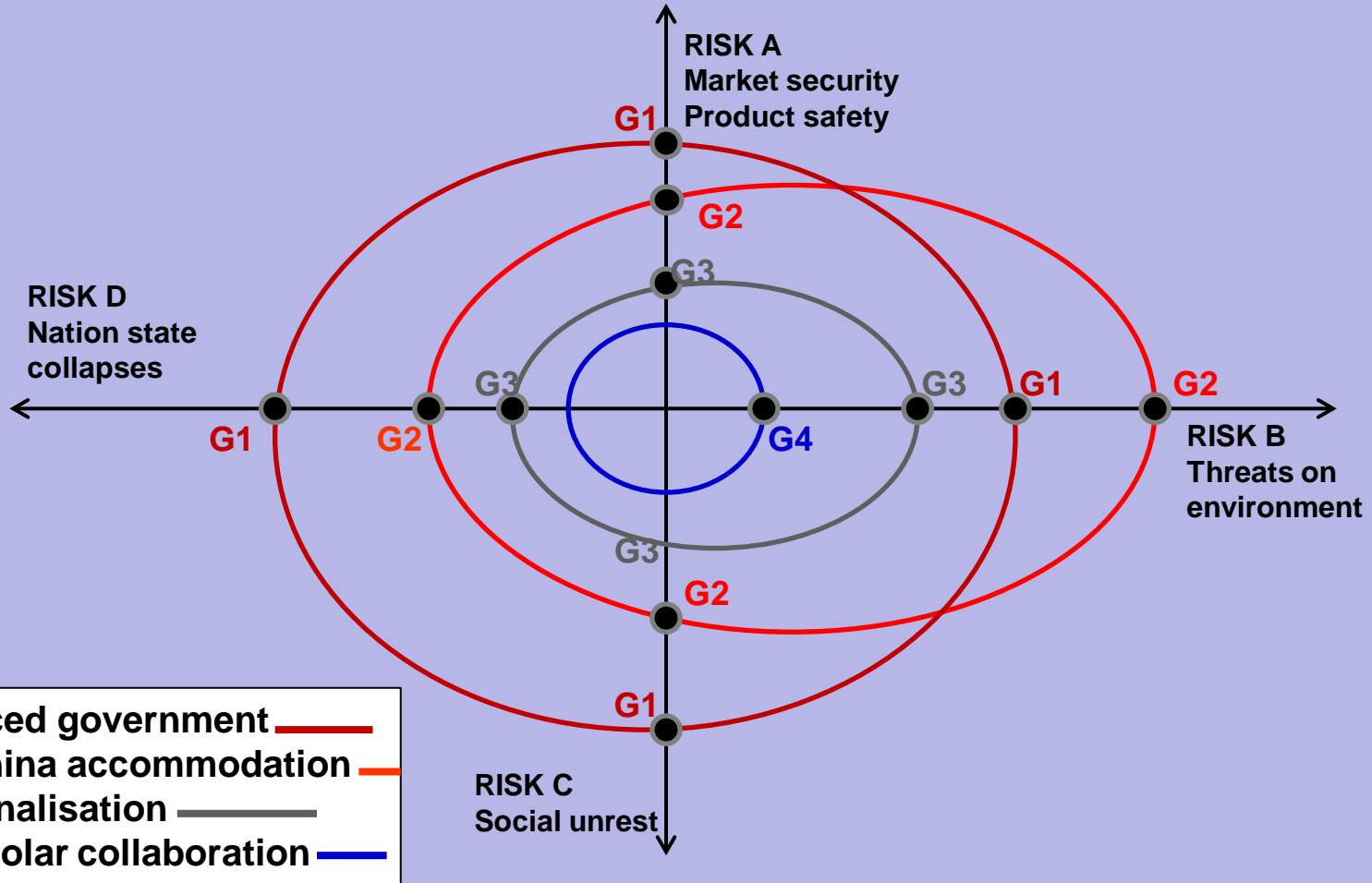
# Governance structures and targeted risks

- **Global Governance structures** (NS, II, MNE,CSO)
- Respond differently to risks A, B, C and/or D
- Risks A: WTO, UN agencies, World Bank, global value chains, CSOs try to monitor structural adjustments
- Risks B: UN agencies, CSOs, MNEs try to monitor environmental schemes
- Risks C: Nation States (internal solidarity)
- Risks D: international solidarity schemes , at global and/or regional levels
- EU levels: Arbitrage between structural adjustments and solidarity

	<b>Governance structures according to risks</b>			
Risk	G1	G2	G3	G4
	Reduced government	US-China accommodation	Regionalisation	Multipolar collaboration
A Tec	WTO status quo	US China Self interests	Regional WTO, CSOs on going concerns	Global WTO++ CSO+
B Envt	UN status quo CSO ++	US China – CSO+	Regional UN dyn CSO++	UN ++
C Social	Nat Stat ++	RoW +	Nat Stat +	Nat Stat -
D debt	WestNatStates +++	westNatstates ++	Reg solidarity	Inter solidarity



# Risk exposure by global context





# Europe trade-offs between structural adjustments and solidarity schemes

EU	Struct adj	Solidarity	Global context
Struggling on	Rising taxes, cutting exp. privatisation	ECB+ Structural funds	Reduced gvt or US-china acc.
Break up	Exchange rates Fiscal adj	ECB-	
multispeed	Small coord exchange rates, mild fiscal reform Privatization -	Central fed budget ECB R&D	Regionalisation
Towards fed Europe	Exchange rates : Strong coord between Reg., fiscal coord Privatization --	ECB + EU budget ++ R&D ++	Regionalisation or multipolar col.



Thank you for your attention