



AN UNFINISHED HOUSE
FILLING THE GAPS IN INTERNATIONAL GOVERNANCE

CONFERENCE REPORT

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CONFERENCE REPORT

MAX BREM
WITH THE ASSISTANCE OF DEANNE LEIFSO



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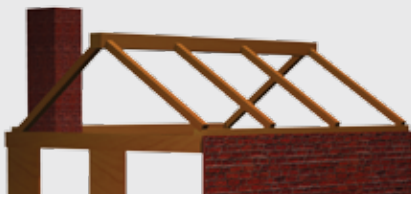
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KEY POINTS

Among the important gaps in global governance and coordination arrangements identified at the conference were the following:

The G20:

- The G20 has made significant progress as an economic crisis committee, but needs to evolve into a more general purpose steering body with a broad remit to discuss global challenges.
- The G20 needs to avail itself of a research system that prepares information and options for the leaders' agendas based on pulling together research from outside sources. This could be the responsibility of an external entity or a strengthened G20 secretariat.
- Long-term vision is necessary: it is useful to work on future agenda items, preparing for them now in order to address problems more fully later, linking issues for greater cooperation.

Global Economy:

- Macroeconomic surveillance needs to be improved through better analytics and more collaboration among institutions.
- The mandate, authority and resources of the Financial Stability Board (FSB) are inadequate.
- More work is needed on reserve currencies, special drawing rights, tax cooperation and mechanisms to provide access to financial services for poor people.
- International jurisdiction and regulation to avoid ad hoc responses to capital flows are lacking.
- "Rules of the game" are needed to deal with unsustainable debt burdens of sovereign states.

Trade:

- Despite the World Trade Organization (WTO) and the World Intellectual Property Organization (WIPO) being among the most developed set of international institutions, the multilateral trade regime is at risk. The emergence of regional trading blocs and preferential agreements threaten the system.

- The WTO dispute settlement mechanism risks being weighed down with cases for which there are no agreed trade rules.
- There is a gap in mandates and resources on the nexus of issues concerning intellectual property and technology transfer, with implications for health, environment and climate change. A more up-to-date intellectual property regime is called for.
- Current WTO rules cannot take account of the water or carbon content in trade.

Energy:

- Governance is beset by a mishmash of systems and solutions. The International Energy (IEA) Agency has too narrow a mandate and the BRIC (Brazil, Russia, India and China) countries are not members. There is no global mechanism that captures the multiple externalities in the energy field and serves as a coordinating forum for the numerous interests and sectors involved.
- Arrangements are lacking that ensure energy is priced with due consideration of access for the poor and discouraging emissions by the rich.

Climate Change and Sustainability:

- New norms and frameworks are necessary to attract investment in cross-border sustainable energy projects.
- Funding for the "green transformation" and to address climate change will not be resolved through the United Nations Framework Convention on Climate Change (UNFCCC) process or by the involvement of environment ministers alone. In addition to governments, the private sector has a role to play in Climate Fund discussions.
- Climate mitigation and adaptation are growing challenges that must share the climate change agenda with control of emissions.

Environment:

- Environmental governance is characterized by multiple entities and systematic weaknesses. Duplication and incoherence abounds among agencies and agreements. Implementation of agreements is weak; many could be consolidated and implementation improved.

- Governments could do more to leverage the resourceful and innovative approaches of businesses and non-governmental organizations (NGOs) on the environment.
- There is no institution that can scope out and assess global environmental issues and deal with future environmental crises. United Nations Environment Programme (UNEP) could be strengthened.

Development:

- Development should be “mainstreamed” as part of the G20’s general economic and financial discussions; developing countries should be included in the Mutual Assessment Process (MAP) and in discussions relating to currencies, growth and employment.
- There is inadequate coordination of development policies in infrastructure, agriculture and climate.

Science and Technology:

- The knowledge divide between rich and poor countries continues to widen. There is no intergovernmental institution to promote scientific and technology cooperation with developing countries.

Agriculture and Food Security:

- Governance of agriculture and food security is both crowded and fragmented, with little coherence in the international architecture. Major reform is needed to bring about an effective division of responsibilities, a process that could entail some institutions being merged and some programs closed.
- Despite the reform of the Committee on World Food Security, there is little coordination relating to biofuel policies, regulation of commodity derivatives markets, agriculture market distortions, rural infrastructure, and research and investment.
- The Consultative Group on International Agricultural Research (CGIAR) system is unable to scale up some of its discoveries due to insufficient resources. In addition, there is a gap in disseminating the results of publicly funded CGIAR research to smallholders in developing countries.
- No agency is tasked with thinking about new and emerging long-term trends in agriculture and food

security and their implications for current policies and practices.

Health:

- The World Health Organization (WHO) has technical capacity, but due to a lack of resources and program incoherence, it is not effectively fulfilling its mandate in disease surveillance and protecting the efficacy of drug supplies.
- Better coordination is needed to deal with epidemics, including possibly a WHO convention. More adequate arrangements should be put in place regarding vaccine stockpiling in an epidemic.
- Increased global cooperation can help restrict the spread of infectious diseases. Joint cooperation is also needed on food safety standards.

Migration:

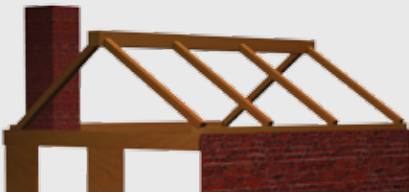
- There is no broad initiative towards global cooperation on migration, despite surging people flows and the growing complexity of migration categories. The international refugee regime is also under strain due to the blurring of types of asylum seekers. An international platform is needed to discuss these issues.

Water:

- Though water is mainly a matter for national and regional governance, an international law on water is long overdue. Water issues are linked to many significant global problems. Any new post-Rio+20 governance arrangements will have to incorporate the water-energy-food security nexus.

Nuclear Safety and Security:

- The nuclear safety regime is too distant from the civilian nuclear industry it is supposed to regulate; the International Atomic Energy Agency (IAEA) is not empowered to impose an effective regulatory framework.
- While global norms are developing for the security of nuclear material and installations, there are problems in monitoring states’ compliance with their obligations. Innovative approaches are required in the absence of an international entity with the required authority.



Other Nuclear Issues:

- There is a discrepancy between the mandates and resources dedicated to the non-proliferation goals of the Nuclear Non-proliferation Treaty (NPT) and the disarmament goals. There is no single authorized mechanism to coordinate efforts.
- There is no governance structure for nuclear disarmament that would bring multilateral verification to bear on the process of getting to zero nuclear weapons.

Cybersecurity:

- Despite its relevance to a wide range of public and private interests, the cybersecurity field lacks the development of norms, an international focal point and coordination mechanisms. There are political obstacles to deepening cooperation. A main challenge is how to integrate new technologies into existing international frameworks.

Transnational Organized Crime:

- There is no global platform for examining the phenomenon of transnational organized crime, including, but not limited to, drug trafficking and associated violence, in order to better understand all its characteristics and discuss potential solutions.

Responsibility to Protect:

- Divergent views on the “responsibility to protect” (R2P) doctrine and norms around its implementation require that a discussion be initiated and include the rising powers.

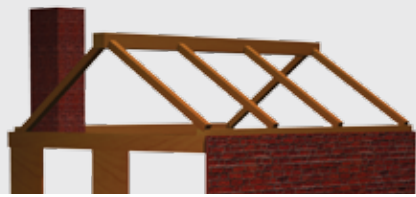
General:

- Although there are many gaps in international governance, a primary challenge is that of overlapping institutional mandates rather than gaps. In some instances, similar mandates occur across UN agencies and international financial institutions, with no strong coordination mechanisms among them.
- Many international organizations deal with failing and fragile states, each considering only part of the picture, but because no single agency is tasked to look holistically at their problems effectively there is a gap.

- No institution focuses on urbanization, a phenomenon with implications for many global issues.
- In the security realm, modernization of global governance can be more pressing than gap issues. A prominent example is the UN Security Council.
- Emerging economies need to be brought into the international organizations to a greater extent and given more say and responsibility.
- Accountability of states is one of the chief problems in the international governance system. Better compliance mechanisms are needed to narrow the gap between international commitments and governmental behaviour on a wide range of issues. Research could try to identify ways to address this fundamental problem.
- Accountability is also a concern within international organizations. Reforms are needed in the assessment of how international institutions are managed.

ACRONYMS

CFS	Committee on World Food Security (UN)
CGIAR	Consultative Group on International Agricultural Research
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CTBT	Comprehensive Nuclear-Test-Ban Treaty
ECOSOC	UN Economic and Social Council
EU	European Union
FAO	Food and Agriculture Organization (UN)
FSB	Financial Stability Board
GATT	General Agreement on Tariffs and Trade
G7	Group of Seven
G20	Group of Twenty
GEA	Global Energy Assessment
IAEA	International Atomic Energy Agency
IDRC	International Development Research Centre
IEA	International Energy Agency
ILO	International Labour Organization
IMF	International Monetary Fund
IOM	International Organization for Migration
MAP	Mutual Assessment Process
NGO	non-governmental organization
NPT	Nuclear Non-proliferation Treaty
OECD	Organisation for Economic Co-operation and Development
OPEC	Organization of Petroleum Exporting Countries
R2P	Responsibility to Protect
TRIPS	Trade-Related Intellectual Property Rights
UN	United Nations
UNEP	United Nations Environment Programme
UNFCCC	UN Framework Convention on Climate Change
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WTO	World Trade Organization



CONFERENCE REPORT: TOWARDS FILLING THE GAPS IN INTERNATIONAL GOVERNANCE

Max Brem

with the assistance of Deanne Leifso

INTRODUCTION

Each year, The Centre for International Governance Innovation (CIGI) hosts its premier event, gathering leading experts and policy makers from around the world to explore international governance issues and challenges. Held in Waterloo, Canada, October 28–30, 2011, and attended by some 50 participants from around the globe, the CIGI '11 conference, *An Unfinished House*, tackled questions regarding gaps in international governance, focusing on governance challenges under CIGI's thematic areas of concentration — Global Economy, Environment and Energy, Global Development and Global Security. Arranged as the initial stage in a project to analyze the gaps in the existing spectrum of international organizations and arrangements, the chief aim of CIGI's efforts is to propose means by which these governance issues can be more adequately addressed.

CIGI has been building a network of subject matter experts: former and serving officials from foreign ministries, central banks, finance departments and international organizations, and researchers at think tanks and universities from around the world. The defining objective of this network of individuals, working in independent institutions, is cooperative development of innovative proposals for global governance. With this in view, the conference was tasked with addressing four questions:

- What are the most important gaps in the mandates and resources across the existing spectrum of international organizations and international governance arrangements?
- Are there critical gaps in the coordinating mechanisms to address spillover and “external effects,” and to ensure coherence?
- Are there early-harvest recommendations on how Mexico can best build on work already done in the area?

- What are the most promising areas of collaboration for our “think tank network”?

The structure of the conference consisted of panels, each of which discussed gaps in governance arrangements and issues in related areas, and then opened up to questions from the floor. Keynote speakers at the event included Lord Mark Malloch-Brown, former World Bank vice president and UN Development Programme administrator, who served as British Prime Minister Gordon Brown's envoy for preparing the London G20 Summit.

A background paper disseminated in advance of the conference set out the rationale for the event and contained a preliminary analysis of some critical gaps and inadequacies in existing global governance arrangements; it can usefully be read in conjunction with this report.¹ In addition, many participants submitted written responses to the questions posed above prior to the meeting. This report combines the findings from the conference discussions with points from the written responses, and attempts to indicate the range, depth and flavour of the proceedings. Selected quotations from the written responses are included in the text to illustrate and amplify various points.

MARTIN-ZEDILLO: FORMER LEADERS DISCUSS EUROPE, THE G20 AND GLOBAL GOVERNANCE

The conference opened with a stimulating exchange between former Canadian Prime Minister Paul Martin and former Mexican President Ernesto Zedillo, staged before a live audience in the CIGI auditorium and webcast worldwide. Since leaving office, the former leaders have remained passionately engaged on the international scene. Several themes they touched upon

¹ For a copy of the background paper, please see: www.cigionline.org/cigi11.

— transcending the bounds of sovereignty, creating new institutions and the duties of leadership — resonated throughout the conference. Chrystia Freeland, global editor-at-large of Thomson Reuters Digital, moderated the conversation.²

The first point of discussion was the deal reached that week by European leaders to stave off financial crisis and avoid a Greek default on its debt. European Union (EU) leaders, having previously committed to reaching a deal before the Cannes summit, announced on October 27, 2011 that they had agreed to a “comprehensive solution” to the crisis through the recapitalization of banks, a voluntary bond exchange (“haircut”) and a bailout fund to prevent contagion. Freeland posed the question: Would the plan work?

The answer from the two former leaders was qualified. European leaders had done the best they could, but much would depend on Europe achieving a level of growth most people believed was unattainable. An orderly Greek default would have been manageable if it had been organized earlier, but Europe’s leaders had dithered on that and had not put a firewall around other vulnerable countries in the euro zone. Faced with the risk of the monetary union unravelling, Europe’s leaders had devised an agreement that had been unthinkable only days earlier. But these measures were not enough: Europe’s problems were structural, requiring an increased degree of fiscal and economic integration and the creation of new institutions, including a lender of last resort, that could step in and calm the markets when panicked, which the European Central Bank was not. Ironically, Europe’s balance sheet was healthier than that of the United States, but there was more optimism in the United States because the economy was growing (albeit slowly) and it had the Federal Reserve as a last resort.

Zedillo said the deal showed that European leaders understood what was at stake and were gathering to protect “the European project.” It was clear the European leaders knew what was required; now they had to find a way to convince their parliaments and voters. New institutions would require electoral approval and constitutional changes in the Lisbon Treaty. Martin said if Europeans were not prepared to build new institutions of nationhood, it was hard to see how the euro zone could deal with its problems; Europe’s leaders should have convinced the European

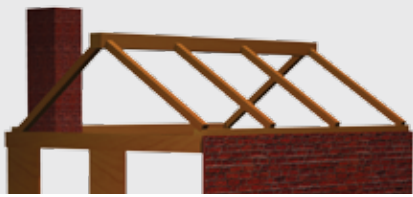
public to accept greater integration during the good years, but pan-European sentiment was now lacking in this time of crisis. Zedillo added that leadership is not only about thinking of the events of today but also the consequences of your actions tomorrow and a year from now.

The former leaders then gave their views on the performance of the G20. Here, their views diverged. Zedillo pronounced the G20 “a terrible disappointment” for not having delivered on the commitments made at the Washington, London and Pittsburgh summits. He said there was absolute transparency about the diagnosis of problems and agreed solutions at these earlier summits. If the macroeconomic policy coordination that leaders agreed to had been implemented, he continued, the latest crisis with its dire consequences for growth and unemployment could have been avoided. The original agenda needs to be fulfilled. In his words, if the G20 can deliver on macroeconomic coordination, even in terms of institution building, if it can deliver on financial reform, resisting protectionism and the strengthening of the multilateral trade system, it would have far-reaching, positive implications.

Martin, acknowledging that not all pledges had been kept, nonetheless asserted the G20 had done “an enormous amount” in the three years since the leaders began meeting, citing especially the “huge success” of the April 2009 London summit in preventing a 1930s-style depression. He noted that the 20 leading economies of the world were no longer compatible in fundamental ways, either culturally, historically or in their levels of economic development, and argued that the fact they had learned to work together in a financial crisis and taken steps forward in a relatively short time was remarkable. Martin agreed with Zedillo that the International Monetary Fund (IMF) had not yet received the authority to “name and shame,” but disagreed that there had been no progress; he said the major economies and the IMF still need to determine what kind of economic policy should be coordinated. The G20 must also complete the work of delegating authority to the FSB to set the rules for banking regulation.

Both former leaders perceived sovereignty as a chief obstacle for both the European Union and the G20. The real problem is that countries want to enjoy the benefits of economic integration but do not want to accept that economic integration requires some essential economic governance. In Europe, the fiscal union would be a means of sharing sovereignty; some sovereignty must

² See a video recording of this conversation and other conference sessions at: www.cigionline.org/video-series/cigi11-filling-gaps-global-governance.



be surrendered to achieve the degree of integration required. G20 countries may not want to submit to the authority of the IMF or the FSB because it implies some degree of sharing or releasing sovereignty. Such institutions are bodies where countries delegate some of their sovereignty in order to protect their sovereignty. In Europe, some countries have lost some of their sovereignty to the markets.

The former statesmen agreed that the G20 is the one leaders' institution that can build the way for the "multipolar world" coming in the very near future: a world of rebalanced political and economic power, where there will be a number of very large powers and a multitude of wealthy, smaller nations. There is an historic window of opportunity to refurbish and redesign the rules-based multilateral system in time; if the G20 cannot sort out the problems and build the institutions, no one can. The job of the G20 in Mexico, the former leaders seemed to agree, is to ensure delivery on its current tasks, send the right signals to existing institutions to get through the financial crisis, and start creating the new institutions. The time to lay this foundation is now.

THE G20 PERSPECTIVE FROM MEXICO

In the first plenary session, Ambassador Lourdes Aranda, Mexico's deputy foreign minister and G20 Sherpa, outlined the Mexican perspective on the main challenges facing the G20 on the eve of the Cannes summit. The first priority, Aranda suggested, was macroeconomic coordination to address the continuing economic and financial instability. Failure to achieve this had been very harmful for the G20 and for the global economy; unemployment and other adverse social consequences of the global financial crisis had worsened in many countries. In Europe, leaders had agreed on a rescue package for the Greek debt, but there were many questions about how it would be funded and whether it would succeed. The leaders at Cannes needed to send a strong political message that they had a credible plan to avoid another crisis. A new danger identified is the potential overheating of emerging economies.

Mexico's agenda for the G20 in 2012 would inevitably be affected by these developments. Ongoing financial instability has meant that financial and economic issues would stay at the top of the agenda. But Mexico was open to considering other issues while wanting to secure the G20 as an effective institution. Concerned

that the G20 was failing to deliver on some of its past commitments, Mexico would place special emphasis during its presidency on an assessment of the G20's progress in meeting previous commitments, particularly in four key areas: implementing the "Framework for Strong, Sustainable, and Balanced Growth"; financial regulation; reform of the international monetary system; and reform of international financial institutions. Mexico also wanted to introduce a focus on "green growth" to the agenda, putting a sustainable development accent on all reforms, and continuing with several other items, such as food security, where there was no duplication with other international institutions.³

Mexico would broaden its outreach to governments in non-G20 countries, to regional and international organizations, civil society, businesses and parliamentarians to inform its preparatory work for the summit in Los Cabos in June 2012. It would invite think tanks, policy researchers and academic experts from G20 nations to a "Think Tank 20" event in late February 2012 to present their advice. Ambassador Aranda said she was glad to be participating in CIGI '11 and looked forward to ideas and recommendations for the Mexican presidency.

REVIEW OF GLOBAL GOVERNANCE GAPS, ARRANGEMENTS AND ISSUES

According to the conference background paper, a "gap" in global governance "can either be a missing arrangement required to solve problems, or the inability of the existing arrangement to solve the problem it is designed to solve." The following sections review gaps in arrangements and coordination mechanisms in each area as discussed by the conference participants, and take note of suggestions for the Mexico G20 presidency and for future research.

INTERNATIONAL FINANCE AND MACROECONOMIC COORDINATION

The conference reviewed the arrangements for the global economy and the work of the G20 in coordination and financial reform. Starting at Pittsburgh in September

³ Mexico announced the following five priorities for its presidency on December 13, 2011: economic stabilization and structural reforms as foundations for growth and employment; strengthening the financial system and fostering financial inclusion to promote economic growth; improving the international financial architecture in an interconnected global economy; enhancing food security and addressing commodity price volatility; and promoting sustainable development, green growth and the fight against climate change.

2009, the G20 had established a broad cooperation agenda aimed at stabilizing the global economy and fostering a resumption of growth after the financial crisis. Much of this agenda, however, was sidelined in 2011 due to the eruption of the crisis in Europe. Little progress occurred on macroeconomic rebalancing, reserve currencies, monetary system reform and tax cooperation.

Good progress was reported in the area of financial regulation and in the mandate and resources for the FSB, although few details had been disclosed. More work would be needed in 2012 to convert the FSB from a “soft” to a “hard” institution with adequate staff, formal legal standing and appropriate governance. The G20 was reported to have made progress in the area of financial inclusion, a topic of special interest to developing country members. It was remarked that some developing countries will need capacity-building assistance to comply with the new financial standards coming out of the FSB.

Work had continued in 2011 on the G20’s MAP. The complaint was voiced that the process lacked transparency and accountability. Recommendations were made for strengthening the MAP’s analytical capacity and foundation of knowledge, and it was suggested there should be more cooperation with the staff work at the IMF. The MAP also needed more independence to conduct effective peer reviews. Several participants urged greater cooperation in macroeconomic surveillance efforts:

An improved process would encourage a greater international consistency of national projections and assumptions about macroeconomic policies, would more thoughtfully explore what-if scenarios to identify mutually beneficial policy adjustments, and, in particular, would seek a more effective, cooperative adjustment of external imbalances. (Ralph Bryant).⁴

Another view was that:

An effective multilateral surveillance process will not work until an agreement is reached to give more expertise but above all more voice and

power to the Fund, which means more obligations for its members. (Jacques Mistral)

The IMF’s 2011 series of five reports on systemically important countries was viewed as a welcome initiative. The series identifies the existence of possible spillover effects of these countries’ economic policies and allows partner countries to present their concerns. But the relationship between this latest IMF initiative, the G20’s MAP and other assessment and peer review exercises by organizations that also conducted economic surveillance, such as the Organisation for Economic Cooperation and Development (OECD) and, in future, the FSB, was not yet clear. Such exercises and assessments must be defined, and collaboration strengthened.

As no single institution could effectively anticipate the 2008 financial crisis, collaboration among these institutions needs to be further strengthened in order to enhance their capacity to conduct early warning exercises. (Shinichi Katajima)

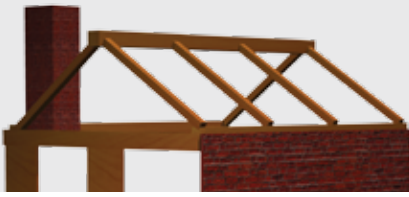
Looking to the broader economic cooperation agenda, participants identified the need to build what one participant called the “infrastructure of macroeconomic coordination.” This effort calls for a focus on long-term strategies and the mutual responsibilities of surplus and deficit countries. The G20 needs to adopt a framework for cooperation like that recommended in a CIGI-Chatham House report.⁵

Two current issue areas singled out by the conference participants for early attention by the G20 are: the regulation of international capital flows; and the need for “rules of the game” to deal with unsustainable sovereign debt burdens.

With regard to the former, volatile capital movements have become a worrying problem for emerging and developing countries hit by the backwash of the European and US debt difficulties. International jurisdiction over capital account transactions is unclear: the WTO has partial jurisdiction over some capital transfers, but it is perceived as lacking the political

⁴ Authors’ affiliations can be found in the Participant List at the end of this report.

⁵ As elaborated in the 2011 CIGI-Chatham House report, *Preventing Crises and Promoting Economic Growth: A Framework for International Policy Cooperation*, by Paul Jenkins and Paola Subbachi. The report is available at: www.cigionline.org/publications/2011/4/preventing-crises-and-promoting-economic-growth-framework-international-policy-c.



support to be given more authority in this area; countries are unwilling to cede the jurisdiction to the IMF, which has jurisdiction related to current account payments. The conference was reminded that the issue was supposed to have been dealt with in the wake of the 1997 Asian financial crisis.

On sovereign debt, no “rules of the game” have been established to manage unsustainable sovereign debt situations; each new situation is managed ad hoc, with no clear guidelines on how to proceed or what creditors or debtors might expect. For example, Europe has been in the throes of trying to figure out how to manage the Greek and other threatened insolvencies, and despite the IMF’s experience with both orderly and disorderly sovereign debt restructuring in Latin America, there was reluctance to let the Fund take the lead. Establishing some rules of the game in advance would be helpful.

Participants discussed the role of the G20 vis-à-vis the European debt crisis and several different points were raised in the discussion. It was noted that this was the second major financial crisis to have emerged from the core of the G7 in four years, and that the G20, as a body, has a responsibility to all its members, including emerging and developing countries. The attention being given to Europe in its hour of financial difficulty was contrasted with the policy stance taken towards Asian countries in the 1997 financial crisis. It was pointed out that the two situations were different: South Korea could devalue its way out of trouble in the 1990s, whereas devaluation was politically infeasible for countries in the euro zone. It was further pointed out that the IMF had more resources now to better protect “innocent bystanders” hit by external shocks than was the case in the 1990s. It is true there was an element of double standards in the G7/G20’s preoccupation with the European crisis, but a mistake made in the past should not mean the right thing should not be done now.

Several participants thought the G20 could have only limited impact because larger powers, including both the European Union and the United States, would not yield any of their sovereign decision making to the G20. A European participant remarked that a solution to the Greek insolvency lay in Europe’s hands — the euro as a currency was doing well, external finance was not the main remedy and the political process in Brussels was moving in a relatively orderly and cumulative way.

The discussion reached a strong consensus that a financial and economic collapse in Europe would have

grave repercussions for many countries, including those that had bounced back from the 2008-2009 crisis and were doing well, but were now beginning to suffer from the contraction in one of their main markets (Europe). If 2008-2009 had taught anything, it was that financial contagion could spread quickly to other geographic areas unless decisive action was taken. The G20 can hardly step aside from what many consider the number one economic issue in the world right now.

On governance questions, the conference was reminded that the G20 leaders had pledged to conduct a comprehensive review of quota and board reform of the IMF in 2012. This would be a major test of the G20’s ability to deliver on its commitments and a litmus test of whether real changes were possible at this stage in the global governance environment.

TRADE

Discussion focused on the role of the WTO. Established only 17 years ago, the multilateral WTO is perceived as a less and less relevant negotiating forum as major trading powers, including the European Union, the United States and Canada, increasingly negotiate bilateral, regional and plurilateral trade agreements outside the WTO framework. An example is the proposal under active development by a number of countries to create a Trans-Pacific Partnership, a “new generation” type of trade and economic arrangement. The failure to complete the Doha Round, after over 10 years of talks, is seen as irrefutable evidence that the WTO negotiating machinery is not working as intended. The procedures for making new trade rules have become too cumbersome and politically, there has been a shift in the balance of power within the WTO to the emerging and other developing economies and away from the developed economies, which originally dominated. Developed economies are now conducting trade negotiations with each other and even with emerging countries outside the WTO, such as India. As the main forum established to further the liberalization of world trade becomes increasingly marginalized by some of the major players, many observers worry that the multilateral trade system is in decline.

Another problem facing the WTO is the perceived imbalance between the organization’s largely broken-down capacity to make trade rules and its robust dispute settlement mechanism. Problems are being brought to WTO dispute settlement panels for which there are inadequate or no clear trade rules, or where the rules in existence need to be updated to reflect

changing needs and circumstances. Instances cited during the conference included dispute settlement cases relating to trade and climate change, trade and intellectual property, trade and the post-financial crisis stimulus packages (relating to the subsidies agreement in the WTO). For example, in the absence of rules about product processes — rules are important to determine the extent to which products have carbon and water in them — the dispute settlement mechanism can only deal with the likeness of products, which is extremely difficult. The dispute settlement mechanism will be challenged more and more for its handling of these cases if the negotiating machinery remains stuck and agreements in new areas are not developed. One possible alternative would be if some of these issues could be dealt with in multilateral environmental agreements that could be referenced by (and not in conflict with) the WTO. Other lacunae related to trade governance were identified. For instance, while the WTO has some provisions on trade-related investment, WTO rules do not directly address foreign direct investment.

There are over 3,000 international investment agreements. Attempts to negotiate multilateral rules in the OECD and the WTO (early Doha Round) have proven unsuccessful. Whereas demandeurs for investment protection agreements previously were developed countries, increasingly China, Brazil, India, etc. are demandeurs. The dynamic for multilateral agreements will change with the European Commission acquiring authority to negotiate investment. Proliferation of investor-state arbitration is causing fragmentation and inconsistencies, which could be rectified by an appellate body or multilateral agreement. (Debra Steger)

A further gap concerns intellectual property. WIPO is the UN agency responsible for the intellectual property governance regime, but it lacks a dispute settlement system or enforcement mechanisms for its treaties. As a result, the Trade-Related Intellectual Property Rights (TRIPS) Agreement was concluded in the WTO. TRIPS is enforceable but needs to be brought up to date. One participant proposed that research be undertaken on a new global intellectual property regime that addresses the spectrum of critiques of the current one; from dealing with vexatious “patent-

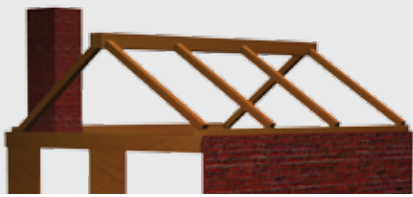
trolling” to rebalancing the interests of consumers and innovators.

The number of international agreements in overlapping subject areas continues to grow, increasing the potential for conflicts and inconsistencies among these various treaties and the WTO. It was pointed out that conflicts and inconsistencies already exist between the WTO and the Basel Convention and CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora), and questions have arisen about potential conflicts between UNFCCC agreements on climate change and the WTO when they are negotiated, and with treaty-making bodies in other areas such as labour (International Labour Organization [ILO]), health (WHO) and finance (IMF), where there are overlaps with matters the WTO also deals with.

Despite the necessity for cooperation, there are no formal coordinating mechanisms between the WTO (a non-UN body) and any of the UN’s specialized agencies. Inter-organizational cooperation usually occurs through informal contacts among officials. This is so even between the WTO, the IMF and the World Bank, despite specific provision in the WTO agreement for coherence and cooperation among the three bodies and a 1998 report that addressed joint issues in “structural, macroeconomic, trade, financial and economic policy making.” It was suggested at CIGI ’11 that more formal mechanisms of consultation and cooperation with the treaty bodies could be established.

Participants at the conference strongly advised against including wording in upcoming G20 declarations that would repeat the “ritual incantation” by which G20 members have committed themselves to complete the Doha Round. It was felt that if the leaders cannot break the current Doha impasse, they should not further strain the G20’s credibility with empty rhetoric about finishing the round, as in previous summit statements. An unambiguous statement of support for the multilateral trade system and opposing protectionism would suffice.

One participant called for the creation of a mechanism that could provide effective and adequate surveillance on trade-distorting measures, and for in-depth research to be conducted on the extent to which bilateral and regional trade agreements are genuinely contributing to trade liberalization. It was also proposed that a comprehensive review be conducted to determine whether the rules under the WTO Agreement on Subsidies and Countervailing



Measures were based on sound economic principles or should be revised. It was argued that the agreement, negotiated 21 years ago, may have lost its balance and relevance in today's changed economic, fiscal and policy environment.

ENERGY

The conference noted that there is no international governance system for energy. The IEA primarily serves its members, who are the oil consumers in the OECD; the Organization of Petroleum Exporting Countries (OPEC) represents the major oil-producing countries; and the IAEA is the central forum in the field of nuclear energy. Several new entities have been created recently to promote renewable energy and the transition to alternative fuels. Accordingly, there are regimes tied to particular fuel sources and numerous sources of financing, but there is an absence of coordination and the management of externalities among the various players in the field. Participants discussing the energy question regarded this vacuum as one of the most significant gaps in the global governance system, and noted the need for institutional structures and frameworks to elicit investments in sustainable energy projects — both supply and delivery — and to coordinate the many externalities.

No single agency exists to bring together players across sectors and across the divides between consumers, producers, investors and financiers. Energy is a long-term, lumpy and indivisible investment with immense externalities and imperfect information gaps; the idea that future global energy needs can be left to market forces with no global focal point for standardized information, discussion, debate and consistency checking for private and public actors, is mind-boggling. (Colin Bradford)

The IEA is closest to what an overarching energy governance entity might look like, if it were expanded beyond its present mandate and size. Created in the 1970s in response to the OPEC oil supply crisis, with the aim of securing reliable and affordable access to oil supplies for its members, it has performed well in coordinating potential supply problems among consuming nations, as was evident during the Libyan crisis in 2011. As noted, however, the IEA is an unrepresentative international body: the core 28

members are still oil-consuming OECD countries and Brazil, China and India are among the non-members. Institutionally tiny, with a staff of less than 250 people, it is nonetheless trying to piece together the larger energy puzzle. Through publications and outreach, the IEA is starting to offer frameworks and advice for members and non-members alike on building pathways to a more sustainable energy future.

Could the IEA be transformed to become the global focal point for debate and regulation among the many players and interests — serving everyone, including developing countries, and covering the non-nuclear energy alternatives in addition to oil, as many in the agency would like? This implicit, and unanswerable, question lay behind some of the conference discussion.

A truly global energy governance system will have to balance a range of sometimes competing priorities, including development and poverty alleviation, security concerns (considering the potential for resource conflicts among states) and environmental sustainability. Climate change impacts and the environmental externalities of energy systems would also have to be considered.

While people in advanced economies are most concerned about rising energy prices, a fundamental issue in developing nations is energy access. Millions of people in the developing world lack proximity to modern energy sources. It was noted that much current discussion on climate change boiled down to increasing the price of carbon, but making oil more expensive could worsen the problem of energy access for the poor — an example of the competing priorities that must be weighed. Arrangements must be instituted to ensure that energy is priced with due consideration to the needs of the poor, while discouraging excessive fossil fuel emissions by the rich. Stable oil and energy pricing is important for the stability of the global economy and safeguards are needed to protect against excessive price volatility.

The work of the Global Energy Assessment (GEA) to define a new global energy policy agenda was mentioned. Backed by governments, NGOs, UN agencies and the private sector, and coordinated under the aegis of the International Institute for Applied Systems Analysis, the GEA operates as a kind of virtual network of 300 researchers, including some of the world's leading energy experts. The GEA poses questions about the way society thinks about, uses and delivers energy, and considers the need to assure

equitable access and sustainable energy services for all.⁶ One of the leading participants described the venture as an “adhocracy” that has come into existence almost in lieu of intergovernmental action.

A critical finding emerging from the GEA project is the “absolute centrality” of putting “co-benefit analysis” at the centre of decision making, trying to solve both climate change and energy security at the same time. This method, it was asserted, can yield positive results across a range of issues: health, pollution reduction, security, cost reduction and climate change. A further conclusion from the study is that if we can get energy efficiency right, it could give enormous flexibility to the supply-side solutions that need to be developed. When discussing energy, one should not lose sight of the fact that the greatest savings would come from changes in the way energy is used — in new types of transportation systems, buildings, energy-using equipment, agricultural infrastructure and the like, rather than in energy sector investments. The GEA project’s findings will be published later in 2012.

A possible think tank research initiative on energy governance and energy security was suggested:

Research on fragile states indicates that a number of major fossil fuel sources (Saudi Arabia, Venezuela, etc.) have many characteristics of fragile states. How could energy regimes or broader global governance systems (for example, the G20) cope in the event of an abrupt collapse of such a state? A second area would be to examine the G20’s (to date ineffective) efforts to act on energy subsidies. A third area would focus on the utility of non-state or alternative global governance mechanisms: How effective are disclosure mechanisms such as the Carbon Disclosure Project in shaping the behaviour of energy consumers? Is there a role, or a potential, for intergovernmental agreements to be supportive of such quasi-regulatory mechanisms? (Ann Florini)

CLIMATE CHANGE AND SUSTAINABILITY

Climate change governance discussions remain within the UN framework. One participant felt that Mexico, with its experience in hosting the 16th session of the

Conference of the Parties to the UNFCCC climate change talks in Cancun in December 2010, could play a role in building the momentum for climate discussions among the G20. A good start would be to summarize the lessons from 2010 to see what might be transferrable to future negotiating situations: small negotiating groups; limited agendas; focus on core political issues; and so forth.

Conference participants felt that funding for the green transformation and to deal with the impacts of climate change will not be resolved within the UNFCCC or in other venues led by environment ministers, but will require decisions by heads of government and their finance ministers. At each recent UN climate change conference, there have been decisions about setting up a fund or funds, but moneys have not been forthcoming. The sums required will be huge:

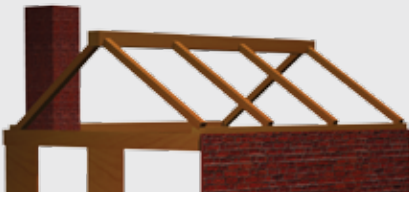
Estimates of the costs of expanding the Asian electricity system, for example, range in the trillions of dollars and similar figures exist for other regions, yet we persist in thinking that the environment and energy are things which can be dealt with by environment ministers and chronically weak agencies such as UNEP and UNFCCC. (David Runnalls)

Participants thought that financial issues would not be dealt with satisfactorily at the Rio+20⁷ summit in June 2012 either, offering that the Durban climate change conference in late 2011 had also failed in this and other respects. The G20 summit in Mexico will follow on the heels of Rio+20, and the leaders will have an opportunity to reflect on the outcome. Although reaching consensus would not be easy, it was thought that the ongoing financial and economic difficulties could pave the way for potential “dual solutions” in addressing climate change finance. With advanced economies struggling with deficits and debts, and fossil fuel producer subsidies more than US\$500 billion a year, the time was right to begin phasing these subsidies out and diverting these savings to green growth and climate adaptation.

The private sector, it was noted, is not yet involved in discussions on the Climate Fund, although it needs to be. Norms and guidelines must be developed to guide the massive investments in cross-border energy projects and infrastructure during the green

6 See: www.iiasa.ac.at/Research/ENE/GEA/.

7 The UN Conference on Sustainable Development in Rio de Janeiro, June 4–6, 2012.



transition. A large share of the financing of cross-border energy transformation projects will come from the private sector or through private-public partnerships. Regulation of these private cross-border investment flows is lacking. The World Bank has been developing criteria to guide such investment in ways that would address environmental concerns, but there has been opposition from emerging economies that want to see rapid development of their energy sources. In addition, national export credit agencies in advanced economies often provide financing in support of such projects, but as yet have shown little inclination to use their leverage to support a clean energy transition. This was thought to be a fitting topic for consideration by the G20, but whether a consensus could be reached to use this leverage remains to be seen.

By the same token, rules are needed to ensure that the G20's spending plans on infrastructure are consistent with environmental sustainability. The general point made was that G20 discussions on the global economy often seem divorced from considerations of sustainability. The G20 should seek to align its financial and economic objectives with environmental sustainability, and it is hoped this principle could be clarified in Mexico.

As noted earlier, "green growth" will be on the Mexican G20 agenda. But some countries, notably Brazil, fear that green growth policies could block their exports in developed country markets and lead to retaliatory challenges in the WTO. If tensions on the issue are not defused, Mexico's hopes for a robust green growth outcome could be jeopardized. It was felt the situation could be eased if the G20 in Mexico were to make a strong statement indicating that green growth policies were not a cover for protectionism.

One participant emphasized that climate change discussions should not just be about "decarbonization." Reducing the use of polluting fossil fuels remains fundamental, but climate mitigation and adaptation are the growing challenges. In this view, governance of climate impacts will be mostly about water — "water rising, disappearing, melting, falling too much from the sky. How does one get this blue economy on the G20's agenda?" a participant asked.

Another participant remarked that the important thing was to have clear views on how to address climate change. In this respect, each country has a different set of aims, endowments and lifestyle choices with respect to energy and environmental policies; different countries

would have different priorities on the same issues. Climate change policies need to be crafted locally, with a large role taken by national governments and local private sectors. Research could propose how a working relationship might be established between these entities and a fully functioning international governance system on these issues, while recognizing that the world today is more open and decentralized than ever before, and that modern communications, including social media, are a growing part of the picture.

ENVIRONMENTAL GOVERNANCE

Environmental governance is characterized by multiple bodies and systemic weaknesses in the way some issues are managed. Issues are complex, and solutions are not made any easier by the continuing gap between the global North and South. By one count, there are over 300 multilateral environmental agreements and agencies, housed in numerous locations. While this can be interpreted as progress, there is duplication and incoherence, and above all, implementation is weak. In addition, as noted in the preceding section, new needs relating to adaptation need to be considered.

Institutional reform of environmental governance will be on the table at Rio+20. Some multilateral agreements have similar wording. One approach mentioned at the CIGI '11 conference is to cluster multilateral agreements in related fields, a process that is starting to happen with the agreements on chemicals. Rio+20 is seen as the place where governments could decide to reduce the number of treaties through a process of consolidation; following up on such decisions would something really useful the G20 could do over the next two to three years. Building on the metaphor of "The Unfinished House," one participant remarked that "adding a new room often requires breaking down a few walls. In redesigning the structure it may be necessary to demolish some rooms."

Just as with the question of climate finance, the Los Cabos summit could initiate some new moves on the environment. It was suggested that a significant accomplishment would be a G20 declaration of principles on environmental management.

Gaps exist in terms of institutions that could scope out and assess coming global environmental issues and deal with future environment-related crises — either the environmental crises themselves, or the political, economic and security crises that may follow from them.

No current body either has the legitimacy and competency to be the clear place where response decisions to such crises will be made, or the ability to develop resources, knowledge, and capacity that might even help future decision makers — national ones, and international ones in other bodies — be able to act more effectively under conditions of future crises. (Edward A. Parson)

The creation of a WTO-like world environmental organization was viewed as undesirable. It is also not in the cards. Although the idea has been floated in the past, major countries such as China, Russia and the United States oppose it.

DEVELOPMENT

Development was brought within the G20 framework in Seoul, a decision hailed by conference participants as a significant step. The G20 Development Working Group, however, had taken too much on, establishing at the beginning 45 “pillars” or sub-topics under the development agenda. During the French presidency these were reduced to nine; Mexico has pared this back further and is designating food security, infrastructure and financial inclusion as key development priorities. The thrust of remarks from conference participants indicated strong support for infrastructure and food security (one participant’s support was conditional on infrastructure investment not neglecting the rural and food-producing sectors), while financial inclusion was not much discussed. It was suggested that Mexico could differentiate its approach further by overlaying “green growth” on these development elements. For example, the High-level Panel on Infrastructure could incorporate green growth projects in its action plan and a sustainability approach in public-private partnerships.

Several speakers felt that development should be “mainstreamed” as part of the G20’s general economic and financial discussions. In this view, developing countries should be included in the MAP and in discussions relating to currencies, global growth and employment. Development concerns should not be “ghettoized” as if they were separate from the global economy.

It was noted that the South Korean presidency had differentiated between development (a G20 issue)

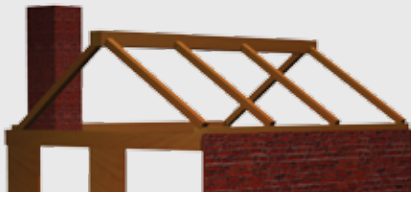
and aid (a G8 issue), and that with the deficit-cutting policies now in place among traditional Northern donors, substantial cuts to aid budgets would be likely. There was a question of how to manage the relationship and overlaps between the two agendas. In response, it was said that the G20 was not a donors’ forum and should not be concerned with aid, nor with issues of aid effectiveness, which are being evaluated separately under the Paris Declaration process.

While the G20 must embrace development, one participant questioned whether the G20 was the right place in the international architecture to locate responsibility for development, since, first of all, development involves a large regional component (the G20 has no regional structure); second, successful development depends critically on coordination and effectiveness at the individual country level, where many development efforts break down; and third, the necessary technological breakthroughs, for example in agriculture, will not come at the G20 level. In this view, the role for the G20 is to end trade-distorting subsidies and ensure the growth of trade through broad macroeconomic policies that can benefit development — several other participants shared a similar viewpoint. The concern was expressed that, in the current global political and economic environment, the G20 could not make a real political commitment to development with any meaningful accountability, and failure would affect its credibility.

SCIENCE AND TECHNOLOGY

Participants drew attention to the “knowledge divide” between developed and developing countries and the lack of programs and mechanisms to enhance science and technology capabilities in developing countries. Comparison of scientific and research capabilities between the OECD nations and the 40 poorest countries reveals a gap in the order of hundreds or thousands to one on almost any measure (such as investment). This gap has widened significantly in recent decades. As a result, many of the poorest countries simply lack the infrastructure to absorb new scientific information and to do their own research to understand and explore responses to the challenges they face.

Canada’s International Development Research Centre (IDRC) does have the mandate to promote scientific and research expertise in developing countries, but it is a national project funded by taxpayers through the Canadian government. Remarkably, there is no



international institution charged with promoting international cooperation in science and technology development — a “governance black hole,” in the words of one participant. Although the problem has been known about and studied for decades, international bodies have neglected the provision of this international public good. With the advent of the G20’s development agenda and Mexico’s presidency, participants thought an opportunity now exists to put this item on the agenda. It was suggested that Mexico could bring this forward in 2012, and recommend that an external report be commissioned for consideration at a subsequent G20 meeting. A practical step would be a set of programs to develop a cooperative framework in an area like alternate energy.

AGRICULTURE AND FOOD SECURITY

Serious governance problems were diagnosed in the international food and agriculture system. Among the many players involved are the food-focused international agencies of the Food and Agriculture Organization (FAO) (the specialized UN agency for agricultural production), the World Food Programme (food assistance and emergencies), the UN Committee on World Food Security (coordination) and the Food Aid Committee, an organization of donors operating under the Food Aid Convention. Other multilateral actors include the World Bank and the regional development banks, the main lenders to the agricultural sector; the OECD, through its policies on development and humanitarian aid; the G20, which has tried to tackle food price volatility; and the WTO, via its Agreement on Agriculture. Each of these entities has a different role, perspective and institutional culture.

The whole field of agriculture and food security was said to be emblematic of the dysfunctional nature of the international development system. Gaps are filled by creating new arrangements, which themselves overlap with existing mandates and institutions. Division of labour is unclear and funding available to tackle problems is suboptimal; new organizations are added and a thorough review of the gaps and deficiencies in the whole system is never undertaken. In 50 years of aid, one participant reported, not a single major merger or acquisition has occurred. For the G20 to acknowledge this state of affairs would be a step forward.

Highly fragmented approaches to agriculture are the norm throughout the developing world and these are

reinforced by deep structural defects in the institutional architecture for international agriculture and food security...In recent years, numerous studies and reviews have underscored the architectural fragmentation and have called for “transformative efforts” to achieve greater systemic coherence. Reform efforts have been driven principally by independent evaluations, e.g., the International Fund for Agricultural Development (2005), the Food and Agriculture Organization (2007) and the CGIAR (2008) and a comprehensive strategy and policy review of the World Food Programme (2007). Similar efforts in the name of coherence have been underway to “restructure and reorient” the agricultural work of the World Bank and the African Development Bank. These are welcome initiatives, but they are being carried out in isolation one from the other. What is needed is a fundamental review of the system as a whole with a view to clarifying specializations, establishing enforceable divisions of labour, merging institutions where appropriate and closing down programs or even entire institutions that long ago exceeded their use-before date. (Keith Bezanson)

A focus of interest at the conference was the UN Committee on World Food Security (CFS), an intergovernmental body that has had a low profile for most of its existence since the 1970s. Through a process of reform since 2008, CFS has gained an enlarged mandate to become the “foremost inclusive international and intergovernmental platform dealing with food security and nutrition and to be a central component in the evolving Global Partnership for Agriculture, Food Security and Nutrition.”⁸ The reform has included opening up its proceedings to civil society and private sector actors. High hopes have attended the reform process, and indeed, the CFS has produced a draft Global Strategic Framework for Food Security and Nutrition. But the jury remains out on whether the CFS will have sufficient vision and autonomy to tackle the big questions in food security coordination.

8 See: www.fao.org/cfs/en/.

The fall 2011 CFS meeting in Rome was said to have been a disappointment in that the official delegates from G20 countries felt they had to stick to positions already agreed upon within the G20 framework, causing other voices at the meeting to feel “stifled.” There is suspicion that the CFS might remain wedded to agriculture ministers’ traditional perspectives, rooted in 1960s-style supply-driven perspectives and the public delivery of food, in contrast to today’s widely different conditions, where food is mostly a private matter, produced and delivered privately. Another problem that might arise is that, institutionally, the CFS is not able to actualize the principles and strategies that might emerge from its deliberations and create global programs. The FAO is not equipped to do this, and no substitute organization exists. There is a need for more integrated, joined-up approaches to global programs.

Participants considered the value that the G20 could bring to food security questions. Two areas were considered essential G20 matters due to the fact that member countries held the principal levers for policy action: addressing the causes of food price volatility, and curbing biofuel subsidies and related policies — both problems are believed to have contributed to the global price shocks of 2008. The major commodity markets are located in G20 countries and speculation in commodities, which has been blamed for aggravating food price volatility, is linked to the financial regulation agenda. G20 countries are the leading subsidizers of biofuels.

French President Nicolas Sarkozy had made a commitment to address food security in the G20 at the start of 2010. As the year unfolded, the finance ministers did not deal with derivative markets and nothing was done about biofuels. The agriculture ministers met and talked about food security and issued a nice-sounding communiqué, but it was disconnected from any authority to deal with commodity speculation. Nor did their report address macroeconomic issues linked to food security and tie in adequately to the other development pillars. Participants were skeptical about the Agricultural Market Information System, the G20’s primary food security initiative implemented in 2011; it is collecting information that critics say is already being acquired and reportedly lacks a budget (it is housed at the FAO), so it is difficult to see what impact it will have on reducing volatility.

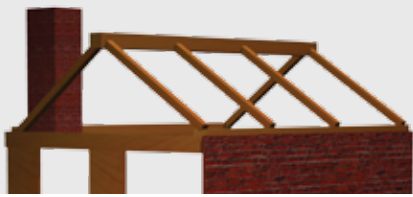
Several participants pointed to the important work carried out by the CGIAR system (the Consultative Group on International Agricultural Research) — the network of 15 global research centres funded by

multilateral and donor agencies. Due to insufficient funds, many research innovations that could help propel countries to food self-sufficiency were not being scaled up or, if worthy of commercial potential, were not being brought to market. CGIAR was chronically performing below its potential due to the fact that most granting agencies gave limited funding for long-term scientific research, which involves experimentation and learning from failure.

It was pointed out that the single most significant initiative in global food today is the Alliance for a Green Revolution in Africa, funded overwhelmingly by the Gates and Rockefeller foundations, which, together with IDRC, also support the CGIAR network. To partly alleviate the CGIAR financing problem, it was suggested that the Advanced Market Commitment concept, a novel financing mechanism used successfully to incentivize vaccine manufacturers to develop medicines for tropical countries, could be tried in the case of food systems research to see what effect this could have on stimulating research and innovation.

A fundamental problem is the absence of what one participant termed a “global delivery system” to disseminate the fruits of CGIAR research to individual smallholding farmers in the developing world. Up to the 1970s, Asia’s Green Revolution demonstrated the importance of institutional structures, systems and capacity development at the local level so that the benefits of new agricultural technologies could be taken up by smallholder producers. Meeting future food needs will depend on achieving substantial increases in farm yields at local levels, stimulated by investments in research, technology and infrastructure.

In several important areas, problems calling for the collective attention of the international community were identified by participants. Though not necessarily under the remit of direct action by the G20, it could recognize the problems and call on others to conduct studies and report back, thus validating the problem’s importance and potential urgency. For example, fishing subsidies by large nations are playing a role in the depletion or near-depletion of numerous fish stocks; if current trends continue, millions of people who depend on fishing for their livelihoods and food will be affected. Pollution, overfishing, neglect and excessive coastal development were said to have brought the oceans to a crisis point. It was suggested that Mexico, as a country bordering both the Atlantic and Pacific oceans, could propose an intergovernmental mechanism with private sector and research participation that would



provide strategic direction for the effort to protect the ocean and ensure its survival.

Concern was also expressed about the quality of food that the poor consume, especially as higher food prices or reduced availability compel a shift in diets to foods lacking adequate micronutrients. This sleeper issue needs to be studied for its long-term implications for crop production, nutrition and health.

Finally, attention was drawn to the fact that current global agendas on food security do not adequately reflect deep-seated, structural and long-term changes that are under way. Among the trends identified as those that hardly anyone is paying attention to are: the inability of grain production to keep up with human population growth; shifts to new and different kinds of food; and the downward trajectory in the amount of potable water available to agriculture (see Water section). The effects of these changes could make price spikes and swings much more commonplace in the future, yet no agency is tasked with thinking about these long-term trends and their implications for current policies and practices. A research network could play some role in bringing these issues forward for attention.

HEALTH

In the field of health, the WHO is the coordinating body within the UN system of organizations. But while the WHO has the technical capacities, it lacks the resources and implementing capacity to be an effective governance institution. Other organizations are larger sources of funds. The World Bank is the biggest lender and donor in the health field, followed by the Global Fund to Fight AIDS, Tuberculosis and Malaria, and several other global funds.

Within the health sector, three big issues are seen to be emerging: non-communicable diseases (the subject of a high-level meeting at the start of the UN General Assembly in September 2011); problems of drug resistance (the accelerating erosion of drug efficacy through resistance); and the threat of runaway pandemics from new infectious diseases. The WHO has the mandate to work on these issues but is underfunded and handicapped by internal conflicts.

The lack of a proper coordination mechanism to deal with epidemics was highlighted. During the H1N1 epidemic of 2009, for instance, advanced countries stocked up on the vaccine, while there was not enough left for the protection of many developing countries: for example, Sweden, it was said, had double the amount

of vaccine needed for its own population. A protocol needs to be established for the sharing of scarce vaccines. Work on this should proceed now, before the next big epidemic strikes, as surely it will. A WHO convention on the matter might be a possible, albeit piecemeal, solution but nonetheless a practical way to move forward.

Collaboration is essential to prevent the rapid global transmission of infectious diseases. Research teams could queue up proposals to cut through inefficiencies in the present system, and the WHO could receive increased resources to address these problems. Increased global cooperation would encourage countries to report outbreaks in a timely way so that assistance could be rendered and controls and preventive measures put in place in other countries. China, for example, concealed the scale of the SARS outbreak at the start (but has reportedly learned from this experience), while exaggerated fears about the impact of and vulnerability to SARS took a financial toll on businesses in other countries. Accurate information when epidemics occur would reduce ill-informed hysteria, such as the belief among some US passengers during the SARS epidemic that even if the aircraft they were transiting on touched down in Toronto, they were going to be affected. It was also important to avoid punishing countries that suffer epidemics. A more coordinated, globally cooperative approach would both restrict the spread and reduce the impact of these diseases.

Joint international work is also needed on food safety standards, common standards for the fortification of foods (an essential health requirement) and on resolving shortages of drugs and medical isotopes. The issue of low-income countries' access to drugs, is related to patent protection given to multinational pharmaceutical companies under the WTO.

In the absence of international regulation or national implementing capacities, a few private companies are stepping up with public health measures of their own. For example, certain UK supermarket chains that source fruits and vegetables in Kenya have specified toilet and other hygiene facilities in the fields to reduce the risk of E. coli and other types of contamination. A few voluntary codes of conduct exist to guide the activities of firms marketing products that may be harmful if improperly used, such as the code covering the marketing of infant formula, which was endorsed by the World Health Assembly as a result of civil society lobbying. On a range of other products that are marketed by both domestic and multinational companies in countries

where there is insufficient regulation, international codes of conduct are absent; the most glaring example is the absence of a code covering cigarettes and other tobacco products.

The WHO is responsible for disease surveillance and norms and standards regarding drug quality and control of public health threats. It also has a mandate to protect the efficacy and effectiveness of current drug supplies and inform countries when these are at risk. That especially applies to affordable drugs for developing countries, like many antibiotics, antimalarials and anti-TB drugs. But the WHO is not fulfilling this mandate due to a lack of resources and programmatic coherence. Countries have a strong interest in addressing this global public goods problem, to protect against shocks from new epidemics (such as SARS) and the accelerating erosion of drug efficacy through resistance. Unlike many other problems — such as climate, fisheries and financial regulation — the main problem here is not opposition from vested interests, but rather organizational inertia and lack of resources. This is a problem that can be solved. (Lawrence MacDonald)

MIGRATION

Governments have generally resisted the idea of an international governance regime for migration. Despite vast and increasing flows of people around the globe, the control of movement across borders is regarded as a sovereign right not amenable to regulation by a supranational body. Some limited cooperation has occurred within regional integration contexts. The European Union, for instance, allows labour mobility and is working towards a common system for asylum seekers and migration. Freedom of movement is recognized as a principle in the South American trade bloc known as Mercosur, where there is partial provision for regional mobility. A similar situation exists in the Economic Community of Western African States. But there is no broad movement towards a global migration governance system.

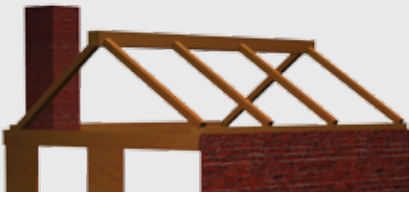
In reality, governments can never fully control migration. Attempts to do so did not begin in earnest until about a century ago, and it was not until the 1920s that the passport was invented. Prior to that, people could move across borders fairly freely. Movements today are extremely complex and made up of many different types of migrants — from workers and business travelers, tourists, students and family visitors, to various types of forced migration, including refugees and people displaced by disasters, climate change and internal conflicts. One form of migration that is expected to loom larger in future is marriage migration, a consequence of sex discrimination at birth in some cultures.

After years in which the subject was barely broached, discussion of international migration exploded around 2000. The UN created a high-level dialogue among international agencies whose responsibilities touch upon migration. Currently, the Global Migration Group comprises 15 UN organizations with an interest in migration, in addition to the International Organization for Migration (IOM), which is not part of the UN system. This liaison group provides some degree of coordination among the institutional players.

Further institutional development is expected to occur very slowly. A few existing organizations, like the IOM, will have more of a role as countries turn to them for practical assistance in such areas as migrant processing services and help with travel arrangements. The IOM, composed of 146 member states, exists to assist governments with orderly management of their migration processes.

The fact that many are countries of both migrant origin and destination — both “sending” and “receiving” migrants — has opened up a space for discussion at the intergovernmental level. This “informal” and “voluntary” dialogue has taken place since 2007 through the Global Forum on Migration and Development, in which 160 countries take part. The forum is not part of the UN system, but reports of its annual meetings are sent to the UN Secretary-General.

It was suggested that small steps could help build confidence for deeper collaboration in the future. The current stage was one of building policy networks and developing the evidence base for cooperation; this includes agreeing on non-controversial issues on which states can work together. Potential low-risk measures that can be initiated include stepped-up data collection, technical assistance and training, all areas of current



high need. For example, many countries lack migration laws and services. Currently, many governments are cooperating to combat the menace of human trafficking — a global migration problem that everyone agrees needs to be tackled.

Another tangled problem is the outflow of health care workers from developing to developed countries. The World Health Assembly, the governing body of WHO, has made a modest effort to respond to this brain-drain problem by adopting a code of practice on the international recruitment of health care workers. Migration of health care workers has serious consequences for the capacity of health systems in developing countries and affects their ability to meet development goals. But the issue was seen as multi-dimensional. Some countries, such as the Philippines and certain Caribbean islands, deliberately oversupply medical professionals; South Africa, on the other hand, has made efforts to prevent trained medical personnel from leaving, which interferes with their freedom of movement. In another model, Japan has struck bilateral agreements with Southeast Asian countries to recruit health care workers, who take examinations to work in Japan. It was suggested that a prohibitionist approach would raise human rights problems, and that the solution lay in more systematic efforts to develop health systems with the required training capacities in developing countries, while promoting the circular movement of people through twinning arrangements and the like. The fact remains, however, that sub-Saharan Africa, a part of the world that is losing its medical professionals, has 24 percent of the world's disease burden, three percent of the health professionals and one percent of the health funding, according to one participant.

The international refugee regime was highlighted as the one migration area where widely ratified treaties and experienced organizations exist. But the regime is constantly challenged by the blurring of distinctions between asylum seekers, labour migrants and big mixed flows of people, the type we have seen coming out of North Africa in recent years. An international platform is needed for discussion of these issues.

WATER

Arrangements for water were set up at a time when its continued availability for human and agricultural purposes was not in question. Today, however, one-third of the world's people live in water-stressed areas. Many water sources have dried up or are being run

down; 70 rivers no longer reach the sea. For every calorie consumed, one litre of water has to be raised. As one participant observed, "No water, no life; it's non-negotiable."

There can be as many as 20 ministries and agencies involved with making rules and laws about water in a given country; this splintering of governance is replicated subnationally, at provincial or state levels and in municipalities. Internationally, there are 28 UN organizations that have an interest in water, from the United Nations Children's Fund (water and sanitation) and the FAO (water in agriculture) to the UNEP (water resource management and freshwater strategies) and UNESCO (research and urbanization). There is an excess of governance, but it is ineffective governance. It is, therefore, not surprising that water policy and water management are seldom addressed in a coherent way. The European Union Water Framework Directive⁹ is one of very few attempts to create a coordinated water policy encompassing water protection, management and conservation.

It was remarked that unlike other public goods, such as food, energy or telecommunications, for which people are willing to pay an economic price, modern civilization tends to regard water as a free or low-cost commodity. Without ascribing proper value for water, it is difficult to allow water to seek its highest-value uses or impute its value for trade. Wastage is a huge problem; most cities were said to leak 30–50 percent of the water going through their pipes and losses in crop irrigation are on a similar scale, with much of the water not benefiting the plants. Participants agreed that the norms and principles governing water use need to be re-evaluated.

Currently, WTO/GATT (General Agreement on Tariffs and Trade) rules do not account for the water (or carbon) content in trade. Water is in everything, from T-shirts to microchips and coffee. Governments need to negotiate rules on how to deal with this content, rather than leaving the process open to disputes and settlement by the dispute settlement system. Syria, for example, has exported water-intensive textile products using subsidized irrigation water. The refusal to trade cereals has also been linked in some instances to water scarcities, although when Australia exported wheat to China in the middle of a recent drought, it did so knowingly. The point arising from this discussion is

⁹ See: http://ec.europa.eu/environment/water/water-framework/index_en.html.

that countries need to start thinking now about the water content of their trade.

A study by McKinsey & Company¹⁰ has forecast that by 2030 there will be a global shortfall of plus or minus 40 percent in the amount of water that can be delivered by the current infrastructure and management systems relative to need. The report calls for a new analytical platform setting out the options available to countries to meet their water needs. Interestingly, the multinational private sector is showing some leadership in conserving agricultural water. Pepsi-Cola, the world's largest buyer of potatoes, has begun to prescribe how much water should go into individual potatoes; Coca-Cola has indicated it will follow suit through its supply chain. A conference participant observed that perhaps the largest "gap" of all is the failure of national leaders to bring their populations to a true understanding of their actual water situation and to take appropriate measures; accordingly, actions such as these taken by the private sector could have a more positive impact on addressing water shortages than steps taken by many governments, which are "terrified" of upsetting their agricultural sectors and, therefore, hesitate to raise questions about water use or raise prices for irrigation water.

Internationally, the sharing of water courses (there are 260 shared water courses in the world) can be a source of conflict. In addition, there are 48,000 dams, some with significant impacts on downstream populations in other countries. An international law on water is overdue; one was negotiated 30 years ago, but has not come into effect due to insufficient signatures. The water issue is linked to many international problems, such as global poverty and forced migration; it has particular ramifications for agricultural production and long-term food security.

Organized by the German government, the Bonn 2011 Nexus Conference, held November 16–18, 2011, set out to consider the amount of water, food and energy that will be required to sustain another two billion people on the planet, and called for all three elements to be considered together. The water-energy-food security nexus will be highlighted at Rio+20.¹¹ Any new governance arrangements need to incorporate this integrative approach.

The main focus for water governance is at national and regional levels. In terms of the G20 process, water enters through the discussions on infrastructure. It was suggested that the infrastructure working group should differentiate between water-related projects targeted to the poorest populations, on the one hand, and on the other, infrastructure projects such as airport construction; the former are more beneficial to food security and poverty alleviation. Later on, the value and price of water could be useful subjects for conversations in the G20 process.

HUMAN RIGHTS

Although the concept of human rights does not have the same degree of acceptance everywhere, it is rapidly becoming a global norm. But understanding and interpretation of the concept varies, and in some quarters it remains contested. As a crosscutting issue, it arises in a number of UN forums and bodies.

The UN Human Rights Council meets throughout the year in Geneva, and the subject is also taken up in the UN General Assembly, the UN Economic and Social Council, and the Human Rights Commission. Depending on their remit, some UN specialized agencies like the ILO and WHO include human rights concerns in their considerations. It was argued that the governance system in this area is working fairly well, with no significant innovations required. It was suggested, however, that it may be worthwhile to examine whether human rights can be better integrated into regimes that manage health, migration, development, environment and security.

NUCLEAR SAFETY AND SECURITY

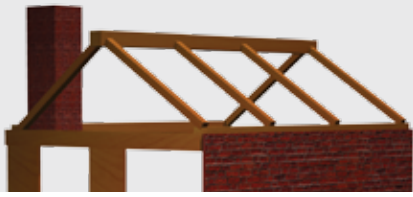
There are wide gaps in the global regimes relating to the safety of nuclear power plants and the security of nuclear material and installations. In broad governance terms, these two issue areas exhibit different characteristics. In the case of nuclear safety, there is an institutional framework that is not empowered to impose a regulatory regime that will actually work. In the nuclear security area, the challenge is a global one but there is no international institution.¹²

The IAEA is responsible for nuclear safety. The Fukushima nuclear disaster in March 2011 showed, however, that although mechanisms to deal with

¹⁰ See: www.mckinsey.com/Client_Service/Sustainability/Latest_thinking/Charting_our_water_future.

¹¹ See: www.water-energy-food.org/en/whats_the_nexus.html.

¹² See: *Unleashing the Nuclear Watchdog: Strengthening and Reform of the IAEA*, a special report by CIGI Senior Fellow Trevor Findlay (June 2012).



nuclear accidents exist, neither Japan nor senior officials at the IAEA took advantage of them. As one conference participant remarked, it was “like a house where the lights were on, but no one was home.” In the wake of Fukushima, the IAEA passed an action plan on nuclear safety in September 2011, but its regulatory aspects lack teeth.

The governance gap exists because the nuclear safety regime is distant from the civil nuclear industry it is supposed to regulate — and which often views the governance regime with suspicion. States have taken it upon themselves to be in charge of nuclear safety and regard themselves as above industry regulators and operators. States such as China and Japan have also been reluctant to have their nuclear regulatory authorities made stronger by having to conform to strengthened international norms; more significant progress needs to be made in this area. Operators of plants also seek independence from regulation, and national authorities are reluctant to force levels of oversight they are not responsible for determining themselves. A kind of moral hazard exists when the governance regime is able to let both regulators and operators off the hook for responsibility. An integrated approach is needed; the IAEA needs to build relationships among all the stakeholders, including regulators, industry (plant designers and builders) and operators — a formidable aspiration, since actors are reluctant to give up state sovereignty or industry secrets.

Similar issues of compliance exist with nuclear security. Here again, while norms are developing at the global level, international organizations are not responsible for implementation. A separate process of nuclear security summits is striving to improve the regime. Solutions to compliance can be regional or global. Argentina and Brazil, for example, have established a successful mutual monitoring organization.

Future research could consider a range of possibilities for monitoring states’ compliance with their obligations; mechanisms could include codes of conduct, if legally binding measures are impossible, and confidence-building measures. In addition, NGOs could play a role in monitoring the compliance of states and other parties — research could offer ideas on how this might work in the areas of nuclear safety and security. Another topic for study is the trade-off between transparency and confidentiality, a fundamental dilemma that is difficult to measure.

OTHER NUCLEAR ISSUES

In the nuclear realm, the discrepancy was noted between the mandates and resources dedicated to the non-proliferation goals of the NPT on the one hand, and the disarmament goals of the treaty on the other. Within the international nuclear field, there is no single authorized mechanism to coordinate efforts. Gaps in authority or composition divide self-selected “supplier” groups from the wider NPT membership, or confuse coordination efforts with a mix of unilaterally established “initiatives,” treaty-based organizations and ad hoc UN Security Council creations.

There is no governance structure for nuclear disarmament that would bring multilateral verification to bear on the process of getting to zero nuclear weapons.

The IAEA is not mandated to deal with nuclear disarmament, while the Nuclear Non-proliferation Treaty does not have its own implementation or verification organization. Attempts by Canada and others to at least create a reporting mechanism have come to naught. This is not likely to change until the nuclear weapon states collectively begin to undertake agreed mutual reductions in a planned, coordinated way (i.e., that they agree on a staged nuclear disarmament plan), rather than their current unilateral, spasmodic approach. (Trevor Findlay)

It was suggested that Mexico could follow up on its earlier hosting of a conference on nuclear weapon-free zones, with a broader consultation (G20+) on how best to revitalize the multilateral machinery and institutions underpinning the global nuclear order. Pursuing alternatives to the formal entry into force of the CTBT 15 years after its conclusion would be another issue on which Mexico could demonstrate leadership.

The nuclear field is one of the most important problem areas. The Conference on Disarmament, which operates by an extreme consensus procedure in which one country — Pakistan — can and does block all progress, is the sole multilateral forum for the negotiation of multilateral arms control and disarmament agreements.

It has been moribund since it concluded negotiations of the CTBT in 1996. Ratifications of the treaty still fall short of the number required to bring it into effect. Meanwhile, the disarmament conference has not been able to agree on a practicable work plan, including negotiation of the crucial Fissile Material Cut-Off Treaty, which has been on the “agenda” for decades, the prevention of an arms race in outer space, nuclear disarmament and negative security guarantees for non-nuclear states. Further, the International Atomic Energy Agency is short both on resources and, in some respects, on mandate, to monitor national nuclear energy programs and to ensure that member states are meeting their obligations under the NPT, arguably the most important treaty in the world. (Paul Heinbecker)

One possible area for research would be how to separate nuclear treaty negotiation from the Conference on Disarmament, while keeping the major nuclear weapon states engaged.

CYBERSECURITY

The uses and abuses of cyberspace extend to a wide range of interests and issues, public and private, but the governance of cyberspace is in its infancy. There are few normative instruments, no division of labour and no dedicated international focal point. The first baby steps toward global cooperation and the development of agreements have mainly targeted cybercrime by non-state actors. Many governments perceive a common interest in combatting large-scale cybercrime and cyberterrorism.

Some states practise hacking and active cybersnooping to gather intelligence, whether against terrorists or to steal commercial secrets. The potential for launching cyber attacks on military installations or civilian infrastructure give rise to concerns about interstate conflict. The Obama administration reportedly contemplated a cyber attack on Libya’s air defences. Assymetrical warfare has been imagined, if not actually carried out, against civilian air traffic control systems, power distribution grids, nuclear facilities (Iran), municipal water purification systems and financial exchanges. An Obama administration statement on cybersecurity

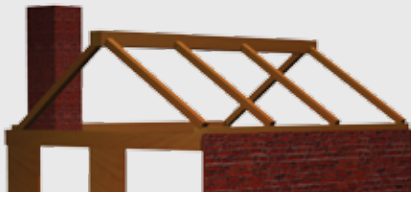
strategy called for the collegial development of norms governing behaviour in cyberspace, but there has been little follow-up by the United States or other major powers. Development of initial norms and parameters in this field should commence.

Cooperation on the issue is hindered by mistrust and suspicion, particularly between China and the United States — all the more reason that these two states should start a dialogue and, ideally, agree on more purposeful “rules of the road” before opportunities are compromised and actions that have already taken place have to be clawed back or restricted.

To the degree that cybersecurity-coordinating mechanisms exist at all, there are large gaps. Some mechanisms are forming in regional bodies, and a few innovative consultative arrangements, such as the Internet Governance Forum, provide for multi-stakeholder discussion of governance issues. Resources for their activities are limited and the gaps can exacerbate existing “digital divides.” In its G20 chairing role, Mexico could champion the integration of cyber security issues into the mainstream of the G20 agenda. The economic and developmental impact of the Internet alone justifies taking this step and it becomes more compelling when the cybercrime/terrorism threats are added into the equation. (Paul Meyer)

A good initial step for the G20 is to send a political signal acknowledging that the issue needs attention. This would create an impetus for initiatives to go forward at other levels, albeit in the absence of a designated institution. One difficulty in the G20 embracing the matter comes from the different fundamental views held by some G20 countries on freedom of expression and domestic control over cyberspace (OECD nations vs. Russia and China). This would suggest that the initiative might have to begin with a smaller group of like-minded countries; however, all G20 countries have to be concerned with the offensive use of cyberspace by sub-state groups and with authorized or rogue cyber commands in militaries. A diplomatic dialogue concerning these matters would be of interest to all.

It was suggested that the arms control legacy, which began by developing confidence-building measures



such as strategic dialogues, risk reduction arrangements and codes of conduct far below the treaty threshold, could offer lessons for moving forward. Norms and parameters developed through this process could be integrated into existing international legal frameworks and structures, such as the laws of armed conflict. A note of skepticism was sounded, however, about an approach involving only like-minded countries. Antagonists and those that did not directly control the architecture of the Internet, as well as commercial interests, would have to be brought into the picture.

The cybersecurity field is wide open for potential research initiatives. These include: the degree to which the new technology and cyber environment can be integrated into existing international legal frameworks and structures; how cyber attacks are to be interpreted in light of existing laws of armed conflict; how cyber activity should be integrated into existing international human rights law; the best means to foster effective international cooperation to combat cybercrime/terrorism; and the potential to preclude cyberwarfare through preventive diplomacy.

TRANSNATIONAL ORGANIZED CRIME

The global threat posed by transnational organized crime is not being addressed at a global level. Drug trafficking and related violence are currently threatening the stability of Mexico and several Central American countries, but every member of the G20 is affected by the threat. A G20 initiative by Mexico could draw global attention to the problem and initiate efforts to better understand its extent, the actors involved, how different entities deal with it and how governments might better collaborate to combat it. There is no other global forum and the G20 has already initiated work on some related aspects — money laundering and corruption, without expanding its agenda beyond economics.

Research into the entire range of issues involved in the phenomenon of organized crime is lacking. There is work being done on some of the individual components (money laundering, narcotics, slavery and kidnapping) but not on looking at the phenomenon of organized crime from a holistic point of view, encompassing the applicable international legal framework, national experiences in dealing with organized crime, the medical (public health), sociological

and legal aspects of the fight against drug consumption. (Andrés Rozental)

“RESPONSIBILITY TO PROTECT” (HUMAN RIGHTS AND STATE SOVEREIGNTY)

In December 2001, the report of the International Commission on Intervention and State Sovereignty launched the R2P concept as a way to reconcile human rights and state sovereignty. The UN General Assembly adopted the report in 2005 and the doctrine debuted with UN Security Council resolutions on Côte d’Ivoire and Libya in 2011. During these debates, the debates on the implementation of the Libyan resolution and the vote on Syria, tensions erupted among the major powers on interpreting the R2P norms and their implementation.

Although the norms are defined, systematic discussion now needs to take place towards a deeper understanding on interpreting the norms and how to implement them. The Security Council cannot be the venue, unless it is reformed, because not all the powers are at the table. While the G20 may not be a suitable forum, the members of the G20 need to consider how to frame this dialogue to diminish future tensions. There is also a role for a Track 2 network of think tanks and research institutions to substantively debate the issue, engaging think tanks in Brazil, China and India in the discussion.

ADDITIONAL GAPS AND CONSIDERATIONS

One participant argued that the primary challenge in international governance is overlapping mandates rather than gaps in governance. For example, the IMF, FSB and the WTO each has some responsibility related to global finance. The specialized UN agencies in agriculture, health and the environment each has functional responsibility in its respective field of operation, but the international financial institutions have the financial resources.

Both sets of institutions might legitimately claim to have mandates in these areas, and they possess different competencies. But absent a strong coordinating mechanism between them, overlapping mandates lead to ineffective solutions. The one area where there is a genuine gap in mandate and resources is the nexus of issues around intellectual property and technology

transfer, at the heart of the breakdown in any meaningful dialogue over a range of issues related to, for example, climate change, the environment and health.

A second area where a gap exists is in dealing with fragile states in all their dimensions — security, humanitarian, development and finance. Here, though, it might equally be argued that overlapping mandates abound, with every international organization having a division dealing with fragile states. But the overlap is so widespread, and the manner in which fragile states are treated is so light in most cases, that effectively there is a gap. (Rohinton Medhora)

Fragile states tend to be neglected in international considerations until the problems become acute. These countries need more resources and ideas, not fewer, but the opposite occurs: an example of the conflict between the urgent and important.

Another oft-overlooked issue is urbanization. For example, Africa will be 50 percent urbanized soon. Although urbanization is primarily a matter for local and national levels, it is connected to, or has ramifications for, many global governance issues.

In one participant's view, the modernization of global governance is a more pressing concern than gap issues, though the latter do matter. One example is representation on the UN Security Council, which does not reflect contemporary power realities. A solution might be a new category of membership that would allow member states to run consecutively and for five-year terms. Those that could persuade the general membership they were worthy of election would be able to sit almost permanently on the Council.

A common theme in many of the discussions, ranging from finance to security, was the insufficiency of compliance mechanisms to ensure that governments are accountable for implementing their international commitments — an “accountability deficit.” For governments to be held to their commitments, improved accountability mechanisms are necessary. Although better accountability mechanisms do not guarantee compliance with obligations, they encourage improved performance through peer pressure and scrutiny from civil society. Research could look at various accountability mechanisms that have been adopted

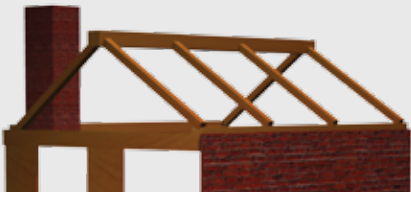
in the international sphere, in terms of understanding which ones are effective and the obstacles they face.

Accountability is also a problem within international organizations. There is little data on the achievement of goals or the performance of management. Much is left open to subjective judgment. More work should be done on institutional effectiveness and evaluation. It was also suggested that when leaders create new institutions, researchers are consulted on institutional design, accountability and effectiveness.

It was suggested that accountability for past decisions would likely remain a problem for the G20, and that a network of think tanks could have both the necessary isolation from political forces and the requisite respect to serve a monitoring and evaluative function.

The point was made that when talking about gaps in international governance, the emerging economies need to be accommodated to a greater extent in international fora and institutions, and given more responsible roles to play. The WTO, for example, had only two categories of membership — developed and developing countries — whereas China, India and Brazil are currently the most significant players. The UN Security Council was another example where emerging economies could be playing a more responsible role. Sometimes, the emerging economies themselves had to step up. For instance, Brazil was inactive and China not a member of the IOM. The more middle and rising powers are brought into discussions and research on global governance, the better for everyone. There is also a need for indices and rankings on the contribution of countries to global public goods.

In terms of emerging states engaging constructively in global governance, a current weakness is the low level of domestic political support due to the lack of interest among elites and weak civil society participation. National media and politicians pay more attention to bilateral or regional issues, with the result that officials who dominate global policy making often make important decisions without public notice or accountability. Political leaders need the support of a growing domestic base for global governance policies. One participant wondered how there can be a lasting solution to climate change in the absence of a strong environmental movement in emerging markets. There is a role here, perhaps, for social media and new technologies in promoting public engagement with global governance policy development.



Another participant remarked that domestic constraints exist even in major states when it comes to engaging in some global governance processes, citing, for example, quasi-regulatory processes such as the International Organization for Standardization's standard-setting and implementation of G20 efforts to set financial standards or cut energy subsidies. One should not neglect questions of agency and focus excessively on intergovernmental levels and structures.

Many participants recognized the challenge of identifying and managing the horizontal and vertical interconnections of issues, as well as the interventions and actions required to deal with them. There was an abiding concern over the coordination of efforts, but no easy answers.

Because global issues are increasingly multi-sectoral, it was suggested that an issues-based approach to problem solving, rather than an institutional gap-based approach is likely to be more successful. A related point was made that there is very little cross-disciplinary or cross-issue understanding of the functions that the global governance architecture is supposed to serve, in contrast to the amount of time spent discussing the form of the institutional architecture.

THE ROLE OF THE G20 LEADERS' PROCESS

Discussion on the role and potential of the G20 leaders' process occurred at several points during the conference. One participant described the G20 as potentially the most significant innovation in international relations since 1945. For it to achieve its potential, however, it needed to be not only a financial crisis committee but an effective steering committee for improved global governance.

One point of discussion was whether the G20 should expand its agenda to include international security matters. The G20 at the leaders' level emerged from the global financial crisis and necessarily focused on managing the consequences of that crisis and on long-term economic questions. It must now deliver on its financial and economic commitments and implement a credible reporting and accountability process. While economic issues must remain the G20's top priority, many participants felt there was room to add non-economic topics of interest to all the leaders. It was noted that the G20 leaders stated their concern with both rule of law and terrorism in the statement they issued

after their first summit in Washington in November 2008; global challenges were complex and issues interconnected, and it was only a matter of time before the agenda would expand. Resistance to discussing security matters comes mainly from finance ministers. Participants suggested that climate change, arms control and the multilateral trade system are among the topics the leaders may wish to consider in the future. The subject of their interest at summits would also be driven by the hot-button issues of the day.

China's attitude towards an expanded agenda that would include security issues was unknown. But China had long opposed a discussion of economic rebalancing, and now that item was on the table.

There was consensus that the primary role of the G20 is to identify problems and call for institutional arrangements or actions to deal with the problem; in addition, the G20 could initiate work on new issues, such as transnational crime and cybersecurity, in the absence of an institutional framework or mechanism to deal with them (the transparency of military expenditures was another suggestion). It could also address crosscutting issues such as climate change that transcend international organization boundaries. In one broadly accepted view, existing institutions and arrangements are mostly deadlocked in the attempt to solve some of the outstanding global issues; the G20's limited composition and high-level representation could be a way to break through the logjams.

Another participant cautioned, however, that for the G20 to stretch much beyond the role of a troubleshooter for global problems that are more properly dealt with in treaty organizations like the UN, IMF and World Bank, facilitating progress in these institutions would "bump up against those who are excluded from the G20 and feel it lacks legitimacy to be a global senate."

It was pointed out that the G20 leaders have a variety of options available to them for dealing with such matters. They could launch consideration of an issue without necessarily agreeing on a specific output; call attention to a problem and encourage others to work on it; establish a research agenda and provide terms of reference to outside groups to study it; delegate an issue to a task force; create a working group to delve into an issue; or set up a responsibility centre and arrange for monitoring. Whatever option is taken, the G20 should clearly specify that results are expected and there should be a process for reporting back. There should also be a compelling argument for asking the leaders

to address a particular topic; the fact that an issue is important or that progress on it is lacking is, in itself, insufficient: What is the take-away being asked of the leaders? What would they contribute?

There was consensus among conference participants that it would be helpful for the G20 to have longer summits. The current practice of less than a full day (16 hours) of discussion is not enough and leaves no time for unscheduled discussions. Participants identified a disconnection between the seriousness of the issues under discussion and the time allocated for discussing them. It was noted that meetings of the Commonwealth heads of government, held every two years, typically went on for four or five days, and the leaders stayed for most of them. Two full days was suggested as a good target for G20 leaders' meetings.

The leaders' meetings should also be more informal to allow for the development of empathy and understanding; empathy is essential for understanding others' views and exploring compromise. For this reason, Sherpas should be seated back from the leaders and there should be fewer people in the room. The nature of the meeting should be a discussion among leaders. High-quality simultaneous translation is essential.

One participant underlined the fact that there can be profound differences in different countries' positions and in leaders' understanding of issues; "unless the financial markets are burning" it is usually necessary to work through massive complexity before solutions to problems can be found, and it is then necessary to wait for the right moment to solidify a consensus. In addition to empathy, more attention needs to be paid to different positions on issues.

Participants emphasized the importance of presenting the summit themes in ways that are meaningful to the broader public, who typically feel removed from the G20 process. "Branding" the summit was recommended to Mexico — something like "Jobs and Growth" or "Jobs and Inclusion" (the latter due to the fact that in many developing countries a significant part of the population obtains its livelihood from self-employment and the informal sector, rather than waged jobs).

Several participants suggested that there is scope for increased middle power cooperation in the G20. By working more closely together, middle powers such as Australia, Canada, Mexico and South Korea can help ensure the success of the G20 and influence the policies of the larger powers. Research could be conducted on

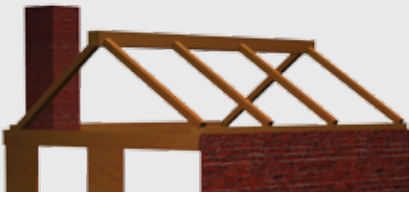
the best means of undertaking this cooperation. Middle powers can play a potentially constructive role in finding common ground on polarized positions.

Another participant noted the absence of any discussion about a relationship between the G20 and existing or new regional organizations, particularly in Asia, which are playing an important part in implementing norms developed at the international level.

It was remarked that the failure to solve problems at a global level often results in suboptimal arrangements such as regional and bilateral agreements that require more management and add to the complexity. If arrangements to combat climate change falter at the global level, other problems ensue for which it is difficult to envisage global governance arrangements — water issues and migration triggered by the onset of climate change were cited as examples. Leaders and their advisers are encouraged to exercise bold leadership at a global level rather than playing it safe.

Participants suggested that a mechanism could be created, if not through a strengthened G20 Secretariat with research functions, then through a lighter system that pulls together research from outside sources and provides an information base and assessment of options for the leaders' agenda and discussions. Key questions for a think tank research network to consider would include: What issues will likely need to be at the top of the agenda in two to three years time? What preparation needs to be done now so that those issues can be usefully addressed? How can those issues be better linked now to facilitate greater cooperation later?

Academic and think tank research could seek to identify new mechanisms to improve cross-issue linkage and coordination, specifically by: creating informal, track 1.5 networks of both academics and government officials that cross issue divides, for example, environment and economics; seeking to identify potential cross-issue bargains that have not been recognized or explored within formal summitry; seeking to identify pressure points to encourage governmental compliance with decisions reached or agreements brokered within international fora and to highlight deficiencies in compliance where they exist; and examining (perhaps empirically) the formats,



structures and inputs that allow the greatest level of cooperation and agreement for leader-level meetings. (William Burke-White)

RESEARCH PERSPECTIVES AND IDEAS

As documented in the preceding pages, CIGI '11 has resulted in a large number of possible research ideas that can be carried out by think tanks supporting the G20 process. This report contains a selection of those ideas.

One participant crystallized what could be part of a think tank research network's mission:

Study success. Figure out what has worked, and why it has worked. Study any reforms that have actually been implemented and served to improve the effectiveness of the international organization — and why. Work out practical mechanisms to increase the effectiveness of existing organizations. (Margaret Catley-Carlson)

It was noted that there are several possible approaches to conducting collaborative research. A network of researchers in different think tanks can work on a given issue or research question, and the results can then be brought together under the umbrella of the collaborative network. A second approach is to establish a division of labour between think tanks based on specialization and comparative advantage; rather than inter-country collaboration, each research centre would do what it does best. The results from research advances within specific fields could then be brought together by the network hub to generate "synergies, complementarities and greater yields across sectors and domains than if they had remained isolated."

Yet another model, described by its proponent as "code sharing," would see research organizations attack a common problem from different points of view, with the potential to produce competing or complementary proposals. A code-sharing research candidate might be studying the institutional mechanisms for addressing climate in a bottom-up world. The question could be framed as: "The search for plan B in the absence of a binding climate treaty."

Several participants argued that a fundamental task for think tanks should be to abstract from the issues at hand and consider theories. Academic specialists are developing sets of theories about systems and complexities that are essential to understanding interrelated global issues. Policy makers, meanwhile, are struggling to understand how to manage problems that are inherently related to each other, and how they can be addressed. (Singapore was cited as an important locus of this activity.) Think tanks can help bridge the gap between people thinking in broad theoretical terms and those faced with managing the issues. Also needed are executive training and degree programs that can translate these complex frameworks into curriculum in the different issue-areas.

CIGI and partner think tanks are able to engage with officials who are in positions of authority at national or international levels. Participants suggested that in addition to attempting to influence decision makers via policy research of the traditional kind, the think tank network should reach out to and engage with civil society in order to benefit from a range of perspectives and to use the new channels of social media to extend the network's influence. Although discussions in social media are unorganized and non-hierarchical, these are the discussions that can lead to political pressure on governments. Thus, a think tank network should operate bottom-up (social media) as well as top-down (summits).

Summitry provides an opportunity for university academics and think tank specialists to get together to discuss their research and develop joint research initiatives. Collaborations of many kinds take place around both the BRICS (Brazil, Russia, India, China, South Africa) and the IBSA (India, Brazil, South Africa) summits. While the G20 is on a larger scale, similar sorts of activity could be organized on G20 themes and problems. Initiatives like these can remedy the deficit in knowledge and capacity faced by researchers in the global South. Institutions in the host country take the lead in arranging these meetings.

CONCLUSION

The CIGI '11 conference contributed to an improved understanding of the gaps and shortcomings in the system of international governance and of possible means of addressing these deficiencies. The research ideas generated by the participants, a selection of which are highlighted in this report, will be considered for the next stage in the development of the proposed

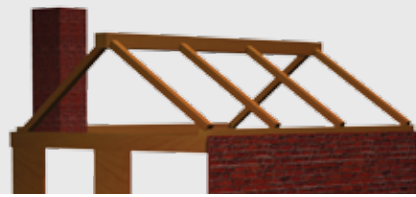
think tank network. The meeting also succeeded in communicating many useful suggestions for the Mexican and future presidencies of the G20.

At the end of the three-day event, former Canadian Prime Minister Paul Martin spoke of the potential contribution of think tanks in supporting G20 policy development. Extensive work is needed, Martin said, before consensus can be reached on major international issues, due to the different starting points and different cultures, histories, and political and economic systems of countries. A think tank network reaching across cultural and political boundaries can help prepare issues for handling by officials and their leaders, thereby facilitating consensus decision making. Heads of government, he said, have neither the time nor capacity to think about major global, political, social and environmental problems, and this is an essential role that CIGI and other think tanks can perform. In closing, Martin declared: “Let leaders focus and let think tanks lead.”

POSTSCRIPT

In 2012, CIGI continues to engage with the international think tank community, supporting G20 policy development and exploring issues that flowed from the discussions. At the invitation of the Mexican presidency of the G20, a group of research institutions, led by CIGI, organized a “Think-20” meeting in Mexico City on February 27-28, 2012. Hosted by the Mexican Council on Foreign Relations (COMEXI), the meeting provided ideas and recommendations from an international gathering of representatives of think tanks and research institutions to the Mexican G20 Sherpa, Ambassador Aranda.¹³ Building on the success of the CIGI ‘11 conference, the Korea Development Institute hosted a Global Acupuncture Points conference with CIGI in Seoul on June 14-15, 2012, focusing on energy, food security and development governance gaps. The CIGI ‘12 conference, *Five Years after the Fall: The Governance Legacies of the Global Financial Crisis*, to be held in Waterloo, Canada on November 9–11, 2012, will focus on the legacy of the global financial crisis through discussions aimed at “finishing the house,” by identifying concrete policy recommendations that can begin to close the governance gaps revealed by the financial crisis.

¹³ The Think-20 Report to Sherpas and individual Briefing Memos prepared by Think-20 participants are available on the CIGI website at: www.cigionline.org/events/think20-consultation-mexican-g20-sherpa-team.



AGENDA

Unless otherwise noted, all sessions will take place at CIGI, 57 Erb Street West, Waterloo, ON.

FRIDAY, OCTOBER 28, 2011

Atrium

17:30 Registration and Reception

Seagram Room

18:00 Dinner

CIGI Auditorium

19:30 An Unfinished House — Governance Blueprints from Global Leaders

Public panel with Ernesto Zedillo Ponce de León, Former President of Mexico; Director, Yale Center for the Study of Globalization and Paul Martin, Former Prime Minister of Canada

Moderator: Chrystia Freeland, Editor, Thomson Reuters Digital

SATURDAY, OCTOBER 29, 2011

Atrium

9:00 Conference Opening

Introduction: Paul Martin, Former Prime Minister of Canada

Charge: Lourdes Aranda, Deputy Foreign Minister, G20 Sherpa, Mexico

9:20 Global Economy

Chair: Thomas A. Bernes, Executive Director, CIGI

Panel:

1. **Amar Bhattacharya**, Director, G24 Secretariat
2. **Paola Subacchi**, Research Director, International Economics, Chatham House
3. **Mark Thirlwell**, Director, International Economy Program, Lowy Institute for International Policy
4. **Jacques Mistral**, Director of Economic Studies, Institut Français des Relations Internationales
5. **Ouassama Himani**, Independent Consultant

6. **Changyong Rhee**, Chief Economist, Economics and Research Department, Asian Development Bank

10:50 Break

11:00 Energy and Environment

Chair: Barry Carin, Senior Fellow, CIGI

Panel:

1. **Colin Bradford**, Senior Fellow, CIGI; Nonresident Senior Fellow, The Brookings Institution
2. **Ged Davis**, Co-president of the Global Energy Assessment
3. **Adil Najam**, Vice Chancellor, Lahore University of Management and Sciences
4. **Ann Florini**, Visiting Professor, Singapore Management University; Senior Fellow, The Brookings Institution
5. **Diana Tussie**, Director, The Latin American School of Social Science; International Board of Governors, CIGI
6. **David Runnalls**, Distinguished Fellow, CIGI and Acting Director, Environment and Energy

Seagram Room

12:30 Lunch and Keynote Address

Edward A. Parson, Joseph L. Sax Collegiate Professor of Law and Professor of Natural Resources and Environment at the University of Michigan

Atrium

14:00 Development/Food Security

Chair: Maureen O'Neil, Operating Board of Directors and IBG, CIGI; President and CEO, Canadian Health Services Research Foundation

Panel:

1. **Jennifer Clapp**, CIGI Chair; Professor, Environment and Resource Studies, University of Waterloo
2. **Gerardo della Paolera**, President, Global Development Network
3. **Francisco Sagasti**, Senior Researcher, FORO Nacional Internacional
4. **Keith Bezanson**, Private Consultant

5. **William Burke-White**, Deputy Dean and Professor of Law, University of Pennsylvania Law School
6. **Lawrence MacDonald**, Vice President Communications and Policy Outreach Center for Global Development
7. **Lourdes Aranda**, Deputy Foreign Minister, G20 Sherpa, Mexico

15:30 Break

15:45 Global Security

Chair: Paul Heinbecker, Distinguished Fellow, CIGI

Panel:

1. **Bruce Jones**, Director, NYU Center for International Cooperation
2. **Thorsten Benner**, Co-Founder and Associate Director, Global Public Policy Institute
3. **Paul Meyer**, Fellow in International Security, Centre for Dialogue; Senior Fellow, Simons Foundation, Simon Fraser University
4. **Trevor Findlay**, Senior Fellow, CIGI
5. **Jongryn Mo**, Professor of International Political Economy, Yonsei University
6. **David Shorr**, Program Officer, The Stanley Foundation

17:15 Shuttle Departs from CIGI to Langdon Hall

Langdon Hall, Cambridge, Ontario

Carolinian Room

19:00 Cocktail Reception

Orchard Room

19:30 Dinner and Keynote Address

Mark Malloch-Brown, Chairman of Europe, Middle East and Africa, FTI Consulting

SUNDAY, OCTOBER 30, 2011

Atrium

9:00 Other Issues and Trans Sector Coordination

Chair: David B. Dewitt, Vice President of Programs, CIGI

Panel:

1. **Sue Horton**, CIGI Chair; Professor, University of Waterloo
2. **Kathleen Newland**, Director of Migrants, Migration, and Development and Refugee Protection Programs, and Member of the Board of Trustees, Migration Policy Institute
3. **Margaret Catley-Carlson**, WEF Water Security Agenda Council: UN Secgen Advisory Board on Water
4. **Debra Steger**, Senior Fellow, CIGI; Professor, Faculty of Law, University of Ottawa
5. **Shinichi Kitajima**, Senior Associate Fellow of the Japan Institute of International Affairs

10:30 Break

10:45 2012: Where Do We Go From Here

Chair: Andrés Rozental, Operating Board of Directors and International Board of Governors, CIGI; Eminent Ambassador of Mexico

Panel:

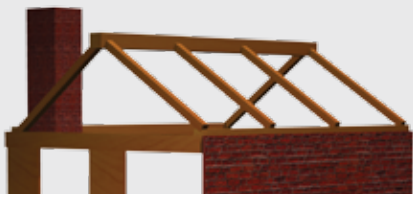
1. **Stewart Patrick**, Senior Fellow and Director, Council on Foreign Relations
2. **Gordon Smith**, Distinguished Fellow, CIGI
3. **Simon Maxwell**, Senior Research Associate, Overseas Development Institute
4. **Rohinton Medhora**, International Board of Governors, CIGI; Vice President, Programs, IDRC
5. **Changyong Rhee**, Chief Economist, Economics and Research Department, Asian Development Bank
6. **Mark Malloch-Brown**, Chairman of Europe, Middle East and Africa, FTI Consulting

12:45 Conclusion

Paul Martin, Former Prime Minister of Canada

Seagram Room

13:00 Lunch



PARTICIPANT LIST

Lourdes Aranda, Deputy Foreign Minister, G20 Sherpa, Mexico

Thorsten Benner, Co-Founder and Associate Director, Global Public Policy Institute

Thomas A. Bernes, Executive Director, CIGI

Keith Bezanson, Private Consultant

Amar Bhattacharya, Director, G24 Secretariat

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Ernesto Zedillo Ponce de León, Former President of Mexico; Director, Yale Center for the Study of Globalization

ABOUT THE AUTHORS

MAX BREM

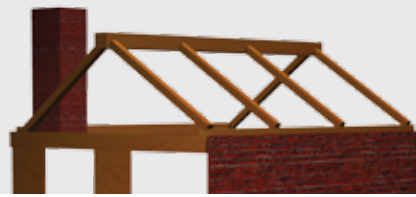
Max Brem is CIGI's senior publications adviser and former head of CIGI publications and communications. He has had considerable experience working with think tanks to develop policy-oriented reports and strategies targeted to decision makers in industry, government, media, the research community and universities. He has held director-level positions at CIGI, The North-South Institute, York University's Faculty of Environmental Studies and Imagine Canada (formerly the Canadian Centre for Philanthropy).

He has also had substantial experience as a consultant, undertaking numerous policy and programming studies and specialized reports for the Canadian International Development Agency, several federal departments and international organizations in the fields of development and humanitarian affairs. He has worked extensively abroad as a journalist, reporting on political and economic issues. He is currently also affiliated with York University's Centre for Asian Research. Brem holds an M.A. in political economy from the New School for Social Research, New York. He established an international development journalism program and taught for five years at Ryerson Polytechnical Institute in Toronto.

DEANNE LEIFSO

Deanne Leifso joined CIGI as a Balsillie Fellow in 2006 and currently works as the project officer for CIGI's G20 working group. She is the author of several CIGI commentaries on the G20 and the CIGI conference report, *Challenges and Opportunities for the French Presidency: The G20 — 2011 and Beyond*. Her research interests include: international political economy, American foreign policy, diplomatic norms and practices, and the links between domestic institutions and international policy coordination.

She completed her M.A. in political science from the University of Waterloo in 2007. She graduated from Dalhousie University in 2006 with a B.A. (Honours) in political science.



CIGI G20 RESOURCES

G20 PAPER SERIES

G7 to G8 to G20: Evolution in Global Governance
Gordon S. Smith, CIGI G20 Paper No. 6 (May 2011).

The Future of the G20 and Its Place in Global Governance
Paul Heinbecker, CIGI G20 Paper No. 5 (April 2011).

The G20 Framework for Strong, Sustainable and Balanced Growth: A Study in Credible Cooperation
Daniel Schwanen, CIGI G20 Paper No. 4 (June 2010).

The G20 and the Post-Crisis Economic Order
Andrew F. Cooper and Colin I. Bradford Jr., CIGI G20 Paper No. 3 (June 2010).

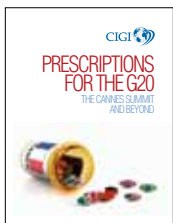
Making the G20 Summit Process Work: Some Proposals for Improving Effectiveness and Legitimacy
Barry Carin, Paul Heinbecker, Gordon Smith and Ramesh Thakur, CIGI G20 Paper No. 2 (June 2010).

The Financial Stability Board and International Standards
Eric Helleiner, CIGI G20 Paper No. 1 (June 2010).

SPECIAL REPORTS



Perspectives on the G20: Los Cabos and Beyond Manmohan Agarwal, Thomas A. Bernes, Colin Bradford, Barry Carin, Jennifer Clapp, James A. Haley, Eric Helleiner, Kathryn Hochstetler, Paul Jenkins, Bessma Momani, Daniel Schwanen, Pierre Siklos and Gordon Smith, CIGI Special Report (June 2012).



Prescriptions for the G20: The Cannes Summit and Beyond
Thomas A. Bernes, Colin Bradford, Barry Carin, Gregory Chin, Jennifer Clapp, Andrew Cooper, John M. Curtis, Eric Helleiner, Paul Jenkins, Deanne Leifso, Daniel Schwanen and Gordon Smith, CIGI Special Report (October 2011).



Preventing Crises and Promoting Economic Growth: A Framework for International Policy Cooperation
Paola Subacchi and Paul Jenkins, Joint CIGI and Chatham House Report (April 2011).



The G20 Agenda and Process: Analysis and Insight by CIGI Experts
Compiled and with an introduction by Max Brem, CIGI Special Report (March 2011).



Challenges and Opportunities for the French Presidency: The G20 — 2011 and Beyond
Colin Bradford, Barry Carin, Paul Jenkins, Deanne Leifso and Gordon Smith, CIGI-IFRI Conference Report (March 2011).

NATIONAL PERSPECTIVES ON GLOBAL LEADERSHIP SOUNDING SERIES

The National Perspectives on Global Leadership (NPGL) project is a collaborative effort between CIGI and The Brookings Institution's Global Economy and Development program, and seeks to advance the idea of a "global steering committee" by fostering ongoing dialogue and relationship-building between the actors that drive the G20 and the G20 emerging market economies.

The purpose of NPGL's research is to assess the degree to which a broader summit grouping can restore the public's confidence in the capacity of national leaders acting together to take public responsibility for economic outcomes.

www.cigionline.org/npgl

ONLINE RESOURCES

G20 website: www.cigionline.org/g20

Summit Speak Blog: www.cigionline.org/publications/blogs/summitspeak

G20 Twitter Feed: twitter.com/cigionline

ABOUT CIGI

The Centre for International Governance Innovation is an independent, non-partisan think tank on international governance. Led by experienced practitioners and distinguished academics, CIGI supports research, forms networks, advances policy debate and generates ideas for multilateral governance improvements. Conducting an active agenda of research, events and publications, CIGI's interdisciplinary work includes collaboration with policy, business and academic communities around the world.

CIGI's research programs focus on four themes: the global economy; environment and energy; global development; and global security.

CIGI was founded in 2001 by Jim Balsillie, then co-CEO of Research In Motion, and collaborates with and gratefully acknowledges support from a number of strategic partners, in particular the Government of Canada and the Government of Ontario.

Le CIGI a été fondé en 2001 par Jim Balsillie, qui était alors co-chef de la direction de Research In Motion. Il collabore avec de nombreux partenaires stratégiques et exprime sa reconnaissance du soutien reçu de ceux-ci, notamment de l'appui reçu du gouvernement du Canada et de celui du gouvernement de l'Ontario.

For more information, please visit www.cigionline.org.

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Managing Editor, Publications	Carol Bonnett
Senior Publications Adviser	Max Brem
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G20 WORKING GROUP

Project Officer	Deanne Leifso
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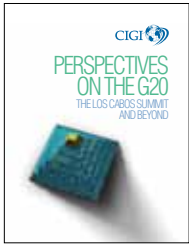
COMMUNICATIONS

Communications Specialist	Declan Kelly	dkelly@cigionline.org (1 519 885 2444 x 7356)
Public Affairs Coordinator	Kelly Lorimer	klorimer@cigionline.org (1 519 885 2444 x 7265)

EXECUTIVE

President	Rohinton Medhora
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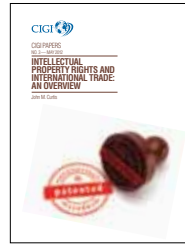
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PERSPECTIVES ON THE G20: THE LOS CABOS SUMMIT AND BEYOND

CIGI Experts

CIGI experts present their policy analysis and perspectives on the most critical issues facing the G20 at Los Cabos, such as strengthening the architecture of the global financial system, food security, climate change, green growth, global imbalances, and employment and growth.



INTELLECTUAL PROPERTY RIGHTS AND INTERNATIONAL TRADE: AN OVERVIEW

John M. Curtis

This paper examines extraordinary changes in intellectual property law and policy over the last 20 years, many as the result of their intersection with international trade and numerous international trade agreements brought into force during this period.



FISCAL ASYMMETRIES AND THE SURVIVAL OF THE EURO ZONE

Paul R. Masson

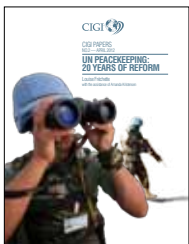
The independence of the ECB is under attack, having been led to acquire large amounts of government debt of the weaker euro-zone members. This paper presents a model of a dependent central bank that internalizes the government's budget constraint.



POST-2015 GOALS, TARGETS AND INDICATORS

Barry Carin and Nicole Bates-Eamer

The UN MDGs have been remarkably successful in mobilizing resources to address the major gaps in human development, but future goals must reach beyond traditional development thinking. This conference report discusses possible indicators for 12 potential post-2015 successor goals.



UN PEACEKEEPING: 20 YEARS OF REFORM

Louise Fréchette

with the assistance of Amanda Kristensen

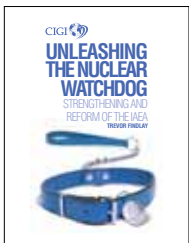
The end of the Cold War opened a new chapter in UN peacekeeping. This paper reviews key reforms implemented by the UN, concluding that real progress has been achieved. Serious weaknesses remain, however, and the UN must make every effort to continue to improve its performance.



CIGI POLICY BRIEF NO. 22 THIS TIME IS NOT DIFFERENT: BLAMING SHORT SELLERS

Pierre Siklos

This brief provides a history of short selling and its critics, and considers the question of whether a "herd-like mentality" exists during financial crises.



UNLEASHING THE NUCLEAR WATCHDOG: STRENGTHENING AND REFORM OF THE IAEA

Trevor Findlay

Since its establishment in 1957, the IAEA has evolved deftly, and today, fulfills irreplaceable functions in the areas of nuclear safeguards, safety and the promotion of peaceful uses of nuclear energy. Based on more than two years of research, this paper concludes that while the IAEA does not need dramatic overhaul, it does need strengthening and reform.



CIGI POLICY BRIEF NO. 23 UNLEASHING THE NUCLEAR WATCHDOG: STRENGTHENING AND REFORM OF THE IAEA

Trevor Findlay

Stripped of qualifiers and diplomatic niceties, this brief provides an overview of the IAEA and presents major recommendations for its strengthening and reform.

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THE CENTRE FOR INTERNATIONAL
GOVERNANCE INNOVATION
57 ERB STREET WEST
WATERLOO, ONTARIO, CANADA N2L 6C2
TEL: 519.885.2444 FAX: 519.885.5450
WWW.CIGIONLINE.ORG

