FROM POVERTY TO POWER **BACKGROUND PAPER**

Oxfam

Global Governance

Sarah Mulley

'Global governance' refers to 'government-like' activities in the international system. It is performed by a panoply of constantly-changing institutions, including international law, international and regional organisations, and NGOs. Political theory disagrees on the extent to which global governance systems can support co-operation or prioritise the interests of the weak over the powerful. Reviewing the performance of various global governance institutions from a pro-poor perspective, the author considers that, although certain institutions have made pro-poor achievements, the current system of global governance delivers its functions inconsistently, and serves the interests of wealthy states more often than those of the poor. The paper concludes by envisaging several alternative scenarios for the future of global governance. Whilst the sovereign state system continues to make many collective action problems appear intractable, certain trends, such as the establishment of the ICC, and the increasing influence of some developing countries in global institutions, give cause for cautious optimism.

This background paper was written as a contribution to the development of *From Poverty to Power: How Active Citizens and Effective States Can Change the World*, Oxfam International 2008. It is published in order to share widely the results of commissioned research and programme experience. The views it expresses are those of the author and do not necessarily reflect those of Oxfam International or its affiliate organisations.

1. Introduction

It is clear that the lives of poor people are significantly affected not just by the states in which they live, but by a complex web of international institutions and rules. It is also clear that these institutions and rules are not unchangeable natural phenomena – they have been constructed over time, and can be changed. These international structures are often discussed under the rubric of 'global governance'. This paper sets out to explain how the current system affects poverty and how it might be changed to deliver improvements for poor people.

This section introduces global governance, both as a concept and as a feature of the contemporary international system. Section two provides a very brief history of global governance, and discusses drivers of change. Section three proposes six potential functions of global governance for poverty reduction: providing an international rule of law, regulating the global economy, international redistribution, providing a safety net for the most vulnerable people, changing states from the outside, and providing accountability to poor people. It also discusses the extent to which contemporary global governance delivers these functions. Section four suggests scenarios for the future, and draws tentative conclusions about the potential for change.

1.1 What do we mean by 'global governance'?

'Global governance' is an ill-defined term. Although it has become widely used in academic and policy literature, it is often unclear what is included in its scope. The term is used with reference to formal international institutions, international norms and ideas, transnational business, even international crime. It has been observed that 'global governance appears to be virtually anything.'[1]

Such broad conceptions of global governance are clearly not useful. It seems clear that *global* governance is an international version of a concept more easily understood within the nation-state: 'Global governance is governing, without sovereign authority, relationships that transcend national frontiers. Global governance is doing internationally what governments do at home.'[2]

And yet, 'governance' is a broader concept than 'government'. The Commission on Global Governance defined governance as 'the sum of the many ways individuals and institutions, public and private, manage their common affairs. It is the continuing process through which conflicting or diverse interests may be accommodated and cooperative action taken.'[3]

In fact, 'governance' is usually used to apply to situations *without* government, or without credible and complete government.[4] In the international realm, we can think of governance as being concerned with 'government-like behaviour' in the absence of world government or 'what world government we actually have.'[5] So, global governance refers to functions in the international system which we would normally associate with government (rather than the free market). Such functions might include the establishment of a rule of law, regulation of the market and the re-distribution of wealth. When we consider the way in which these functions are delivered at the global level, we need to ask how rules (broadly defined) are made, implemented and enforced.

[1] Finkelstein, L.S. (1995) 'What is global governance? *Global Governance*, Vol 1 Sept-Dec, p. 368
[2] Finkelstein, p. 369
[3] *Our Global Neighborhood: The Report of the Commission on Global Governance* (1995), Oxford University Press, p. 2
[4] It is telling to note that 'governance' is usually applied to the international realm (which has no government), to private companies and NGOs (which are non-governmental) and to developing countries (which are assumed, implicitly, to have no credible government).
[5] Murphy, C. N (2000) 'Global governance: poorly done and poorly understood', *International Affairs*, Volume 76 Issue 4, October, p. 789

The subjects of global governance might be states (e.g. international treaties restrict what individual states can do), private businesses (e.g. TNCs are subject to international environmental regulations), civil society groups (e.g. the role of the ILO and others in the trade union movement) or individuals (e.g. protection of human rights). When we assess the effects of global governance on poverty we must bear in mind the impacts on, and relationships between, these different entities. For example, global governance structures might secure the rights of poor people at the expense of their states' capacity to govern, which will itself have longer-term impacts on poverty.

The Commission on Global Governance definition given above suggested that governance has two broad purposes – accommodating diverse or conflicting interests and taking cooperative action. It is clear that both these purposes may be particularly relevant to the poorest people and groups in any systems – their interests are most likely to be neglected or ignored in a system without effective governance, and they may be most in need of cooperative support.

1.2 What is 'global governance' in practice?

For most people 'global governance' brings to mind formal international institutions like the United Nations (UN), the World Trade Organisation (WTO), the World Bank and the International Monetary Fund (IMF). Some might also think of more specialist institutions like the Bank of International Settlements (BIS) or the International Labour Organisation (ILO). These are bodies with formally agreed decision-making rules, funding and mandates. They have staff, buildings, and websites. They, in many ways, closely resemble the institutions of government we might see in a domestic setting.

But 'global governance' today includes much more than this. We must also consider international treaties and laws (e.g. the Geneva Conventions), informal international decision-making bodies (e.g. the G8), private governance structures (e.g. bond rating agencies), non-governmental organisations (e.g. humanitarian relief agencies) and regional institutions (e.g. the European Union (EU), the New Partnership for Africa's Development (NePAD)).

States are no longer (and probably never were) the only important actors in global governance, and governance at the international level, as at the domestic level, takes place in a wide range of institutions and fora, both formal and informal. We must also remember that some aspects of global governance are almost completely 'invisible'. For example, the international system bestows certain privileges (e.g. sovereign borrowing) on the recognised government of a state, more or less regardless of the nature of that government. This is taken as read in the international system, but is a historical construct which can potentially be reformed, just as more visible rules and institutions can be.

Finally, we should, for the purposes of this paper, remember the dogs that haven't barked. From the perspective of development and poverty reduction, the fact that the current system of global governance leaves some aspects of the international system unregulated and ungoverned is highly significant. For example, there is an increasingly far-reaching set of international institutions (public and private) which support a free and open market for international capital. These institutions include the IMF and private bond rating companies. In contrast, there is no global governance of migration[6] – borders are open to financial flows but not people. This arguably increases the negotiating power of those who control capital (typically the rich), at the expense of labour (typically the poor).

[6] Aside from the UN Convention on Refugees, which is humanitarian rather than economic.

2. Trends and Drivers of Change in Global Governance

2.1 A (very) short history of global governance since 1900[7]

In the first half of the 20th Century, most of the world was carved up into empires. While empire was itself a form of global governance, governance within empires often had more in common with governance within present-day states than the international institutions which are the focus of this paper. There was, however, a range of international institutions in the age of empire which mediated between and linked the great powers. These included the gold standard (which regulated international currency markets), the balance of power (which provided a system of military alliances) and some aspects of international law (e.g. the international enforcement of contracts).

Two world wars tore this international order apart. The inter-war years are often thought of as a failure of global governance, but in fact important pre-cursors to current institutions and systems were developed at this time. The League of Nations, for example, while failing to prevent a second world war, did demonstrate the potential of formal international institutions to resolve international problems such as refugee flows.

After World War II, there was a flurry of institution building at the international level. The fact that the world sought international institutions to both repair the damage of war (e.g. the World Bank) and prevent its recurrence (e.g. the UN) is interesting given the perceived failures of inter-war internationalism. The institutions created ranged from the formal (e.g. the UN) to the less formal (e.g. the GATT). The USA and the other 'great powers' (initially including the USSR) played a key role in their creation.

Very quickly, though, the international system faced radical change. The emergence of the Cold War divided the great powers, and paralysed elements of the international system for decades (e.g. the UN Security Council). Decolonisation also created scores of new countries, which needed to be integrated into the international system. Initially, developing countries were able to gain influence through initiatives such as the Non-Aligned Movement and the New International Economic Order, but this proved short lived as economic shocks and political changes reduced their negotiating power.

The post-war period also saw the emergence of significant regional institutions such as the European Community (EC). The EC (which became the EU in 1994) grew out of specific economic agreements between European member states, and consistently grew in membership and scope from the early 1950s onwards. Other regional institutions such as the Organisation of African Unity (OAU, now replaced by the African Union (AU)) and the Association of South-East Asian Nations (ASEAN) were also formed in this period, with a variety of principle aims (solidarity and anti-colonialism in the case of the OAU and security and anti-communism in the case of ASEAN).

Since the end of the Cold War, the international system has changed yet again. Although the much heralded 'peace dividend' has not materialised, there is a good deal more consensus between the major powers. There is, however, a continuing divide between the rich and the poor in the international system – this is perhaps the most salient division in the system today. The liberal consensus heralded as the 'end of history'[8] has not emerged, in large part because it has not delivered for the poor. A range of new institutions (e.g. the WTO) has been created in the post-Cold War world, but it is not clear how widely the consensus which underpins them extends. Where there is more consensus among states, integration has accelerated (e.g. the EU).

---

[7] For a more detailed history of global governance, see Held, D. and M. Koenig-Archibugi (eds) (2003) *Taming Globalization: Frontiers of Governance*, Polity Press, Chapter 1.
[8] See Fukuyama, F. (1993), *The End of History and the Last Man*, Penguin.

Although 'globalisation' is a highly contested concept, it is undoubtedly the case that in some respects the post-Cold War world is more interconnected than at any point in history. We have seen the rise of international private and social networks, facilitated in part by changes in technology. NGOs have become global players, and we have also seen the emergence of private governance structures (e.g. bond rating agencies).

The history of the last century is not a straightforward story of states gradually giving up more power to international bodies, as often described. The nature of states themselves has radically changed across the period, and states faced considerable international constraints even in the early part of the century. We should also remember that most developing countries as we know them today entered an international system which was established in their absence, and which has, in many cases, dominated their political and economic lives ever since.

2.2 Drivers of change in global governance

The last century has seen a great deal of change in the structures and patterns of global governance. The past 60 years, in particular, have been characterised by the creation of a large number of international institutions, norms and structures. The global governance regime is continually being challenged and changed. What has driven this process of change is a crucial question for scholars of international relations. There are several different schools of thought which emphasise different drivers of change – state interests, international institutions, non-state actors and ideas/norms. There is also debate as to the degree of change which has occurred. Some emphasise the continuities of the international system and downplay the degree to which there has been significant change in the past or could be significant change in the future.

For much of the post-1945 period, the dominant view has been that the interests of (powerful) states define the shape of the international system.[9] In this view, it is only states that can drive changes in global governance, and usually only powerful states. International institutions are created to serve the interests of powerful states, and are only given power insofar as they advance those interests: powerful states will not be constrained by any kind of governance at the international level, and the international realm is therefore assumed to be in a state of anarchy, without any real cooperative behaviour. Subscribers to this view argue that international rules and institutions have no impact on the behaviour of powerful states – at most they are a tool of the strong, which may affect the weak. They also emphasise the continuities of global governance – the balance of power between states and their interests may change, and the tools they use may vary over time, but the basic dynamics of the system are immutable. Institutions of global governance will persist only as long as they serve the interests of the powerful. In this view, the outlook for changes in global governance which favour the poor/powerless is more or less nil, unless as a 'by-product' of the interests of the powerful.[10]

In the post-1945 world, analysis in this vein has, unsurprisingly, focused on the role of the US in creating and shaping international rules and institutions. Particular emphasis has been put on the link between US interests and the creation of major international institutions after World War II. The creation of the IMF and the World Bank are explained as part of a US attempt to maintain its wartime role as an economic hegemon, the birth of the UN as a way for the US to share the burden of acting as the world's 'policeman'. It is certainly the case that US support was essential for the creation of these

[9] This school of thought is usually described as 'Realist'. See for example Gilpin, R. (2002) *The Challenge of Global Capitalism: The World Economy in the 21st Century*, Princeton University Press and Waltz, K. (1979) *Theory of International Politics*, McGraw-Hill. This analysis of the world is also to a large extent shared by some critical scholars (see for example John Pilger, *The New Rulers of the World*) although they start from a very different normative position (judging the system to be oppressive).
[10] Those who support this view also tend to assume that states are purely self-interested – they leave no room for altruistic actions in the international realm. However, some emphasise the role of domestic political processes in defining states' international actions. This leaves open the possibility that a powerful state will act in the interests of a weaker state, or people in a weaker state, if this brings advantages to leaders in the domestic political realm (for example where public opinion is altruistic towards people in other countries).

institutions (the Bretton Woods system of currency exchange, for example, was based on the willingness of the USA to play the role of 'anchor currency'), and it is also true that the US made its support for the institutions conditional on having a veto over many important decisions (via the Security Council in the UN and special majority voting in the Bretton Woods Institutions). So, there is considerable evidence to support the argument that the interests of powerful states act as both drivers of change and constraints on change with respect to global governance.

However, this view of the international system has been challenged in two main ways. First, many argue that international institutions (whether formal or informal) do affect the behaviour of states, even powerful ones.[11] In particular, international institutions can create incentives for cooperative behaviour at the international level. Institutions are also viewed as 'sticky': once created they tend to persist (either because they develop their own interests, or simply due to 'inertia'[12]). This leaves more room for change in the international system – international institutions can lead states to change their behaviour over time. Although this view still sees states as basically self-interested, it provides a more optimistic outlook for systems of global governance which benefit poor people – international institutions can generate cooperative behaviour and can change the behaviour even of powerful states. However, this view leaves room for global governance to benefit poor people only where their interests are consistent with the interests of the powerful, and where effective international institutions exist.

Trade is often given as a case in point for this argument. To simplify, the 'problem' which international trade regimes set out to solve is that states erect barriers to trade which damage not only their own economic prospects but also those of other countries. Economists argue that all could gain from freer trade, but states have rarely been willing to unilaterally reduce trade barriers. Institutions such as the WTO aim to increase the incentives for states to reduce barriers to trade by providing a structure in which concessions in one area can be traded off against gains in another, and in which rules can be agreed and enforced. There is, of course, a debate about the degree to which the WTO has changed the behaviour of powerful states, but the institution has almost certainly permitted agreements which would not otherwise have been made (especially those sought by the larger developing countries and emerging markets). The example of the WTO also highlights the importance of institutional design. The benefit the institution brings to poor people is significantly limited by, for example, the fact that the enforcement of rules is left up to individual countries (via the imposition of sanctions etc), which makes it almost impossible for poor countries to enforce any rulings made in their favour.

Secondly, and perhaps more fundamentally, many argue that the characterisation of the international system as a system of interacting players with fixed interests is misguided.[13] The key to this argument is that interactions in the international system can shape the interests and identities of states (and other actors). Much emphasis is put on the role of international norms and ideas, which are seen to define actors' identities and interests. In this view, international institutions can do more than simply change incentives – they can also change how states see themselves and understand their interests. This view also allows a much more important role for non-state actors in global governance (e.g. by defining new international norms).[14] All this challenges the view that states are narrowly 'self-interested' and opens up the possibility that transnational interests and identities will emerge. This is a view which allows room for fundamental changes in global governance over time, and one which suggests a range of drivers for change – not only power and institutions can change outcomes, but also ideas and norms. This view of the international system is perhaps the most optimistic about the

[11] This school of thought is usually referred to as 'institutionalist'. See for example Keohane, R. (1984) *After Hegemony*, Princeton University Press.
[12] Very few of the international institutions created since 1945 have been disbanded.
[13] This school of thought is usually referred to as 'constructivist' or 'sociological'. See for example Barnett, M, and M. Finnemore (2004) 'Rules for the world: international organizations', *Global Politics*, Cornell University Press.
[14] See for example Keck, M. and K. Sikkink (1998) *Activists Beyond Borders: Advocacy Networks in International Politics*, Cornell University Press.

possibility of pro-poor global governance. It suggests that the powerful may a) develop a concept of their own interests which incorporates the interests of the poor and b) may develop a concept of their own identity (e.g. as 'civilised' liberal states) which includes concern for the poor. It also recognises that the internal features of states can be affected by their interactions with the international system, something which may be particularly significant for developing country states whose interactions with the international system are much more 'thorough' than those of developed country states (see below).

The development of the European Union is often given as the best example of this kind of change in the international system to date. Although the EU affects the incentives of its members, and generates cooperation in this way, it also seems undeniable that some sense of common interest and shared identity has emerged among its member states over time. Another example often given is the origins of the Geneva Conventions. Henry Dunant and the Red Cross were able to successfully make adherence (or at least the appearance of adherence) to these standards part of the identity of 'civilised' states, despite being outside the state system and having no obvious source of leverage over the powerful states of the time.

This is not the place to resolve the differences between these schools of thought, nor is it necessarily useful to synthesise them, but we can make a number of statements about drivers of change in global governance which seem to be supported by the history of the international system:[15]

- International institutions and rules are rarely successfully established when powerful states oppose them (e.g. international climate change regime) and often reflect the interests of powerful states instrumental in their creation (e.g. Bretton Woods governance);
- However, in some cases, international institutions and rules are established which circumvent the opposition of powerful states (e.g. landmine ban). These are usually cases in which benefits can be gained without the participation of powerful states;
- Once institutions and rules exist, even powerful states often play by the rules (e.g. Geneva Conventions) and less powerful states are often compelled to do so (e.g. nuclear non-proliferation);
- Institutions can create cooperation among states to the benefit of all if they are appropriately designed (e.g. international reporting of infectious diseases);
- International institutions often develop considerable independence of the states which create them and can drive change themselves (e.g. World Bank);
- States' interests and identities can change over time as they interact with each other at the international level, and they can develop shared interests and identities (e.g. EU); and
- Non-state actors can have significant impacts on both the creation (e.g. Geneva Conventions) and operation (e.g. World Bank Inspection Panel) of international institutions and rules.

3. Global Governance Today: Helping or Hindering Poverty Reduction?

The discussion above provides a starting point for thinking about drivers of change in global governance, but much of the literature it draws on more or less ignores the place of developing countries, and poor people, in the international system. In order to explore the role of global governance in poverty reduction, it is helpful to think about the different ways in which global governance could support poverty reduction. I suggest six main functions of global governance below, and provide a very brief assessment of how effectively current global governance arrangements perform them.

[15] These statements would all be disputed by significant numbers of scholars/observers, but they seem a pragmatic starting point for an optimistic account of how we might develop a pro-poor system of global governance.

3.1 Creating an international rule of law

Global governance can provide a 'rule of law' (whether formally codified or not) at the international level, which can protect the weak from the strong and provide a stable basis for the development of international institutions. The international 'rule of law' is particularly important for weak states without the material capability to assert their interests. Indeed, it is often argued that many developing country states are sovereign purely because of the status afforded to them by an international rule of law which holds the sovereignty of states to be its basic premise. International laws and standards are also important in the protection of individual rights. While the international human rights regime is obviously incomplete (the Universal Declaration on Human Rights remains unimplemented for a significant proportion of the world's population), some international rules have been effective in securing individual rights (see box 1 below).

Case study 1: Geneva Conventions

The Geneva Conventions were established to limit the actions of states during wartime. Although they were created without the support of powerful states, with a significant role being played by individuals (e.g. Henry Dunant) and non-governmental bodies (e.g. the Red Cross), they have become a recognised aspect of international law, enforced by a range of institutions including the UN War Crimes Tribunals and ratified by 194 states. They are fairly well respected by powerful states (recent breaches in Iraq notwithstanding), and arguably form part of the standard of behaviour now expected of 'civilised' liberal states. This is perhaps demonstrated by the fact that even the most powerful states go to some lengths to demonstrate their compliance, even when this is widely questioned (e.g. recent changes to US laws on interrogation etc). That the Geneva Conventions have been able to secure individual rights in wartime, albeit imperfectly, is all the more surprising given that this is the time when we might least expect states to exercise restraint.

International rules and laws can constrain the powerful, as demonstrated by the record of the Geneva Conventions, but it is also clear that current institutions of global governance provide only an incomplete rule of law at the international level. The international protection of state sovereignty provides a good example. Since 1945 states have generally existed free of the threat of military takeover from other states. However, the degree to which the international rule of law in this area has been defended has depended on the interests of military powerful states (e.g. in 1991 Kuwait's sovereignty was defended, in 1975 East Timor's was not, and in 2003 Iraq's was denied). Some would also argue that the international rule of law has been more effective at protecting states than individuals – it is not clear that, from the point of view of the most vulnerable, state sovereignty defended at the international level is a valuable aspect of global governance (see section 3.4 below).

The real question here is whether the powerful can be constrained by global governance when their core interests are at stake. Thus far, the institutions of global governance have not proved able to do this, in part because they rely on those same states to enforce the international rule of law in many cases.

3.2 Regulating the global economy and providing global public goods

Although economic globalisation is nothing new, the last two decades have seen an accelerating pace of integration in the global economy, partly driven by changes in technology. This has highlighted international spillover effects – economic activity in one country often affects people in another. It has also focused attention on global public goods[16] which are valuable, but not delivered by the

[16] In economics, a public good is a good that is *non-rival*. This means: consumption of the good by one individual does not reduce the amount of the good available for consumption by others (e.g. if I walk under a street light, I do not reduce the amount of light available to others). The term *public good* is often used to refer to goods that are *non-excludable* as well as *non-rival*. This means it is not possible to exclude individuals from the good's consumption (e.g. if small pox is eliminated nobody can be excluded from the good of not getting small pox).

international free market. Within the domestic economy, the government often steps in to regulate the market in the case of spillover effects (e.g. taxing drivers to reflect the social costs of car use) and to provide public goods (e.g. street lighting) but when market failures cross borders, it is often beyond the scope of states (or not in their interests) to act.

Since markets tend to under-represent the interests of the poor (who lack the resources to express their preferences via the market) the correction of market failures and the provision of public goods will often be particularly significant for them. Consider the global market in pharmaceuticals. The market (operating largely under the patent regulations of developed countries, now internationalised via the WTO etc) tends to under-provide drugs for the diseases of poverty, and yet we can conceive of international mechanisms, funded by international donors, to change these incentives through the creation of a new kind of patent law which rewards companies for their contribution to reducing the global disease burden.[17] The market may completely fail to provide the global public good of polio eradication but international institutions (governmental and non-governmental) are getting close to achieving this goal.

International inequality poses problems for international regulation and public good provision, as well as for the efficiency of the market. The same inequalities which prevent the market from providing certain public goods, or from correcting certain market failures can also limit the ability of international institutions to act (see box 2 below).

Case study 2: global environmental agreements[18]

The Montreal Protocols are an often-cited example of a successful international intervention to provide a global public good (the protection of the ozone layer). The success of the Montreal Protocols led some to be optimistic about the likelihood of achieving a similarly successful treaty to respond to climate change, and yet the Kyoto Protocol has failed to live up to this promise. This is in part explained by the distribution of costs and benefits of climate change compared to ozone depletion. The Montreal Protocol was successful in part because the countries most affected (those near the poles i.e. Europe, North America and Australasia) had enough resources to cover the (relatively low) costs of implementation in poorer countries. In contrast, the countries most affected by climate change (those without the infrastructure to adapt, vulnerable rain-fed agriculture etc i.e. developing countries) do not have the resources to cover the (very high) costs of implementation in richer countries.

In general, current institutions of global governance are more effective at correcting the market failures which are of concern to the powerful than those of concern to the poor, as demonstrated by the experience of global environmental agreements such as the Montreal Protocols and the Kyoto Accords. This suggests that redistribution at the international level (see 3.3 below) or significant reforms to the governance of international institutions (see 3.6 below) might be pre-conditions for the regulation of the global economy in the interests of the poor. While inequality of resources and power persists, international interventions in the market may even worsen poverty (e.g. if international institutions promote financial liberalisation without trade liberalisation). Whether 'efficient' and pro-poor regulation at the international level can be achieved without such changes remains uncertain.

3.3 Redistribution at the international level

International inequality (of wealth, income and life chances) remains extremely high. At the domestic level, many states attempt some kind of redistribution from rich to poor, whether through advanced systems of tax and benefits or by simply providing free or subsidised basic services (e.g. primary

[17] See Pogge, T. (2006) 'Harnessing the power of pharmaceutical innovation,' in J.C.Cohen, P. Illingworth, and U. Schuklenk (eds.) *The Power of Pills: Social, Ethical, and Legal Issues in Drug Development, Marketing, and Pricing*, Pluto Press.
[18] See Barrett, 'Montreal versus Kyoto: International Cooperation and the Global Environment' in Kaul, I. et al (eds) (2003) *Providing Global Public Goods: Managing Globalisation* , Oxford University Press.

education) to the poor. Mechanisms for redistributing resources internationally are much less well-developed, but could take several forms. Redistribution from one state to another via international aid is perhaps the most established form of international redistribution (worth over $100bn in 2007), but we also see more direct transfers from wealthy individuals to poor individuals or states (e.g. the Gates Foundation). We can also imagine redistribution taking place at the global level, for example through international taxes. Redistribution could also take the form of economic regulation, for example preferential trade agreements for the poorest countries.

International institutions may be needed to distribute resources (e.g. the World Bank), to raise resources or to regulate the international economy in order to reduce inequality. Significant proportions of official development assistance (transfers from one state to another) are managed by multilateral organisations (around a third of total aid flows in 2004). Using international institutions to distribute resources has a number of advantages over direct distribution by states/individuals: funds are less likely to be used to forward the interests of the donor, distribution is more likely to be coordinated and effective, and developing countries may have more influence on decision-making (see Box 3 and section 3.6 below). This said, the consolidation of resource transfers into multilateral organisations may sometimes reduce the negotiating power of countries receiving it by reducing their ability to choose among different financing options in order to find one which suits their needs. This may speak to creating competition among the international agencies which distribute aid funds (see section 4.4 below).

Case study 3: World Bank (IDA)

Around $10bn of official aid is disbursed to poor countries via the World Bank's International Development Association (IDA) each year. IDA is largely funded by donors, who pledge funds in three-yearly replenishment rounds – they in effect delegate responsibility for a significant proportion of their aid budgets to the World Bank. Aid disbursed through IDA is, in many respects, more effective than most bilateral aid. Its allocation is less skewed by the particular concerns of individual donors, and a greater proportion goes to the poorest countries. As aid volumes increase in the coming years, the proportion of funds put through IDA is set to increase. Although the World Bank, and IDA's accountability to developing countries is limited (see 3.6 below) they have a greater influence over the distribution of IDA funds than over aid disbursed bilaterally by donors.

Redistribution at the international level faces two main constraints. The first is that the resources available are limited (current aid levels need to be roughly doubled to achieve the Millenium Development Goals (MDGs), according to most estimates). There are no significant international mechanisms for raising money for redistribution (either from states or individuals). Almost all aid resources come, one way or another, from the budgets of individual states, at their discretion. It is often argued that international revenue-raising would face inevitable problems of legitimacy, given the limitations of accountability at the international level. This raises the question of whether new or reformed institutions of global governance could provide a legitimate basis for raising revenue. The most feasible proposals from this perspective would seem to be those which raise revenue from international activities which fall outside the jurisdiction of any state (e.g. the Tobin Tax proposal to raise a small tax on international capital flows). It is, however, hard to imagine any means of collecting revenue of this kind which is not based around states, or which does not rely on their explicit consent, which would seem to reduce such proposals to the proposition that states should act together to raise resources which are to be distributed to international institutions. This does not look so different from the current position.

The second constraint on the international redistribution of resources is the feasibility of spending such resources in poor countries effectively, and without having long-term negative effects on the recipient state. The record of aid as a means of redistributing resources and reducing poverty is mixed, to say the least. This is, at least in part, due to problems of the existing aid system (e.g. tying, allocation according to the strategic interests of the donor, inappropriate use of conditionality); a more internationally-based system of redistribution might be able to overcome some of these problems by diluting or removing the interests of donor states in decision-making. Nevertheless, it is hard to imagine a way of directly redistributing very large amounts of resources to poor countries which does not interfere with the political and institutional development of the recipient state. For example, the funding of large proportions of the government budget from external sources tends to reduce incentives for domestic political engagement, and to discourage the emergence of effective tax systems. These political side effects of aid may have negative impacts on the poor in the medium-long term even if it reduces poverty in the short term. Even if the constraints on raising revenue at the international level can be overcome, the problems of distributing funds through developing country states tend to suggest that redistributive interventions in the market (e.g. preferential trade arrangements for the poorest countries, an international minimum wage) might be a more effective means of achieving international redistribution.

Current global governance arrangements achieve a limited amount of redistribution between countries, most obviously through the international aid system. Multilateral institutions have proved themselves a (relatively) effective means of distributing resources to poor countries, but the prospects for raising funds in a way which is truly global seem limited. In any case, direct redistribution of any kind may be ultimately limited by the political impacts it has on aid-receiving countries. Redistribution via pro-poor interventions in the market at the international level might be a way to get around this constraint, but may well face the same political barriers highlighted in section 3.2 above.

3.4 When states fail: a safety net for the most vulnerable?

The international community often steps in, in one form or another, in cases of catastrophic state failure. This is the driving idea behind the 'Responsibility to Protect' which asserts that the international community has responsibilities to secure individuals' human rights when their state is actively or negligently depriving them of these rights. The same principle animates much humanitarian relief, international refugee conventions etc. Poor people are often the most vulnerable in this kind of circumstance, so this role of the international community is particularly important for them.

Current global governance institutions have a mixed record when it comes to providing this kind of international 'safety net'. Questions of burden-sharing between states (e.g. with respect to refugees) have never been effectively addressed, and interventions in the affairs of 'failing' states have often been resisted (e.g. Rwanda) and have equally often been unsuccessful (e.g. Iraq). There is a real debate about whether the international community can, even with the best will in the world, effectively safeguard the rights of individuals in the case of significant state failure, although there seems to be an increased willingness to try (e.g. increasing numbers of UN peacekeepers).

Again, the key question is whether new or reformed institutions of global governance could improve the effectiveness of such interventions. More effective decision-making processes (e.g. in the UN) could increase the international community's ability to act quickly and consistently, and lessons can no doubt be learnt from the historical record of interventions in failing states, but the underlying question remains the appropriate relationship between the state and institutions of global governance. Particularly in developing countries, there are real concerns that initiatives like the Responsibility to Protect will forcibly impose 'Western' standards of statehood, and undermine the system of state sovereignty which provides the basis for the international system itself (see 3.1 above). This said, the Responsibility to Protect marks a significant shift towards an international consensus that state sovereignty is, to some extent at least, contingent on the provision of basic rights to citizens. If such a consensus can be operationalised with a clear set of standards and rules, it starts to look possible that the international sovereignty regime can be maintained while the international community reserves the right to intervene in some clearly-defined circumstances.

3.5 Changing the state from the outside

Global governance institutions can create change within states. In practice, this has applied more or less exclusively to developing country states. This function of the international system is the premise of the conditionality applied by international institutions such as the World Bank and IMF, of international efforts to promote democracy and of some elements of the international human rights regime. There are several ways in which the international system can potentially create change within states. First, international institutions can be a source of information and expertise – encouraging states to change their policies or institutions via demonstration effects and 'peer pressure'. This is the kind of role that the IMF plays in developed countries via its Article IV reporting process. Second, international institutions can use international resources to 'incentivise' (or coerce) change in countries which need them. This is the model employed by World Bank and IMF conditionality. Third, international institutions can, in principle, enforce the international rule of law (see section 3.1) by punitive means to force change on a state. This is the model employed when UN sanctions are applied. As poor people tend to live in countries with weak or predatory governments, this function of global governance is potentially valuable for them, and could help to avoid the problems which occur when states fail completely (see 3.4 above).

There seems to be an emerging international consensus on what a 'good' state looks like: democracy operating within the rule of law and held to account by a vibrant civil society, a liberal economy with safety nets for the poor. But this consensus is not universally supported. In particular, the liberal economic model encouraged by many international institutions has come in for much criticism in developing countries. Even if there is broad support for the general tenets of the model, its implementation in poor countries has been fraught with difficulty, and many have questioned the degree to which any economic 'model' can be successful in the widely varying states of the developing world. Democracy as a political model has fewer public opponents, and yet attempts to promote it in poor countries have a very mixed record. International institutions seem most successful in supporting change within states when a) there is already a domestic movement for change and b) they take care to adapt international standards to local contexts. The key question is how to strike the right balance between external support for change and the maintenance of the domestic constituencies needed to sustain it in the long run.

3.6 Accountability: any voice for the poor in global governance?

Accountability in current institutions of global governance is highly imperfect. There is no international democracy, meaning that for the most part people are represented by their states at the international level, but developing countries are often excluded from decision-making. Accountability can be valuable for its own sake – many would assert that people have the right to express their opinions over institutions and systems which are imposed on them one way or another. At the global level, this is particularly relevant to poor people, who are arguably much more affected by the international system than rich people. The World Bank, for example, is irrelevant to the lives of people in the developed world, but has a huge impact on people in developing countries, and yet poor people and their governments are less well represented in the institution than rich people and their governments. Accountability can also be valuable in achieving the other functions of global governance set out above. International institutions and governance arrangements are much more likely to meet the needs of poor people if they are accountable to them. Arguably, the failure of current global governance arrangements to deliver the kinds of benefits for poor people outlined above can be partly explained by a lack of accountability to them.

Case study 4: governance of the Bretton Woods Institutions

Voice and influence in the Bretton Woods Institutions (the IMF and the World Bank) is distributed largely according to economic weight. This means that developing countries, especially the poorest, have very little influence on the institutions. Forty-three Sub-Saharan African countries, for example, are represented by just two members of the Executive Board (out of 24), and wield less than 5% of total votes, despite the importance of the IMF and the World Bank to these countries' prospects. In contrast, the USA has its own Executive Director and wields over 15% of the votes, giving it a veto over key decisions. There have long been pressures to correct this imbalance of accountability, but, as yet, little progress has been made and plans currently on the table will give limited extra votes to emerging markets, but not to the poorest countries. This said, steps have been taken to make the World Bank, in particular more accountable to poor people. The formation of the World Bank Inspection Panel 10 years ago provided a means whereby people affected by the World Bank's activities could make a complaint directly to the Board, via a Panel Inspection – bypassing both the borrowing state and the Bank itself.

Given that global democracy seems to be a distant prospect, there are three main ways in which global governance could be made more accountable to poor people – through their states, through a greater role for civil society or through direct appeal processes along the lines of the World Bank Inspection Panel. All three models of accountability have been used in international institutions, but the real question is whether institutions accountable to poor people will ever be given power by those who currently hold it. The attitude of the USA to the UN (where it has less power) compared to the Bretton Woods Institutions (where it has more) illustrates this problem – the US seems markedly more willing to delegate authority and power to the Bretton Woods Institutions than to the UN.

3.7 Helping or Hindering Poverty Reduction?

Current structures of global governance have not lived up to the potential of the international system to support poverty reduction. Although international institutions have made some important contributions to poverty reduction (e.g. international redistribution through aid) they have often delivered their functions inconsistently (e.g. providing a safety net when states fail) and have been more successful at meeting the international concerns of developed countries than those of poor people (e.g. patterns of regulation in the global economy). The question of how international institutions relate to developing-country states remains particularly thorny. It remains unclear what balance between individual and state rights would best serve poor people's interests (e.g. in the context of humanitarian intervention) and institutions of global governance have proved relatively unsuccessful in generating change within weak states (e.g. aid and conditionality). Many of the failings of the international system with respect to poverty reduction are explained by international inequalities in resources and power. International institutions have not been able to overcome these inequalities – they are themselves, in many cases, disproportionately accountable to the rich. All this said, institutions of global governance have great potential to support poverty reduction, and may in fact be necessary to it.

4. Visions for the Future: Pro-Poor Global Governance?

The discussion above has painted a rather bleak picture of the effectiveness of current institutions of global governance in reducing poverty and securing the rights of poor people. There are real limits to what international institutions have been able to do for poor people, but this does not mean that change is impossible. This section briefly considers five future scenarios for global governance, discusses their implications for poor people and makes some tentative conclusions about the prospects for change.

4.1 Scenario 1: Business as usual

Institutions of global governance continue to be dominated by rich and powerful countries. The international rule of law is inconsistently applied, and the most powerful countries selectively follow and enforce it. International economic regulation and the provision of global public goods continue to develop in areas which are of interest to the rich, but neglect the interests of the poor. International redistribution continues to be insignificant, and often takes place in a form which undermines developing country states. Minimal safety nets are provided to secure the rights of poor people when their states fail, but rely on the goodwill of rich states for their enforcement. The international community continues to promote western political and economic models in developing countries, but without domestic support these prove short-lived. Absolute poverty continues to fall slowly, but inequality continues to rise.

4.2 Scenario 2: The decline of the developing country state

Developing country states face pressure from all sides – donors, international institutions and both international and domestic civil society. International institutions increasingly engage directly with civil society in developing countries - bypassing the state altogether. The redistribution of wealth from rich to poor people is channelled to non-state groups and individuals, and the increasing liberalisation of developing country economies removes much of the state's role in poverty reduction. Multinational corporations (especially the extractive industries) increasingly operate without any interactions with developing country states – resource 'rents' (from oil and other natural resources) in weak states are often channelled into internationally-managed funds for poverty reduction, rather than into state coffers. When states fail, the international community is quick to act, and in many developing countries this entails the long-term presence of international experts, observers and peacekeepers. International institutions no longer try to engage with flawed states in poor countries in order to improve them – instead they focus on building the capacity of civil society. Although this model of governance delivers results for some groups of poor people (women, for example, find their rights prioritised by the international community more than ever before) it leaves people in developing countries without a means to engage with the powerful states of the developed world. The world is increasingly divided between those who live in capable states and those who do not, and the rich countries maintain almost complete control over the 'rules of the game'. The international system delivers some improvements in the lives of poor people, but the system continues to work against their interests, and the prospects for the long-term eradication of poverty and inequality are limited.

4.3 Scenario 3: The rise of regional governance

Other regions follow the example of Europe and develop increasingly integrated regional economies and political systems. Many functions are devolved to the regional level (both from the international level and the national level) – regions develop their own economic and political models which are applied more and more consistently in the states which are members of them, although, in most cases, states maintain control over core functions such as defence and taxation. Even human rights regimes are increasingly differentiated among regions. Alongside this, power within states is increasingly decentralised so that, in many cases, regional organisations interact directly with local ones. Global governance becomes a process of mediating between regional blocs, for example in trade, and global institutions decline in importance. Some regions (e.g. North America, East Asia) contain both rich and poor countries, and poor people in these regions benefit from more effective redistribution and economic regulation. However, those regions made up largely of poor countries (e.g. Africa) are increasingly isolated in the international system. States are unwilling to intervene in cases of state failure outside their own regions, and redistribution between regions is limited. Conflict between regions becomes increasingly likely as natural resource scarcity becomes increasingly problematic. Regional cooperation does, however, bring some benefits to poor people, even in the poorest regions.

Regional trade within Africa, for example, generates growth for agricultural economies able to take advantage of the commodities boom benefiting commodity-exporting countries.

4.4 Scenario 4: The 'marketisation' of global governance

Global governance functions are now carried out by a wide range of institutions from the public, private and non-governmental sectors. The redistribution of resources from rich to poor, for example, is now delivered on a large scale by a wide range of private and non-governmental organisations who compete for funds from the public and from rich governments. The governments of poor countries are increasingly aware of their 'purchasing power' in this market, and most are able to exercise some degree of choice when seeking financial support. As a result, the disbursement of aid has become more effective, but it has also become fragmented – many developing states now devote large proportions of government time to managing their external funding flows. Other functions of global governance are also increasingly competitive. Private consultancy firms now compete for huge aid-funded contracts to re-structure poorly-performing states, although success rates for this kind of project remain low. This market for global governance is regulated by a clear set of international competition laws and regulations, and powerful states are able to shape the system through these rules. Beyond this kind of regulation though, the global economy is increasingly liberalised, and the structural conditions of poverty are unchanged.

4.5 Scenario 5: The rise of the 'BRICS'

A small number of middle-income countries and large developing countries (Brazil, Russia, India, China and South Africa (the 'BRICS') along with South Korea, Mexico and Argentina) gain increasing influence in global governance. Reforms to the major international institutions (quota reform at the World Bank/IMF, Security Council reform at the UN and expansion of the G8) mean that their interests are increasingly represented at the international level, and their growing economic power gives them real influence. These countries continue to enjoy economic growth, supported by flows of private and public resources, and this reduces global poverty significantly due to the large numbers of poor people in these countries. However, their economies remain vulnerable, and require regular bail-outs from the international level. Their need for stabilisation absorbs an increasing proportion of the resources available to international institutions. States in these countries become increasingly strong and competent - they develop more effective safety nets for their own poor, but they remain willing to sacrifice the interests of the most vulnerable for the sake of 'development' (e.g. displacement of people for major infrastructure). The newcomers buy into the international 'rules of the game' and develop a major stake in the system, so they do not challenge its fundamental structures. The rich countries are reassured by the rapid falls in global poverty, and the example of the BRICS leads many to believe that the international system is 'fit for purpose' for poverty reduction – the continuing crisis in Africa and in other low income countries is put down to their own internal failings. They get debt relief and emergency relief, but little else. Some benefits 'trickle down' to countries in the same regions as the BRICs, but international inequality continues to rise.

4.6 Scenario 6: Pro-poor global governance

International institutions are increasingly powerful as people's concerns become global in scope, and even the rich and powerful now perceive some common interest with the poor. International laws protecting state sovereignty and human rights are applied consistently, and the costs of enforcement are shared among states. Although the world economy is increasingly globalised, the WTO has emerged into a powerful regulator. The incorporation of environmental and labour protections into its mandate, for example, has curbed many of the worst excesses of the market. Trade is also regulated so as to be pro-poor wherever possible – the poorest countries have preferential market access guaranteed at the international level. Although these changes have reduced poverty, and (to some extent) inequality, direct redistribution is still needed to guarantee basic services for the poorest. Aid, collected from rich states according to internationally-agreed formulae based on national income, is disbursed to poor states by a range of international organisations. Although some concerns about long-term dependency remain, aid is given in such a way as to enable even the poorest states to define their own priorities. This said, when states decisively fail to meet the basic needs of their citizens, the international community steps in with a range of measures ranging from expert advice and capacity-building to military intervention. These interventions are not always successful, but the range of mechanisms available means that solutions can be tailored to particular circumstances and adapted over time. International institutions are accountable to those who are affected by their decisions – developing country states are well represented in formal decision-making, civil society groups have established mechanisms for inputting their views, and directly affected peoples and groups have effective mechanisms for raising the alarm when things go wrong.

Although the prospects for poor people have been radically improved in this scenario, global governance still faces some real trade-offs. The changes in governance of international institutions have led some states to reduce their support for them – the US, for example, is no longer prepared to provide military resources for humanitarian interventions, and has negotiated a reduced level of aid contributions. The regulation of the world economy through the WTO has negatively affected the growth of countries such as China, and some fear that African countries will now be locked in a model of low value added agriculture, albeit with preferential access to world markets. The place of the developing country state in the system also remains somewhat ambiguous – although efforts have been made to support state development in the poorest countries, the increasingly interventionist approach to securing human rights has precipitated state collapse in a number of cases.

4.7 Conclusions: prospects for change and unresolved questions

The scenarios above are highly speculative, and it is hard to make definitive statements about the likelihood of change. That said, we can identify a number of factors in the international system today which seem likely to support pro-poor global governance reforms:

- The emergence of new regimes to enforce the international rule of law (e.g. International Criminal Court).
- The emergence of influential developing country blocs in global negotiations (e.g G20).
- The increasing number and power of international institutions provide more potential fora to regulate the global economy (e.g. WTO).
- Increasing aid budgets potentially provide enough resources to a) have a real impact on poverty and inequality and b) focus attention on aid effectiveness and the impacts of aid on developing country states.
- Increasing public awareness in developed countries of a) the international nature of many problems (e.g. climate change) and b) the scale and depth of global poverty (e.g. Make Poverty History), creating a powerful constituency for change
- The development of a more transparent definition of the international community's responsibilities in cases where states cannot or do not protect the rights of their citizens (e.g. Responsibility to Protect).
- The emergence of democratic states in the poorest countries.
- The increasing role of civil society in institutions of global governance (e.g. World Bank Inspection Panel).

There are also a number of factors which would seem to have a negative influence on pro-poor global governance reforms:

- The international rule of law cannot easily be enforced against the will of the most powerful states (e.g. the USA's effort to ensure that its citizens are not subject to the International Criminal Court).
- The structure of many existing global governance institutions provides veto powers to powerful states which can thus resist reform (e.g. the UN Security Council).

- Power still resides with national governments who have a duty to answer to their own electorates, which means that collective action problems at the international level are likely to persist (e.g. with respect to trade).
- Even with strengthened global governance institutions, poor people's interests will need to be defended by their own states, and many aspects of current global governance undermine these states (e.g. aid).
- The emergence of developing country influence in global governance institutions often comes at the expense of the very poorest countries (e.g. Africa in the WTO).
- Continuing international inequality makes negotiations at the global level significantly unbalanced (e.g. Montreal versus Kyoto).

This discussion has also raised a number of unresolved, and probably unanswerable, questions:
- Can the powerful be constrained when their core interests are at stake?
- Can 'efficient' regulation at the international level be achieved while inequality is so high?
- Can international redistribution occur without damaging the developing country state?
- Do developing country governments have too much sovereignty, or not enough?
- Can external intervention create sustainable changes within (developing country) states?
- Will accountable international institutions ever be given real power?

It is worth remembering that approaching the problems of global governance inevitably involves trade-offs, but we should also be optimistic about the scope for institutions of global governance to improve the prospects of the poor. Indeed, it seems hard to imagine lasting solutions to poverty which do not involve reforms to global governance.

References

Ayoob, M. (2004) 'Third world perspectives on humanitarian intervention and international administration', *Global Governance,* Volume 10, 2004.

Barnett, M, and M. Finnemore (2004) 'Rules for the world: international organizations', *Global Politics*, Cornell University Press, Box 6525, 750 Cascadilla Street, Ithaca, NY 14851-6525, USA.

Bøås, Morten and Desmond McNeill, (2003) *Multilateral Institutions: A Critical Introduction*, Pluto Press, 345 Archway Road, London N6 5AA, UK

Carin, Barry, Richard Higgott, Jan Aart Scholte, Gordon Smith, and Diane Stone, (2006) 'Global governance: looking ahead, 2006–2010', *Global Governance*, Vol. 12 No. 1 Jan.–Mar, 2006.

Our Global Neighborhood: The Report of the Commission on Global Governance (1995), Oxford University Press, Saxon Way West, Corby, Northants, NN18 9ES, UK.

Duffield, M. (2001) *Global Governance and the New Wars: The Merging of Development and Security,* Zed Books, 7 Cynthia Street, London N1 9JF, UK

Finkelstein, L.S. (1995) 'What is global governance? *Global Governance*, Vol 1 Sept-Dec, 1995.

Finnemore, M. and K.Sikkink (1998) 'International norm dynamics and political change' *International Organization,* Vol. 52, No. 4, Autumn, 1998.

Fukuyama, F. (1993), *The End of History and the Last Man*, Penguin, 80 Strand, London WC2R 0RL, UK

Gilpin, R. (2002) *The Challenge of Global Capitalism: The World Economy in the 21st Century*, Princeton University Press, 41 William Street, Princeton, New Jersey, USA.

Held, D. and M. Koenig-Archibugi (eds) (2003) *Taming Globalization: Frontiers of Governance*, Polity Press, C/o Wiley, Customer Services Department, 1 Oldlands Way, Bognor Regis, West Sussex PO22 9SA, UK.

Held, D. et al. (1999) *Global Transformations: Politics, Economics and Culture*, Polity Press, C/o Wiley, Customer Services Department, 1 Oldlands Way, Bognor Regis, West Sussex PO22 9SA, UK.

Hurrell, A and Woods, N. (1999) (eds.) *Inequality, Globalization, and World Politics*, Oxford University Press, Saxon Way West, Corby, Northants, NN18 9ES, UK.

Kahler, M. and D.Lake (eds) (2003) *Governance in a Global Economy: Political Authority in Transition,* Princeton University Press, 41 William Street, Princeton, New Jersey, USA.

Kaul, I. et al (eds) (2000) *Global Public Goods: International Cooperation in the 21st Century,* Oxford University Press, Saxon Way West, Corby, Northants, NN18 9ES, UK.

Kaul, I. et al (eds) (2003) *Providing Global Public Goods: Managing Globalisation ,* Oxford University Press, Saxon Way West, Corby, Northants, NN18 9ES, UK.

Keck, M. and K. Sikkink (1998) *Activists Beyond Borders: Advocacy Networks in International Politics*, Cornell University Press, Box 6525, 750 Cascadilla Street, Ithaca, NY 14851-6525, USA.

Keohane, R. (1984) *After Hegemony*, Princeton University Press, 41 William Street, Princeton, New Jersey, USA.

Keohane, R. (2002) *Power and Governance in a Partially Globalized World*, Routledge

Khagram, S. (2006) 'Possible future architectures of global governance: a transnational perspective/prospective', *Global Governance*, Volume 12, No. 1, January-March, 2006.

Moore, M. 'Death without taxes: democracy, state capacity and aid dependence in the fourth world', in Robinson, M. and G.White (eds.) (1998).

Morphet, S. (2004) 'Multilateralism and the non-aligned movement: what is the global south doing and where is it going?' *Global Governance*, Vol. 10, 2004.

Murphy, C. N (2000) 'Global governance: poorly done and poorly understood', *International Affairs*, Volume 76 Issue 4, October 2000.

Pilger, J. (2003) *The New Rulers of the World*, Verso

Pogge, T. (2006) 'Harnessing the power of pharmaceutical innovation,' in J.C.Cohen, P. Illingworth, and U. Schuklenk (eds.) *The Power of Pills: Social, Ethical, and Legal Issues in Drug Development, Marketing, and Pricing*, Pluto Press, 345 Archway Road, London N6 5AA, UK

Reinicke, W.H. (1998) *Global Public Policy: Governing Without Government*, Brooking Institute Press, 1775 Massachusetts Ave, NW, Washington, DC 20036, USA.

Rosenau, J.N. (1992) *Governance without Government: Order and Change in World Politics*, Cambridge University Press, The Edinburgh Building, Shaftesbury Road, Cambridge CB2 8RU, UK.

Scholte, Jan Aart (2002), "Civil Society and Democracy in Global Governance", *Global Governance*, Vol. 8, No. 3, July-September, 2002.

Sinclair, T. (2005) *The New Masters Of Capital: American Bond Rating Agencies And The Politics Of Creditworthiness*, Cornell University Press, Box 6525, 750 Cascadilla Street, Ithaca, NY 14851-6525, USA.

Slaughter, A. (2004) *A New World Order*, Princeton University Press, 41 William Street, Princeton, New Jersey, USA.

Taylor, I. (2004) 'Blind spots in analyzing Africa's place in world politics', *Global Governance*, Vol. 10, 2004.

Waltz, K. (1979) *Theory of International Politics*, McGraw-Hill, Order Services
P.O. Box 545, Blacklick, OH 43004-0545, USA.

Weiss, T.G. (2000) 'Governance, good governance and global governance: conceptual and actual challenges', *Third World Quarterly*, Volume 21, Issue 5 October, 2000.

Wolf, M. (2001) 'Will the Nation-State Survive Globalization?'. *Foreign Affairs*, January/February, 2001.

Woods, N. (2000) (ed.) *The Political Economy of Globalization Politics*, Macmillan, Houndmills, Basingstoke, Hampshire, RG21 6XS, UK

This paper was written by Sarah Mulley in October 2006. It is one of a series written to inform the development of the Oxfam International publication From Poverty to Power: How Active Citizens and Effective States Can Change the World, Oxfam International 2008.

Sarah Mulley wrote this piece while a Research Associate at the Global Economic Governance Programme at the University of Oxford. She is now Coordinator of the UK Aid Network.

For further information on the issues raised in this paper, please email enquiries@oxfam.org.uk