April 14. 2022 – Ronja Scheler

Multilateralism 2.0: Why International Cooperation Needs a Makeover and How This Can Be Achieved

The relevance of non-state actors has increased dramatically since the end of the Cold War, with many advocating for their stronger involvement in global governance. The crucial, closely networked interaction of state and non-state actors in the COVID-19 pandemic has shown that non-state actors particularly need to be taken into account in the further development of multilateral formats. While ideas of "multistakeholderism" have taken root in both scientific and political debates, turning them into a systematized mode of action may require a wholescale re-thinking of diplomatic practice, argues Ronja Scheler.

Dr. Ronja Scheler is Programe Director for International Affairs at Körber Stiftung, responsible for the foundation´s work on the Paris Peace Forum and multilateral cooperation.

When attempting a definition of “multilateralism”, scholars and practitioners alike seem to have a binary choice: Pragmatists opt for Keohane’s quantitative and straightforward conceptualisation as “the practice of co-ordinating national policies in groups of three or more states”.[i] Anyone with a penchant for more normative approaches likely prefers to refer to John Ruggie, who described multilateralism as “an institutional form which coordinates relations among three or more states on the basis of ‘generalized’ principles of conduct [...] without regard to the particularistic interests of the parties or the strategic exigencies that may exist in any specific occurrence”.[ii] What both definitions have in common, though, is their narrow focus on states as the sole reference points in the multilateral system. This is little surprising, considering that both texts were published around thirty years ago when the Cold War had just ended, and the Westphalian world was still in full swing. More surprising, in contrast, is that – in both theory and practice – the multilateral order, even nowadays, when the world has transformed so massively and power has shifted so significantly both horizontally and vertically, is still firmly based on the Westphalian notion of sovereignty of the nation-state.

A World in Flux

When discussing global power shifts, one often refers to the *horizontal* redistribution of economic and military might between states, i.e., from the West to the East or, to a lesser extent, from the Global North to the Global South. This view is justified, given that, for instance, the share in global GDP of members of the Organisation for Economic Co-operation and Development (OECD) has dropped from around 80 per cent in 1970 to only 60 per cent in 2020 – even though the OECD's membership has grown from 22 to 38 countries in the same period.[iii] These developments notwithstanding, what cannot be ignored is the underlying trend of *vertical* power shifts from public to private actors, mainly as a consequence of economic liberalisation in the 1990s. Arguably, states have lost a significant amount of power to transnational corporations. A survey in 2018 found that 69 of the 100 richest entities in the world are private companies, not states.[iv] Notably, nine countries still top the list (led by the US, China, and Germany), with Walmart being the single company in the top 10. After this, however, companies quickly follow, for instance, State Grid (14), China National Petroleum (15), Sinopec Group (16), Royal Dutch Shell (18), and Exxon Mobil (21).[v] The so-called 'Big Five' tech companies – Alphabet, Amazon, Apple, Facebook, and Microsoft – combine a market capitalisation of $7 trillion. This exceeds the GDP of all countries but China and the United States.[vi]

Notably, these vertical shifts are not confined to private businesses. The years since the end of the Cold War have also witnessed the emergence of a transnational civil society that has unfolded, increasing its impact on global developments. A case in point is the number of non-governmental organisations (NGOs) registered with the UN Economic and Social Council (ECOSOC). While in 1992, 724 organisations had signed up there[vii], in 2022, they amount to a striking 4,045.[viii] The steep increase in cross-continental research networks, international university exchanges, or global networks of private foundations further embodies this trend of transnationalisation.

Successful foreign policy in the 21st century will therefore largely be about whether states manage to harness and catalyse the power of private actors in tackling the great global challenges that humanity is faced with, thereby raising the effectiveness of their actions.[ix] As a plastic example, the two big themes that the European Union's recovery instrument Next Generation EU targets, i.e., the climate crisis and digital transformation, cannot be solved by states alone. To bring global warming to a halt

and mitigate the unavoidable consequences of climate change, humanity will need the expertise of scientists just like huge sums of private investment. Companies will have to come up with new and greener business models to reconcile economic prosperity with climate protection.[x] On the other hand, tech businesses are, by nature, directly involved when it comes to shaping the digital transformation. As a consequence, for a long time, multistakeholderism has been part and parcel of global digital governance as embodied, for instance, in the Internet Corporation for Assigned Names and Numbers (ICANN) or the Internet Governance Forum (IGF). More specifically in international politics, tech companies will increasingly act as frontline defenders of free and liberal societies as more and more challenges to peace and security emanate from cyberspace (it goes without saying that digital platforms have the opposite potential to threaten these very societies). When SpaceX's Starlink Internet offered its satellite infrastructure to the Ukrainian army following the Russian invasion of the country, for instance, a private company took on an essential function in an ongoing state-to-state confrontation. Last but not least, the coronavirus pandemic demonstrated the necessity for states and international organisations to work together with scientists, pharmaceutical companies, and private philanthropies in the development and distribution of vaccines against COVID-19.

And the list could go on. The world of the 21st century barely knows a global issue that does not require the involvement of private stakeholders. Considering that many of the more traditional fora of multilateral cooperation may be (further) blocked following the isolation of Russia in response to the country's invasion of Ukraine (as well as Russian reactions to increased diplomatic pressure), joining forces with private actors will for the foreseeable future be even more crucial for states interested in global cooperation.[xi]

Grappling with 'Multi-Stakeholder Multilateralism' in Theory ...

It is thus high time for both theorists and practitioners to grapple with the questions that 'multi-stakeholder multilateralism' raises. For scholars, the first challenge is largely a definitional one. At the basic level, multistakeholderism has been labelled a "slippery term".[xii] It can broadly be defined as "two or more classes of actors

engaged in a common governance enterprise concerning issues they regard as public in nature, and characterized by polyarchic authority relations constituted by procedural rules".[xiii] Technically, this implies that one could conceive multi-stakeholder endeavours in which merely non-state groups are involved. However, in almost all cases, at least one party is represented by a government or intergovernmental organization.[xiv]

Hundreds of contributions have been published that analyse the cooperation of state and non-state actors in maintaining or nurturing global public goods. Yet authors treat this issue under at least a dozen of different labels. While some refer to 'multi-stakeholder cooperation'[xv] or 'multi-stakeholderism'[xvi], others prefer 'polylateralism'[xvii], 'public-private partnerships'[xviii], or 'global public policy networks'[xix], to name a few. Different labels come along with different research emphases or normative viewpoints. They are, however, united by their shared interest in how cooperation between different types of international actors works. Perhaps due to this disorder, no unified research strand has emerged. While Jan Aart Scholte, in a comprehensive research overview, counts more than 300 publications on the matter (and admits that there are certainly many more), he bemoans the striking absence of comparative research designs, systematic large-n studies, and, notably, introductory textbooks or the usual academic handbooks on multi-stakeholder cooperation. It is thus high time for international relations scholars to concern themselves with the questions surrounding multi-stakeholder multilateralism more systematically.

… and Practice

The challenge is even more profound for practitioners as it questions some of the core tenets that underly modern diplomacy. Yet, the Westphalian assumption that the world rests on the sovereignty of states appears incongruous with a globalized world. Even if Putin's war in Ukraine seems like a perverse reminiscence of 20th-century thinking, no one would seriously argue that states can have full authority over cyberspace, global climate, or border-crossing pandemics. That diplomatic practice has remained firmly anchored in its traditional state-to-state business hence seems somewhat anachronistic. In a world of complex global challenges,

diplomacy also has to comprise state-to-business, civil-society-to-state, or international-organization-to-city relationships, among others.

This debate is not new. Susan Strange, for example, famously claimed in the early 1990s that states would have to account for structural changes in global power distribution and redesign their understanding of diplomacy accordingly.[xx] More concretely, diplomatic actors would have to update their working modes to include state-to-business bargaining in addition to traditional state-to-state business. Another group of authors accompanied the emergence of various multi-stakeholder groupings in the late 1990s and early 2000s.[xxi] Their work connected to progressing globalization (and its pitfalls) as well as to the emergence of a transnational civil society movement after the end of the Cold War. Notably, conceptual thinking back then was largely confined to questions surrounding global governance. This is fundamentally different today: Challenges like global health, technological advances, or global climate change have made their way right into the centre of foreign policy making and international diplomacy – the appointment of former Greenpeace Executive Director Jennifer Morgan as the new German climate envoy in the Federal Foreign Office is a perfect example of this trend.[xxii]

Turning Rhetoric ...

A rhetorical acknowledgement of these new realities is already in place. State actors have increasingly declared that they could not shoulder contemporary challenges on their own. For instance, a key principle of the Alliance for Multilateralism – a pet project of the former German foreign minister Heiko Maas and, back then, primarily a response to the American departure from many multilateral bodies during the Trump administration – is that the Alliance "will adopt a multi-stakeholder approach and reach out to all members of the international community, international organizations, regional institutions and other relevant actors, as essential and active partners".[xxiii] Examples of this multistakeholderism are the Paris Call for Peace and Security in Cyberspace[xxiv], the COVAX initiative[xxv], and the Generation Equality Forum[xxvi], amongst others, all of which the Alliance has endorsed or catalysed.

In continuing the efforts of the Alliance for Multilateralism, the German White Paper on "A Multilateralism for the People" also highlights that multilateral action comprises cooperation with non-state actors. It states – as if it could simply be taken for granted – that "[t]oday, the term multilateralism also encompasses cooperation between countries and non-state actors".[xxvii] The paper goes on to concede that to "ensure that the global political order can continue to function properly and to make it more representative and inclusive, existing institutions must be reformed where necessary in order to take changed circumstances into account and involve new stakeholders".[xxviii] While it is obvious that such rhetorical realisations do not make policy, they have the potential to be the seeds of change. After all, they indicate that diplomatic bodies may have realised that their usual way of doing business might (have) come to an end. But what is needed to anchor cooperation with non-state actors in diplomatic action?

... Into Action

A first step would be to thoroughly review the rich history of multi-stakeholder endeavours that global cooperation has already witnessed. As many of them were confined to questions of global governance, 'classical' diplomats so far have not considered them blueprints for their work. But at a time when more and more governance issues like climate, global health, and digitalization press into the core realm of foreign policy, revisiting the successes and failures of, for instance, the World Commission on Dams, the Kimberley Process Certification Scheme, and the Global Fund to Fight AIDS, Tuberculosis and Malaria can offer helpful insights. Existing literature suggests that multi-stakeholder formats were particularly successful when they (a) were endowed with a narrow, specific mandate, (b) were seriously endorsed by a number of states and/or international organizations, and (c) were characterized by an inclusive membership as well as transparent decision-making structures.[xxix] Integrating these features into the design of future multi-stakeholder formats hence appears worthwhile. These efforts should be accompanied by the setup of corresponding databases in foreign ministries. Better knowledge management of past and present initiatives would enable diplomats to identify suitable partners for future collaboration more easily.[xxx]

Integrating multi-stakeholder multilateralism into diplomatic practice will not go about without some institutional adaptations. Slaughter and LaForge, quite drastically, make a convincing case for moving from the existing hierarchical inter-state system to a more horizontal, networked, and hub-based approach. Such an approach would cluster different types of actors around specific problems in so-called 'impact hubs'. The goal would be "to identify the most effective and legitimate organizations in a particular area and link them to a hub that has both the funds and the authority to make a difference".[xxxi] Since impact hubs would be linked to a specific problem, they may be more effective than traditional institutions (and also more ephemeral, as they would ideally dissolve after having solved the problem they were meant to tackle). Given that such a paradigmatic shift will not go beyond an appealing thought experiment, for the time being, more incremental steps should nevertheless be taken. For one, the nature of embassies around the globe could be updated to the realities of the 21st century. Rather than considering them exclusively a venue of stately affairs, they should be grasped as 'multilateralism hubs' that attract, connect, and liaise with actors from all parts of society that share similar interests, values, and objectives in tackling common challenges.[xxxii]

Finally, and more fundamentally than these institutional innovations, a mental shift in the self-image of diplomats is needed. To make full use of the potential that multi-stakeholder multilateralism offers, staff in foreign ministries around the world will have to understand that their mandate goes beyond establishing good relations with colleagues from other countries. In the words of Anne-Marie Slaughter, diplomats in the 21st century have to be able to navigate "the chessboard and the web".[xxxiii] Integrating such thinking into diplomatic apparatuses will have to start with diplomatic training. Understanding the workings of private actors should become a firm objective for every cohort of young diplomats. Ideally, institutionalized exchanges or regular work shadowing would help garner an understanding of the ins and outs of non-state actors.

Needless to say, such changes will not happen overnight. But global challenges do not wait. Their size and scope deserve that we bid farewell to business as usual and enter the world of multilateralism 2.0.

[i] Keohane, R. O. (1990), 'Multilateralism: An Agenda for Research', *International Journal*, 45 (4), p. 731.
[ii] Ruggie, J. G. (1992), 'Multilateralism: The Anatomy of an Institution', *International Organization*, 46 (3), p. 571. Note that Ruggie thereby also codified the principle of diffuse reciprocity that is inherent to common multilateral practice. On reciprocity see Keohane, R. O. (1986), 'Reciprocity in International Relations', *International Organization,* 40 (1), pp. 1-27.
[iii] World Bank (2022), *GDP (current US$)*, available from: https://data.worldbank.org/indicator/NY.GDP.MKTP.CD (accessed 20 February 2022).
[iv] Global Justice Now (2018), *69 of the richest 100 entities on the planet are corporations, not governments, figures show*, available from: https://www.globaljustice.org.uk/news/69-richest-100-entities-planet-are-corporations-not-governments-figures-show/ (accessed 15 February 2022).
[v] World Economic Forum (2016), *How do the world's biggest companies compare to the biggest economies?,* available from: https://www.weforum.org/agenda/2016/10/corporations-not-countries-dominate-the-list-of-the-world-s-biggest-economic-entities (accessed 15 February 2022).
[vi] Slaughter, A.-M. & LaForge, G. (2021), 'Opening Up the Order: A More Inclusive International System', *Foreign Affairs*, 100 (2), p. 158.
[vii] Statista (2010), *Changes in the number of non-governmental organizations (NGOs) with consultative status with ECOSOC * 1948 to 2010*, available from: https://www.statista.com/statistics/268357/changes-in-the-number-of-ngos-worldwide-since-1948/ (accessed 15 February 2022).
[viii] United Nations (2022), *How to apply for consultative status with ECOSOC?,* available from: https://www.un.org/development/desa/dspd/civil-society/ecosoc-status.html (accessed 15 Feb 2022).
[ix] See also Scheler, R. (2020), *Effektivität first: Für einen Multilateralismus, der liefert*, PeaceLab Blog, available from: https://peacelab.blog/2020/11/effektivitaet-first-fuer-einen-multilateralismus-der-liefert (accessed 15 February 2022).
[x] On the cooperation of state and non-state actors in climate protection, see Scheler, R. (2020), 'Mit vereinten Kräften: Warum die Einbindungnichtstaatlicher Akteure beim Nexus von Klima und Sicherheit unerlässlich ist', *UN Debatte*, available from: https://dgvn.de/meldung/mit-vereinten-kraeften/ (accessed 15 Feb 2022).
[xi] See Gowan, R. (2022), 'The UN Is Another Casualty of Russia's War: Why the Organization Might Never Bounce Back', *Foreign Affairs*, available from: https://www.foreignaffairs.com/articles/west-africa/2022-03-10/un-another-casualty-russias-war (accessed 26 March 2022).
[xii] Buxton, N. (2019), *Multistakeholderism: A Critical Look*, Workshop Report, Amsterdam: Transnational Institute.
[xiii] Raymond, M. & Denardis, L. (2015), 'Multistakeholderism: Anatomy of an Inchoate Global Institution', *International Theory* 7 (3), pp. 573.
[xiv] Scholte, J. A. (2020), *Multistakeholderism: Filling the Global Governance Gap?*, Research Overview for the Global Challenges Foundation, Stockholm: Global Challenges Foundation.
[xv] e.g. Poncelet, E. C. (2004), *Partnering for the Environment: Multistakeholder Collaboration in a Changing World,* Lanham: Rowman & Littlefield Publishers; Wigell, M. (2008), Multi-Stakeholder Cooperation in Global Governance, Helsinki Process Publication series 7/2008, FIIA Working Paper no. 58/2008, Helsinki: Ministry for Foreign Affairs.
[xvi] e.g. Epstein, D. & Nonnecke, B.M. (2016), 'Multistakeholderism in Praxis: The Case of the Regional and National Internet Governance Forum (IGF) Initiatives', *Policy & Internet*, 8, pp. 148-173; Raymond, M., & DeNardis, L. (2015), 'Multistakeholderism: Anatomy of an inchoate global institution', *International Theory*, 7 (3), pp. 572-616.

[xvii] e.g. Wiseman, G. (1999), '"Polylateralism" and New Models of Global Dialogue', in Jönsson, C., & Langhorne, R. (eds.), *Diplomacy: Volume III: Problems and Issues in Contemporary Diplomacy*, Thousand Oaks: Sage.
[xviii] e.g. Bäckstrand, K. & Kylsäter, M. (2014) 'Old Wine in New Bottles? The Legitimation and Delegitimation of UN Public-Private Partnerships for Sustainable Development from the Johannesburg Summit to the Rio +20 Summit', *Globalizations*, 11 (3): pp. 331-347; Osbourne, S. (ed.) (2000) *Public-Private Partnerships: Theory and Practice in International Perspective*. London: Routledge.
[xix] e.g. Benner, T., Reinicke, W. H., & Witte, J. M. (2003), 'Global Public Policy Networks: Lessons Learned and Challenges Ahead', *The Brookings Review,* 21 (2), pp. 18–21; Detomasi, D. A. (2007), 'The Multinational Corporation and Global Governance: Modelling Global Public Policy Networks', *Journal of Business Ethics,* 71, pp. 321–334; Streck, C. (2002), 'Global Public Policy Networks as Coalitions for Change', in Esty, D. C. & Ivanova, M. H. (eds.), *Global Environmental: Governance: Options & Opportunities,* New Haven: Yale School of Forestry & Environmental Studies, pp. 121-148.
[xx] Strange, S. (1992), 'States, firms and diplomacy', *International Affairs*, 68 (1), pp. 1-15.
[xxi] e.g. Dingwerth, K. (2005) 'The Democratic Legitimacy of Public-Private Rule Making: What Can We Learn from the World Commission on Dams?', *Global Governance*, 11 (1), pp. 65-83; Khagram, S. et al. (eds.) (2002) *Restructuring World Politics: Transnational Social Movements, Networks, and Norms*, Minnesota: University of Minnesota Press; Nölke, A. (2000) 'Regieren in transnationalen Politiknetzwerken? Kritik postnationaler Governance-Konzepte aus der Perspektive einer transnationalen (Inter)-Organisationssoziologie', *Zeitschrift für Internationale Beziehungen*, 7 (2), pp. 331–58; Benner, T., Reinicke, W. H. & Witte, J. M. (2004) 'Multisectoral Networks in Global Governance: Towards a Pluralistic System of Accountability', *Government and Opposition*, 39 (2), pp. 191-210.
[xxii] See Knüpfer, C. & Scheler, R. (2021), 'Future Focus: Any Foreign Policy Must Include Climate Policy', *Internationale Politik Quarterly,* available from: https://ip-quarterly.com/en/future-focus-any-foreign-policy-must-include-climate-policy (accessed 3 March 2022).
[xxiii] Alliance for Multilateralism (2022), *What is the Alliance for Multilateralism?,* available from: https://multilateralism.org/the-alliance/ (accessed 11 Feb 2022).
[xxiv] Alliance for Multilateralism (2022), *Paris Call for Trust and Security in Cyberspace,* available from: https://multilateralism.org/actionareas/paris-call-for-trust-and-security-in-cyberspace/ (accessed 12 Feb 2022).
[xxv] Alliance for Multilateralism (2022), *COVAX,* available from: https://multilateralism.org/actionareas/covax/ (accessed 12 February 2022).
[xxvi] Alliance for Multilateralism (2022), *Generation Equality Forum (Group of Friends on Gender Equality),* available from: https://multilateralism.org/actionareas/generation-equality-forum/ (accessed 12 Feb 2022).
[xxvii] The Federal Government (2021), *A Multilateralism for the People: Federal Government White Paper,* Berlin: Federal Foreign Office, p. 14.
[xxviii] Ibid., p. 20.
[xxix] Wigell, M. (2008), Multi-Stakeholder Cooperation in Global Governance, Helsinki Process Publication series 7/2008, FIIA Working Paper no. 58/2008, Helsinki: Ministry for Foreign Affairs. For a critical review of the limited evidence base for assessing the effectiveness and impact of multi-stakeholder initiatives, see Brockmyer, B. & Fox, J. (2015), *Assessing the Evidence: The Effectiveness and Impact of Public Governance-Oriented Multi-Stakeholder Initiatives*, London: Transparency & Accountability Initiative.
[xxx] See also Scheler, R. (2019), 'Globalisten aller Art, vereinigt Euch! Ohne nichtstaatliche Akteure springt die "Allianz der Multilateralisten" zu kurz', *Internationale Politik* (January/February 2019), p. 111.
[xxxi] Slaughter, A.-M. & LaForge, G. (2021), 'Opening Up the Order: A More Inclusive International System', *Foreign Affairs*, 100 (2), p. 159.

[xxxii] See also Scheler, R. (2019), 'Globalisten aller Art, vereinigt Euch! Ohne nichtstaatliche Akteure springt die "Allianz der Multilateralisten" zu kurz', *Internationale Politik* (January/February 2019), p. 111.
[xxxiii] Slaughter, A.-M. (2017), *The Chessboard and the Web: Strategies of Connection in a Networked World,* New Haven and London: Yale University Press.