Global Governance and Megadiplomacy

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An Interview with Mustafa Safdar
Providence, RI, 24 May 2011

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Brown Journal of World Affairs: In your book *How to Run the World*, you argue that twenty-first-century diplomacy is similar to that of the Middle Ages. Why is this an effective analogy?

Parag Khanna: The best analogy to the diplomacy of the twenty-first century, or what I call the post-modern Middle Ages and some call the post-Westphalian world, is that of the Middle Ages. Many people argue that the early twentieth century is a better analogy because the interwar years between World War I and World War II were similar to the twenty-first century: there were heightened tensions among rival powers, a great deal of uncertainty, and power transitions. That view is not sufficient because it is limited to a European parallel. Nineteenth-century Europe or early twentieth-century Europe was multipolar, yes, but the rest of the world was not. There are two main thrusts to why the medieval analogy is appropriate.

The first is that the Middle Ages was not only multipolar, but also multicivi-

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lizational. The twentieth-century analogy that people make takes a Eurocentric approach, or only takes into account a European worldview. The Middle Ages, in which India, China, and others were all major players, more accurately parallels today's multicivilizational world. During the Middle Ages, China was the most advanced and populous civilization in the world; India was powerful; and the Arab and Islamic caliphates stretched from North Africa to Central Asia. Only Europe was weak and divided. The Western mindset is that the Middle Ages was a dark period. But in fact, for the rest of the world, it was kind of a golden age. The fact that the world today is multipolar and multicivilizational—on a global scale, on a Eurasian scale, and beyond Eurasia—is the fundamental reason why we have to go back to the Middle Ages to find any kind of parallel in history to today's diplomacy.

The second is that the Middle Ages was also a multiactor world. This was before the advent and rise of the modern nation-state, international law, the Westphalian system, and even the colonialism that created the modern-day system of sovereign equality. In Europe and beyond, tribal hordes like the Mongols coexisted with the Holy Roman Empire. Cities, mercenaries, churches, tribal groups, universities, merchant guilds, and many other actors all played important roles in diplomacy—participating in formal, recognized, mutual, diplomatic intercourse with each other. Diplomacy in the Middle Ages was, as I like to say, "among anyone who's someone." This reminds us about how ultimately informal diplomacy can be, rather than being the rigid kind of ministerial diplomacy that we made it into in the twenty-first century. Because it was a multiactor and multicivilizational world like today's world, the Middle Ages serves as the best analogy to twenty-first-century diplomacy.

Journal: Why is improving the "global diplomatic design" essential to improving the way the world is run? How are those concepts linked?

Khanna: Reforming global governance is a big topic discussed at the global level by the G-8, G-20, and the United Nations. It's a big topic for academics, think tanks, non-governmental organizations, and students. Everyone wants to talk about reforming global governance. However, they tend to limit themselves to the state-based intergovernmental structure of the nineteenth and twentieth centuries. The assumption is that the evolution of global governance by necessity moves in the direction of ever more legally codified, bureaucratized, and centralized organizations. By that logic, the way to improve and adapt global governance is to strengthen and reform the UN and rebalance the voting in

organizations like the IMF and World Bank. But now it is possible to achieve a more legitimate, representative, and effective global governance in the twenty-first century.

I think that globalization renders the past 200 years of political psychology and philosophy obsolete. Many interpretations of Kant, Rousseau, and even Hobbes assume a teleological centralization, unified command structure for global governance. I think that's nonsense. I think globalization completely flips that on its head. What you have is a rapid, massive universal decentralization and entropy of power and authority and resources toward all different kinds of actors, like cities for example. Even so-called super-empowered individuals must now be factored in; individuals like Bill Gates and George Soros can be considered more systemically relevant than quite a few countries. These new realities aren't taken into consideration when one is just tinkering with existing institutions like the World Bank. Decentralization overwhelms the possibility of global governance reform merely by tinkering with existing institutions. That's why I think that the current approach is completely misguided.

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Journal: In the book, you mentioned the concept of "Megadiplomacy." Can you elaborate on what it is and how it improves the abilities of relevant actors to solve global problems?

Khanna: Megadiplomacy is coalitions at the intersection of governments, IGOs (intergovernmental organizations), companies, CEOs, religious groups, universities, and other kinds of actors. Some would call this concept multistakeholder diplomacy, multiactor diplomacy, or public/private partnerships. The factual basis for it is that, clearly for the last at least 70 years if not 300, we have had the assumption that states and governments—whether unilaterally, bilaterally, or multilaterally—have the capabilities and resources to manage the world's problems. Yet, we see an ever-growing number of governance gaps and market failures. Clearly, states and governments have not proven capable in a world that has become more and more complex. I don't think that all of a sudden most governments of the world, given their current fiscal crises, are going to be able to do a better job ten years from now then they have in the last seven. Megadiplomacy is premised on the realization that much of the resources that are needed to address these problems are not just located within governments. They are located within the private sector, civil society, and so forth. But those actors

tend to not have a voice or a role or channels to participate in contemporary global governance or diplomacy. Megadiplomacy attempts to bridge that gap by bringing them into the mix. That's the motivation. The material basis for the argument is that clearly governments don't have enough resources.

The second part of the argument is not just about resources—it's about ideas. Basically, some of the models for tackling global problems don't really come from official governmental processes whatsoever. When it comes to poverty, people have clearly realized that microcredit is the world's most powerful poverty-fighting tool. Well, that didn't come from the World Bank or the IMF or USAID, did it? It came from the ground up. It came from rural Bangladesh. It came from an academic. It came from experimentation. It came from local collectives of women. It came from all sorts of sources that have nothing to do whatsoever with all the billions of dollars and official instruments that we have created over the last 100 years. The same goes for resolving climate change. It doesn't come from having a fancy summit at Bali, Kyoto, Copenhagen, or Cancun, right? It comes from technology innovations and from transferring technology through market instruments, subsidies, and other kinds of things. If you examine the single biggest issues of our time, you find that the solution rarely comes from traditional global governance institutions. If that's the case, then why do we rely on those institutions to solve those problems? We really shouldn't. We should be empowering the mechanisms that actually do have a useful role in solving those problems. Quite frankly, the UN has done almost nothing for climate change and probably never will.

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I measure the utility and the legitimacy of a global governance tool on its effectiveness. People tend to think of legitimacy and effectiveness as two different things. They think that the UN and the World Bank are legitimate, and some actors are legitimate just because they represent governments. I have a different view. I think the world is impatient. I think people are impatient. I think that legitimacy derives almost exclusively from effectiveness. So if you are Bill Gates and you are capable of solving a global health problem or a local health problem, you are legitimate; you gain legitimacy through your effectiveness. I don't think there is very much legitimacy left in the world outside of the actual demonstration of effectiveness.

Journal: You have written about the waning influence of the United States in a lot of global events. What can the United States do diplomatically to regain

a leadership role in the world?

Khanna: Americans tend to begin with the assumption that whatever the issue is in the world, America should or must or can take the lead. But America may not have the ideas or resources—it may have neither of the two—that are required to solve a certain problem. My work always begins with the global situation and then secondly assesses to what extent America can play a role in being part of the solution. In making that assessment, I don't treat America as being synonymous with its government. I think of America as an aggregate of many different kinds of actors and resources. I think of American corporations, American universities, American civil society, American Peace Corps volunteers, and etcetera. I think of the U.S. government as this very disaggregate set of entities. I think of all of those as components of this much larger notion of America and America's role.

Depending on what the issue is, America's role and contribution is very diverse but enormous. If you look at issues like poverty alleviation, whatever the America government gives in aid programs is really very small compared to what American citizens and migrants in America give in remittances. When I think of America's role with respect to poverty, I don't say, "We need to raise the component of foreign aid that we give to 0.7 percent [of GDP]." Do you remember when 0.7 percent was the great mantra among G-8 development ministers? They said that we all have to commit to raising our aid budget to 0.7 percent. Well, that was in 2006 and 2007 before the financial crisis. After the financial crisis, we saw that foreign aid obviously got slashed a lot. Whether or not you give 0.7 percent, 0.8 percent, or 0.9 percent, it's about as meaningless as the Millennium Development Goals. These are just empty numbers that have absolutely no correlation with the effectiveness on the ground. I don't care if an aid budget is $400 billion if it's all just going to waste. Rather than talk about those numbers, we need to talk about actual programs and how effective they are.

We know that remittances are the most effective form of aid because they transfer cash directly into the hands of relatives. They tend to spend the money in general either on food, education, or health care—all of which are the most important contributors to overall welfare. America's role in the development issue does not begin on assessing whether or not its aid budget is stingy or generous. It begins with the fact that America's migration policy is the most open of any Western advanced country and thus America is the world's largest source of remittances. Therefore, America's migration policy is the source of

its massive role in development assistance. This points to how America is very disaggregated—how there are many different players even when it comes to issues like development. Now, there's another example of this, which again is climate. America doesn't have a clean energy bill. At the same time, some of the most important technology innovations that do reduce emissions come from the United States. They come from Silicon Valley; they come from companies around the United States. Therefore, the transfer of those technologies is a very important contribution to reducing greenhouse gas emissions. That's another example of an American contribution to an issue.

When it comes to global security, you don't measure America's contribution simply by counting the number of American troops who are serving abroad. That's something that Michael O'Hanlon at the Brookings Institution does. He has tried to assess the contributions of different countries to global issues like global governance. He argues that because the United States has all these troops in Iraq and Afghanistan, America is making a large numerical and budgetary contribution to global security. Obviously, that's the dumbest thing I've ever heard, and it's actually passed off as a contribution to global governance. You have to take into account what measures actually contribute to stability and security and what measures don't. Some would say the more neutral metric is to take the number of troops serving in peacekeeping operations. You find that third-world countries contribute a lot more than first-world countries do.

The point is to say that, issue by issue, you have to look at what American society contributes in addition to the government to get an accurate sense of what America's role is with respect to that issue. But the key point is that it's global first, American second. The final point is that I call this the "diplomatic industrial complex." American policy makers need to go through a three-step thought process. First, what is the whole-of-government strategy? What is the contribution of various agencies across the government? Second, what is the multipartner strategy? What are our allies and other states doing? Third, what is the private strategy? What is the role of American society? Then, I think, policy makers will have a better comprehensive sense of what a good policy would look like.

Journal: You argue that building more effective regional systems and redrawing borders is a more effective diplomatic strategy than focusing on global security. Could you explain this in the context of Africa and the Middle East?

Khanna: Global security is a very misleading term. I think that people use the

term *global* and attach it to words like *poverty* or *climate change* and *security* in order to raise money for their organizations, not because it's analytically accurate. If you want to be analytically accurate, there's no such concept as *global security*. *Global terrorism* is the worst myth of all—99.9 percent of all terrorism is local. Look at places like Sri Lanka, Pakistan, Kashmir, Afghanistan, Iraq, and Palestine. September 11 is that rare black swan transnational terrorist event. But 99 percent of all terrorism is local: locally motivated, local issues, local grievances, and local victims. It's a huge misconception and misconstruing of terrorism to call it *global* and use terms like a *global security threat* and *global jihadist groups*. There are a couple of transnational terrorist groups that are very dangerous, no doubt, but they don't represent all of what terrorism is. *Global security* is a great myth.

Again to flip it on its head, let's focus on local security. If we want to solve terrorism, we need to solve local political conflicts. If we want to solve border conflicts, we have to redraw the borders. We don't need to necessarily involve the UN Security Council. Peacekeeping often just perpetuates bilateral tensions, and we have peacekeeping operations that have lasted for decades that haven't actually helped resolve situations. Kashmir is one example; Cyprus is another. These conflicts are fundamentally territorial in nature and have to be resolved in a territorial way. We have this great inhibition about redrawing borders because we think that it necessarily means that Balkans-style civil wars will occur. But that's not really true.

Take the case of South Sudan, which is the most recent and the most promising example of redrawing borders. The creation of South Sudan involved the diplomacy of the African Union (a regional organization), the European Union (another regional organization), the Arab League (another regional organization), the United States, the UN, and a handful of private actors like oil companies, mediators, and NGOs. Because there was a lot of foresight involved in the process and there was a clear date set for a referendum, you had a slow and steady process that led to the peaceful birth of South Sudan. This is really surprising given that (a) it's Africa, and (b) it's a border dispute. You would fully expect the whole situation to unravel and there to be some sort of genocide—Darfur style—in South Sudan. And yet that didn't happen. So whenever people say, "Oh no, secessionism is bad," you have to remind them that you have examples of it being done right, like South Sudan. Not every situation winds up being like Yugoslavia.

The fundamental principle underlying this logic for me is based on two concepts. First is self-determination. We've come away a bit from the Wilsoni-

anism of the early twentieth century, which I'm still a pretty radical believer in. That project is not yet complete, and a lot of it was done very badly. With the dissolution of the Ottoman Empire and the collapse of European Empires, we saw very hastily drawn borders, many of which were, quite frankly, mistaken and have hardened and caused a lot of grief and grievances. It's important to go back and realize that the self-determination project isn't complete, and you can't cheat people out of their national aspirations. That's the first underlying thrust.

The second is the realization or the belief that regional organizations are very fundamental and, quite frankly, more important than global security institutions. I think that better global stability would result not from a stronger UN or a stronger or expanded UN Security Council, but from stronger regional organizations that do regional peacekeeping missions and can solve regional border disputes with legitimacy. I think that's why strengthening the African Union should be a major priority. Long before I would commit one more troop to the UN mission and long before I would even bother expanding the UN Security Council, I would put dollars and cents and time and effort into strengthening the African Union. I would do the same for Arabs, Asians, Latin Americans, and others. I think that better global governance will result from better regional governance, conflict resolution, and management.

The final point is that we all too often focus just on state birth and the potential violence around it and not enough on what happens once territorial conflicts are resolved through border realignment. What does happen—and we know this through the example of Europe—is that once countries settle their borders the first thing they do is open them. That's what happened throughout Europe. After the Balkan War and the dissolution of Yugoslavia, those countries either now have stabilization and association agreements with the EU or are members of the EU or are joining the eurozone. Basically, the first thing that happens once countries divide is they fuse together again along functional lines in terms of transnational governance. I think that people only focus on the negative part of the process—the first part, which is the disintegration of states. They don't focus on the second and more important part, which is the reunification or merger of states into more supranational types of unions like has happened in Europe.

Journal: Would this potentially create an accountability problem? Who exactly is accountable to whom—or, for example, where do people's loyalties lie as citizens?

Khanna: I don't know if that necessarily has ever changed. If a person's loyalty is to a not-yet-existent Kurdistan or Palestine, that just tells you that you need to create a Kurdistan or a Palestine. Otherwise, you are going to have a lot of trouble. I don't think you can really cheat Kurds or Palestinians much longer out of their national aspirations, and it's kind of silly to pretend you can try. I think that much of U.S. foreign policy for the last 35 or 40 years has been about pretending that you could patronize Palestinians and not grant them what they want. As we can see from the events of this past September, the Palestinians have lost patience with this and plan to pursue their own path to independent statehood. If I were them, I would have done it even earlier. I think the Kurds will probably take it too at some point. I don't think you can convince the Kurds that being part of Iraq is a good long-term proposition given the way Saddam treated them.

Journal: How will Megadiplomacy work in countries that have experienced a lot of political problems such as revolutions, especially those affected by the Arab Spring? How relevant as power-players are the United States, the West, and organizations like the Arab League and the UN to these conflicts?

Khanna: I think that American diplomacy has been essential before, during, and after the Arab Spring. First of all, prior to the Arab Spring—people who didn't know it beforehand certainly know it now—U.S.-based NGOs and government-funded groups had been helping train some of the activists who wound up orchestrating the Arab Spring. It shows that, in fact, the United States has had multiple policies going on simultaneously: one policy that backed Mubarak and one policy that trained young leaders to go out in Tahrir Square and oppose him. I think that that's a beautiful thing. I think there should have been more emphasis on the latter than the former, but that's okay. Good diplomacy is about playing all sides.

Now, coming out of the Arab Spring, I think Megadiplomacy becomes extremely important because you can't feed Egyptians and you can't stabilize the economy or the state just by having bilateral government-to-government dialogue or military-to-military dialogue. Those days are over so you need to have a lot of different actors in the mix—the most important of which are foreign investors and banks and companies. The Egyptian economy has several main pillars: the Suez Canal, tourism, natural gas, and textiles. All of those except the Canal are in a horrific state of mismanagement and disrepair. The economy is not going to be resurrected just by having negotiations about a constitution

or deciding when to have elections. Those things are important, but they're not the only important things.

OPIC [the Overseas Private Investment Company] has offered $2 million in loan guarantees for American companies that will invest in North Africa right now, particularly Egypt. I think that's a good example of Megadiplomacy—bringing in the private sector and bringing in investors. The World Bank and IMF are going to play a very major role because Egypt has a gigantic debt that needs to be renegotiated. That's another set of actors. Then, a whole set of civil society actors that are going to get more involved in Egypt are those who will be training judges and encouraging free media and promoting democracy activism. You can clearly see by taking Egypt as a microcosm for the entire region that you have a number of players from around the world and from different sectors, even from within the United States, who are really heavily involved in the future of that country.