

Globalization and Governance of International Society

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SEVERAL YEARS HAVE PASSED since the expression "global governance" first began to be used. Although various and extensive discussions regarding global governance have ensued, a definition of the concept itself is still premature. However, we can not deny that the current international environment has entered a stage requiring some kind of cooperative scheme not only to monitor the world order but also to address global concerns. It may be helpful to summarize the background to the emergence of the concept of global governance in the following four points:

- Since the end of the cold war, the notion of a collective security system has drawn worldwide attention. The United Nations could restore its function as the center of a collective security system, and a cooperative peacekeeping mechanism consisting of several major countries has been largely established, as seen in the case of the Gulf War and in Bosnia Herzegovina.
- The notion of prioritizing the market economy and free trade, as seen in the Asian economic system and the socialist market economy in China, has spread.
- The information technology revolution has freed corporations from the limits of national boundaries, and multinational corporations can now transcend the restrictions of distance, time, and location to pursue their business activities in the most advantageous markets.
- Global problems have intensified and are drawing the attention of

the world. The population explosion, environmental destruction, energy shortages, refugees, poverty, terrorism, and so on have become major security issues.

GLOBAL GOVERNANCE FROM SECURITY AND POLITICAL PERSPECTIVES

An integrated, or collective, security system has now become an important notion in international politics. The United States, as the biggest military power, plays the central role in maintaining a peaceful world order. However, as the world diversifies and becomes more multipolar, cooperative measures by other major countries are also indispensable. For ten years, I have been saying that the world would enter an age of "Pax Consortis" complementing the function and role of the United Nations via a comprehensive security mechanism.

A comprehensive security mechanism would consist of preventive security measures (peace-creating measures) and allopathic treatments (countermeasures to end open conflicts). Preventive security measures for peace-creating would cover both the military and the nonmilitary fields. The military field would work toward the abolishment of nuclear testing, the transparency of military buildups and the arms trade, disarmament, and the reduction of weapons of mass destruction. The nonmilitary field would be responsible for the promotion of democracy, the transfer of capital technology, the establishment of stable international relations, and solutions to the issues of poverty, refugees, and so on.

It should also be noted that the participants in the current world system are varied. In addition to nation-states and state governments, international institutions (the United Nations, the World Trade Organization [WTO], and the International Monetary Fund [IMF]), regional organizations (the European Union, the North American Free Trade Agreement, and the Association of Southeast Asian Nations), multinational corporations, city and local community groups, and nongovernmental organizations (NGOs) are beginning to play important roles. NGOs, in particular, are playing a big role in environmental protection and in the banning of nuclear testing. If we are to establish a viable system of global governance, we must establish common goals and values that are acceptable to and supported by all these players.

GLOBAL GOVERNANCE FROM TRADE AND
ECONOMIC PERSPECTIVES

Advances in information and communications technology have accelerated the movement toward a borderless global economy, thereby leading to greater calls for a global system that guarantees the freedom of trade, investment, service, finance, and other economic activities. The rules set by the WTO are now widely accepted, and the resolution of trade frictions has come to depend on the WTO dispute-settlement mechanism rather than on bilateral measures, which were formerly often employed by the United States.

The formation of global standards for corporate activities is another aspect of this trend. Global standards include items that are set by the marketplace, such as *de facto* standards, and items that are determined by international agreement, including worldwide telecommunication protocols, environmental management criteria (e.g., ISO 14000 series), and the system for the protection of intellectual property rights. Industrial groups and expert groups may act as main players in this field. As competition spreads to a global level, domestic economic systems and policies such as corporate organizations, company regulations, accounting rules, and competition policies must be made more transparent and brought into harmony with international norms. (In fact, this is the reason behind Japan's vigorous efforts at present to reform its economic and financial systems.) Equity-rate regulations for banks laid down by the Bank for International Settlements, from which Japanese banks are suffering, is an example of this kind.

The Group of Seven (or Group of Eight) summit is an example of an organization that can undertake global governance from an economic perspective. Macroeconomic policy coordination and management in view of stabilizing the currency situation is the joint work of such major countries, with the ultimate goal of maintaining stable conditions for economic activity. The activities of the IMF, which is now playing a big role in normalizing the currency turmoil in Asia, and supporting measures by related countries are prime examples of global governance. The World Bank and overseas development assistance are fulfilling similar functions.

GLOBAL GOVERNANCE FROM THE SOCIAL PERSPECTIVE

The population explosion will be a huge burden on the earth in the next century. It is quite certain that environmental problems such as global warming, acid rain, desertification, and the destruction of the ozone layer will worsen, making it necessary for all countries to join together in solving them.

The Third Conference of the Parties to the United Nations Framework Convention on Climate Change, held in Kyoto this past December, established basic agreements, but further steps should be taken for obtaining the involvement of developing countries, improving measures to obtain clearer results, and implementing the AIJ (activities implemented jointly) approach for the prevention of global warming, tradable emission permits, and clean development mechanisms. Technological innovation is the key factor in seriously addressing environmental issues. International, interdisciplinary, interindustrial, and interinstitutional efforts are strongly needed.

Advances in information technology bring great advantages to industrial society. However, concerns exist that they may create a breakdown of social security by weakening the sense of social integration owing to an overemphasis on individuality, widening the gap between the rich and the poor, degrading people's morality, loosening family ties, and destroying the very concept of community. In fact, the United States is now suffering from these types of social problems.

Moreover, in Japan employees are losing their sense of loyalty to their employers, family bonds are weakening, and juvenile crime is on the rise.

We must acknowledge the potential for negative social factors contained in the information technology revolution and join together to counteract them. Otherwise, our societies and the world are inevitably headed for chaos. Some NGOs are beginning to deal with these issues.

From a social perspective, I finally would like to say that in order to avoid culture clashes, we have to study further different cultures, cultivate a tolerance of different values, and generally increase cross-cultural know-how.

CONCLUSION

I am positive about the prospects for designing and improving a concept and scheme of global governance from the political, economic, and social perspectives, even though such a concept and scheme may be complex, changeable, and consist of diverse elements.

In conclusion, it seems clear that the process of consensus-building is key to successful global operations, and that a flexible mixture of institutional arrangements such as conventions, international agreements, joint declarations, concerted actions, and coordinated policy operations is necessary for optimal global governance.