

Excerpt of book by author

*"Opening to OMNILATERALISM:  
Democratic governance for all, from local to global with stakeholders"*  
By Wolfgang Pape  
Softcover | 5 x 8in | 652 pages | ISBN 9781665582131  
E-Book | 652 pages | ISBN 9781665583152

### Chapter 3

#### Multi-level governance for the people from the bottom up

Once the aberration of absolute national level governance is recognised as anachronistic -- due to growing regionalisation and globalisation effects above and the devolution of power and subsidiarity below -- we must widen the discussion. We need also to include a re-emerging debate about the different forms of governance in general. We must differentiate governance systematically between levels: **from local, provincial, national and regional to global.**

The use of the term **multi-level governance**<sup>1</sup> emerged from the academic analysis of European integration. It evolved in a way that could not be explained within a traditional model of international organisations like the UN, NATO etc.<sup>2</sup> An essential characteristic

---

1 The term received its official stamp in the EU with *The White Paper on multi-level governance* issued by the Committee of the Regions, the EU's Assembly of Regional and Local Representatives in 2009 in Bruxelles. Interestingly, even for Peru a group of researchers have established "*The legitimacy of multilevel governance structures for benefit sharing*," Info Brief, No. 101, December 2014, CIFOR.org

2 Personally, I grew practically aware of the importance of the distinction of the sovereignty sharing EC/EU as *sui generis* from international organisations in terms of diplomatic protocol when serving in the 1980s in its Delegation in Tokyo. Beforehand, the Delegation of the Commission, established in Japan in 1974, appeared in the diplomatic listing of the Foreign Ministry only after all national Embassies at the very end separated by a 'Pink Sheet' together with the representations of the ILO etc. The Delegation had grown considerably in the 1980s not only in number of staff but also in substantive impact on the economic relations with the host country (according to the FT of 6.8.1990, it "outranks in importance the individual missions" of its then 12 constituent member states). Consequently, when former Dutch Prime Minister Dries van Agt was nominated by Bruxelles to head the Delegation in Tokyo he was officially accredited as our Ambassador to the Head of State, the Emperor of Japan (and not only to the PM as before) and -- as follows tradition -- carried in a horse-drawn coach to the

that has gained incremental importance during the process of European integration towards an 'ever closer union' has been the desire for solidarity<sup>3</sup> as an offset to the exercise of independent action (a curtailment of traditional freedom), notably in crisis situations. The historical uniqueness of having supranational competences at regional level made it *sui generis*, (one of a kind) in technical terminology. Some see this as a dangerously open-ended legal position, where conventional rules might not apply.<sup>4</sup>

Commented [NC1]: Edited your words—do I keep your meaning??

Commented [WP2R1]:

To simplify, I assume **multi-level governance** to pertain to power exercised at the **local, provincial, national, regional and global level**. By regional, I mean an area equivalent almost to a continent, e.g. the EU as a 'regional body.' (Although fully aware that the non-EU countries, like Norway, Switzerland, Russia etc. are part of the continent;<sup>5</sup> and also that the term region may in some cases refer to sub-national units- but this is not how I will use it.) I also accept that at the national and lower layers, certain political structures sometimes have overlapping competences or shared administrations<sup>6</sup>, while other states appear more centralised.<sup>7</sup> Major subunits within a state I term a 'province', aware also that 'provincial' in some tongues is a pejorative term, yet it officially denominates a sub-national territory in major countries such as Canada and France. It is in that sense that I deploy it. I disregard in this discussion the issue of a task-specific entity designed around particular policy problems (e.g. the Mekong River Commission, monitoring the water of the Mekong that runs from China through six otherwise barely-connected but diverse countries from the North of Vietnam down into the Pacific Ocean). Rather my focus is on particular territorial units in governance below and above the nation, namely the local and the global levels.

The spread of decision-making away from the nation has been due to two broad drivers. Pushing upstream is economic globalisation

---

Imperial Palace. Similar shifts in protocol and substance of relations occurred likewise in Washington, Canberra (where the UK Queen is awkwardly still Head of State as well of the UK as a member state until Brexit!) etc.

<sup>3</sup> E. g. Pierre Calame, « *Repenser l'avenir de l'UE en instaurant une gouvernance à multi-niveaux* » at Conference AFFCE/GRASPE. Bruxelles, 2.6.2016, underlining the 'principle of active solidarity.' Although early on criticised, for instance the solidarity shown by member states within the EU during the pandemic in 2020 through declarations and medical aid have been considerable, notably by Germany, France and Hungary, as analysed by the Solidarity Tracker of the ECFR, Berlin; see <https://www.ecfr.eu/solidaritytracker> .

<sup>5</sup> The Council of Europe for instance as the continent's main human rights organisation has 47 member states including all EU members and also Russia.

<sup>6</sup> For instance, highly federalised Belgium still allows accumulation of political posts by one person at different levels from local to national.

<sup>7</sup> E.g. France, notably before the decentralisation laws of Gaston Defferre in 1982

and the accumulation of shared global problems, most obviously climate change. Pushing downstream is the recognition over time that competition among multiple jurisdictions can lead to a more efficient provision of public services, notably at the local level<sup>8</sup>. This insight was a major factor for instance in the decision of the Chinese to decentralise more to provinces and even offer certain taxation and other powers as incentives.

How far these reforms of decentralisation have gone has drastically been demonstrated most recently with the outbreak of the covid-19 epidemic. The authorities in the city of Wuhan not only played a crucial role at the very beginning, but reactions popped up at all levels of governance across the world, often in disregard of the national government. The old towns of Yamato in Japan and Freiburg in Germany (where sits my *alma mater* with the federal health-centre of the Robert Koch Institute) were amongst the first administrations to issue their own measures; New York city and the state of California diverged from President Trump's national policy; and more. Such responses are clear examples of multi-level governance in action.

Academics define **governance** in short as "binding decision-making in the public sphere." A fuller definition is the "capacity of human societies to equip themselves with systems of representation, institutions, processes and intermediary bodies in order to manage themselves by intentional action."<sup>9</sup> It applies to all multi-level governance. But for societies "to manage themselves" the smaller the unit involved, the easier it is often to achieve. (For example, there is a form of governance in the running of a family.) It means also that at a local level and in tight knit or small communities there is obviously less need of "systems of representation, institutions, processes and intermediary bodies"; and there is a natural feeling of solidarity when proximity is close and direct experience at hand. Contrast a global level of governance. It is far distant from citizens separated from one another by continents and oceans and solidarity towards common goals, for example the Sustainable Development Goals of the UN, remains more remote. (But note, too, how young schoolchildren from late 2018 following Greta Thunberg and 'Fridays for Future' have been demonstrating in solidarity worldwide on climate change issues, thanks to the 'death of distance' brought by the Internet.)

Hence efficient, effective, accountable and legitimate governance ought to fit the place and size of the society it is governing. Ideally,

---

<sup>8</sup> Cf. Charles Tiebout, "A pure Theory of Local Expenditures," 1956

<sup>9</sup> Sic P. Calame and A. Talmant, « L'Etat au Coeur: Le Mecanno de la Gouvernance, » de Brower, Paris 1997, p. 19

this could be built vertically in concentric circles of identity and solidarity, from the smallest unit (family, local) up higher to the largest (global, world). My personal story of concentric identity explored this in Chapter 1. There should also be a horizontal 'equality of chances' at the global level, where the smallest polity should be considered with the most populous when it has a vital interest at stake. Otherwise, on a one person, one vote basis, a small island-nation like Nauru in the Pacific with a population ratio of 1:145,000 to China could never get heard, for example, on the issue of climate change and the rising of the ocean, yet its existence is mortally threatened by it. Of course, such an ideal structure is unlikely ever to be fully realised. Cultural and ideological influences naturally also play an important role. But such influences, looking systemically, are secondary and normally have less of an impact at the local level (especially within a family or a small farming village say) than at a higher level.

In a **democratic** society<sup>10</sup> the people (*demos* in Greek) themselves ought to govern (*kratein*). Of course, physical proximity to and participation of the people in governance structures - as in a small local community - make democracy more feasible and can increase transparency, accountability and thereby legitimacy. Hence even in China there is more democracy in smaller units like villages and townships<sup>11</sup> than at higher levels.

Beyond Europe, other continents are also adapting to the need for multi-level governance, along with the recognition of a need for rules that are applicable and enforceable (e.g. against climate change), at regional as well as at global level. The acknowledgement of this reality increasingly dilutes and negates vested interests and politicians who pursue claims to ever narrowing national sovereignty and self-determination in denial of not only economic but also political interdependence.

Within this interdependence is a search for a new balance. The timeless, and ever more urgent search for equilibria **between the individual and society**, between the smaller and the bigger unit as well as between *ratio* and *emotio* and the contrasting symbols of

---

10 Cf. Abraham Lincoln famously defined it as "government of the people, by the people, for the people" in his Gettysburg address in 1863.

11 See e.g. Zhang Weiwei (cited in Nicolas Berggruen, "Intelligent Governance for the 21<sup>st</sup> Century -- A Middle Way between West and East," Polity Press, Cambridge 2013, p. 45) countering the 'bad emperor' problem by giving examples of higher accountability through meritocracy in China than in the USA, such as cases of Chinese officials in the provinces promoted on their merits for growth and in Shanghai arrested for malpractice, in contrast to "nobody held accountable in the USA for the financial crisis that made American citizens lose up to one quarter of their assets."

Yin and Yang, demand a novel '**Enlightening 2.0.**'<sup>12</sup> However, in contrast to the original Enlightenment of Rousseau, Hume and Kant, this new movement cannot only come unilaterally from one continent and imperially dominate the rest of the globe. It might as well start on the other side of our earth; and it has to take in and not take over the wisdom and good practices of all on the earth, omnilaterally.

Unlike the first enlightenment carried in print on paper, the major means of bringing about this new one are the electronic media. However, they hold vast almost monopolistic power. While national politicians hang on to hollow songs of sovereignty, the real music plays with the massive 'deep data' from the Internet of Things/Thoughts collected and AI-analysed by private transnational corporations. The internet giants run by businessmen like Bezos<sup>13</sup> and Zuckerberg<sup>14</sup> - shorthand the 'GAFA' (Google, Amazon, Facebook, Apple) and the Chinese competitors BATX - have long since usurped important parts of *truly substantive* public sovereignty by capturing massive data, and thereby facts, knowledge and insights on citizens' needs and wants. This leads citizen/consumers to vote/buy as the market's money masters decide in their very own short-term interest, and not the long-term public interest. For example, when we apply for an official document from a public administration, most of us accept passing on necessary data (date of birth, address, sometimes ethnicity, profession etc.) because we expect this requirement to be based in law, for the public interest, protected against misuse and sensitive to political or historical context. (Protections include the sale of data to private interests and the upholding of the GDPR; sensitivities include the need to protect privacy, especially for Germans after the experience of the Third Reich, or the need to protect individual freedoms, especially for Anglo-Saxons over the issue of ID cards.) Yet when for instance we buy a book on-line, we often unconsciously provide - beyond any borders, for free, to private commercial interests (for their possible resale) - far more intimate indications about ourselves. This might include our interest in left or right politics, sexual preferences, consumer desires, travel intentions, financial situation, health issues etc. Since these obviously have a commercial value in the borderless market, we should at least be paid for this provision (see the public interest

---

12 Cf. Ernst Ulrich von Weizsäcker, Anders Wijkman, "*Come On! - A Report to the Club of Rome*," New York 2018, p. 92-95

13 Amazon's CEO Jeff Bezos, the world's richest man in 2018, had received in 2014 the prize of 'worst boss' by the International Confederation of Trade Unions (see *La Libre Belgique*, 11.12.2018).

14 The FT (16.2.2019) goes as far as titling its article "Anti-social network" when discussing the book by Roger MacNamee, "*Zucked: Waking Up to the Facebook Catastrophe*," Penguin Press.

case brought in 2019 by *Test-Achats*, the Belgian consumer organisation, against Facebook, seeking compensation for data provision). In particular in the context of the coronavirus pandemic, the debate about the privacy and value of health data has gained a new dimension as digital surveillance might harvest our biometric information *en masse* not only “over the skin” but also “under the skin” in order to check our temperature, blood pressure etc. and then even track and trace us in case of a risk of contagion.<sup>15</sup>

### Mediating a mass of fungible facts

A general cleavage has opened up between a slow-moving culture and a fast-speeding civilisation.<sup>16</sup> By culture I mean here the habits, tastes and norms of societies by which they organise themselves based on their values and means; by civilisation I mean the technology and knowledge itself, the ‘know-how’. The mobile phone for example is everywhere, but how societies use or adapt to such modern communications is not yet commonly established. As a rare exception, in Japan it is still a taboo to talk on the phone in public transport. However, the basic etiquette of how and when to use a smartphone is barely agreed even within a fairly homogenous region such as Europe. The media has concurrently also failed to keep up with the advances of such technologies. Habermas’ ‘*Öffentlichkeit*’ (Public Sphere) has fragmented further into ever smaller echo-chambers and closed chatrooms,<sup>17</sup> thus furthering polarisation and online extremism in all directions.

There might be a technical ‘death of distance’ through enhanced virtual proximity between peoples with better and cheaper telecommunication; but it has also accelerated a democratically dangerous “*Death of Truth*.”<sup>18</sup> Facts have become fungible and socially constructed.<sup>19</sup>

---

15 See Yuval Noah Harari “*The world after coronavirus*,” FT, 21.3.2020

16 Characteristically there is a clearer distinction made between the terms culture and civilisation in East Asia, see e.g. the Chinese/Japanese 文化 (bunka) distinct from 文明 (bunmei), notably in comparison to the use of the terms in the Anglo-Saxon world.

17 See Hannes Vollmuth, “*Fight Club*,” in SZ, 10.12.2016

18 Sic title of bestselling book by Michiko Kakutani, William Collins, London 2018, with numerous examples starting with a frontispiece “*Truth has died*” of 1863 and including many of Trump’s 2,140 false or misleading claims already during his first year in office, averaging 5.9 a day (p. 13); consequently, the European Commission has found it necessary to bring out a long list of recent publications on issues of media manipulation under the title of “*Reading suggestions on DISINFORMATION*”, Bruxelles, October 2018

19 Sic Kakutani, eodem, p. 44

We consume media locally and from afar. There are clear risks and benefits to this. Local news and verifiable experience of local events gives people a more direct access to information they need to make appropriate decisions, for example whether to build a football stadium nearby or a theatre, or whether to elect a neighbour as mayor whom they might even know personally from the pub around the corner (with *in vino veritas* information!) But for certain uses, like keeping in touch with family far away or following more national or global issues, we also consume so-called social **media and mainstream media, which is transmitted** at the risk of transforming or even faking<sup>20</sup> news from further away. Such media is also highly market dependent. It is consequently less reliable and more contingent than what we learn by experience from our immediate neighbourhood as local citizens.<sup>21</sup>

There is however a paradox here. The higher the level of governance and thus the more complicated and far reaching the issues at stake, the more the citizens rely upon social and other media. But such sources can be neither absolutely neutral nor objective. Nor can the facts they report or opinions they offer be verified by the citizen's direct experience. Moreover, such media are increasingly reliant on selling the news on the marketplace, either directly for money or for in return for valuable personal data still generously given -- supposedly cost-free -- by most of us naïve net-users. (See the Facebook scandal of selling private data to Cambridge Analytica that was then allegedly used by Russia to interfere in the 2016 elections in the USA.)

### All democratic politics is local

In a multi-layered system of governance, as in the EU, the base is formed at the local or communal level. 'All politics is local,' is a familiar saying. One is tempted simply to ascribe this to political gravity, namely that power falls to the bottom. This might be an exaggeration, but it is a fact that local and regional authorities together in the EU represent 16 percent of its GDP, 1/3 of its public spending, 2/3 of all public investment expenditure, 56 percent of public employment and implement nearly 70 per cent of EU

---

<sup>20</sup> See Economist, 16.2.2019: "...social media prioritise attention-grabbing clickbait over boring truth, which helps propel nonsense around the world."

<sup>21</sup> Cf. FT, "Trust, lies and videotape," 20.10.2018, citing a communication advisor for our need of personal experiences with evidence of senses, in particular visual as the popular gold standard of truth: "I saw it with my own eyes." But manipulators using artificial intelligence have already produced "deepfake" videos that look authentic ... plunging us into an era of total scepticism

legislation.<sup>22</sup> Over half of the people of the world lives in towns and cities. Voters might not always be aware of this; but sub-national administrations deserve a closer look in terms of good governance and democracy.

There is however a wide variety of political structures within EU member states. Despite accepting common standards as conditions of entry into the EU -- the so-called Copenhagen criteria of membership covering democratic freedoms, fundamental rights etc. -- there is no clear governance template and standards to which all states adhere once members. One reason is that the Treaty of the EU clearly accepts that member states have the right to act at the national or local level, under the principle of **subsidiarity** in its article 5. Action here can only be challenged if the policy in question falls under the EU's exclusive competence or if it can be better achieved at Union level.<sup>23</sup> A recent, if unexpected, argument for subsidiarity was made by the Economist magazine in the UK, favouring not privatisation or renationalisation in energy policy, but in its own words a form of sub-national control or 'localism.'<sup>24</sup>

The myriad different structures within the EU makes it difficult to generalise on a clear separation or comparability between local, regional and national levels of governance. Some member states are increasingly **confederal** as in Belgium<sup>25</sup> or **federal** as in Germany. Others are rather centralised **unitary states** like Bulgaria or France; most are various shades in-between. Differences in size also complicate the picture: tiny Malta for example (population of about 460,200) has an administrative system divided into 3 regions and collects statistics from a further 6 districts, consisting of several localities with less than 2000 inhabitants. Can a sub-national unit of Malta be meaningfully compared with say a German *Land*? One way to accommodate these differences at the EU level is via the **Committee of the Regions**. This acts as a consultative 'Assembly of Regional and

---

<sup>22</sup> See "The White Paper on multi-level governance," eodem, p. 8, footnote 3

<sup>23</sup> Article 5 (3): Under the principle of subsidiarity, in areas which do not fall within its exclusive competence, the Union shall act only if and in so far as the objectives of the proposed action cannot be sufficiently achieved by the Member States, either at central level or at regional and local level, but can rather, by reason of the scale or effects of the proposed action, be better achieved at Union level.

<sup>24</sup> Economist, 15.2.2019

<sup>25</sup> Living in the officially bi-lingual capital Bruxelles adds further complications, beyond the two names for every street, by the administration's division of the city into 19 separate communes. Thus, I recently encountered a problem with the police(s) since they had registered the same one traffic law violation twice, i.e. under two different administrative numbers in neighbouring communes. Thanks to a human touch and the police(s) own frustration, I got out of the affair in impunity before the judge in court.

Local Representatives' who can input their interests to the EU system of governance. It brings together sub-national entities independent of their actual size and structure, thus giving local communities and towns representation on the EU stage.

Action at the provincial or local level is not confined to the EU. The USA federal government under President Trump -- against the warnings of the International Panel on Climate Change (IPCC) -- is promoting policies that will increase its dependence on fossil fuels that are poisoning the planet. Consequently, major American cities have reacted in opposition, stepping up action. For example, the day after Trump announced his intent to withdraw from the Paris Climate Agreement, New York City signed a commitment to the principles of that very same agreement.<sup>26</sup> Likewise in Africa the important role of the cities for the future of the continent comes more and more into governance discussions.<sup>27</sup>

Some studies have claimed that decentralisation has a positive effect on the economy<sup>28</sup> including aspects of competition. The Chinese offer an interesting example here. Their reforms from the 1980s encouraged invigorating innovation and competition among townships and cities, which contributed to their fast economic growth. Interestingly, it is at this lowest administrative rung of the **Chinese system** that, at the end of last century, they first experimented with the direct democratic election of township leaders with a process of 'open recommendation and selection.'<sup>29</sup>

---

<sup>26</sup> See Mark Chambers, "Cities Are Stepping Up to Prevent Climate Change," *Intereconomics*, ZBW, Leibniz Information Centre for Economics, Volume 54, No.1, January/February 2019, p.59

<sup>27</sup> See Henrik Maihack, "Africa's future will be decided in its cities - Increasingly, Africa's growing cities are becoming the site of changing socio-political struggles for public goods," 18.10.2019,

<https://www.ips-journal.eu/regions/africa/article/show/africas-future-will-be-decided-in-its-cities-3807/>

<sup>28</sup> E.g. Valentina Pop, "Centralised states bad for economy, study shows," *EUobserver*, Bruxelles, 18.5.2009

<sup>29</sup> See ResearchGate, "Township Elections in China: Extending Democracy or Institutional Innovation," *China REPORT* 39(4), November 2003, p. 477-497

The important factor in local elections lies with the fact that the voters, because of their **proximity to the political decisions** and actions before them, have much closer access to better information. The closer the better. It reduces the possibility of interference from lobbyists; and lowers the cost and effort of having to track information. Economists call this an 'access good.' So 'Seeing is believing' in this sense, and the risk of change to information during transmission is reduced. At local level, therefore, citizens are in a much better position to judge a situation, since they know by daily experience what is at stake (for example should one build a football stadium or a theatre) or who should rule in the village (perhaps it is a respected neighbour).

My own experience illuminates this. Sitting on the *Beirat*, the advisory council to the Lord Mayor of Kassel (the town of my birth), taught me to speak up only on issues that give me a comparative advantage through my personal proximity to the issue at hand. I was coming back from abroad, so I focussed on the areas I knew. For instance, speaking on EU relevant topics like the funding for 'smart cities'; or issues to do with Japan or China for the "documenta" expositions.<sup>30</sup>

A democracy that seeks **citizen participation**, not only every couple of years on election day, but also by constant civic engagement, deliberation and monitoring, can thus best be practised at a local level. Here people are directly concerned and know the issues through personal experience. Hence, the smaller the local unit, the more appropriate are direct elections of leading personalities and the voting on substantive issues. At this level, an 'all-democratic'<sup>31</sup> system of direct decision-making is feasible because the small number of citizens involved can easily understand the issues and concerns at hand.<sup>32</sup>

---

30 See my article on *Heimat*, Wolfgang Pape, „Liebeserklärung an Kassel' – Schnee von gestern?" in: *Leben in Kassel*, Euregioverlag Kassel 2003, p. 156-160; however, I lost close personal relations there due to my absence of over half a century, except with some buddies of my *Abiturklasse*, for instance at its 50<sup>th</sup> anniversary

31 With technology (deep AI, Internet of Things/Thought) that will soon enable instant and omnipresent communication and deliberation, 'all-democratic' (crowd-)decision-making may become possible; will human input remain desirable after behavioural engineering?

32 Cf. also the examples of the more direct concern for the local commons in politically particularly pro-active cities in Spain and Portugal in 2019: Barcelona is mapping urban commons and analysing initiatives in the city by the "Pro-Commons Coproduction Project," organised by the Autonomous University of Barcelona. The data-basis includes 1162 initiatives and 2 case studies. The connection between mapping and case studies allows essential findings.

However, proximity alone is not sufficient to generate interest and participation in such direct political processes. A concrete example is the **local elections in Japan** in April 2019. Observers see here a democracy in peril; many local assembly seats remained uncontested, elected without opposition.<sup>33</sup> In many districts, more than 40 percent of the assembly seats were decided before the vote. Such local assemblies serve as watchdogs over the local governments and have the power to make the final decisions on issues concerning budgets and public projects, the core of local autonomy. Their powers derive from the will of the people as expressed in the votes cast in elections. The steady increase in the number of **uncontested local assembly seats** is thus threatening to weaken the connection between the assemblies and the voting public.

According to observers, the Japanese situation will continue to corrode. One factor behind the uncontested elections is the increase in the numbers of single-seat and two-seat districts, which now account for 70 percent of the total. The old, large, political parties enjoy a clear advantage in holding these districts. The rise of such single-seat districts has risen over the years due to, amongst other factors, depopulation. Young people are migrating to urban centres. The number of seats has thus been cut locally. This has made it even more difficult for newcomers to successfully challenge well-entrenched incumbents.

On the other hand, Japanese local governments can still provide leadership that is lacking at the top, as was seen during the early stages of the 2020 pandemic. Archconservative Prime Minister Abe issued only very vague recommendations under the slogan of 'Stay Home' to the baffled population. It reminded me of the old soft law administrative guidance to obedient industries that the Japanese successfully issued in the 1960s. However, this time the target -- to reduce public mingling by 80 percent -- was hardly achieved anywhere in Japanese towns and provinces. (And NHK reported minutely on this throughout the campaign!)

Commented [NC3]: TV broadcaster??

Commented [WP4R3]:

---

Lisbon is running an analysis on "Democratisation Effects of a Shared and Participatory Governance Model: The Case of Greater Lisbon's Community Groups." There are 11 Community Groups formed by citizens, public services and institutions (i.e. stakeholders) in specific fields of activity (e.g. housing, waste management, cultural spaces). The general conclusion of an essential deepening of participatory democracy and transparency is the development of elements for the creation of political commons.  
33 See already before the election the critique in Asahi Shinbun, 30.3.2019

In other policy field, these subnational administrations have often preceded the central state in implementing necessary progressive rules. For instance, it is municipalities that have been leading efforts to eradicate discrimination against ethnic minorities after the passing of a law on hate speech in 2016. Critics now call for tougher nationwide steps to that end. They say there is "only so much local governments can do" and they now seek greater action at the central level. Hate speech targeting ethnic minorities in Japan often includes threats to kill people of certain nationalities and extreme insults comparing certain groups of people to cockroaches or other creatures. The language includes demands to "go back to your home country," and racist slogans resonant of President Trump's tweets against four Democratic Congresswomen of colour in July 2019.

Throughout history and across the world, the local has remained the basis for the evolution of civilisations and administration; from the settlement in Mesopotamia all the way to the **cross-border connectivity** of the *Hansestädte* along the north-western coast of Europe and beyond. The *Hanse* provides another example of how pro-active citizens in trans-border solidarity can overcome the might of sovereigns. By networking coastal towns all the way from the west-European lowlands to the Russian Novgorod, it opened trading links and opportunities for its people.<sup>34</sup> More recently, the port-cities of Kobe, Bussan, Keelung, Hong Kong, Shanghai, Manila, and Singapore have grown into a highly dynamic structure within the global transport system.<sup>35</sup> The Chinese 'Belt and Road Initiative' (BRI), in a parallel to the ancient **Silk Roads**<sup>36</sup>, is opening up new paths of trans-border communication, connectivity and transport both on land and sea, between Asia, Europe and even into Africa. Despite criticisms - mainly from American quarters who warn that it may lead poor countries into 'Debt Traps' and neo-colonialist dependence on China - the BRI has since 2013 undertaken huge infrastructure projects. They have been mostly financed by Chinese banking consortia and **have benefited local economies in most cases.**<sup>37</sup>

Commented [NC5]: How true is this? Controversial.

34 The new *Europäische Hanse-Museum* in Lübeck shows a wide collection of historic evidence to learn about this successful early form of networking that ran counter to the strictly hierarchical organisation of the nations concerned at the time from the 12<sup>th</sup> to the 16<sup>th</sup> century (see *Gott & Geld*, Die Zeit, 28.5.2015, p.18)

35 See for details Francois Gipouloux, "Firm and Port-city Networks in East Asia," in: Susan Strange, "Globalisation and Capitalist Diversity: Experiences on the Asian Mainland," European University Institute, Florence, 1996, p. 213-227

36 See the bestselling history by Peter Frankopan, "The Silk Roads," Bloomsbury Paperbacks, London 2015

37 Recent analysis by Richard T. Griffiths, "The New Silk Road. Challenge and Response," Hipe Publications, Leiden, May 2019

The municipal level is exerting a growing influence on governance. The **Covenant of Mayors** is an important example. It covers more than 300 million citizens across almost ten thousand cities in 60 European countries, with actions focussing mainly on issues of the environment. It is testimony to the positive importance of the municipality, in particular in our times when even schoolchildren have to take to the streets to demand action by senior decision-makers. The largest cooperative effort among mayors globally is the Compact (C40). It aims to reduce greenhouse gas emissions and other climate risks. The C40 comprises top officials from 90 of the world's most influential cities, representing one quarter of the global economy. In contrast to nations, these groupings of cities have a history of peace between them; they have not waged war as cities one upon another. Nor do they compete with one another in the manner of states. On the contrary, they emphasis sharing experience and expertise amongst themselves. Of course, their internal structures and political setup vary considerably. Mayors in China have less autonomy than their European counterparts, as evidenced in the EU-China Urbanisation Partnerships. Within Europe, there is also *Eurocities* as the political platform for major European cities. They network the local governments of over 140 of Europe's largest cities and more than 40 partner cities that between them govern some 130 million citizens across 39 countries.<sup>38</sup>

Cities are also able to access global governance structures. For instance the 'Urban 20' network unites major cities from all continents to provide advice to the G20 summits.<sup>39</sup> This further underlines the key role that urban centres now play in our lives: more than half of the world population (and 70% of EU citizens) are living in cities.

Furthermore, the local level remains a key testbed for democracy. It is where for example experiments can be tried out, and where nearly all decisions of immediate concern of citizens are taken. Not by accident was it that e-progressive Estonia successfully piloted its electronic voting system in the municipal elections of 2005.

---

<sup>38</sup> See for details [www.eurocities.eu](http://www.eurocities.eu)

<sup>39</sup> Before the G20 summit 2019 in Japan, Urban20 mayors met in Tokyo and urged Japan's PM Abe to lead the G-20 debate on climate setting various goals that include a commitment toward "decarbonization by 2050 at the latest and to cut plastic waste."

## Provinces provoke not only nations

Identifying with the 'middle layer' of governance may present difficulties. While local communities form the very centre of a series of concentric circles of identity, as I discussed earlier to identify with a province (or prefecture, canton, *Land*, Japanese 都道府県, etc.) as a layer in-between can be problematic. It presumes a definition against the local below and the national identity on top. In addition, whereas local communities in terms of size are as a rule already defined by law in most cases, often with a guarantee of the right of self-administration (e.g. Article 28 (2) of the federal German Constitution), the provinces are squeezed with pressure from both sides. Their size and (natural) borders often hark back to deep histories; and sometimes these have generated distinct feelings of belonging driven by language, culture and traditions that can rival the national level.

A lot depends on the fundamental structure of a country, whether confederal, federal or more unitary. This in turn affects their role in administration and politics, with myriad models in play. Hence a number of well publicised disputes of provinces versus a superimposed nation on occasion make headlines across the world. Examples include *Okinawa-Ken* of Japan<sup>40</sup>, the Province of Mindanao in the Philippines, the *Freistaaten* of Germany as well as the independence movements of Catalunya in Spain and Scotland in the UK. The last two examples have especially ruffled feathers not only in their national capitals, but also at the EU level. There, the President of the European Commission had to be very diplomatic, trying not to affront the member states concerned and has issued statements to calm the waters from the Mediterranean to the North

---

<sup>40</sup> Outside Japan, Okinawa is mostly seen as a Japanese island that harbours continuing problems with troops from the USA still stationed there (see e.g. recently Okinawa referendum opposing with 72% PM Abe's plans of the relocation of the USA military base to an environmentally fragile area of Okinawa; Asahi Shinbun, 26.3.2019). It is hardly known that Okinawans or more correctly the Ryukyu people that have been living on the islands (separate like the Ainu in the north of Japan) did not share with the Japanese the early transformation into a formal state with an established government. They rather balanced well over centuries with a tributary relationship towards China and gained prosperity as the independent Kingdom of *Shuri* through overseas trading (see for details George H. Kerr, "*Okinawa – The History of an Island People*," Tuttle, Singapore, 2000, p. 24-135). The less respectful relations of Japan towards China then also had Nippon turn against Okinawa and a clan of the Satsuma invaded the island, but only in 1879 the Ryukyu Kingdom ended by Okinawa officially becoming a prefecture (*ken* 県) of Japan. Hence, beyond the issues of victimisation during WWII and American occupation, there remain sentiments of belonging to an own culture and tradition distinct from Japan that occasionally come to the fore in movements for more autonomy.

Sea. EU officials had previously come out with a conciliatory position on Scottish independence and likewise called for the matter of Catalunya to be solved by Madrid. Similarly, in Belgium: there is a strong movement in Flanders for a (not often clearly defined) 'confederalism'<sup>41</sup> or even its 'independence.' To the surprise of many foreigners the Belgian 'regions' like Wallonia have their own competences including external trade with other countries. Hence, quite a few Europeans (and Canadians for that matter) were shocked when Wallonia vetoed the EU-Canadian FTA (CETA) in 2016. And no wonder also that Flanders has 13 'diplomatic missions' abroad to fully exercise these same rights for its region.

There is nowhere that can enjoy complete independence from the rest of the world. At least, no territory or people that wishes to enjoy the trappings of civilisation, meaning the benefits of our modern technologies, science and accumulated human knowledge. With the spread of industrialisation and its specialisation across all continents and even most islands (industrialisation started from an island, namely the UK!), the interdependence of our economies has grown virally and a tiny virus can severely disrupt them all of a sudden. Even North-Korea, which might claim to be the successor to the Hermit Kingdom of the Joseon Dynasty (1637 – 1876, which was nevertheless still linked to China) and in spite of its long-claimed *Juche* ideology of self-reliance, can hardly survive without economic links to other states, principally China, but also South Korea. It is also a UN member; and its current leader himself received education in Switzerland, thus manifesting *in person* the need to have formative experiences beyond the country. Moreover, his concern with the outside is also driving policy: he is trying hard through nuclear threats to gain attention and recognition abroad and have sanctions reduced.

The highly complicated Brexit negotiations offer a further example, from another extreme. The UK demonstrates a high degree of interdependence and countless links not only with European neighbours, as a fellow member state, but in relations with third countries. Ironically, Scotland voted by a majority to remain in the EU, but might choose to leave a fragmenting, 'Dis-Uniting Kingdom' in a future independence vote. Martin Wolf of the FT wrote as early as 2014 (long before the issue of Brexit came up) that, "There can be no union between the English and the Scots." He followed up:

---

41 Cf. "new paradigm" that Bart De Wever proclaimed in his book "*Vlaanderen Onvoltooid*" (Flanders unachieved) when launched in May 2017; according to *Le Vif* (25 of 20.6.2019, p. 19) the right-wing N-VA wants to keep only a limited number of competences at federal level (e.g. a 'Belgian Council' instead of a government) like the army, international commerce, certain aspects of Belgium abroad, and all the other competences would go to the regions.

"Scottish nationalism is a threat to the union. English nationalism would kill it."<sup>42</sup> Since then, there has been an observable shift to just such English nationalism, manifesting itself particularly in the politics of the Brexit Party, its predecessor UKIP and other far right parties.

Consider also the case of Belgium. Most of the country until the 1830s was part of some other entity, for instance the Counties of Flanders or Brabant, the Holy Roman or Hapsburg Empires or the Spanish Netherlands. "There were none of the rivalries that gnaw at Belgium today. Cities and communities were looser entities, with little of the political identity that currently defines nation states or regions".<sup>43</sup> However, sub-national entities can develop progressive forms of governance that at national or higher level seem hardly feasible. Take the example of the smallest of the three provinces of Belgium, the German-speaking "*Ostbelgien*." Here a **panel of citizens** ("*Bürgerrat*"), selected by lot, have discussed issues concerning "*Kindergärten*" and their recommendations subsequently voted into law by their official provincial parliament. The "*Bürgerrat*" is not only composed in equal representation of both men and women, but also includes foreign residents.<sup>44</sup> Such a mix of representation and at different levels is becoming a feature of European democracies. As a foreign resident myself based in Bruxelles, I can for example currently vote here in local and European elections, but not yet in provincial (regional) or national elections. Hence, I call myself a post-national voter.

As mentioned earlier, in less progressive and more centralised Japan, there is at provincial (都道府県) level a problem of a growing number of uncontested **prefectural assembly** seats due to waning public interest in elections and depopulation. Voter turnouts are sagging. Prefectural assembly members are not as close to voters as their municipal assembly counterparts. And they have a lower profile than members of the national Diet (i.e. Parliament). Many Japanese voters actually may not really understand the kinds of tasks prefectural assembly members carry out.

To change the *status quo*, a reform of the electoral system in Japan has been proposed in the progressive press.<sup>45</sup> For example, single-seat and two-seat districts should be combined as much as possible, to give higher administrative efficiency.

---

42 FT, 3.10.2014

43 Sic Leo Cendrowicz, "*How Economics explains Belgium's rifts*," The Brussels Times Magazine, Vol.27, Winter 2017/2018, p. 6

44 See La Libre Belgique, 26.2.2019, p. 9

45 Asahi Shinbun 2018, passim

Another proposal for electoral reform was offered in 2016. The internal affairs ministry in Tokyo convened an expert group that proposed a proportional representation (PR) system for prefectural assembly elections. It was a response to a number of difficult issues, such as the re-zoning of districts and the increasing dominance of political parties and local groups in local assemblies.

PR was seen as a way to encourage political parties to focus more on policies and to promote a greater diversity of candidates, especially of women. Under the influence of Victorian England with its Christian dominance by a male elite and the impact of industrialisation on the division of labour, the call for greater gender equality has emerged only since late in the 19<sup>th</sup> century. These drivers changed the strong role of women in the traditional structure of Nippon.<sup>46</sup> Moreover, such inequality has appeared more blatant and more problematic the higher the status individual women achieve in Japanese society. This phenomenon seems to reach dramatic heights at the very top of the hierarchy of Japan where the highly educated Empress and her daughter obviously cannot enjoy the fundamental rights of equality that in theory the constitution guarantees them.

In the USA, many progressive provinces have by contrast been sources of change, not impediments. The **initiatives by provinces** (called 'states' in their system) have sometimes acted as an avant-garde, diverting the trend of national policies, acting as a counterweight to the current President Trump. California, the most populous and richest American state, with an economy bigger than the UK's, has squared-off with the White House on issues ranging from the death penalty, abortion and immigration to car emissions, high-speed rail and most recently the corona pandemic. By March 2019, California had filed 47 lawsuits against the Trump administration. So far, they have won 28 of them. California's Consumer Protection Act contains similar provisions to the EU's General Data Protection Regulation; the Trump controlled Senate in Washington DC could yet pre-empt the state's law before it takes effect in 2020.<sup>47</sup> However, over the long term, transformational 'San Francisco values' at the state level might trump the short-term, transactional, vested-interest policies of the sitting President. Fortunately, other USA states have also passed ambitious emissions-reduction legislation and clean energy laws. These stand against the policy of Trump's climate change denial, this cleavage was characterised by the Economist in June 2019 as "The great

---

46 Cf. for instance the tradition of the female sun-goddess (!) *Amaterasu Okami* in Japanese Shintoism in contrast to the absolute male Lord God in Christianity

47 See FT, 15.3.2019

divide.”<sup>48</sup> Under another headline in the same edition it argued that states’ rights over climate change policy might even help put the USA “within striking distance of the (albeit modest) commitment the previous White House made in Paris in 2016, even though the current federal government has promised to withdraw from that agreement.” So, action at the state or provincial level may achieve what is denied at the federal. In tackling the pandemic of 2020 there has also been a marked shift to city and state-led initiatives, rather than those of central government. It happened to such a degree that some observers called the situation in the USA moving to a ‘Darwinian federalism.’<sup>49</sup>

Of course, sub-national entities like the states in the USA can legislate with greater autonomy than provinces in more centralised nations like France or China. Nevertheless, on issues of the environment and climate change, that self-evidently reach beyond borders, increasingly provinces are coming together to learn from each other’s best practices and to find common solutions. One example was the convening of ‘**regional partnerships**’ in June 2019 in Bologna. It drew representatives from diverse areas, including Gauteng (South-Africa), Guangdong (China), Nouvelle-Aquitaine (France), Hessen (Germany) as well as the states of Pennsylvania and California from the USA. They debated issues of global sustainable development and signed a joint declaration.<sup>50</sup>

The role of provincial governance has strengthened as cultural identification within nations distinguishes itself from the globalising effects of civilisation. To repeat my argument: culture refers to the value-based norms, processes and patterns of social life as it handles the fruits of civilisation, which are the set of technologies, knowledge and methods that power modernity. And this role for provinces within the EU has been further bolstered institutionally through the consultative **Committee of the Regions**. It has helped citizens overcome unnatural national borders that often in the past caused wars and cut apart people who belonged together in history, traditions and even language: a striking example being the region of Alsace/Elsass along the upper part of the River Rhin/Rhein.

### The nation, losing in the long term

---

<sup>48</sup> See headline in The Economist, 29.6.2019

<sup>49</sup> Sic former governor of Maryland, Martin O’Malley as reported by Politico, 31.3.2020

<sup>50</sup> Cf. Press Release by the Representation of *Hessen* in Bruxelles, 14.6.2019, “*Starke regionale Partnerschaften haben die Kraft, den globalen Wandel erfolgreich zu gestalten*”

The sovereign nation, as an absolute political unit -- the norm since the Treaty of Westphalia (see above Chapter 1) -- is an expiring model of sovereign governance. The primary challenge to its supremacy is the ineluctable forces of globalisation (see above Chapter 2). Even modern warfare departs from the Westphalian template: it is asymmetric and less fought over the control of national borders. Instead, conflict takes place within nations (e.g. 9/11) or beyond borders (for example in the Strait of Hormuz, through which almost 40% of world oil passes). And war is waged in new or undetected places -- in the cyber sphere (hacking, trolling) or soon in Outer Space (amongst or over satellites etc.).

Nationalism, arising from economic and social inequality, likewise finds its causes more within nations than quarrels between them. The nationalisms of China and India and other emerging economies have been internally grown, just as their economies have taken off, taking hundreds of millions of their populations out of poverty. Their success has been partly thanks to globalisation<sup>51</sup>: improved communication giving at the beginning low-cost, cheap labour manufactures massive overseas markets and thereby their incumbent politicians output-legitimacy. However, increasing internal inequality and potential political polarisation might endanger their nations' stability.

Interdependence between nations and their consequent loss of sovereign decision-making shows up most clearly in the phenomenon of global value chains (GVCs). We experienced this vulnerability again ad nauseam during the recent pandemic. This element of international trade has been a driver of growth in developed and emerging economies for many years, best characterized by China still growing centrality in GVCs. Export-driven growth generates higher overall value added, employment, and income by more efficient and ideally, higher productivity.

The scale of integration within GVCs has however varied. Many low-income countries, particularly in Sub-Saharan Africa, have integrated only at the primary (commodity) part of the value chain. There has been little diversification or upgrading to higher value-

---

<sup>51</sup> See Richard Baldwin underlining the positive of globalisation as the "most effective programme in the fight against poverty in history" in his publications, notably already in *"The Great Convergence,"* but also in *"The Globotics Upheaval"* (see review in NZZ, 8.3.2019 *"Wenn die Roboter der Globalisierung Beine machen;"* and himself as speaker at the CEPS IdeasLab, Bruxelles, 21-22.2. 2019)

added activities.<sup>52</sup> And unlike most other regions — particularly Europe, North America, and Southeast Asia — Sub-Saharan Africa and, to a lesser extent, South America, show little intra-regional integration and South to South trade. In part, that reflects thick national borders that add to trade costs; but it also reflects the “Spaghetti Bowl” of bilateral trade agreements mentioned earlier in chapter 2.

Linking the local to openness to trade is important. There is strong evidence of the complementarities between strong domestic supply chains and semi-finished imports. This in turn underpins the importance of strong regional value chains that can help connect to the global level. Hence, like at the local level the interdependence of suppliers and recipients of (semi-)finished goods with GVCs and globalisation has grown to provincial, national, regional and the highest level of world trade. Of course, any borders at any level of those chains hinder the flow of goods and their increasingly important related services (e.g. after-sales). However, the strongest obstacles to overcome remain within nations: with politicians that still lay claim to an illusory absolute sovereignty, pretending to their voters that they retain powers long lost to globalisation and interdependence.

There is, however, a trend within globalisation that continues to dodge a rules-based order. Financial markets of hundreds of billions of dollars and some massive firms lie outside the reach of normal national taxation.<sup>53</sup> Profits and activities are cleverly booked in tax havens and other ruses. This has ‘disembedded’ the financial economy from society. The wealthy few are made richer and parts of the middleclass slide into a new ‘precarariat,’<sup>54</sup> resulting in increasing polarisation of our societies.

---

52 Nadim Ahmad, Annalisa Primi, “*Factory Africa and Factory Latin America? From domestic to regional to global,*” WTO GVCS Report 2017, Chapter 3, P.69

53 The German MEP Kohn gave an estimation of yearly € 800 billion for tax-evasions, i.e. not legally possible avoidance by help of experts; while the Green MEP proposed a de-facto average tax on corporations of only 15%, whereas the official level of taxes in the EU amounts to 23%, hence arguing for the introduction of a minimum tax; strikingly small enterprises are said to pay 30% more taxes than big corporations (sic Kohn at CEPS Seminar on Tax Evasion, Bruxelles, 5.2.2019.). The idea of a minimum tax was then taken up at the G7 meeting of Ministers of Finance in France in July 2019 to be studied for deliberation in 2020. However, an ECIPE Occasional Paper (Bruxelles, March 2018) by Matthias Bauer still considered “*Digital Companies and Their Fair Share of Taxes: Myths and Misconceptions.*”

54 See Guy Standing, “*The Precariat – The New Dangerous Class,* Bloomsbury,” London, 2011, p. 26-29

In addition, by 'commodifying' almost everything -- including domestic care and education --, conservative politicians have rolled back the benefits of progressive redistribution (and blocked redistribution initiatives) and taxation even within nations. Fixated upon the overarching objective of economic growth in terms of GDP, most services, institutions and politics have been marketised, to be regulated by supply and demand. While inequality has been rising in almost all countries since the 1980s, in the latest wave of globalisation<sup>55</sup> there has been a pursuit of growth predicated on cutting taxes (particularly in the USA of Trump). However, the benefits of the 'trickle-down economics' of the influential Chicago neoliberal Arthur Laffer did not materialise.<sup>56</sup> Laffer hypothesised that cutting taxes would generate *more* tax revenue, as people would work harder being able to keep more of the fruits of their labour. Unfortunately, on the whole, people just consumed more, enjoyed leisure and did not work more.<sup>57</sup>

Social coherence has been splintered further by the impact of social media and the Internet. Extremists' echo-chambers on the right and the left are radicalising and destabilising democracies and eroding a formerly stable middle class. From America to Europe and Asia, everywhere there is consternation about the prevalence of uncertainty. After sixty years of relative stability and the mistaken assumption (in hindsight) of the 'End of History'<sup>58</sup> with the 'Fall of the Wall' and the end of the Cold War, the crisis of 2008 bubbled up. It has disrupted our systems; and populist nationalism as "a secular religion that sanctifies the idea of the nation" has taken off.<sup>59</sup> Hence, the call for a 'new enlightenment.'<sup>60</sup> However, even proven Europeans like the liberal French President Macron and former EC-President Juncker occasionally fall back on populist language, adopting slogans like "*L'Europe qui protège*" to satisfy their more conservative *clientèle*.

---

55 See fluctuation and high inequality already earlier in Europe and USA as demonstrated in graph by Thomas Piketty, "*Le capital aux XXIe siècle*," Seuil, Paris 2013, p. 514

56 See Guardian Weekly, 14.6.2019, "*Bad economics*," p. 43

57 Or in economic terms: the income effect trumped the substitution effect.

58 Sic best-selling book title by Francis Fukuyama ("*The End of History and the Last Man*," Simon & Schuster, New York 1992), whom I met at the reception after a conference at Osaka Municipal University. He obviously disappointed the local people since he spoke no Japanese and to their bewilderment my humble self, looking more than him like a real 'gaijin' (外人, foreigner) for them, had to help him explain in their language that his understanding of Japan came only indirectly from parts of his wider family still living in Kyoto.

59 Sic Martin Wolf in FT, 19.12.2018

60 Sic Ernst Ulrich von Weizäcker, Anders Wijkman, "*Come on! A Report to the Club of Rome*," Springer, New York 2018, p. 92-99

Right-wing populists have made inroads into mainstream politics in most industrialised countries by painting a rose-tinted nostalgic picture of the past and people, seeking solace in old, imagined certainties. The proportion of the western world voting for anti-pluralistic<sup>61</sup> populist candidates in 2018 has risen to 35% from 7% at the start of the decade. Such a surge has only previously been seen after the Great Depression. Then the populist vote jumped to a peak of 40% in 1939, before the world tumbled into WWII.

Today, however, the world has changed. Advanced communication technologies and a more interdependent global system have arisen. It benefits the wealthy with assets on the one hand; but traps many more poorer people in the growing precariat, on the other. The Internet has created a new group of consumers/voters who have become used to congregating rapidly within their tribes online. There they may shop around for anti-establishment alternative models of all extremes. With such trends some observers start to ask: where this will end? In 1939 the answer was war. Today in 2020, we face 'only' trade wars (as between China and the USA) and presidentially (but wrongly) declared "wars" against a virus – for now. But these "wars" could fast turn into wider economic, currency and capital wars, or even something worse?<sup>62</sup> For instance, the relations between the largest current national economies (unlike the bigger but regional one of the EU), the USA and China, are not merely bound by the exchange of goods like soy beans, electronic gadgets and protective gear. They also remain deeply intertwined through the financial system. The Chinese hold some three trillion dollar and Euro foreign reserves. Although the proportion of its Euro holdings is secret, the assumed majority holding of dollars gives an enormous leverage of Xi against Trump in any escalation of economic warfare with the USA.<sup>63</sup>

The phenomenon of populism might not have yet peaked, but there are nevertheless indications that its growth has slowed down, notably with the strengthening of those incumbent governments who are successfully combating the pandemic. Where populists are accountable -- where the proof of their pudding is being eaten (or rather force-fed), for instance, they can falter. Consider the German right-wing '*Alternative für Deutschland*' (AfD). They started off by making headlines with slogans against the common EU currency, the Euro, blaming it for everything wrong with the German

---

<sup>61</sup> Antipluralism is the main constant characteristic of populism, see Jan-Werner Müller, "*What is Populism?*" Penguin Books, Pennsylvania 2016, p. 3, 81-82

<sup>62</sup> See Gillian Tett's "*Notebook*" in FT, 4.8.2018

<sup>63</sup> The risk of a monetary war was briefly discussed during a conference at the EIAS in Bruxelles in October 2019 amongst Chinese, European and American academics as a possible escalation of the current trade war.

economy when in the doldrums. But the AfD had to change their tune, realising that the voters increasingly appreciate the various advantages the Euro has brought them. So, the AfD then turned to other more nationalistic poses, stoking anti-immigration racism and even anti-feminist sentiment. Once elected to the German Parliament, the *Bundestag*, the AfD deputies had to prove there was more to them than the cover-up sugar crust of their pudding. And as voters ate less of their superficial slogans and began to bite under the sweet crust of their seeming unity, the pudding inside curdled with internal conflicts. In particular, the younger generation has started to move over in droves to the future- and issue-oriented parties like the Greens.

Such trends might not yet have become obvious in Italy<sup>64</sup> and Belgium's Flanders, although the pandemic of 2020 will have its political impact, not only in the USA. The elections in Denmark in June 2019 have shown that a centre-left so-called 'red bloc' can win voters at national level by proposing to tackle issues of climate change as well as immigration. Neither issue can be solved by a nation alone, and in the long term supra-national or even global solutions are best. This is particularly the case for smaller nations from Nauru in the Pacific to Malta in the Mediterranean. They need cooperation beyond their borders. Nauru for instance uses the former in the Alliance of Small Island States (AOASIS) to fight climate change, essential for its own survival. Malta uses the EU to bolster its administrative capacity.

Democracy is claimed by most, if not all of the almost 200 nations of the United Nations but despite the growth in the quantity of democracies, their quality is deteriorating. This is particularly seen in presidential systems, like the USA, Turkey and the Philippines. On top, add the power of money and market-driven media -- euphemistically called social media -- their 'hackability' and the growing venality and exposure to foreign buyers—and the principle of 'one person one vote' begins to erode.<sup>65</sup> One is tempted to conclude -- at the risk of oversimplification -- that the higher the level of governance from local up to global, the more filtration of the quantity of votes is necessary through parliamentary systems or deliberative processes using selected experts and informed voices.

---

<sup>64</sup> During discussions with local politicians and MEP candidates on our 700 km bike-tour from Torino to Venezia with EU-colleagues and friends just before the European elections in May 2019 we gained down to earth insides into the limited comprehension and the prejudices of the EU in Northern Italy and how easy it seems for nationalists there to blame 'Bruxelles' for their own local failures and backwardness. The European Commission's slow reaction to the corona pandemic in early 2020 only worsened its image further in that worst hit part of Italy and led to a crash of support for the EU.

<sup>65</sup> Cf. e.g. case of Cambridge Analytica with Facebook in elections 2016 in USA

Such filtration might also benefit from modern technologies, which can leverage the 'wisdom of crowds', and offer fresh policies at all levels of governance.<sup>66</sup>

The filtering functions of national parliaments also seem to be eroding due to the fading of a clear ideological orientation of mainstream parties. This is particularly the case in the Anglo-Saxon world of traditional two-party systems. For instance, since the election of Margaret Thatcher in 1979, successive governments both of the New Right and Left have attempted to implement a so-called science of government based on the radical, free-market neoclassical economics of the Chicago School: neoliberalism. This new bipartisan consensus effectively disabled the representative, conflict-resolving functions of the party system. The dominant ideas – that markets are always more efficient and the private sector morally and functionally superior to the public – have led to the quiet shattering of the nation as an effective mechanism of social integration within capitalism. The claims of neoliberalism are based on utopian assumptions; the supply-side revolution has failed accordingly, and in most of the western world we are living with the systemic consequences of that failure,<sup>67</sup> evidenced in the banking

---

<sup>66</sup> There is considerable interest in deliberative democratic processes. For example the Royal Society of the Arts in the UK is leading a major campaign into related issues (<https://www.thersa.org/action-and-research/rsa-projects/public-services-and-communities-folder/deliberative-democracy>). See also the controversial book on the subject: "Wisdom of Crowds" by James Surowiecki, Anchor Books, New York 2011

<sup>67</sup> Abby Innes, 11.9.2019, "Boris Johnson: the Brezhnev Years," International Politics and Society,

[https://www.ips-journal.eu/index.php?id=340&L=0&tx\\_news\\_pi1%5Bnews%5D=3713&tx\\_news\\_pi1%5Bcontroller%5D=News&tx\\_news\\_pi1%5Baction%5D=detail](https://www.ips-journal.eu/index.php?id=340&L=0&tx_news_pi1%5Bnews%5D=3713&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Baction%5D=detail)

crash of 2008. Most obviously, the weaknesses and splits in parties became evident with the election of Trump in the USA and the Brexit discussions in the UK. Similarly in Germany the so-called "Volksparteien" are losing support, particularly with young people. The parties have shifted towards an overlapping middle ground. They have lost their distinct identities in 'Grand Coalitions' ("Gro-Ko") as well as by reaching out to newcomers like the AfD on issues of immigration and the Greens on the environment ("Energie-Wende"). Even in the quantitative process of voting in national elections, increasingly the qualitative voices of civil society are being heard and considered. Take for instance the assembling of the Belgium government in November 2019. The "informateur" (a public figure who advises the King on the formation of a government) not only consulted the various parties, but also civil society figures, to help find a stable government. The sudden impact of the virus then brought them all together with the necessary experts to fight the pandemic.

As for the wider, long-term problems of climate change, it is the very young -- in political terms 'pre-voters' -- who very quickly realised that the national level of governance is insufficient. Within a few months they virally spread their campaign 'Friday for Future' into demonstrations all over the globe.

Ironically, at the beginning of the 21<sup>st</sup> century, the narrow concept of the sovereign nation deriving from the Westphalian system of the middle of the 17<sup>th</sup> century is most vehemently defended by nationalist governments who were outside the original coverage of the Peace of Westphalia of 1648. The major examples here include the USA, UK, Turkey, Iran, India, Philippines, China and Japan -- all currently led by nationalist politicians.

### Reaching regionalism above the nation

There are various **drivers for regionalism**. They range from the 'domino theory' that stresses the mutual learning and emulation in the development of regional organisations<sup>68</sup> to the golden 'Midas' touch of Greek mythology through to the 'multiplier effect.' Another cause of regionalism is the deceleration in the pace (if not the

---

**[&cHash=ad69c8ba018780f41c99687150ea1447](#)**

<sup>68</sup> See Mario Telo (ed.), "European Union and New Regionalism – Regional Actors and Global Governance in a Post-Hegemonic Era," Ashgate, Farnham 2007, p. 5

direction) of the globalisation trend, the recent 'slowbalisation' referred to earlier and further slackened by the virus pandemic and its consequences. The domino theory is drawn from diplomacy, where the positive effects of peace-making between antagonists in a region spill over to encourage wider cooperation and initiatives between them and around them. Similarly, a golden touch can be conferred on neighbours who, through more solidarity amongst themselves, can create greater negotiating power with states beyond them. And once regionalism is established – with institutions to uphold shared interests and foster alignment- then multiple other benefits and exchanges can flow amongst them. This in turn reinforces the justification for the bloc.<sup>69</sup> Nevertheless, there are some observers who see regionalism as a discriminatory stumbling-block rather than an enabling stepping-stone for the global trade system. In particular, several academics in the USA, like J. Bhagwati and F. Bergsten regard regionalism as setting unilateral priorities in conflict with global ones.<sup>70</sup>

The **European Union** today is the most integrated regional system, with supranational institutions and a common currency. It is a political system that has gone beyond the concept of the nation laid out in the Treaty of Westphalia. "Europe today is far more powerful as a system than merely as a region," according to best-selling author Parag Khanna. He could not help stating the systematic strength of the EU, although his recent book throughout claims 'The Future is Asian.'<sup>71</sup> (Albeit as an integrating region.)

Systems of regional integration do not necessarily correspond to continental size geographies (e.g. ASEAN); nor do they resemble empires of the past, as Harari's wide and rather positive definition would pretend for the EU.<sup>72</sup> Furthermore, regionalism is not only a general retreat ('slowbalisation') from a worldwide system. It is often a narrowing of the bases of cooperation. The processes are business-driven and bottom-up. These can of course create stepping-stones to reinvigorated globalisation. It however has also created a dominant market-orientated mindset ever since the era of Thatcher/Reagan. Even the rather top-down, elite-driven and originally peace-oriented European project has succumbed. The European Commission under Presidents Barroso and Juncker in principle demonstrated such liberal economic politicisation.

---

69 See Guido Glania & Jürgen Matthes, "Multilateralism or Regionalism?" CEPS, Bruxelles 2005, p. 14

70 See Mario Telo (2007), p. 6

71 See Parag Khanna, "The Future is Asian," Simon & Schuster, New York 2019, p. 7 and 21-24

72 See Yuval Noah Harari, "Sapiens," p. 212-213

The focus in this section are the four regional approaches in the world outside Europe (which I covered in chapter 1). I am Euro-centric by up-bringing and I return again to my roots on this continent with age, so when describing the other processes of regional integration, I cannot help but measure them against the longer and deeper EU experience.

The Association of South East Asian Nations (**ASEAN**) was set up in 1967 with the Bangkok Declaration. It was propelled by fear of the domino effect of communism spreading in the region.<sup>73</sup> It comprises eleven neighbouring member countries with a population of together more than 650 million. It differs markedly from the EU by having a very short Charter as its main legal foundation. It has a lower level of institutional support than the EU and operates with a basic principle of non-interference. This is in contrast to the EU's trend towards supranationalism where a pooling of national sovereignty entails interference into member states' self-rule through the supremacy of EU law. Furthermore, as its name suggests (*ASEANations*), its members emphasise their status as full sovereign 'nations.' So, its flavour, in EU parlance, is 'intergovernmental.' Nevertheless, ASEAN has tried to set up an 'Asian Economic Community' (AEC) in pursuit of a single market, reminiscent of efforts by the EU in the 1970s. Unlike the policy elite who drove the initiative in Europe, it is the Asia-Pacific business sector who have been forcing governments to integrate and to support their highly networked regional economy.<sup>74</sup> This method of integration -- more bottom-up and less institutionalised -- is also reflected in its new Charter of 2007. This is quite progressive in places, recognising the contribution of specific listed (partly "Official") NGOs. (It should be noted that, in pragmatic East Asian fashion, many have been created through business initiatives!) Hence in European eyes, looking politically, this list does not fully represent the wider civil society of the region; and any traditional democratic legitimisation of ASEAN ought to come from the people through elected representatives. But this is limited. The official ASEAN Interparliamentary Assembly (AIPA) has about 300 delegates, limited to a consultative role, with no powers of legislation or oversight over ASEAN activities, much less over its member nations.

There are also of course long discussions about the democratic deficit in the EU, mainly around the European Parliament being formally unable to initiate legislation. By comparison, the AIPA's competences more closely resemble the EU's Committee of the

---

<sup>73</sup> Also confirmed by Khanna, eodem, p. 54

<sup>74</sup> Sic Mario Telo (2007), eodem, p. 211

Regions: offering opinions that the executive must hear and take into account, but do not bind it.

ASEAN's weakness is most evident in its external relations. An obvious example: it cannot negotiate an FTA *en bloc*. Thus, the EU has to deal with each ASEAN nation individually, signing its recent agreement with Vietnam in June 2019. On the other hand, ASEAN has played a central role in wider the East Asian integration process.<sup>75</sup> It styles influential summit meetings with neighbours as ASEAN+1 (when meeting with China), +3 (with China, South Korea and Japan) and even +6 (China, South Korea, Japan, India, Australia and New Zealand).

ASEAN has thus evolved from a transnational buffer organisation, founded in the Cold War to thwart communism in South East Asia, to a respected body promoting economic cooperation and trade in the wider region. However, it still runs the risk of being subjected to others' policies of 'divide and rule,' as seen practised in particular by China.

Another example of regional cooperation is **MERCOSUR**, in Latin America. In contrast to ASEAN, it has more similarities with the EU.<sup>76</sup> It has a customs union (agreed in 1991), commits to democratic principles as its foundation and -- albeit to a lesser degree -- has an incremental post-sovereign political culture, and hence as such *en bloc* could sign a Free Trade Agreement with the EU in 2019. Similar to the EU's original Franco-German *rapprochement* and relationship, it was necessary to agree a confidence-building treaty between Brazil and Argentina. This laid the groundwork for a wider political association. MERCOSUR now comprises Paraguay, Uruguay and Venezuela (membership currently suspended.) The 'Plurinational State of Bolivia' (sic its official title; accession protocol signed in 2012 and admitted at summit in 2015) is also set to fully join soon following parliamentary ratification. The bloc covers a population of around 270 million people. In fact, all South American countries are linked to Mercosur, being full members or at least associate members.

While the push for integration in Europe came from the endless wars between its nations -- culminating in the abyss of the two world wars -- and was promoted by a united, visionary elite determined to end nationalism, Latin- American integration had different impulses. It grew out of opposition to the hegemonic

---

<sup>75</sup> Ironically, with English it has taken the language of one outside colonial power as its *lingua franca* for its documents, in contrast to the EU's 24 official languages.

<sup>76</sup> Sic Mario Telo (2007), *eodem*, p. 137

policies of the USA and from the experiences of national authoritarian rule domestically. Its economic success has been strong. Intra-bloc trade has multiplied more than tenfold in the first twenty years of its existence. To overcome asymmetries in development, a similar issue faced by the EU, a Structural Convergence Fund (FOCEM) was set up in 2007. It promotes social cohesion projects and common infrastructure investments worth totalling over 1 billion Euro.

Successful cohesion in the wider world remains mixed. Brazil sees itself as a 'big country' and a regional leader (especially its Foreign Ministry's so-called '*Itamaraty*')<sup>77</sup> and has developed its own external trade policy with a focus on Asia and Africa. It has also been bracketed as one of the powerful 'BRICS' nations (Brazil, Russia, India, China, South Africa) who can exercise strong regional power and increasingly global power. It should be noted however that China is by far the more powerful of this trans-continental set which became evident again in the reactions to the corona pandemic in early 2020. That said, MERCOSUR has concluded some important deals. After twenty years of negotiations, the EU and MERCOSUR signed an FTA (Free Trade Agreement) in 2019. Similar to the EU-Japan agreement of 2017,<sup>78</sup> it was accelerated by Trump's unilateralism.

---

<sup>77</sup> Sic Andy Klom, EU desk officer for Brazil, in *International Affairs*, 79,2 of 2003, p. 351

<sup>78</sup> See Wolfgang Pape, *Personal comments in June 2016 on the ongoing negotiations for an EU-Japan FTA*,

- EU-Japan Free Trade Agreement (Economic Partnership Agreement) negotiations were officially launched in March 2013 following years of lobbying by industry and Japanese officialdom, not without their intention of catching up with the earlier "successful" EU-Korea FTA, implemented since 2011.
- A joint 'scoping exercise' and the compilation of an Impact Assessment (IA, by Copenhagen Economics, 2009 [http://trade.ec.europa.eu/doclib/docs/2010/february/tradoc\\_145772.pdf](http://trade.ec.europa.eu/doclib/docs/2010/february/tradoc_145772.pdf) ) of the eventual FTA– also in view of an FTA-driven early jump in EU exports to Korea by 35% and the decline in EU-Japan trade -- resulted in July 2012 in a mandate of the Council authorising the Commission to start negotiations with Japan. The mandate particularly stressed that duties in the EU are to be eliminated 'in parallel' with non-tariff barriers in Japan.
- The difference in focus on duties by the Japanese, on the one hand, and on the other hand on NTBs by the Europeans reflects both sides' long-standing interests due to a deep divergence of historical developments. Japan as an island was forced by outsiders to open after centuries of cultural isolation

---

and later has claimed for protection of its “*unique-sa*” also in trade negotiations. Whereas the EU aims to open borders and mutually recognises and even harmonises national differences.

- This divergent background has remained problematic for any ‘give and take’ in negotiations. First and foremost it complicates negotiations since the crucial NTBs’ impact on trade (for EU in Japan **behind the border**) by their very nature mostly escapes clear quantification (IA 2009 p.7 claim to be novel by using “estimations” and “gravity models”; cf. e. g. former Commissioner Haferkamp there on visit in the 1980s calling the Japanese language as such “*a major non-tariff barrier*”; its impact on trade in percent is difficult to assess, but the language is cited by 30 percent of investors as their main obstacle for FDI in Japan, see IA 2009, p.105). Imposed tariffs, other duties and quotas (main issue for Japan in EU **at the border**) however are fixed costs directly given in numbers and thus easily quantifiable for negotiators.
- Often the crucial impact of NTBs on trade is reduced by listing up only NTMs (i.e. measures) and not all barriers, thus the IA2009 gives only 231 NTMs (defined on p.15) but admits the existence of other barriers that generate further 10-30% of cost for imports in Japan. In the context of NTBs, issues of competition law and public procurement appear to be most important from an economic point of view (IA 2009, p. 102).
- Trade negotiators and regulators from both sides often experience that setting common rules and implementing them to overcome NTBs is clearly made easier, the deeper and wider there is a basis in common values of the partners involved (e. g. within continental Europe or within East Asia). Basic differences in culture and values naturally render communication and negotiations more difficult (often dealing with “regulatory heterogeneity”), especially with island countries. However, in terms of economics, David Ricardo’s principle of ‘comparative advantage’ is based on gains from differences, notably in relative efficiencies of the partners’ productions involved. Hence, FTAs fundamentally function in a field of tension between these two phenomena. Only recently Joseph A. Schumpeter’s argument for enhanced competition through imports (also of other brands of similar goods) has gained ground in Europe and more slowly in East Asia.
- As regards the wider impact of trade on global public goods, notably the environment and climate change (in FTA?), one also has to recognise the fact that both economies in the EU and in Japan run at similar levels of industrialisation. Hence, their trade is hardly driven anymore by clear ‘comparative

---

advantages' of production at one place over the other (cf. Ricardo; hence increasing equality in terms of price and quality), but rather by competition among only brand images (cf. Schumpeter; see e.g. similarity of image-focused ads of car companies). In terms of sustainability of such trade in the long-term, one also has to weigh the advantages of enhanced domestic competition from imports and of wider choice for the consumer (e. g. between Toyota or VW) against the cost for the global environment and impact on climate change (especially in the EU-Japan car trade which depends on long, energy-consuming shipping across oceans).

- The comprehensive (314 p.) Sustainability Impact Assessment (SIA, [http://trade.ec.europa.eu/doclib/docs/2010/february/tradoc\\_145772.pdf](http://trade.ec.europa.eu/doclib/docs/2010/february/tradoc_145772.pdf) ) of 2016 concludes that the EU-Japan FTA has "no negative impact on the environment" (p.248); however it examines only the impact in the EU and Japan. It hardly considers any wider impact by increased trade in general on resources and global public goods like overall climate change (see <http://voxeu.org/article/what-does-trade-have-to-do-climate-change> ). The summary of the so far last Round (17<sup>th</sup>) also did not mention such global impact, even not under the heading "Trade and Sustainable Development".
- Considering individual sectors of trade, services exert an important impact on the bilateral balance with 33% of EU exports to Japan and 21% in the opposite direction. The EU here clearly has superior potential. In addition, services nowadays in fact make up about 40% of the cost of trade in goods (information exchange, transport, storage, after-sales services, etc.). Hence, because of digitalisation vastly penetrating the sector, issues like privacy protection of cross-border digital data flows and 'forced localisation' requirements recently have become crucial elements, but positions diverge greatly between the EU and Japan (cf. dragging TISA talks in WTO).
- The IA 2009 (p.9) did not quantify EU market access in Japan for public procurement, railway equipment and aircraft, while just public procurement and railway equipment actually have remained major stumbling blocks during the negotiations, continued even into 2017 ([http://trade.ec.europa.eu/doclib/docs/2016/october/tradoc\\_155060.pdf](http://trade.ec.europa.eu/doclib/docs/2016/october/tradoc_155060.pdf) ).
- The 17<sup>th</sup> Round of September 2016 also did not reach major breakthroughs on e-commerce, a sector of considerable future potential in view of the high levels of digitalisation of both partners. Nor could the negotiators hitherto decide on a

Trump's anti-free trade position has also impacted other regional arrangements. In his own backyard, he unilaterally put at risk the North American Free Trade Agreement (**NAFTA**). The President tweeted that it was "the worst trade deal in the history of the world" and then forced bilateral renegotiations separately upon its other

---

chapter to consider the important role of Small and Medium-sized Enterprises (SMEs) that have gained importance in the implementation of the EU-Korea FTA.

- Another hot iron to be beaten in the bilateral discussions for convergence constitutes the transparency and exposure of policies and rules to NGOs ("NPOs") etc. Japan is (December 2015; see SIA 2016, p.288) "reluctant to engage in details on the issue of the civil society monitoring mechanism", a sign of basic differences in governance and democracy between Japan and the EU. In 2018, at CEPS *IdeasLab*, the Commission chief negotiator Mauro Petricione confirmed this difference in attitude towards transparency when he also defined the legitimacy of FTAs as "acceptance by all who have a stake in the decisions" but shared it in multi-level governance according to competences. For the COM, there is necessarily also accountability to civil society and the public (less evident in Japan), although only indirectly. However, he feels directly accountable to Parliament(s).
- In the light of last year's heavy public criticism of other major FTAs -- like the CETA with Canada and the TTIP with the USA -- notably in the main trade-dependent member state Germany, the EU-Japan FTA so far remained rather underexposed. However, since CETA was recently signed and TTIP put off by President Trump, the EU-Japan FTA might come more into the spotlight, and not only of anti-globalisation activists. In particular, the issue of Investors-State Dispute Settlement (ISDS) might be subject to more public scrutiny. The IA of 2009 did not mention ISDS at all, and the SIA of 2016 refers to the CETA as a baseline for the EU, while Japan would see no difficulty with ISDS, since even the proposed Trans-Pacific Partnership (TPP) with Japan includes a less modern version of ISDS.
- Finally, in the context of the TPP, opposed by Trump, there are new constellations of FTAs being opened up by Prime Minister Shinzo Abe as in "exploring the feasibility of a Trans-Pacific Partnership free trade pact without the United States" and "the new rules agreed in the TPP would be a model for future trade negotiations" (Declaration by Abe in Diet on 1.3.2017). Some observers even speculate that the EU could replace the USA in TPP (*Nomen non est omen!*).

two members Mexico and Canada. A new agreement has emerging, the United States-Mexico-Canada Agreement (**USMCA**). Only in January 2020 was it ratified by the Congress of the USA and was rushed through the Canadian Parliament then in March. However, in substance, it barely changes much. It offers a bit more indirect support to the US-American car and dairy sectors. Meanwhile, the current NAFTA rules are still in force and have long been recognised as having a high impact on liberalising their economies and boosting investment.<sup>79</sup>

NAFTA has also remained one of the closest-knit regions in terms of trade; 57% of total exports are intra-bloc. (Compared to a mere 24% for ASEAN. The EU leads with about 60%.) This has to be offset however by its lower reliance on world trade. Its exports account for 17% of total world exports, whereas the EU has a 38% share. ASEAN accounts for around 6%.<sup>80</sup>

The fourth region is Africa. Its most comprehensive body is the **African Union** (AU). It was established in 2002 as a successor to the Organisation of African Unity (OAU)<sup>81</sup> to comprise all nations on the continent.<sup>82</sup> In trade terms, it is much smaller both externally on the world stage and internally on south-south exchanges (trade within the continent). In 2018, trade between the 54 AU nations accounted for a mere 16% of their total trade; <sup>83</sup> it is thus less developed than the size of its growing economies would suggest.

The AU has political as well as economic aims. Its Charter lists its primary purposes: to promote the unity and solidarity of the African nations; to coordinate and intensify their cooperation and efforts to achieve a better life for the peoples of Africa; to defend their sovereignty, their territorial integrity and independence; to

---

79 See Telo (2007), eodem, p. 5

80 Numbers excerpted from graph by Guido Glania & Jürgen Matthes, "Multilateralism or Regionalism?" CEPS, Bruxelles 2005, p. 7

81 <https://au.int/>

82 The movement towards African unity beyond borders has gained much momentum early from the African diaspora in America and Europe where the 'Sons of Africa' found common identity and united under Pan-Africanism. In the 1930s already it condemned the divisive borders artificially imposed on the continent by the colonial European powers, and then it was Gaddafi of Libya who demanded the AU to include people of the diaspora (sic Hakim Adi, "Pan-Africanism: A History," Bloomsbury, 2018, and the presentation of his book on 28.11.2019 in Bruxelles when he afterwards pointed out to me the continuing important role of the diaspora). Interestingly, also Pan-Slavism and even Pan-Europeanism originally have been associated in many minds with people outside these regions. For instance, the controversial proposal of a Pan-European Union (explicitly excluding the UK!) in 1923 came from Coudenhove-Kalergi, a half-Japanese Austrian.

83 Sic BBC World Service, 7.7.2019

eradicate all forms of colonialism from Africa; and to promote international cooperation, having due regard to the Charter of the United Nations and the Universal Declaration of Human Rights.

Whilst its economic success is still modest, the AU has played an important role in peace keeping among its members. A salient case came after the murder of Kabila-senior, a turning point in the Second Congo war. Due to the strong pressure exercised via the AU in December 2002, a 'Global and Inclusive Agreement' was signed to end the war. This was a landmark event, bringing together armed groups and political and civil organisations; it also laid the ground for democratic elections.<sup>84</sup>

The trend to greater unity and cooperation between nations lags on the African continent and in many other parts of the world. One reason is founded in the struggle against European colonialism, which is not so far in the past. African nations particularly seek to guard their newly won independence and overcome the legacy of the imperial struggle over territory and resources. They are not necessarily keen to share power, having only just achieved it. Another reason for such reluctance is due to the vast size of the continent and its subdivision into a multitude of sub-continental bodies devoted to integration. These include the Arab Maghreb Union (AMU), the Common Market for Eastern and Southern Africa (COMESA), The Economic Community for West African States (ECOWAS) and the Southern African Development Community (SADC) etc. Their effectiveness is patchy; and their less than stellar record has eroded further formal, nation-led regionalism.

What is emerging as the dominant form of cooperation in Africa is **shadow regionalisation**. It can be distinguished from two other modes: one is economic and state-led and seeks to integrate markets to avoid marginalisation in the global economy; the other is political, seeking to boost the national regime for security purposes. Neither favour policies of regional integration. The shadow mode by contrast is essentially unregulated: a vibrant, informal set of cross-border interactions that take place in most parts of Africa. These are bottom-up and undertaken by a myriad of small traders (if not smugglers) exchanging all types of goods from vegetables to home appliances, sometimes even with the support of state bureaucracies. They profit largely from the wide economic disparities across national borders. Such exchanges have led to an extensive *de facto* regionalisation. It is furthermore another cause as well as effect preventing African regimes from effectively transferring national sovereignty to a higher level and enforcing

---

<sup>84</sup> See the most comprehensive work on an African country's history by David van Reybrouck, "Congo – Une Histoire," Actes Sud, Amsterdam 2012, p. 501-502

commonly agreed policies. To do so would remove arbitrage possibilities and disrupt these extensive informal networks and their vested political interests.

Such *de facto* dilution of inter-state relations into socio-ethnic and even religious networks mirrors the dynamics of de-territorialisation and de-institutionalisation beyond borders.<sup>85</sup> One is tempted to interpret this trend as a return to pre-national and even pre-colonial situations before European imperialist forces cut down longstanding links between people and tribes. The colonialists imposed hard borders delineating Westphalian type territories. On independence, such states had to adopt a 'nation-status' to become a part of the western-made 'inter-national' legal system. For them the full acceptance as a member of the United Nations symbolised the high point of their political recognition. Yet at the same time, on the ground, older networks of exchange and cooperation were re-establishing themselves in a form of *de facto* shadow regionalisation without formal institutions.

Of course, we find a certain degree of such *de facto* integration over national borders in most parts of the developing world, in particular where David Ricardo's principle of comparative advantage provides incentives to exchange goods and services that encounters little national control.

### Multi-lateral means merely by many but not by and for all

The United Nations Organisation (UNO, or **UN** for short) has taken centre stage of what many see as global governance. It is widely considered as embodying multilateralism.<sup>86</sup>

What does this multilateralism entail? It is governance 'from many sides', to be contrasted with unilateralism where only one-side's interests are considered, or bilateralism, when two partners or sides are engaged. All three terms are mainly used when referring diplomacy and to trade agreements. There was hence a clear policy change in the EU around 2006, when the then Trade Commissioner Pascal Lamy left to run the WTO, to be replaced by Peter

---

<sup>85</sup> Mario Telo (2007), *eodem*, p. 195 - 196

<sup>86</sup> Multilateralism, a term widely used since WWI in relation to the League of Nations and then the UN, in general parlance would not include regionalism as detailed above; cf. e.g. German Chancellor's, Angela Merkel, speech at Harvard University in June 2019 defending multilateralism against attacks (without naming Donald Trump). However, notably US-American academics draw the definition of multilateralism wider to include regional integrations like the EU, ASEAN etc. (see Koehane), but thus leave little room for pluri-lateral groupings of more than two partners that do not amount to '*multi*,' namely many, e.g. within the WTO.

Mandelson. The latter shifted EU trade negotiations and priorities from multi- to bilateral agreements. Officially, of course, this 'shi(f)t into the spaghetti-bowl' was never acknowledged. Official documents continued to stress the priority formally given to the multilateral track. However, amongst insiders, the new trend became obvious. And it was imposed top-down on the institutions of the EU.<sup>87</sup> The widely acknowledged difficulties with the Doha Round of the WTO added a further pretext to go for bilateral deals. Additionally, it was felt that the EU, as the biggest economy with the one of the best-equipped trade negotiation infrastructures, would still have superior leverage pursuing a bilateral track; and it would have a strong dealmaker in Mandelson (at least in his eyes).<sup>88</sup>

However, as argued in Chapter 2, bilateral agreements are far inferior to global ones. The 'Spaghetti-Bowls' of overlapping and contradictory bilateral deals do not offer the transparency and efficiency of the 'Clear Soup' of say a WTO deal. For starters, the multilateral system of the WTO is based on the principle of 'most-favoured nation' (MFN), while bilateral deals *per se* exclude third countries. The MFN principle grants equal treatment to all contracting parties of the WTO, whereas bilateralism leads to systematic discrimination of the others. Such a practice was widespread in the 1930s, when for example Nazi-Germany used bilaterals ruthlessly to exploit smaller countries. Trump has also tried this approach in a similar vein since taking office in 2016. He

---

87 While serving the Commission at that time in Japan with the double-hat of General Manager of the EU-Japan Cooperation Centre and of First Counsellor of the Delegation of the Commission in Tokyo, I sensed this shift in policy priorities towards bilateralism rather personally. As *Chef de Cabinet* of President Delors, it was Pascal Lamy who had supported my incremental concept of 'opening to omnilateralism' and even advised me to write an article for a French publication ("*S'ouvrir à l'omnilatéralisme / Opening for Omnilateralism*," in: ACCES International, Brest 2002, p.17-20, 228). Hence, in Tokyo my hierarchy became suspicious of my convictions when it was to promote the new shift towards bilateralism, notably when first contacts were taken in favour of negotiating a bilateral deal with Japan that led to the FTA/EPA of 2018 with its hasty conclusion then accelerated by the new unilateralism of President Trump.

88 This superiority of the EU in bilateral negotiations (cf. similarly Trump's preference for bilaterals) played out notably in the negotiations with South Korea (KorEU FTA 2011), which had to mobilise almost all relevant think tanks and academics available for their team at the table with the Commission's experienced experts. Subsequent to the FTA signature EU exports to Korea surged by 60% while the Koreans gained only slightly in their trade to the EU.

is withdrawing the USA from global and regional agreements (even renegotiating NAFTA bilaterally with Mexico and Canada!) in order to impose bilateral deals. Instructive here was his rejection of the Trans-Pacific Partnership (TPP) process and his proposal to seek a separate purely bilateral deal only with Japan. His so-called 'golfing buddy' PM Abe remains compliant, but the Japanese civil service has been sending warning messages.

Multilateral, and more global arrangements provide other key ingredients: solidarity and representation for smaller, weaker players. Developing countries gain a voice; and participants with common interests like the Alliance of Small Island States AOASIS gain weight and attention.

There is, however, a myriad of so-called '**international organisations**.' And they have a variety of structures, membership, scope and presence. They may be divided into two categories. One comprises public bodies created from the 19<sup>th</sup> century onwards by nation-states in the European tradition; the 'Concert System' in shorthand. The other is made up of private or civil society bodies. These are described in the shorthand of 'NGO' - non-governmental organisations -- and their histories are generally more recent.<sup>89</sup> Within the context of multilateralism, (unfortunately and often undemocratically) only organisations that link to nations fall within it; private businesses with international operations (the MNCs, multi-national corporations) do not formally play a role. This terminology can be confusing; MNCs do not fit into the multilateral system and explaining this in non-Latin based languages, like Japanese for example, can at times be trying.<sup>90</sup>

The following discussion focuses on the public bodies developed from the ethos of the 'Concert System.' There was significant growth and development of them in the 20<sup>th</sup> century, boosted by the structure and activities of the League of Nations and later the UN. Their political origin was the desire for peace: to overcome the international anarchy that had torn apart Europe -- and then the world -- over the last two hundred years. There was a search for

---

<sup>89</sup> Graham Evans, Penguin 1998, p. 270-271

<sup>90</sup> In contrast to the Chinese (多边 unlike 多国), the Japanese language hardly differentiates between multi-lateral and multi-national (both translated commonly as 多国, thus applying also in this context the widely used character for nation, country, empire etc. 国). Hence, in order to avoid this hackneyed symbol overflowing with chauvinistic myths in East Asia, I combine in Japanese the characters of 汎地球主義 (*hanchikyuuushugi*) to connote the meaning of omnilateralism.

an overarching authority that might tame Hobbes' war-like state of nature that appeared to describe the international order. Proponents drew inspiration from Immanuel Kant and his enlightenment concept of '*Ewiger Frieden*' (perpetual peace). The term 'international' itself only dates from the 1770s, invented by the British philosopher Jeremy Bentham after he was declared an honorary citizen of France. The word spread; entering the language of diplomacy and policy at the Congress of Vienna of 1815 and the resultant Concert of Europe.

The earlier proponents of an international order did not necessarily embrace a global government. During the 19<sup>th</sup> century, many 'internationalists' supported the growth of nations and 'nationalism.' By the 1850s there was a split emerging: ideologically into left and right following either Karl Marx or Giuseppe Mazzini.<sup>91</sup>

The history and legacy of nationalism is however highly contested and has coloured the concept of internationalism. Today, most Europeans – distancing themselves from Trump fans in the USA – tend to assume that boosting a national ego whilst promoting harmony and world peace are contrary impulses. Hence, although current right-wing populists are pushing nationalistic fantasies, the term 'nation' in all its varieties is out of fashion.<sup>92</sup> The European history of wars and the subsequent success of peaceful integration in the EU of *member* states (not *nation* states) have helped discredit the nationalistic idea. Even the term 'international' is barely used by Europeans, unless referring to countries outside the EU, and often there is now talk of 'third countries.'

To avoid any implication of the nation, many Europeans prefer to describe the system beyond our frontiers as multilateral or even global. Also the late Joseph E. Schwartzberg, a recognised American expert on reforming the UN system, wrote about 'global agencies' when describing the specialised bodies of the UN and the wider system (institutions such as the IMF, the World Bank, the FAO, WTO, WHO, UNESCO and UNEP etc.).<sup>93</sup> They all form part of '**global governance**' in a most formal sense, since they are founded upon treaties signed between participating nations of the UN. (Although some include exceptions like Hong Kong.)

Amongst the formal treaty-based institutions, the International Labour Organisation (**ILO**) deserves special attention. It was set up in 1919 by the League of Nations and was reborn within the UN as its first specialised agency in 1946. Its legitimacy is broader than

---

91 See Mazower, eodem, p. 48-64

92 Nobel Peace Prize 2012

93 See Schwartzberg, eodem, p. 150-163

most UN bodies, since its governing structure reaches beyond formal nations by giving workers and employers an equal voice with governments when drawing up labour standards and policies. From its very beginnings, the ILO had one of the most ideologically charged mandates in looking after workers' rights and steered a precarious corporatist course between hostile capitalists to its right and revolutionary socialists to its left. This did not stop President Franklin D. Roosevelt showing his support for 'internationalism' under difficult circumstances when in 1941 he attended an ILO conference after it had moved its headquarters to the USA (it was based previously in Geneva). If permanent remedies to the world's woes were to be found, the president told the conference, the fullest cooperation between all nations would be required (words worth remembering during the worldwide health crisis in 2020). Social and economic problems were not separate watertight compartments in the international any more than in the national sphere. The outlines of a version of post-war internationalism premised on a kind of New Deal for the world thus emerged. It was at the end of the same year, during the visit of PM Winston Churchill, that Roosevelt came up with the term 'United Nations' to describe the Allied Coalition in its fullest sense, an alternative phrase to then current one of 'Associated Powers.' That said, however, the UN remained for a long time in essence an Anglo-Saxon-inspired wartime alliance.<sup>94</sup> That legacy continues until today, with the UN Security Council composed of permanent members drawn from the victors of WWII. By contrast, the composition and continuity of the ILO, celebrating its centenary in 2019 with a competent and highly respected Director-General at its head, remains exceptionally innovative. By reaching beyond and deep into the member nations of the UN, it could almost be called 'omnilateral' in its scope, albeit in the limited field of labour law and regulations. It brings in non-state actors as well as its tripartite representatives from of state, labour and employer organisations. Like most bodies in the multilateral system, the ILO itself has no means to enforce its own decisions; and they may be appealed only to the International Court of Justice (ICJ). The ICJ, for its part, lacks worldwide compulsory jurisdiction. No more than about 70 or so countries are bound by its judgements.<sup>95</sup>

---

<sup>94</sup> Sic the analysis by Mazower, eodem, p. 152, 196-197

<sup>95</sup> See Schwartzberg, eodem, p. 131-135. In WTO terminology, now even with the participation of some 70 countries a group is called 'plurilateral', such as TISA, the Trade in Services Agreement. *Strictu sensu*, after the one-sided 'unilateralism' of George W. Bush and Donald Trump without any other, we know of 'bilateral' agreements with only one partner like in most Free Trade Agreements (FTAs) and 'plurilateral' (including trilateral) agreements amongst two or more parties. In order to indicate that many nations are involved spanning continents and without geographic proximity, notably in the UN system, the term 'multilateral' is commonly used (in contrast to some academics like Mario Telo

Tackling challenges that cross borders and protecting the 'global commons' are at the heart of all these agencies and bodies. Apart from the venerable ILO, most specialised bodies were created after WWII according to the necessities of the time. They were responses by national governments to challenges such as the need to protect Outer Space or to manage the impact and use of the High Seas.

In contrast with the openness of the ILO to stakeholders other than national governments, the World Health Organisation (**WHO**) recently made the headlines because of its closed nature. It ignored information from a reliable source, as it did not come from a UN nation. A pandemic literally concerns all people (from the Greek *pan* meaning all and *demos* people). Just such a phenomenon was only announced on 11 March 2020 by the WHO, with the global spread of the covid-19 virus. However, as early as December 2019, Taiwanese health officers had boarded flights arriving from Wuhan to check passengers for symptoms before they could leave the plane.<sup>96</sup> As a result, at the end of December the WHO received an early warning email about the risk of a coronavirus circulating outside mainland China.<sup>97</sup> But the WHO did not officially share this warning with its 'international' members. Precious time to prepare for prevention worldwide was lost. Why? Because the alert came from Taiwan,<sup>98</sup> which is well equipped and capable nation, but not an official member of the WHO nor its parent body the United Nations. As it says on the tin, the UN accepts only "nations" as its formal members and the majority of these members deny Taiwan the necessary status. The long-term consequences of the WHO's refusal to accept such early information are hard to judge at this stage in 2020. At the beginning of May, the Australian and New-Zealand governments were pushing to gain broad international support for an independent inquiry into the origin and overall

---

(eodem (2007), p.310 in contrast to p.312, and Hettne's 'multiregionalism' p.107 and unclear on p.320) referring notably to Keohane (see numerous references by Telo, eodem, p. 380 and my personal dialogue with Mario Telo on 26.6.2019) et al. to include even the EU as such as 'multilateral'), while the term 'omnilateral' comprises all stakeholders involved globally and openness to non-Western cultures (see my definition in Wikipedia).

<sup>96</sup> See Don Shapiro, 19.3.2020, Brookings Institution, *Order from Chaos*, [https://www.brookings.edu/blog/order-from-chaos/2020/03/19/taiwan-shows-its-mettle-in-coronavirus-crisis-while-the-who-is-mia/?utm\\_campaign=Center%20for%20Northeast%20Asian%20Policy%20Studios&utm\\_source=hs\\_email&utm\\_medium=email&utm\\_content=85459036](https://www.brookings.edu/blog/order-from-chaos/2020/03/19/taiwan-shows-its-mettle-in-coronavirus-crisis-while-the-who-is-mia/?utm_campaign=Center%20for%20Northeast%20Asian%20Policy%20Studios&utm_source=hs_email&utm_medium=email&utm_content=85459036)

<sup>97</sup> See Taiwan's Response to COVID-19 with email of 31.12.2019 sent to WHO (b3e6addb-0c48-44ca-8282-2d7fc36c959a.pdf)

<sup>98</sup> On the WHO website, it is designated in a list as "Taiwan, province of China." This contrasts with its official membership in the WTO under the name "Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu."

handling of the pandemic.<sup>99</sup> The supposedly neutral role of the WHO and its Director-General Dr Tedros,<sup>100</sup> however, is being questioned in many quarters. Unsurprisingly, President Trump has already seen fit to suspend its financial contribution to the WHO budget and threatens with the withdrawal of the USA. America is the largest donor. (However, in view of urgent need during the fight the pandemic, Germany and other -- even private American -- donors have announced they will step up their contributions.) Whatever an eventual inquiry brings to light, it can hardly be expected, unfortunately, to argue for UN reforms that reach beyond and below the nations that make it up.

Beyond the official global bodies lie more informal but highly influential groupings. One such is the **G7** ('Group of Seven').<sup>101</sup> This is made up of leading countries drawn from the wider 'Western' alliance: USA, UK, France, Germany, Italy, Japan and Canada. It was created in the 1970s as a response to the multiple oil price shocks. Russia was added in 1997 to make a 'G8.' (Russia has subsequently been suspended over the illegal annexation of Crimea, but Trump and recently some others want it to re-join.<sup>102</sup>)

There is now an expanded version of the G7, the '**G20**.'<sup>103</sup> It comprises not only the industrialised and military powers of the G8 and the EU, but also emerging powers such as Brazil, China, India, Indonesia and South Africa. Discussions at the G20 originally focussed on financial and monetary policy issues. But in 2019 at the summit in Osaka they expanded their agenda, reacting swiftly to

---

99 See The Guardian, 7.5.2020

100 On 11.5.2020 in an ECOSOC Informal Briefing live on the UN's WebTV, I heard myself Dr Tedros saying that "19 weeks ago we knew nothing of this virus." His words allow the conclusion that not before but already on 31 December 2019 the WHO Director-General admittedly knew of the virus in Wuhan, possibly through an email from Taipei. However, why did the WHO not immediately follow-up this early information? Such consequential limitation to communicate only with 'national' member administrations was confirmed by the principal legal officer of the WHO, Steven Solomon, telling a news briefing that his Director-General has "no mandate" to invite Taiwan to take part in its assembly, the WHA, in mid-May, participation (sic Reuters, 11.5.2020 <https://www.reuters.com/article/us-china-taiwan-who/who-says-has-no-mandate-to-invite-taiwan-to-assembly-meeting-idUSKBN22N29B> ).

101 Interestingly, the G-7 grew out of the private initiative by David Rockefeller for a Trilateral Commission with Europe and Japan reinforcing the hegemony of the USA (see Mazower, eodem, p. 313) in cooperation with the Atlanticist, the late former Chancellor Schmidt of Germany.

102 In 2018, the USA and Italy have indicated to prefer Russia to be back in the G8, two countries ruled by populists as well as is Putin.

103 Argentina, Australia, Brazil, Canada, China, the European Union, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, the United Kingdom, and the United States of America

environmental pressures, a response in part to the worldwide protests on climate change led by young pupils following Greta Thunberg. Nevertheless, despite bureaucrats' detailed preparations, media attention and photo opportunities for the politicians,<sup>104</sup> the annual summits do not conclude with any legally binding texts. Without any basis in law or treaty, their 'commitments' in the final communiqué amount to mere political declarations.<sup>105</sup> Enforcement and follow up is therefore disciplined by public opinion: from the attention of media and citizens and by the example and peer pressure of other nations. The aim is to promote forward looking policies that will sustain common goods like the global environment; and to restrain countries from the temptation of pursuing short-term national interests.

The 'death of distance' through digitalisation and the rapid increase in communication technologies has fuelled an enormous increase in cross-border activities and connectivity amongst businesses and people. It has become necessary to set **legitimate and globally enforceable rules** to manage this. Specifically, these very same information technologies call into question whether they can be regulated solely at the national or even regional level. Also, in this regard, the nations have become incipiently dysfunctional legal fictions.<sup>106</sup>

Our societies have been changing fast and the authority of the traditional nation-state to handle the challenges has been chipped away. Consider: economic interdependence through trade and

---

<sup>104</sup> At the G7 Summit 1986 in Tokyo, I had the privilege to accompany as liaison officer the then EC-President, Jacques Delors, to the meetings and could see directly the personalities of the leaders unfold in the group. President Ronald Reagan playing the charming cowboy in the saloon by jumping up to help PM Margaret Thatcher when she was almost stumbling over her long dress coming down the wide staircase of the Japanese PM's old-fashioned residence. Chancellor Helmut Kohl, embarrassed to have nobody else to talk to in his only tongue, namely German, was relying on his bodyguard's standing nearby in attention in order to avoid Kohl's isolation and to look talkative and relaxed during photo opportunities. President Delors in all his modesty rather stayed back to study his briefs and only occasionally joined the small talk that seemed so important for the Anglo-Saxons amongst themselves.

<sup>105</sup> Nevertheless, the China Daily (12.7.2019) analysing data from the G20 Research Group of the University of Toronto found a "solid compliance" of 71% to the 2,500 commitments the G20 leaders' made since their first summit in 2008.

<sup>106</sup> See Schwartzberg, eodem, p.5. Also in this context, the issue of refugees between nations is noteworthy as encountered in Europe with a peak in 2015 as well as in Asia continuing in even greater numbers (see The Economist, 12.9.2015, "*Strangers in strange lands*," ... "European nation-states have been coping with acute refugee flows at least since the Protestant exoduses of the Thirty Years' War — that is, for as long as there have been European nation-states.")

finance, transcontinental terrorism, the digital 'death of distance' in communication, cyberspace and the Internet, shipping on the high seas and global common goods like the environment and climate change. None can be tackled by any nation acting on its own. Increasingly conscious of these wide-ranging developments, more and more people realise that global problems call for global solutions beyond territorial borders.<sup>107</sup>

Well before the corona pandemic of 2020, two significant events demonstrated such interdependence and the need for higher level governance. The man-made radioactive clouds from the nuclear melt-down in Chernobyl in 1986 flew high over national borders; and contaminated shipwrecks from Fukushima were still crossing the Pacific Ocean and landing in America in 2017. They demonstrated to everybody directly and concretely the failure and **incapacity of any territorially limited governance.** Nevertheless, nations keep claiming 'sovereignty' over common global goods<sup>108</sup> such as the air and water. These goods regenerate in cycles and as such belong as common to all; they fundamentally affect the well-being of all humanity.<sup>109</sup> The problems of man and nature in our anthropocene period of mainly human-influenced alterations and the damage to our own habitat have been clearly demonstrated; no purely territorial solutions are feasible. The future generation are alive to this threat. Since 2018 young pupils have taken to the streets to demonstrate against our man-made destruction, warning us of a 'Climate Emergency.'<sup>110</sup>

---

<sup>107</sup> The lasting complications imposed by European colonialists onto foreign peoples abroad by arbitrarily drawing so-called national borders were exposed again recently in India and Bangladesh. They finally straightened their lines by eliminating more than 160 en- and exclaves which involved some 50.000 people of both sides and eventually grant them full rights as citizens (cf. BBC World Service, London, 2.8.2015).

<sup>108</sup> How the people, inclusively with non-state actors, should govern notably transnational goods and the public commons collectively in a more democratic fashion is increasingly raised in the debate of better global governance (cf. conference at University of Leuven, Belgium, on 22-23.2.2016)

<sup>109</sup> Thus, also China sees increasingly incentive to work with the West to address a growing array of common global concerns, from pandemics to terrorism (see Michael D. Swaine, Foreign Affairs, New York, May/June 2015, p.146) and even more so to cooperate with Europe, particularly since Trump's unilateralism (cf. more than 60 EU-China Dialogues ongoing in all sectors of common interest ranging from the environment and climate change to the reform of WTO and human rights).

<sup>110</sup> The Centre for UN Constitutional Research (CUNCR) in Bruxelles in July 2019 invited some of them as Climate Youth Ambassadors from all continents to its annual Climate Summit in Greece, but a few of them already have gained stardom in the social media and among publicity hungry politicians and declined participation, as I learned as a simple contributor to the discussions on the spot during the conference.

It is not only that nations alone cannot address such an emergency; the existing intergovernmental and multilateral system is itself inadequate. It is based on a purely (and highly unequal) representation of narrow and often short-term national interests, such as in the UN set-up. A better approach here would be to involve all stakeholders, to invite them to learn from each other;<sup>111</sup> to collect and to share evidence upstream, beyond the territoriality of the nation and the region.<sup>112</sup>

Likewise, the **high seas** remain largely unregulated. Sixty percent of the Earth's surface is deep oceans. However, our nation-centric laws only cover the oceans' edges. Every day, 40,000-odd industrial-sized fishing boats haul kilometre-long dragnets behind them. The overfishing of halibut and cod is now a reality. As disturbing: about one-quarter of the catch is dumped back into the sea (so-called 'by-catch.')

This amounts to tens of millions of tonnes of fish a year, which cannot be landed because they are too small, unauthorised species or caught out of season.<sup>113</sup> Even if certain authorities, like the EU, legislate on by-catch, how can those rules be enforced on the high seas? Such actions take place faraway from any national policing. They avoid any possible omnilateral monitoring that might bring together the fishing industry and other concerned stakeholders.

Closer to most of us are the activities of the **financial system**. In particular, the daily trillions of dollars in cross-border – mostly speculative -- currency trading urgently need global rules and surveillance. Over recent years many scandals have come to light, that concern us all, but lie beyond any claims of national sovereignty. Money is often transferred across borders in digital form and no single nation can control, let alone tax (cf. proposal of a 'Tobin tax'), this flow. Driven by speculation chasing windfall profits, it gets transferred around the world in unimaginable quantities: more than five trillion dollars every day. In this way it

---

111 It was not by accident that the Worldwatch Institute gave China relatively good marks on its environment policies already at the end of the last century in spite of high industrial growth and yet worsening pollution. At that time, however, few people had imagined that by 2015 China has been increasing the generation of electricity from renewable sources faster than any other country, with a third of the world's total installed capacity generated from wind and on top with the world's biggest solar industry. A study of the University of East Anglia in the UK confirmed that "*China emits less CO<sub>2</sub> than thought*" (sic headline in FT, 20.8.2015) and pointed out a 14% reduction of China's emissions in 2013. However, coal-fired generation of electricity still prevails in the country with some 60%.

112 Common issues of science greatly create solidarity as can be perceived throughout history, cf. Mazower, eodem, Chapter 4 entitled "*Science the Unifier*", p. 94-115

113 See Bill Bryson, "*A Short History of Nearly Everything*," London 2003, p.347

can evade national rules and frequently offers plutocrats and criminals useful tools for money-laundering.<sup>114</sup>

Some call this financial system a 'perfect market'; others consider it the seedbed for crony capitalism. Globally, there seems to be no regulation, merely speculation. Until the 'Forex scandal' of 2013 involving banks' collusion in manipulating exchange rates, there was scarcely any debate. It was outside the public political sphere, which our illusion of sovereignty still naively sees purely within national borders. Some governments tried to control those banks nationally. However, most would rather protect them through subsidies, particularly after a major financial crisis, one in a long line of banking collapses going back to 1791 in the USA. Taxpayers pumped in \$630 billion to support the world's banks in 2011-2012, more than the GDP of a mid-sized industrialised country like Sweden.<sup>115</sup> This led the EU and some countries to call on the banks to pay back at least some of that money through a **financial transaction tax**. But international taxes make sense only if applied equally *omnibus*, by and for all on this globe. Otherwise, the rich can always find tax havens that welcome evaders.

The enormous flow of funds might be better distributed to less developed regions, to help bridge the gap between rich and poor, within and beyond the nation-states.<sup>116</sup> In his global bestseller of 2013 Thomas Picketty highlighted the growing inequality between nations, aggravated by the neo-liberal global markets that operate out of bounds and without rules.<sup>117</sup> In most developed countries, unabashed competition in a 'winner-takes-it-all' fashion is illegal, since it can lead to the emergence of damaging monopolies, which prevent newcomers entering markets and hurt consumers. However, within a global *laissez faire* model of neo-liberalism, many multinationals have grown unchecked into dominant worldwide players.<sup>118</sup> Booking profits out of the reach of national rules, they can avoid fair rates of taxation and are immunised to the principles

---

<sup>114</sup> The international Financial Action Task Force (FATF) against money-laundering can only issue recommendations to individual (national) jurisdictions.

<sup>115</sup> The Economist, 12.4.2014

<sup>116</sup> Cf. discussion of international taxes at the UN conference of July 2015 in Ethiopia resulting in the Resolution adopted by the General Assembly on 27 July 2015: *Addis Ababa Action Agenda of the Third International Conference on Financing for Development* (Addis Ababa Action Agenda) (A/RES/69/313)

<sup>117</sup> See Thomas Picketty, *Le capital au XXI<sup>e</sup> siècle*, Seuil, Paris, 2013

<sup>118</sup> One important reason for this unchecked situation is that the so-called Singapore issues of competition rules etc. did not make it onto the WTO's agenda; cf. also the opposition of the USA Congress for reasons of its claimed sovereignty already in 1947 against competition rules proposed in the Havana Charter for GATT (see Wolfgang Pape, *Socio-cultural Differences and International Competition Law*, European Law Journal, Vol. 5.No. 4, Oxford, December 1999, p.438).

of open and fair competition, exemplified by the GAFA and BATX. Such market power can only be contained by global rules that extend beyond national borders. It is the only means to make the system sustainable.

Apart from dodging taxes and exerting market power, the system also allows such firms and banks to destabilise national economies and even democracy. The high level of economic interdependence between countries and the distribution of production used by multinationals can significantly impact domestic employment. Firms can switch not only prices at arm's length, but also output or supply and play-off one country or region against another. It makes the links between an open trading system, the labour market and social protection a highly sensitive issue in most countries. It is only partially covered within some official trade agreements and via the WTO. It is basically unrecognised in the global system and is likewise out of scope of the International Labour Organisation (ILO).

One obvious sphere beyond territorial borders, to which we travel daily, is **cyberspace and the Internet**.<sup>119</sup> This global medium for communication and information exchange connects computers and their human operators. It will increasingly be machine-driven, as the 'Internet of Things' or even '... of Thoughts' is based on the latest technology of the 21<sup>st</sup> century, artificial intelligence (AI).

Yet at the very core of cyber-governance lies a fundamental disagreement: over the relevance and significance of national sovereignty rooted in the 17<sup>th</sup> century Westphalian System. While surfing the ever-expanding World Wide Web and connecting via social media, we are barely aware of the existence of borders. However, if we hit a problem, critical issues soon emerge. There

---

<sup>119</sup> Apart from cyberspace, the outer space increasingly faces problems of insufficient rules, because the merely plurilateral Treaty of the Outer Space (signed since 1967 by only 53 states) is holding national governments responsible, while now non-state actors ranging from billionaires to space tourists board rockets to add to the clutter of some 17,000 objects already circling the Earth (see Dave Baiocchi and William Welser IV, *Foreign Affairs*, New York, May/June 2015, p.98, 100, 102). Similarly overburdened is the International Civil Aviation Organisation, which is tasked with issuing clear rules for the virally growing number of drones. Only a few countries have adopted regulations for drones to date, and those rules are highly divergent. However, beyond the highly controversial issue of the military's extra-territorial often deadly use of drones, their growing global market of €1.5 billion by 2025 will lead to huge numbers of commercial drones posing problems across and outside national or regional borders (see Gretchen West, *Foreign Affairs*, New York, May/June 2015, p.95). See also NYT of 1.8.2015 reporting of huge programmes by Facebook to bring the Internet to remote parts of the world by lifting hundreds of drones and balloons into the sky for a network of laser beams of immense amounts of data.

are uneven protections of privacy;<sup>120</sup> e-commerce is not uniformly safe; there are challenges from cybercrime;<sup>121</sup> and access to knowledge, goods and services are at stake here more generally.<sup>122</sup> Rather controversially, the governance of the Internet remains mainly in the hands of the USA-based Internet Corporation for Assigned Names and Numbers (**ICANN**). Since 1998, the Internet has clearly outgrown its humble beginnings as the 'virtual village.' Today it has more than three billion users and there is now a rush to link up tens of billions of devices on the 'Internet of Things.'

This burgeoning interdependence brings new and complex vulnerabilities that no single government can alone control. Reports of hacking, troll factories, bots and even 'cyber wars' hardly correspond to traditional notions of conflicts between countries. New threats and actors are emerging, including networks of terrorists and international criminal enterprises. They threaten cyber security. Digital insecurity also impacts democracies and free elections. Although there have been various attempts to increase transparency and democratic decision-making, the vested interests of the established board of ICANN itself have to date prevented any direct election by its user community. Its Memorandum of Understanding with the Department of Commerce in 2006 confirmed that its oversight was by the government of the USA<sup>123</sup> in its national interest, which can be expected to be exercised strongly under President Trump. Instead, due to the common threats to communication across borders and ICANN's declared goal of preserving the operational stability of the Internet world-wide,

---

<sup>120</sup> While the USA's NSA surveillance of political leaders in other countries has been making headlines, the real issue of economic importance is the industrial espionage related to it. The EU after controversial debates legislated in 2018 a General Data Protection Regulation (GDPR) which has become a model to be followed by quite a few other legislatures.

The technically feasible surveillance reaches an additional dimension with the introduction 5G data capacity where China's Huawei has been gaining advances in the world market to a degree that as a European one seems to be only left with the choice of surveillance either by America's NSA or China's Huawei.

<sup>121</sup> Cybercrime alone costs the USA 0.64%, China 0.63% and the EU 0.41% of their GDP, cf. McAfee-CSIS "Report on the Global Cost of Cybercrime," 2014

<sup>122</sup> For instance, on the one hand a notable case of global legal services on the Internet is evolving de facto with cyberjustice and its alternative online dispute resolution platforms that blur the borders of national jurisdictions by the pluralism of laws applicable without any state involvement (cf. Global Law Week, discussions on "Cyberjustice," Bruxelles, ULB, 18.5.2015). On the other hand, in 2019 Russian President Vladimir Putin has enacted legislation to set up in his country -- separately from the global Internet -- an intra-net that can eventually disconnect Russian users from the world-wide networks and their various more pluralistic information sources.

<sup>123</sup> See Schwartzberg, eodem, p. 284

there ought to be global cooperation. This might crystallise incrementally and should involve stakeholders omnilaterally.

There are new dimensions for public concern with the exponential growth of **social media** via the world wide web. The process has been aided by massive data collection enhanced by Artificial Intelligence. There is a paradox at work. With globalisation and digitalisation – and the ‘death of distance’ -- there is a dire need to move political control vertically from the nation upstream to higher levels of trans-border governance.<sup>124</sup> But the reality is that **power is shifting horizontally**: away from the legitimate public sphere towards rent-seeking private control, to ‘the winner in the market that takes it all.’ It is the dawning of an ‘Age of Surveillance Capitalism’ described by Harvard Professor, Shoshana Zuboff.<sup>125</sup> These apparently unstoppable winners are the GAFA (Google Apple Facebook Amazon) or FAANG (i.e. including Netflix) as well as the Chinese BATX (Baidu, Alibaba, Tencent, Xiaomi). They can hardly be controlled by any national law; they operate freely in a borderless way, setting up office wherever national tax authorities provide them cheapest conditions and with their network effects they can commercialise data drawn from all of us. This they can exploit not only for their own profit. They can also sell it as political influence for whoever pays for it and uses it for ‘**behavioural engineering**’ like Skinner with his pigeons.

The new model of data exploitation is very different from a traditional exchange of information. In simpler times, citizens provided personal data such as place and date of birth, address and even eye colour to a local government office when applying for, say, an ID-Card or passport. We expect such data to remain secure and to be used only in the public interest. But nowadays we provide much more information about ourselves, both in quantity and quality, to the commercial controllers of the Internet. They not only passively receive masses of information on us but now actively instrumentalise it, both to modify and thus to monetise our behaviour. This applies in the political and business spheres. This

---

<sup>124</sup> Kofi Annan (“*Interventions – A Life in War and Peace*,” Penguin Books, London 2012, p. 84), the former Secretary General of the UN, himself “needed to ... challenge the conventional views on national sovereignty as immutable and inviolable”, in particular in relation to R2P (Responsibility to Protect).

<sup>125</sup> Sic title of an insightful book by Shoshana Zuboff (Profile Books, 2019), a professor emerita at Harvard Business School, reviewed in FT, 5.1.2019. Tim Wu (*Bigger Brother*, The New York Review, 9.4.2020, p. 18-19) links her analysis to the ‘behavioural engineering of humanity’ of her teacher, B.F. Skinner, and claims a codified antisurveillance regime far beyond the GDPR of the EU in order to avoid our lives becoming a “completely tailored video game where nothing happens by chance.” I can only add that such regime by all means has to global, namely omnilateral.

**private usurpation** of hitherto public data-sovereignty can be compared to nomadic pioneers claiming no-man's land in our pre-civilisation era. Then it was *'terra nullius'*, now it is our minds being captured. Then it was obstacles and pales; now firewalls around conquered assets. Land then, data mines now. The same effect is to privatise what was originally *res publica*.

This shift of public sovereignty Zuboff calls an **anti-democratic 'coup des gens.'** It is an overthrow of the people, in contrast to a *'coup d'état,'* an overthrow of the state. To whom does the sovereignty shift? Into the hands or rather the computers owned by a small group of people like Zuckerberg, Bezos or Jack Ma (who might have closer links to some state sovereignty anyway). This transformation was made possible by two trends. One was neo-liberalisation, led by Thatcher/Reagan from the 1980s, which diminished the role of government in economic affairs. The second was the national security emergency, dictated by the 9/11 attack, which pushed notably US administrations to support surveillance systems, largely giving tech companies a free pass in the process. Such trend seems to intensify again with the global health crisis in 2020 when governments encourage Google and Facebook to cooperate in the development of Apps to trace virus-infected people.

As early as 1998 Google's founders expected search engines -- since funded by advertising -- to be inherently biased towards advertisers and away from the needs of the consumers (who represent the public interest, as we are all consumers). No wonder then that it was the EU, and not the USA, that moved first. The EU has more social-minded and newcomer-friendly trans-border competition rules that seek to control the abuse of **market dominance**. Google was hit with fines totalling € 8.2 billion. The EU has also legislated to protect personal data. The previously mentioned GDPR passed in 2018 aims to protect citizens against the violation of users' privacy (particularly by firms of the size of the GAFA and BATX). The USA's Federal Trade Commission (FTC) followed suit only in mid-2019 with penalties of about \$ 5 billion on illegal activities by Facebook. However, the GAFA firms can laugh off such fines in view of their huge profits, for example Facebook posting \$ 22 billion in 2018 alone. On news of the proposed FTC action its share price actually rose! Hence, improvement of the GAFA's behaviour can only really be achieved through **legally binding regulation** that changes behaviour before the fact. Is it not an irony that the influential boss of Facebook, Mark Zuckerberg, has himself appealed to the authorities to regulate his business-sector. But currently there is simply no authority beyond national

borders -- except the EU within its limits in Europe -- that has the competence to put in place any such regulation.

International bodies, unlike the EU, remain entirely toothless when policing global market abuses. This has a long history. The USA Congress refused the Havana Charter of 1947 that would have included rules on **fair competition on the world market** within the then trading *régime* of GATT (General Agreement on Tariffs and Trade, the predecessor of the WTO). An attempt to re-introduce this idea in the Singapore Agenda of the WTO in 1996 failed. A trilateral approach, drawing together competition experts from Bruxelles, Washington and Tokyo was unable to advance the matter.<sup>126</sup> Today the public is exposed to the misbehaviour of the GAFA giants; and at national and EU level in the three capitals there is growing awareness of the issues and suggestions for reform, but in the USA the fear of loss of sovereignty in particular in Trump's White House remains a major obstacle. Hence, there is no action being undertaken at global level, omnilaterally.

The UN faces also a number of other governance issues. We mentioned the lack of enforcement tools and formal powers with its multilateral organisations and related bodies. But it has another dysfunction in the operation of its **General Assembly** (GA). The legal fiction of the 'sovereign equality of nations,' derived from the Treaty of Westphalia of 1648, has grown into a farce.<sup>127</sup> The former UN Secretary-General Kofi Annan at the occasion of the Millennium Review in 2005 remarked upon the "unique legitimacy" and potential importance of the GA as a universally representative body. He, however, noted the concern of many members about "the decline in the Assembly's prestige and its diminishing contribution to the organization's activities."<sup>128</sup>

The limiting factor on making binding decisions is the GA's '**one-nation-one-vote system**.' Despite the (almost) universal membership of nations, the present allocation of power in the GA utterly fails to reflect the distribution of power in the world outside. The late expert on UN reform, Joseph Schwartzberg, presented a compelling analysis of the problem,<sup>129</sup> with a visual presentation of the most and least populous UN members, namely China and

---

<sup>126</sup> As a diplomat for the European Commission in Tokyo at the time, I was personally involved in the discussions between the Japanese and the USA FTCs with our Competition Directorate General and recall the experts' conviction to push for cooperation, but the political hierarchies' reluctance to give up any of their space of manoeuvre prevailed.

<sup>127</sup> Sic Schwartzberg, eodem, p. 5-7

<sup>128</sup> See also his critique of the GA in his memoirs, Kofi Annan, "*Interventions*," Penguin Books, London 2102, p. 118 -119

<sup>129</sup> See Schwartzberg, eodem, p. 13 - 35

Nauru. China with 1.35 billion people appears as a big disc covering almost half a page in his book, whereas Nauru with only 9,300 inhabitants, is only recognisable because of an arrow pointing to a small dot that represents its micro-size as a nation. The ratio in population size between the two nations is 150,000 to 1. Yet tiny Nauru's vote in the UN's GA is equal to that of massive China's! The disproportionate effect of small members can be shown further: 65 nations (about one-third of total GA membership) account for less than 1% of world population, yet this one-third can block passage of substantive resolutions. This massively runs counter to the basic principle of democracy 'one-person one-vote' derived from the UN Charter's opening phrase "We the peoples."

A way out of the GA imbalance is to adopt some form of weighted votes. Schwartzberg reviewed many of the common approaches, but omitted the system of '**qualified majority voting**' (QMV) which is used in the Council of the EU for about 80% of EU legislation. A QMV threshold is reached when 55% of member states vote in favour *and* the proposal is supported by member states representing at least 65% of the total EU population. A more complicated formula with three criteria is applied in the European Parliament. Perhaps reform of the GA voting system could learn from the EU experience, as an example how regional governance can provide stepping-stones for improving global governance.

Consensus for a **reform of the UN** seems far off. Current critiques of the UN concentrate mainly on the Security Council and the veto power of its five permanent members, P5.<sup>130</sup> Again, it is rooted in the **Westphalian system** that gives the nation a legal entitlement to absolute sovereignty and in peoples eyes' the monopoly of violence for police and military action. On the one hand, most people find it natural to identify with the nation -- about which they learn at school and normalise through childhood -- rather than with their town or province, although there might be wide differences within a nation.<sup>131</sup> On the other hand, because of the artificiality of national borders we often find common denominators beyond

---

<sup>130</sup> For instance, Shahr-yar Sharei (now director of the Centre for UN Constitutional Research in Bruxelles, which I personally support pro-actively) refers back to the 'Promise of San Francisco' of 1945 and UN Article 109 that introduces the option of a review conference of the original charter (see [w.democracywithoutborders.org](http://w.democracywithoutborders.org), 4.5.2018).

<sup>131</sup> Some well-known cultural differences within nations: Okinawans distinguishing themselves from Ainu in Japan, Frankfurters from Hamburgers in Germany; intra-national distinctions by language abound, e.g. at least 2 in China with Cantonese and Mandarin, officially 3 in Belgium, 4 in Switzerland, 10 in South Africa; and by political positions show up in Hamburg unlike in München, Milano unlike Palermo, Scotland unlike England, California unlike Texas

national borders.<sup>132</sup> As discussed earlier, particularly – but not only -- in the former colonies in the Americas as well as in Africa and Asia, national borders were artificially drawn by military might and foreign rulers at the time, overlaid on traditional common cultures which often survive underneath. In addition, migration and globalisation likewise have created new attachments that transcend national borders. An increasing part of – notably young – people look for an identity as ‘global citizens’,<sup>133</sup> but conservative politicians, afraid of loss of power, continue playing the national card. Hence, the alignment between identity, cultures and global governance is still far away in the minds of average people. The institutions incorporated in the UN and their related international bodies barely touch the political awareness of the (wo-)man in the street.

The history of the UN system shows that from their very origin at the end of WWII they were very one-sided. Not merely the products of western minds, but within that an even narrower Anglo-Saxon core, the UN was designed by Franklin D. Roosevelt and Winston Churchill when they met in Washington DC in 1941. Of course, other nations and leaders joined in later in further building the institutions; but they had to enter a club whose basic structure had been set by Uncle Sam and Albion. For example, the UN Security Council is still made up of the ‘Permanent Five’ states that were the main victor nations/Empires of WWII (the UK, the USA, France, China and Russia). Such a membership is clearly out of kilter with power realities: India and Japan are excluded, and the UK (until Brexit) and France only count due to their regional relationships within the EU -- they have comparatively little independent influence. **Western dominance** of institutions is most clearly demonstrated in the top jobs of the International Monetary Fund (IMF) and of the World Bank (WB). These two key institutions of global governance are traditionally always headed by a European (IMF) or a US-American (WB). Other continents, Asia for instance that has increasingly contributed to the funding of the UN system, are excluded here. Only China increasingly has been able to recently gain some remarkable 4 positions at the top of the UN’s 15

---

<sup>132</sup> For instance, the *Alsace/Elsass* on both sides of the river *Rhin/Rhein* that – originally as an obstacle to communication a truly natural border – has changed nationality four times during one century but maintained common identities through traditions of food and even dialect across the imposed national border. Other cases of transnational common features: in Belgium’s west, Ireland’s North and even language similarities across the Sea between France’s *Bretagnards* with Irish Celts

<sup>133</sup> Of course, ‘global citizens’ are difficult to literally ‘de-fine’, as we finally do not know anybody outside this globe, least the proverbial ‘man in the moon.’

specialised agencies.<sup>134</sup> And many other regions are entirely passive in the process, receiving advice or funds without much input. This one-sidedness of the multilateral system also is evident in the UN itself. Schwartzberg<sup>135</sup> points out the high dependence on the USA for the UN budget and consequently its activities. Whilst its contribution has diminished from around 40% at its creation, the USA still gave 20% in 2018 (albeit this was somewhat reduced when Trump in 2020 blocked its contribution to the WHO blaming it for what he called the “China virus”). However, the two defeated countries of WWII also make large payments, Japan with its chequebook diplomacy has now reached about the same percentage as the USA, and Germany is the next most generous (in 2020 upgrading its payment to the WHO). But neither sits as a permanent member of the Security Council.

There are plenty of reasons to reform the multilateral UN system. For me as a European, its reliance on the nation for the monopoly for action and decision-making is most problematic and outdated. Secondly, but in the long-term no less important, is its continuing ‘orientation’<sup>136</sup> to an Anglo-Saxon mindset, reflecting the last two global hegemony of the UK and the USA which are now waning in ‘Westlessness’<sup>137</sup> with Brexit and Trump. This hitherto one-sidedness neglects not only enriching contributions from emerging economies and societal good practices from other cultures; it also shuts out solutions to common challenges like climate change and the environment. The case against the nation as the sole and absolute source of sovereignty has been made in the two previous chapters. This chapter adds a further point: the ‘relativisation’ of the nation, becoming only one layer amongst others in an increasingly multi-level system stretching from the local to the global. This is practically and most clearly shown in Europe.

---

<sup>134</sup> President Trump’s Trade Assistant, Peter Navarro, hence headlined in the FT (24.2.2020) “*Don’t give Beijing control of intellectual property group,*” meaning WIPO, where then in March 2020 Daren Tang of Singapore was elected as the first Director-General from Asia (see Anna Zhang, Law.Com International, 11.5.2020).

<sup>135</sup> See Schwartzberg, eodem, p. 05

<sup>136</sup> Ironically, the term ‘orientation’ in West-European languages comes from Latin ‘*oriens*’ meaning rising sun or east, perhaps because to our west we found only water till the horizon, whereas to the east land and mountains provided fix-points. However, since England with the Industrial Revolution and then the USA first as hard (military) and then as soft power (Hollywood) until recently provided ‘orientation’ (or better ‘occidentation’?) and we have rarely oriented ourselves towards the East. ‘*Ex oriente lux*’ (light from the East), however, for Christians has been seen also as a spiritual source.

<sup>137</sup> Sic Wolfgang Ishinger, chairman of the München Security Conference, 14.2.2020

There is a case therefore for a more inclusive system that moves beyond multilateral governance by nations alone. A system that opens towards omnilateralism. One obvious element of this opening is to look eastwards. The next chapter explores what we in 'the West' have missed by neglecting Asia and what we might learn from including it more for the good of the global common.

### **Conclusion of Chapter 3:**

Multi-level governance uses different styles of democratic decision-making and rule-setting depending on whether it operates at the local, provincial, national, regional or global level. While in the smallest polity at the local level proximity enables almost every citizen to be directly informed on issues of her/his neighbourhood (e.g. to build a football stadium or a theatre), the higher the level the more we depend on the media – and thus mainly the market – to inform us with often 'fungible' facts. New democratic initiatives therefore generally start bottom-up locally and some even reach global dimensions, for example Greta Thunberg grew her campaign from Stockholm to the UN with worldwide 'Fridays for Future'. Mayors have clubbed together to push their cities' interests and common concerns. The provinces play a particular role in federal systems, but their cultural identity have grown stronger reaching beyond the nation, as seen from Scotland to Catalunya and Okinawa to Mindanao.

The nation has lost power upstream to globalisation and downstream to democratic engagement. Its nationalist aberration of (often militarily) fixed borders and illusion of absolute sovereignty can hardly halt data or money flows as long as the market makes it profitable. Controversial data dependence on (a)social media now even impact higher level elections. To overcome these challenges, there are incipient regional solutions. The EU with its institutions as the historic first supranational peace guarantor provides examples of stepping-stones as well as stumbling-blocks for cooperation and integration worldwide. The regionalisation effect is being strengthened by the temporary 'slowbalisation' of global integration; and many regional groupings from ASEAN to AU and Mercosur to NAFTA (USMCA) have key roles to play.

However, on the global stage, many still see only nations as the core of a multilateral system, formally and institutionally bound together in the United Nations (*nomen est omen*). It is a system that was biased in its original design to the victors of WWII and is now badly out of date. New informal groupings of world-leaders have arisen. These range from the G7 to G20 as well as to the

BRICS. They grab the headlines in global affairs, accompanied by demonstrators and NGOs in societies that are polarising. So, this nation-centred, many-sided, dysfunctional, multi-lateralism of western design and dominance is unable to solve the global problems of our 'commons.' The issues before us range from pandemics and climate change to cyberspace and from the deep sea to the Outer Space as well as the unregulated financial system and the outsized GAFA/BATX. We need to approach these omnilaterally. We must open up to the long-neglected experiences of thousands of years of history from the non-Western world.

