

## Prix Fixe *and* à la Carte: Avoiding False Multilateral Choices

Tremendous forces are eroding the institutional foundations of world politics. Economic power is moving to developing countries (particularly in Asia), transnational security threats from nuclear proliferation to climate change are emerging, and influential malevolent as well as benign non-state actors compete with sovereign states for global influence. Despite these tectonic changes, the superstructure of global cooperation has barely moved. The world thus makes do with creaky institutions that reflect a world that no longer exists—with growing risks to global stability and prosperity.<sup>1</sup>

Recently, however, the ground has begun to shift with Barack Obama's election as president of the United States. During the campaign, Obama had offered U.S. voters a fresh vision of leadership in the twenty-first century, pledging "to rebuild the alliances, partnerships and institutions necessary to confront common threats and enhance common security."<sup>2</sup> The candidate's first foreign policy address lionized the "generation of leaders" such as Harry Truman and George Marshall, who "built a system of international institutions that carried us through the Cold War." He also acknowledged that "today it's become fashionable to disparage the United Nations, the World Bank, and other international organizations," but the giants of the 1940s "knew that instead of constraining our power, these institutions magnified it." Today, however, "reform of these bodies is urgently needed if they are to keep pace with the fast-moving threats we face."<sup>3</sup>

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As president, Obama has taken symbolic and practical steps to return the United States to multilateral engagement. He has embraced the international rule of law, shuttering the Central Intelligence Agency's secret prisons and pledging to close the terrorist detention facility in Guantánamo Bay; proposed changes to strengthen the nuclear nonproliferation regime; engineered U.S. entry into the UN Human Rights Council; reinvigorated U.S. leadership on climate change; endorsed new regulations and governance structures for global finance; called for UN Security Council reform; and signaled his intent to seek ratification of long-languishing treaties such as the Comprehensive Test Ban Treaty (CTBT) and the UN Convention on the Law of the Sea (UNCLOS). These shifts have energized those who hope Obama will spearhead fundamental global institutional reform.

Yet, the prospects that the United States will lead a sweeping campaign to transform outdated global bodies such as the UN Security Council and international financial institutions (IFIs), or at least pursue a tidy "grand bargain" between a declining West and the rising Rest,<sup>4</sup> are modest at best. At least five major obstacles will impede such a massive overhaul of the world's bedrock institutions. Instead of trying to remake international order, the Obama administration should adopt a pragmatic approach to international cooperation, by selectively applying two apparently contradictory, but fundamentally complementary, forms of multilateralism: choosing from the "prix fixe" menu of formal organizations, and ordering up an "à la carte" coalition of like-minded nations. Each approach presents generic advantages: the former offers standing capacity, technical expertise, and international legitimacy, while the latter offers flexibility, like-mindedness, and decisive action. Their relative merits for advancing U.S. interests are highly context-dependent—and potentially frustrating to those who observe, or seek to explain, U.S. foreign policy.

### **Five Obstacles to World Order Reform**

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Five big obstacles will constrain any overhaul of global governance under U.S. auspices. First, the United States lacks the overwhelming material and ideological advantages it once enjoyed to shape world order. Indeed, U.S. leadership is no longer taken for granted even in the West. In 1945, the United States was the undisputed economic powerhouse, responsible for half of global gross domestic product (GDP) and the lion's share of global credit. Today, Europe's economic might exceeds that of the United States', which is now the world's largest debtor, reliant on China to sustain the dollar's role as the main reserve currency.

Meanwhile, the United States has frittered away much of its "soft power," something even Obama's personal appeal cannot quickly restore. It seems quaint to

invoke Clinton-era slogans of an “indispensable” nation that “stands tall” and “sees further than other countries into the future.”<sup>5</sup> When the United States is willing to lead, will others now follow? Few big multilateral ventures can succeed without U.S. participation, but rising powers no longer presume that the United States should be the rulemaker-in-chief. Adopting a more collective style of global leadership will require profound psychological and practical adjustments from Washington.

**D**espite tectonic changes, the superstructure of global cooperation has barely moved.

While no emerging nation is “revolutionary” or bent on overthrowing world order,<sup>6</sup> some of today’s major power centers—notably China, Russia, and the United States—share very different threat perceptions, political values, and economic visions. Even within the West, the financial crisis has shattered the Washington consensus, exposing different views on global economic regulation. The need to integrate rising powers to modernize global institutions—making those powers “responsible stakeholders,” in current parlance—surely implies giving them an opportunity to shape norms and rules, on issues from trade to finance to climate to nonproliferation. Such growing diversity will complicate efforts to forge multilateral consensus around U.S., or broader Western, preferences.

Second, the world is no longer a blank canvas. After World War II, the United States and other victors had a free hand to create an order reflecting their interests, preferences, and power. Today’s world is no longer an institutional *tabula rasa*, but rather what Professor Dan Drezner calls “an unclean slate.” Between 1951 and 1999, the number of intergovernmental organizations swelled six-fold, from 955 to 6,076, touching virtually every corner of international life.<sup>7</sup> Multilateral treaties in force for the United States expanded similarly, from slightly more than 100 to more than 700.<sup>8</sup> Hundreds of regional and sub-regional organizations, to say nothing of informal multilateral frameworks, have also emerged. The result is a world of “multi-multilateralism,”<sup>9</sup> a crowded landscape of international institutions that transcends the UN-centered world order some still equate with multilateralism. Such frameworks may be universal or selective, global or regional, treaty-based or voluntary, general-purpose or issue-specific, permanent or temporary, institutionalized or ephemeral, interstate or multi-stakeholder.

This institutional density presents policymakers with two critical challenges: how to “manage nested and overlapping mandates between a growing number of international regimes,” and “how to reallocate power within existing

organizations” in response to geopolitical trends.<sup>10</sup> On balance, such richness serves U.S. interests and the cause of global governance. Flexible arrangements can give longstanding but tired bodies some healthy competition, permit burden sharing, and facilitate the exercise of comparative advantage. Such institutional pluralism can also expand options for “forum shopping,” allowing Washington to choose a framework that promises to be effective while preserving U.S. freedom of action and domestic sovereignty.<sup>11</sup> On the other hand, if managed improperly, proliferating institutional options can increase transaction costs, produce incoherence and duplication of effort, encourage “burden shifting” onto bodies ill-equipped to handle relevant duties, and raise dilemmas of legitimacy, accountability, and transparency.

As tough as it is to create new institutions, it is even harder to overhaul governance structures of existing ones to accommodate rising powers, much less eliminate obsolete institutions, given resistance from beneficiaries of the status quo as well as the bureaucratic interests of the institutions themselves. The more important the institution, the more impervious it is to fundamental reform. A stark case is the abject failure to update the Security Council since a one-time expansion in 1965. France and the United Kingdom, whose justification for permanent seats and vetoes fade with each passing day, resist surrendering their privileges—thus the push to expand the council, rather than just alter its membership. And yet, the most recent campaign for enlargement in 2004–2005 collapsed in response to apathy and antipathy from permanent members, opposition from regional rivals of aspirant states, and unrealistic demands from the African bloc.<sup>12</sup> Meanwhile, the zero-sum game of reallocating voting shares within the Bretton Woods institutions to the rise of China, India, and others has met fierce resistance from privileged shareholders, such as Belgium, who are intent on retaining their disproportionate influence.

Third, the global economic crisis is serious, but not enough to spur major overhaul. Historically, profound institutional change has been most common following catastrophes, when policy failure loosens attachment to orthodoxies and public officials are suddenly open to alternative ideas.<sup>13</sup> The global institutional renaissance of the 1940s would not have occurred without the cataclysms of the Great Depression and World War II. As current White House Chief of Staff Rahm Emmanuel observes, “You never want a serious crisis to go to waste.”<sup>14</sup> The current economic slump has already spurred modest restructuring of the global financial regime. Beyond the emergence of the Group of 20 (G-20) as a leaders’ forum, noteworthy innovations include the creation of an expanded Financial Stability Board, increased supervision of systemically important financial institutions, new rules governing offshore tax havens, recapitalization of the IMF, strengthening of the fund’s surveillance capacities, and a general pledge to adjust governance structures of the IFIs.

Nevertheless, the world is not in a 1940s moment. The economic crisis is a modest meltdown, a crisis *within* rather than *of* the postwar system. In the absence of a protracted depression—or another cataclysm, such as a nuclear attack—only incremental reform, through pragmatic tweaking of existing arrangements, should be expected.

Fourth, an expanding number of players and a more intrusive international agenda complicate multilateral agreement on new rules of conduct. At Bretton Woods and Dumbarton Oaks, the architects of postwar order sought to create an open system of trade and payments as well as a modified collective security system that could deter war between the great powers. The institutions that were created—the IMF, the UN, and the World Bank—reflected narrow wartime negotiations among the United Kingdom, the United States, and (in the case of the UN) the Union of Soviet Socialist Republics. Achieving fundamental global governance reform is far more daunting today, given the sheer number of major actors and the diversity of their opinions. Obama alluded to these constraints in defending the modest results of the London G-20 summit by saying that comparisons with Bretton Woods, where “you saw the entire architecture being remade,” were unrealistic: “Well, if it’s just Roosevelt and Churchill sitting in a room with a brandy . . . that’s an easier negotiation. But that’s not the world we live in.”<sup>15</sup>

**Five major obstacles impede a massive overhaul of the world’s bedrock institutions.**

Today’s multilateral agenda is also far more complex and controversial. Managing economic interdependence once meant establishing a gold exchange standard, as at Bretton Woods, or negotiating reductions in tariffs and quotas, as in early General Agreement on Tariffs and Trade (GATT) rounds. Today, it also implies regulating private actors such as capital markets, hedge funds, and insurance companies. Likewise, managing security interdependence is now less about deterring interstate war than mitigating transnational threats from terrorism to global warming. Collective security depends on intrusive new mechanisms such as the Additional Protocol of the Non-Proliferation Treaty (NPT) or the World Health Organization’s (WHO) International Health Regulations. Finally, the global governance agenda increasingly addresses *conditions within* rather than simply *relations among* states. And yet, the world remains deeply divided over the principle of “contingent sovereignty” and the rules governing intervention against states that fail to fulfill fundamental obligations by sponsoring terrorism, pursuing weapons of mass destruction (WMDs), or committing mass atrocities.<sup>16</sup>

Fifth, simply expanding international institutions is no panacea. Proponents of enlarging the Security Council, adding members to the Group of 8 (G-8), or

adjusting the voting shares of IFIs typically argue that such steps would make the relevant institution not only more representative but also more effective. But as analyst Thomas Wright notes, these two goals often pull in opposite directions.<sup>17</sup> All things being equal, a larger body reflecting a diversity of global perspectives and interests will have higher international legitimacy, whereas a more selective body will be capable of agile decisionmaking. Susan E. Rice, U.S. ambassador to the UN, alluded to these tensions in February 2009, declaring: “The United States believes that the long-term legitimacy and viability of the United Nations Security Council depends on its reflecting the world of the twenty-first century. At the same time, any expansion must not diminish its effectiveness or efficiency.”<sup>18</sup>

Therein lays the rub for Security Council expansion. Rather than facilitating consensus on global flashpoints such as Darfur, Iran, and North Korea, council enlargement might simply exacerbate overall cacophony and gridlock. Yet, failing to update leading multilateral institutions is hardly attractive. It may be easier to make rules and take decisions in smaller bodies. But efficiency is not the same as effectiveness, which implies giving decisions practical effect. Increasingly, global governance requires that emerging market economies implement the decisions of authoritative bodies. If Western-dominated institutions fail to adjust to geopolitical realities, they court a legitimacy crisis that will cripple global regimes. There is already evidence of “soft balancing” by dissatisfied rising powers, which are creating competing regional or like-minded groupings such as the Asian Monetary Fund, the East Asian Summit, and the Shanghai Cooperation Organization (SCO). In sum, many global institutions suffer from a dual crisis: they are not particularly representative, nor especially effective. But addressing one gap will not necessarily address the other.

### **Balancing Standing Institutions and Ad Hoc Coalitions**

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As Obama recognizes, “The challenges of the twenty-first century can’t be met without collective action.”<sup>19</sup> But focusing on a few bedrock institutions is insufficient. In an age of diverse, complex transnational problems, it is illusory to imagine that a single institutional solution—whether a reformed Security Council, an expanded G-8, or a Concert of Democracies<sup>20</sup>—could provide adequate architecture for international cooperation. Global governance will inevitably involve “variable geometry,” with the United States and other countries relying on “overlapping and sometimes competitive international institutions,”<sup>21</sup> as well as a variety of innovative, issue-specific partnerships. Instead of casting its lot entirely with formal organizations, the Obama administration should mix and match multilateral vehicles—ad hoc as well as formal, regional as well as global, transitory as well as permanent—depending on

which responds best to the given problem and imposes fewest costs to U.S. prerogatives.

Carefully calibrated, such a strategy of “à la carte” multilateralism (as former Director of Policy Planning for the U.S. Department of State Richard N. Haass terms it<sup>22</sup>) will draw on both the legitimacy and capacity of standing organizations as well as the agility and flexibility of ad hoc coalitions. Such a

hybrid strategy will not be easy to implement. If poorly managed, U.S. forays into ad hoc multilateralism could easily undermine rather than complement the formal institutions on which the United States continues to depend.<sup>23</sup> The uneven experience of the Bush administration shows both the promise and pitfalls of a coalition-based approach.

Despite its well-deserved reputation for skirting standing institutions and pursuing unilateral means, particularly during its first term, the Bush administration often assembled coalitions around specific challenges to perform discrete tasks. Unlike large, formal bodies that constrained U.S. options, empowered spoilers, and forced the United States to strive for bland consensus, these selective arrangements would be restricted to capable, like-minded countries, permitting decisive action in the service of U.S. priorities. The premier example of the Bush administration’s approach was the Proliferation Security Initiative (PSI), an innovative partnership of like-minded countries designed to intercept illicit maritime, air, and land shipments of nuclear, chemical, and biological weapons, ballistic missiles, and their related technologies. The genius of PSI, to its champions, was to permit nimble responses to a growing menace.

The PSI framework eventually became a model: the Bush administration would begin by issuing invitations to a core group of like-minded countries and draft a set of principles that narrowly defined the coalition’s mandate. It would then invite others to join, on U.S. terms. The United States adopted this approach on numerous occasions, including in launching the Global Initiative to Combat Nuclear Terrorism, the Avian Influenza Action Group, the Asia-Pacific partnership on climate change, and the Core Group to respond to the Indian Ocean tsunami. A transformational logic underpinned these efforts. As such flexible mechanisms proved their utility, the Bush administration hoped they would gradually replace dysfunctional, standing institutions as the principal locus of multilateral cooperation.<sup>24</sup>

Though the Obama administration would be remiss to ignore the utility of like-minded affinity groups as complements, and even substitutes for often moribund and sclerotic formal organizations, it must be more cautious and

**O**abama’s challenge is to ensure coalitions reinforce institutions and alliances.



balanced than its predecessor. Recent history suggests that marginalizing international institutions can carry tangible costs, measured in squandered legitimacy for U.S. leadership, lost opportunities for burden sharing, and erosion of world order. Going forward, U.S. officials will need to think more soberly about the trade-offs—and potential for complementarity—between these two options.

The case for coalitions is most compelling when the United States must address a discrete contingency, no standing international framework exists, permanent institutions are paralyzed by internal divisions, egalitarian norms threaten vital U.S. interests, or bureaucratic inertia prevents prompt decisions. By contrast, standing institutions can offer advantages when there is no time or will to create a new coalition, the task requires specialized expertise available only in permanent organizations, the challenge is an enduring one likely to outlive any coalition, the task implies heavy burden sharing over a protracted period, or the requirements of international or domestic legitimacy require formal, treaty-based frameworks to give political cover to wavering states.<sup>25</sup>

**The G-20 has proven useful at responding to this specific crisis, at this particular time.**

Where possible, the United States should seek to combine the best of both strategies. Obama's challenge is to ensure that coalitions reinforce rather than undermine the institutions and alliances the United States needs over the long haul. Indeed, history suggests that effective multilateral cooperation often rests on a prior "minilateral" agreement among a

small subset of important and interested states, which subsequently persuade others to join. This process sometimes takes place inside the confines of large, formal membership bodies such as the UN or WTO, when a caucus of influential parties "serv[es] as a 'broker,' creating a focal point for negotiating equilibrium." But minilateral cooperation can also occur outside of universal, treaty-based organizations, by creating a parallel negotiating process. Such a "two track model of extending a regime" allows a subset of countries to move forward with ambitious commitments, hoping that others will gradually opt into the more selective club.<sup>26</sup>

The well-established G-8 and the newer G-20—which has quickly ascended to an august place on the global summitry calendar—are today's most important minilateral fora, allowing major states to overcome the inertia of universal membership organizations. But the minilateral model is also useful on a more ad hoc, case-specific basis. For example, the United States has sponsored the PSI and the Major Economies Forum to address the particular global challenges of nuclear proliferation and climate change, respectively. By embedding such forays



into “minilateral” negotiation within a broader multilateral framework, the United States can simultaneously exploit the efficiency of small group dynamics and enjoy the legitimacy inherent in being endorsed by universal membership bodies.

### **The Future of the Gs: Balancing Voice, Values, and Weight**

Although effective contemporary global governance will involve multiple frameworks, three pillars of intergovernmental cooperation will be particularly important. The first is a strong and legitimate executive authority capable of taking binding decisions on matters of peace and security. This remains the province of the Security Council—ideally with an updated membership and more transparent and responsive working methods. The second is a set of standing functional institutions—including UN agencies, the IMF, World Bank, and WTO—to provide essential negotiating forums, technical expertise, and assistance in the design, delivery, and implementation of global public goods. Alongside such formal bodies, global governance also requires nimble agenda-setting bodies, where leaders can meet informally to focus high-level attention, coordinate policy responses, and build momentum for action within national governments and international organizations.<sup>27</sup> Until recently, the G-8 had a near monopoly on this role.

After the November 2008 Washington summit and the April 2009 London summit, many presumed the G-20 would quickly become the main steering group for the global economy, or even a new global political directorate, consigning the G-8 into obscurity. The G-8 “doesn’t have any more reason to exist,” declared Brazilian President Lula da Silva.<sup>28</sup> In fact, however, there is still no consensus globally—or even within the Obama administration—about whether the G-20 should become the apex body for global summitry, nor even whether its agenda should expand beyond financial matters. All that is agreed is that the G-20 has proven useful at responding to this specific crisis, at this particular time. And as the recent summit in L’Aquila attests, the G-8 remains very much alive.

Four main options are on the table for these institutions’ future. The first would turn the G-20 into an all-purpose global steering group. Certainly, the G-20, whose members account for more than 85 percent of global GDP, 80 percent of international trade, and two thirds of the planet’s population, is more representative than the G-7/G-8.<sup>29</sup> Champions of the G-20 conclude that most global issues—from finance to nonproliferation—will require participation of emerging economies, which the G-8 does not include. In the absence of Security Council reform, the G-20 provides what some see as a second-best surrogate for more representative global governance.

On the other hand, the already unwieldy G-20 is bursting at its seams. In the run-up to London, the group swelled to a “G-24,” adding Spain, the Netherlands, the New Partnership for Africa’s Development (NEPAD), and Thailand (which is also the rotating chair for Association of Southeast Asian Nations [ASEAN]). The United States faces similar pressures to expand the guest list for September’s follow up in Pittsburgh. As the president wryly observed in L’Aquila, “[W]hat I’ve noticed is that everybody wants the smallest possible group . . . that includes them.”<sup>30</sup> Already, the G-20 risks being held hostage to lowest common denominator agreements.

An alternative option is to retain the G-8 as the premier multilateral summit grouping, or at least as a selective body running alongside the G-20. This option appeals to smaller G-8 members, such as Canada, Italy, and even Russia, since it provides them with greater influence than they would normally have. But it also appeals to the United States and other Western members since (Russia excepted) the G-8 unites advanced market democracies sharing political and

**While appealing, the desire to “institutionalize” PSI presents potential dangers.**

economic values. It thus provides a more congenial forum than the G-20 for discussing sensitive political and security matters. Before replacing the G-8 entirely with the untested G-20, the West should ask whether emerging economies are prepared to accept the responsibilities as well as benefits of club membership, on issues from trade liberalization to climate change to nonproliferation. For example,

China wants more say over global governance but resists obligations—most notably in binding emissions on greenhouse gases—that might undermine its “peaceful rise” as a self-described poor, developing country.<sup>31</sup> Nor have emerging nations, such as China and India, been enthusiastic about endorsing additional sanctions against Iran—something sure to be on the agenda this September in Pittsburgh. At a minimum, Washington should safeguard the G-8 as a separate Western caucus within the G-20.

A third option is to create a body of intermediate size, larger than the outdated G-8 but less cumbersome than the G-20. The French have advocated a “G-13,” which would bring in Brazil, China, India, Mexico, and South Africa as full members, formalizing the “G-8 plus 5” framework that has met since the 2006 G-8 summit in Heiligendamm, Germany.<sup>32</sup> The drawback is that the G-13 lacks any Muslim majority country, unlike the G-20, which has Indonesia, Saudi Arabia, and Turkey.

Each institutional option reflects underlying assumptions about the purpose of the envisioned global steering group. Proponents of the G-20 seek a body that is

globally representative. Their main concern is with *voice*, so they ask, “What body would look like the current world?” Those preferring a mid-sized group take a geopolitical approach, asking, “Who matters among developed and developing countries?” Their membership criterion is *weight*. Those attached to the G-8 place stock in normative solidarity. Seeking a coalition of like-minded democracies, they ask, “Who thinks like us?” Their critical criterion is *values*. All three options, however, suffer from a common drawback. Each adopts an antiquated concert approach, presuming that the same states should be at the table regardless of the global agenda.

A fourth, more pragmatic option envisions “variable geometry,” whereby countries participate in “G-x” groupings only if they have a special interest in the particular issue area (e.g., environment, finance, proliferation) and the practical capacity to bring assets to bear in addressing it. Rather than overload any one forum with an unrealistic agenda and expectations, world leaders should embrace institutional pluralism. Such a pragmatic approach to global governance has intuitive appeal. The major question is whether nations have the political will and bureaucratic capacity to support separate groupings for different issue areas. To avoid transaction costs, the most realistic near-term option might be to designate a core group (whether a G-8, G-13 or even G-16<sup>33</sup>) as the main consultative body with variable configurations meeting around specific issues. The G-8 is already moving in this direction, through the Heiligendamm-L’Aquila Process, involving issue-specific policy dialogue with Brazil, China, India, Mexico, and South Africa.<sup>34</sup>

Regardless of which format emerges on top, the Obama administration should avoid the temptation to treat any one as a *deus ex machina*, or to believe that an annual summit can morph into a true decisionmaking (much less decision-implementing) body, replacing the authority, legitimacy or capacity of formal institutions like the IMF, the UN, and the World Bank. At future “G-x” summits, world leaders must design systematic procedures for linking the initiatives launched and commitments made in these consultative forums with the ongoing work streams and reform agendas within the world’s formal organizations.

### **Stemming Nuclear Proliferation: PSI**

The nuclear nonproliferation regime illustrates the need for a mixed strategy to confront global problems, at once grounded in universal, treaty-based institutions, while also allowing for narrower coalition initiatives. The regime itself is a latticework of legal agreements including the NPT, the Convention on Physical Protection of Nuclear Material, and the Strategic Arms Reduction and Strategic Offensive Reduction treaties; selective multilateral bodies such as the International Atomic Energy Agency (IAEA), the Nuclear Exporters (Zangger)

Committee, the Nuclear Suppliers Group (NSG), and the UN Conference on Disarmament; and ad hoc multilateral initiatives such as the Global Initiative to Combat Nuclear Terrorism, the Global Nuclear Energy Partnership (GNEP), the Global Threat Reduction Initiative, the Missile Technology Control Regime (MTCR), and PSI.<sup>35</sup>

PSI is perhaps the most recent and intriguing innovation in the nonproliferation architecture. It was created to fill gaps left by the NPT and to decrease clandestine nuclear weapons programs, a challenge that became particularly urgent after the extent of the A.Q. Khan network was unveiled. With this end in mind, in 2003 the Bush administration launched PSI, initially as a multilateral partnership of just 11 nations committed to preventing the acquisition and trafficking (by states and non-state actors) of WMD materials, delivery systems, and related technology. PSI has since grown to 93 countries that agree to share intelligence and information about potential maritime, air, and land shipments of proscribed materials, and to conduct joint operations to

interdict these transfers in the territories, waters, or air space of partner countries.

PSI's strength is its flexible network format, which permits participants to respond quickly to time-sensitive intelligence on the basis of prior arrangements and joint training. Unlike formal bodies such as the UN or NATO, "PSI has no headquarters, bureaucracy, secretariat, body of rules and

regulations, or operational manual,"<sup>36</sup> removing encumbrances on rapid action. Its enforcement activities require no elaborate consensus-building within the Security Council or North Atlantic Council, nor time consuming negotiations over divisions of labor and expenses. PSI commitments are political rather than legal. Members simply embrace six broad interdiction principles.<sup>37</sup> The Bush administration, therefore, correctly referred to it as an activity rather than an institution.

PSI certainly provides a useful multilateral cloak for what is essentially a hub and spoke arrangement between the United States—the only country with a truly global navy—and a collection of regional powers and lesser countries. Most of the action takes place not in multilateral forums, but in bilateral meetings with the United States on the margins of periodic conferences of the 20 leading PSI countries.<sup>38</sup> The role of the 70-odd remaining countries is largely confined to providing intelligence, port facilities, and prior consent for U.S. boarding and searching of vessels registered under their flags. Fast and flexible, PSI offers a potential alternative to the traditional, intergovernmental model of global governance.<sup>39</sup>

**In grappling with complex global problems, no one grouping can do it all.**

The vulnerability of PSI lies in its incomplete coverage, lack of universality, and weak international legitimacy. PSI includes neither all nuclear weapons states, such as China, India, and Pakistan, nor several strategic coastal nations such as Egypt or Indonesia. This lack of universality undercuts both its practical effectiveness and perceived legitimacy. PSI cannot interdict ships of non-member states, such as Iran or Pakistan, without prior arrangement with those nations, and non-members China and India have both questioned the legality of its interdictions. Beijing's attitude is particularly troubling, since maritime interdiction is at the heart of ongoing multilateral efforts to end North Korea's proliferation activities and will be essential to giving teeth to Security Council resolution 1874.<sup>40</sup>

The United States considers PSI entirely "consistent with national legal authorities and relevant international law and frameworks, including the Security Council," as well as the provisions under Article 19 of the UNCLOS, which permits searches of any vessel that is "prejudicial to the peace, good order or security of the coastal State."<sup>41</sup> PSI's legal basis is bolstered through explicit bilateral arrangements with "flag of convenience" nations. Finally, the United States interprets Security Council resolution 1540—which obliges all UN states to prevent non-state actors from developing, acquiring, manufacturing, possessing, transporting, transferring, and using WMD and their delivery systems—as a virtual endorsement of PSI.<sup>42</sup> Yet, it is clear that Washington needs to do more to win global acceptance of PSI as a legitimate tool for the nonproliferation regime. With this end in mind, in Prague in April 2009, Obama proposed transforming PSI, as well as the Global Initiative to Combat Nuclear Terrorism, into "durable international institutions," presumably accompanied by legally binding commitments and formalized decisionmaking processes.<sup>43</sup>

While superficially appealing, the desire to "institutionalize" PSI presents potential dangers. By making PSI a formal treaty commitment, or subjecting its activities to multilateral authorization, the United States could hamstring its effectiveness. A more prudent approach to increasing its legitimacy is to seek a binding, generic Security Council resolution explicitly endorsing PSI and giving states blanket legal authorities under Chapter VII to board ships both in territorial waters and on the high seas as well as to interdict airplanes suspected of trafficking. This would be a natural complement to resolution 1540, which already forces member states to take significant domestic steps. Simultaneously, Washington should underscore the consistency of PSI with UNCLOS, reinforcing that stance by promptly acceding to the treaty.<sup>44</sup> Finally, Washington must strengthen its engagement with the more than 70 PSI participants that are not routinely invited to attend meetings of the 20 core PSI members.<sup>45</sup>

### Addressing Climate Change: The Major Economies Forum

The ability of minilateral forums to spearhead movement within larger treaty-based frameworks may be clearest in responding to global warming. Since 1992, the foundation for international responses to this challenge has been the UN Framework Convention on Climate Change (UNFCCC), whose parties meet annually. Such universal formats are less than ideal for negotiating breakthroughs on the world's most complex problem. Thus, since autumn 2007, the United States has participated in a parallel diplomatic track involving the world's main greenhouse gas emitters, known under the Bush administration as the Major Emitters' Meeting (MEM) and under the Obama administration as the Major Economies Forum on Energy and Climate Change (MEF). The challenge for the current administration is to ensure that the MEF enhances rather than impedes UNFCCC negotiations, by providing a forum for progress on emissions reductions, foreign assistance, and mitigation efforts.

Many observers initially regarded the MEM as a U.S. gambit to undercut the UNFCCC and thus evade any binding commitments entailing economic sacrifices. And indeed the MEM produced few tangible results. Nevertheless, the rationale for such a minilateral body is compelling. Todd Stern, now U.S. special envoy on climate change, and William Antholis of the Brookings Institution spelled it out in 2004, proposing that the eight major developed and developing countries constitute an Environmental

**A creative synthesis can marshal both forms of collective action.**

Eight, or E-8, to break logjams in complex, multiparty environmental negotiations.<sup>46</sup> More recently, a 2008 bipartisan Council on Foreign Relations task force endorsed "a standing process bringing together the world's largest emitters ... as a core element of a new strategy that would complement and strengthen the ongoing UN, as well as bilateral and regional efforts." Besides assisting states in meeting their UN commitments, the envisioned Partnership for Climate Cooperation would offer a "focused but less formal process" in which major emitters could propose new initiatives and "build the confidence needed to eventually fold them in to a broader deal within the UN framework."<sup>47</sup>

Such logic has been challenged by those who fear the two tracks may head in different directions. "The [Partnership] idea detracts from the welcome focus on comprehensive, binding, and enforceable agreement within the UN Framework Convention," contend UN Foundation President Tim Wirth and former World Bank President James D. Wolfenson, in a dissent to the Council report. "We ... fear that at best it would divert scarce political attention, staff resources, and precious time and at worst would not backstop, but rather undermine the UN

negotiating process by creating a deal-cutting forum that would leave out most of the countries of the world.”<sup>48</sup>

Anticipating similar criticisms, the Obama administration launched the MEF with assurances that it would complement rather than undermine the parallel UNFCCC efforts. At the first MEF gathering in April 2009, Secretary of State Hillary Rodham Clinton reminded the parties of their “special responsibility to pull together and work toward a successful outcome of the UN climate negotiations later in the year in Copenhagen...” At the same time, major emitters had a unique role to play: “[W]e think coming together and working to address this crisis is comparable to the G-20 nations addressing the global economic crisis.”<sup>49</sup>

As the meager results of the July 2009 MEF meeting in Italy attest, simply holding such gatherings offers no guarantee of breakthroughs.<sup>50</sup> But it is hard to see how the UNFCCC can make serious progress unless large OECD members and major developing countries convene to hammer out agreement on critical issues such as emissions targets, conditional financing, and the terms of technology transfer. As Antholis observes, such a minilateral negotiating strategy is akin to the domestic U.S. legislative process, wherein complex legislation is often drafted first in congressional committees—or in meetings between congressional leaders and White House officials—rather than on the House floor.<sup>51</sup>

The creation of the MEF recognizes an inescapable reality. In grappling with complex global problems, no one grouping can do it all. Rather, the world needs a constellation of organizations and frameworks. For global warming, these mechanisms include not only the UNFCCC, which provides a universal forum and a legal basis for multilateral cooperation on climate change, and the MEF, which harnesses the most important developed and developing states—but also the G-8, which helps coordinate advanced economic policy.

## Choices for the United States

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In confronting today’s global threats and challenges, the choice for the United States will rarely be between doing it alone and doing it with others. Rather, it will be selecting among—and balancing reliance on—alternative forms of multilateral cooperation. By instinct, some are drawn toward formal, universal organizations and binding treaties which embody international legitimacy and standing capacity, while others are attracted to informal coalitions that maximize U.S. freedom of action and national sovereignty. Recent history has shown the inherent limits of both forms of collective action. The former bring legitimacy, but often at the cost of feckless policies. The latter allow the United States to act



with dispatch, but without the broad support needed to sustain a long-term effort and share burdens.

To lead effective multilateral responses to today's global challenges, the Obama administration must advance a creative synthesis that marshals both forms of collective action. To get the best of both worlds, the United States must devote more diplomatic energy within formal institutions and international regimes to cultivating caucuses and partnerships of like-minded states, "nested" groupings that are capable of setting agendas and making quick decisions in a way that advances effective multilateral cooperation. Carefully designed and thoughtfully pursued, these two forms of collective action should be mutually reinforcing, not mutually exclusive.

## Notes

1. On the disjunction between multilateral institutions and global trends, see National Intelligence Council, *Global Trends 2025: A Transformed World*, November 2008, [http://www.dni.gov/nic/PDF\\_2025/2025\\_Global\\_Trends\\_Final\\_Report.pdf](http://www.dni.gov/nic/PDF_2025/2025_Global_Trends_Final_Report.pdf)
2. Barack Obama, "Renewing American Leadership," *Foreign Affairs* 86, no. 4 (July/August 2007): 11.
3. Barack Obama, remarks, The Chicago Council on Global Affairs, Chicago, Illinois, April 24, 2007, [http://www.realclearpolitics.com/articles/2007/04/remarks\\_of\\_senator\\_barack\\_obam.html](http://www.realclearpolitics.com/articles/2007/04/remarks_of_senator_barack_obam.html).
4. See Robert Hutchings and Frederick Kempe, "The Global Grand Bargain," *Foreign Policy*, November 2008, [http://www.foreignpolicy.com/story/cms.php?story\\_id=4547](http://www.foreignpolicy.com/story/cms.php?story_id=4547); Robert Hutchings, "A Global Grand Bargain," *Washington Post*, November 17, 2008. G. John Ikenberry, "Grand Strategy as Liberal Order Building" (paper, Princeton, New Jersey, May 29, 2007), <http://www.princeton.edu/~gji3/Ikenberry-Grand-Strategy-as-Liberal-Order-Building-2007-word.pdf>.
5. Madeleine K. Albright, interview by Matt Lauer, *The Today Show*, NBC, February 19, 1998, <http://secretary.state.gov/www/statements/1998/980219a.html>.
6. See Henry Kissinger, *A World Restored: Metternich, Castlereagh and the Problem of Peace 1814–1822* (London: Weidenfeld and Nicolson, 1957).
7. See Union of International Associations, "International Organizations by Year and Type," Web site, <http://www.uia.org/statistics/organizations/ytb299.php>.
8. See Stewart Patrick, "Multilateralism and Its Discontents: The Causes and Consequences of U.S. Ambivalence," in *Multilateralism and U.S. Foreign Policy: Ambivalent Engagement*, eds. Stewart Patrick and Shepard Forman (Boulder, CO: Lynne Rienner, 2002), p. 11; U.S. Department of State, *Treaties in Force 2009*, Office of the Legal Advisor, Web site, <http://www.state.gov/s/l/treaty/treaties/2009/index.htm>.
9. Francis Fukuyama, *America at the Crossroads: Democracy, Power, and the Neoconservative Legacy* (New Haven: Yale University Press, 2006), pp. 155–180.
10. Daniel Drezner, "Two Challenges to Institutionalism," in *Can the World Be Governed? Possibilities for Effective Multilateralism*, ed. Alan Alexandroff (Waterloo, Ontario: Wilfrid Laurier University Press, 2008), p. 143.
11. See Ruth Wedgwood, "Give the United Nations a Little Competition," *New York Times*, December 5, 2005, <http://www.nytimes.com/2005/12/05/opinion/05wedgewood>.

- html?pagewanted=print; Art Stein, "Incentive Compatibility and Global Governance: Existential Multilateralism, a Weakly Confederal World, and Hegemony," in *Can the World Be Governed? Possibilities for Effective Multilateralism*, ed. Alan Alexandroff (Waterloo, Ontario: Wilfrid Laurier University Press, 2008).
12. The UN General Assembly has taken up the expansion agenda again in 2009, but a grand bargain remains elusive, with little apparent U.S. interest in leading the charge against daunting odds. See UN General Assembly, *Report of the Facilitators to the President of the General Assembly on the Consultations Regarding "The Question of Equitable Representation on and Increase in the Membership of the Security Council and Other Matters Related to the Security Council"* (New York: UN, April 19, 2007), <http://www.un.org/ga/president/61/letters/SC-reform-Facil-report-20-April-07.pdf>; Thomas Weiss, "Toward a Third Generation of International Institutions: Obama's UN Policy," *The Washington Quarterly* 32, no. 3 (July 2009): 141–162.
  13. Peter A. Hall, ed., *The Political Power of Economic Ideas: Keynesianism Across Nations* (Princeton, NJ: Princeton University Press, 1989).
  14. Gerald Seib, "In Crisis, Opportunity for Obama," *Wall Street Journal*, November 21, 2008, <http://online.wsj.com/article/SB122721278056345271.html>.
  15. Office of the Press Secretary, The White House, "News Conference by President Obama," London, United Kingdom, April 2, 2009, [http://www.whitehouse.gov/the\\_press\\_office/news-conference-by-president-obama-4-02-09/](http://www.whitehouse.gov/the_press_office/news-conference-by-president-obama-4-02-09/) (hereinafter Obama's remarks in London).
  16. See Lee Feinstein and Anne-Marie Slaughter, "A Duty to Prevent," *Foreign Affairs* 83, no. 1 (January/February 2004): 136–151; Edward C. Luck, "The United Nations and the Responsibility to Protect," *Stanley Foundation Policy Analysis Brief*, August 2008, <http://www.stanleyfoundation.org/publications/pab/LuckPAB808.pdf>.
  17. See Thomas Wright, "Toward Effective Multilateralism: Why Bigger May Not Be Better," *The Washington Quarterly* 32, no. 3 (July 2009): 163–180.
  18. Susan E. Rice, "Informal Meeting of the General Assembly on Security Council Reform" (speech, New York, February 19, 2009), <http://www.state.gov/p/io/rls/rm/2009/117617.htm>. Obama has acknowledged the same tension with respect to G-8 expansion: "We're trying to find the right shape that combines the efficiency and capacity for action with inclusiveness." See Barack Obama, press conference, L'Aquila, Italy, July 10, 2009, <http://enduringamerica.com/2009/07/11/transcript-obama-press-conference-after-g8-summit-10-july/> (hereinafter Obama remarks in L'Aquila).
  19. Obama's remarks in London.
  20. See Ivo Daadler and James Lindsay, "Democracies of the World Unite," *American Interest* II, no. 3 (January–February 2007), [http://www.the-american-interest.com/ai2/article.cfm?Id\\_220&MIId\\_8](http://www.the-american-interest.com/ai2/article.cfm?Id_220&MIId_8); Robert Kagan, "The Case for a League of Democracies," *Financial Times*, May 13, 2008; G. John Ikenberry and Anne-Marie Slaughter, "Forging a World of Liberty Under Law, U.S. National Security in the 21st Century," Princeton Project on National Security (Princeton, NJ: Woodrow Wilson School of Public and International Affairs, September 27, 2006), <http://www.princeton.edu/~ppns/report/FinalReport.pdf>.
  21. Francis Fukuyama, "The Paradox of International Action," *The American Interest* I, no. 3 (Spring 2006), p. 10.
  22. See Thom Shanker, "White House Says the U.S. Is Not a Loner, Just Choosy," *New York Times*, July 31, 2001, <http://www.nytimes.com/2001/07/31/world/white-house-says-the-us-is-not-a-loner-just-choosy.html>; Richard N. Haass, "The Age of Non-Polarity: What Will Follow U.S. Dominance," *Foreign Affairs* 87, no. 3 (May/June 2008): 44–56.

23. Stewart Patrick, "Beyond Coalitions of the Willing: Assessing U.S. Multilateralism," *Ethics and International Affairs* 17, no. 1 (Spring 2003): 37–54
24. Scenario based on interviews with National Security Council and U.S. State Department officials of the Bush administration in 2007–2008. See Stewart Patrick, "The Mission Determines the Coalition': The United States and Multilateral Security Cooperation after 9/11," in *Cooperating for Peace and Security*, ed. Bruce Jones (Cambridge, MA: Cambridge University Press, forthcoming 2009).
25. "Pragmatic Multilateralism: Strategies for Engagement in an Age of Interdependence," Final Report of Council on Foreign Relations Term Member Roundtable (New York: Council on Foreign Relations, Autumn 2002), [http://www.cfr.org/content/publications/attachments/TM\\_paper.pdf](http://www.cfr.org/content/publications/attachments/TM_paper.pdf).
26. Miles Kahler, "Multilateralism with Small and Large Numbers," in *Multilateralism Matters: The Theory and Practice of an Institutional Form*, ed. John Gerard Ruggie (New York: Columbia University Press, 1993), pp. 293–326 and 320–321. The Cairns Group played the first role during the Uruguay Round of the GATT.
27. Gareth Evans, interview by author, April 2009; Barry Carin and Ramesh Thakur, "Global Governance for a Global Age: The Role of Leaders in Breaking Global Deadlocks," *CIGI Policy Brief*, no. 7 (November 1, 2008), <http://www.cigionline.org/publications/2008/11/global-governance-global-age-role-leaders-breaking-global-deadlocks>.
28. See James Quinn, "Emerging Economic Nations Underline Status at G20 Summit," *Telegraph*, November 16, 2008, <http://www.telegraph.co.uk/news/worldnews/3468614/Emerging-economic-nations-underline-status-at-G20-summit.html>.
29. G-20 members are Australia, Brazil, Canada, China, EU, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, the United Kingdom, and the United States.
30. Obama remarks in L'Aquila.
31. Elizabeth C. Economy and Adam Segal, "The G-2 Mirage," *Foreign Affairs* 88, no. 3 (May/June 2009): 14–29.
32. See Agata Antkiewicz and Andrew F. Cooper, eds., *Emerging Powers in Global Governance: Lessons of the Heiligendamm Process* (Ontario: Wilfried Laurier Press, 2008).
33. Bruce Jones, Carlos Pascual, and Stephen J. Stedman, *Power and Responsibility: Building International Order in an Era of Transnational Threats* (Washington, D.C.: Brookings Institution, 2008), pp. 45–72. The authors list the G-16 as the members of the G-13 plus Indonesia, Turkey, and one other country from Africa, likely Egypt or Nigeria.
34. The UN's Peacebuilding Commission, which has a standing membership but also meets in larger, crisis-specific configurations, operates along analogous lines.
35. For a comprehensive mapping of the regime, see the Council on Foreign Relations Global Governance Monitor, Web site, <http://www.cfr.org/ggmonitor>.
36. Amitai Etzioni, "Tomorrow's Institution Today: The Promise of the Proliferation Security Initiative," *Foreign Affairs* 88, no. 3 (May/June 2009): 7–11
37. The White House, Office of the Press Secretary, "Proliferation Security Initiative: Statement of Interdiction Principles," September 4, 2003, [http://dtirp.dtra.mil/TIC/treatyinfo/PSI/psi\\_principles.htm](http://dtirp.dtra.mil/TIC/treatyinfo/PSI/psi_principles.htm) (fact sheet) (hereinafter White House PSI Fact Sheet).
38. The 20 leading PSI countries include Argentina, Australia, Canada, Denmark, France, Germany, Greece, Italy, Japan, the Netherlands, New Zealand, Norway, Poland, Russia, Singapore, Spain, Turkey, the United Kingdom, and the United States. See U.S. Government Accountability Office, "Non-Proliferation: U.S. Agencies Have Taken Some Steps, but More Effort is Needed to Strengthen and Expand the Proliferation

- Security Regime,” GAO-09-43, November 2008, pp. 3, 5, <http://www.gao.gov/new.items/d0943.pdf> (hereinafter GAO Non-Proliferation report).
39. Etzioni, “Tomorrow’s Institution Today,” p. 19.
  40. “North Korea’s Second Nuclear Test: Implications of UN Security Council Resolution 1874,” *CRS Report for Congress*, R40884, July 1, 2009, <http://www.fas.org/sgp/crs/nuke/R40684.pdf>.
  41. White House PSI Fact Sheet.
  42. See UN Security Council Resolution 1540, S/RES/1540 (2004), April 28, 2004, <http://daccessdds.un.org/doc/UNDOC/GEN/N04/328/43/PDF/N0432843.pdf?OpenElement>.
  43. Office of the Press Secretary, The White House, “Remarks by President Barack Obama,” Hradcany Square, Prague, Czech Republic, April 5, 2009, [http://www.whitehouse.gov/the\\_press\\_office/Remarks-By-President-Barack-Obama-In-Prague-As-Delivered/](http://www.whitehouse.gov/the_press_office/Remarks-By-President-Barack-Obama-In-Prague-As-Delivered/)
  44. Emma Belcher, “Throwing out the Bathwater, but Keeping the Baby,” *Huffington Post*, November 20, 2008, [http://www.huffingtonpost.com/emma-belcher/throwing-out-the-bathwater\\_b\\_145298.html](http://www.huffingtonpost.com/emma-belcher/throwing-out-the-bathwater_b_145298.html); Scott G. Borgerson, “The National Interest and the Law of the Sea,” *Council Special Report*, no. 46 (New York: Council on Foreign Relations, May 2009).
  45. GAO Non-Proliferation report, pp. 18–21.
  46. Todd Stern and William Antholis, “Toolbox: Creating an E-8,” *The American Interest* II, no. 3 (January 2007): 43–49. The proposed eight were Brazil, China, the EU, India, Japan, Russia, South Africa, and the United States.
  47. “Confronting Climate Change: A Strategy for U.S. Policy,” *Task Force Report*, no. 61 (New York: Council on Foreign Relations, June 2008), p. 79, <http://www.cfr.org/publication/16362/>.
  48. *Ibid.*, pp. 94–95.
  49. Hillary Rodham Clinton, “Remarks at the Major Economies Forum on Energy and Climate” (Washington, D.C., April 27, 2009), <http://www.state.gov/secretary/rm/2009a/04/122240.htm>. The MEF includes G-8 members plus Australia, Brazil, China, EU, India, Indonesia, Mexico, and South Africa.
  50. See Peter Baker, “Poorer Nations Reject a Target on Emission Cut,” *New York Times*, July 9, 2009, p. A1, <http://www.nytimes.com/2009/07/09/world/europe/09prexy.html>.
  51. Antholis comments at the Council on Foreign Relations conference on “The United States and the Future of Global Governance,” May 8, 2009.