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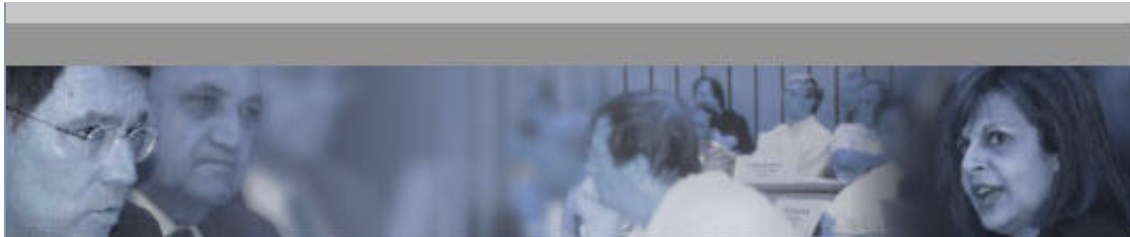
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**Global and Domestic Governance and the Challenges
of Peace and Prosperity in the 21st Century**

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Global and Domestic Governance & the Challenge of Peace and Prosperity in the 21st Century

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The foundations for the global governance that we have today were stated in the principles enunciated in the Atlantic Charter in August 1941 and subsequently laid by visionary men and political leaders at the end of World War II. Comparing the post WWI era with the post WWII era, there can be no doubt that the system developed in the latter proved infinitely more robust, more resilient and, especially, more successful than what occurred in the former. There has been no world economic recession; there have been trade skirmishes, but nothing that degenerated into a fully-fledged trade war; there has been no World War III; and in the West, where the system of global governance was fashioned and where it most applied, there has been no genocide.

These are not insignificant achievements! Not only, however, have we not seen, in the West, the economic chaos, extremist ideologies, political violence and, ultimately warfare that prevailed in the inter-war period, but there have been fantastically positive developments in respect to peace, prosperity and democracy. This point is now taken for granted, but should not be. Throughout the first half of the 20th century it was Western Europe that caused mayhem, to itself and to the entire globe. The fact that the West since 1945 has, on balance, been a constructive force for peace and prosperity, rather than a destructive force for war and poverty, surely must rank among the more positive developments in world history. The same applies to Japan, which in the decades before World War II engaged in systematic, frequent and extremely brutal wars and criminal acts, but since 1945 has been exclusively a global economic force and, until a decade ago, a very successful one!

Why the West changed is not within the remit of this brief. Certainly, however, an element that needs to be emphasised is that institutions and rules were put in place that favoured these more positive developments. The West was also well served by its immediate post-war leaders, both at the global governance level and in the reconstruction of Europe. The result has been that West Europeans born after 1944 have been able to enjoy political liberty, economic well-being, social peace and cultural opportunities that were simply unfathomable for earlier generations.

At this moment, as the US contemplates going to war with Iraq, its extreme power notwithstanding, President Bush is forced to obtain the consent of the UN Security Council. This is no doubt irritating to the hawks in the administration, but for more reasoned observers another welcome illustration that the institutions of post-WWII global governance impose limits on unilateral action, including on the world's only hyper-power. Similarly, while trade tensions between Japan and the United States in the eighties and between the United States and the EU more recently have, occasionally, degenerated to the brink of trade wars, the brink was not passed.

The objective of the post-war form of global trade governance was to prevent trade from being the instrument of conflict that was so frequently resorted to in the past. There have been lots of trade frictions; there has been no trade war. And, while the various stock-market crashes that have punctuated recent decades – notably the collapse of the Nikkei,

with over 70% of its value wiped out – have caused pain and alarm, there has been nothing approaching the panic, chaos and suffering that accompanied and followed 1929.

The success of the global governance fashioned in the West can be further illustrated in two ways. The phenomenal success in achieving peace and prosperity in the regions of the world that strongly adhered to the principles and institutions of the post-WWII system of global governance stands in stark contrast to the failures of alternative systems, notably that of the communist world. Secondly, the desire of virtually all countries on the planet in the last decade to “join” the West, by adhering and participating in its institutions – most vividly in the tremendous rise in the membership of the GATT/WTO – is the most striking sign of success. The success of the Western system of global governance and the adherence by an increasing number of countries, ultimately encompassing virtually all states, ideally represent solid and highly promising foundations for the 21st century.

As the winter of 2002 descends and the third year of the third millennium approaches, this sense of optimism, however, seems hardly warranted. In following policy debates and the media, one is likely to be much more conscious of the shortcomings of the global system of governance than of its strengths.

Why is that and what’s the beef?

The Limits of Global Governance

The institutions of global governance are under attack primarily – but not exclusively – from two sources: 1) the so-called protest community in the West; 2) political and opinion leaders, as well as NGOs, in the developing countries. Many of these criticisms arise from ignorance and/or bias. There are also many contradictions: the International Economic Institutions (IEIs), mainly the World Bank, IMF and WTO, stand accused, often by the same people, of both excessive power and intervention, and of immobilism. The purpose here is neither to catalogue the criticisms, nor do endorse or rebut them. In terms of seeking more robust global institutional foundations for the 21st century and all the challenges that lie ahead, the limits of global governance and its problems of legitimacy deserve analysis and remedy.

The prevalence of global poverty

The more extreme critics of current global governance accuse the IEIs of responsibility for the current state of global poverty, generally reckoned to account for approximately 40% of humanity. This is an unjustified and untenable accusation. Even though, however, the IEIs are definitely not responsible for causing global poverty, they have not been successful in preventing, let alone eradicating, it. Though the West has experienced in the decades after World War II an unprecedented rise in standards of living, this has not occurred elsewhere on any significant scale.

Leaving aside the oil-rich states of the Gulf that fall into a quite special category, the number of countries that were poor (in GDP *per capita* terms) thirty years ago and that have joined the ranks of the rich nations of the West (at over \$15,000 *per capita* in purchasing power parity) can be counted on the fingers of two hands: Spain, Ireland, Portugal, Slovenia, South Korea, Singapore, Hong Kong and Taiwan. In population terms, the total corresponds to about 2.3% of the world’s population, equivalent to just over half the population of Indonesia.

In this last decade, both China and India have witnessed unprecedented levels of poverty reduction. Whether they join the ranks of the rich nations, in, say, even 50 years from now, remains to be seen. In the meantime, many poor countries are poorer than they were thirty years ago. The system of global governance that has brought great prosperity to the West has not succeeded in extending its reach, with only a few exceptions, to the other continents. In 2002, one is more conscious of poverty than of prosperity.

However, while the “protest community” have focused on the shortcomings of the IEIs and global governance, much more attention needs to be given also to problems of domestic

governance in many developing countries, as outlined below. As Tina Rosenberg, in her excellent *New York Times* article “The Free-Trade Fix” (180802) put it: “if you are a corrupt and misgoverned nation with a closed economy, becoming a corrupt and misgoverned nation with an open economy is not going to solve your problems”.

The prevalence of global conflict

While warfare had been endemic in Europe, specifically between states in the centuries following the establishment of the Westphalian system in 1648, since 1945 there have been virtually no cross-border wars on the European continent and, in comparison with the past and in comparison with other continents, relatively few intra-border wars. The latter include the civil war in Greece, Cyprus, Northern Ireland, the states of former Yugoslavia and in some of the countries of the CIS. The presence of the Soviet Union alongside the US, France and Britain among the permanent five members of the UN Security Council with veto rights, and the many institutions emerging or derived from the UN, in part account for the fact that the decades of the cold war in Europe never degenerated into a hot war. No doubt the prosperity of Western Europe, in contrast with the drabness of Eastern Europe, ultimately brought about the end of the great divide between Western and Eastern Europe on the basis of the old adage that if you can't beat them, join them.

This happy situation hardly prevails in other continents. Though the three decades of incessant wars that characterised East Asia after 1945 were followed by two decades of relative peace and rising prosperity, acute and potentially explosive tensions remain: in the Korean peninsula and across the Taiwan-straits, to name only two. In South Asia, the confrontation between India and Pakistan has never ceased since partition and is now seriously endangered by nuclear weapons. Sri Lanka, which has a high level of education, rich resources, and an entrepreneurial culture, should be a great economic success story, yet remains mired in its seemingly ineradicable internal war between Tamils and Sinhalese. Throughout Central Asia, the Middle East and North Africa, warfare, both between states and within states, has been constant. In sub-Saharan Africa, especially since the end of the cold war, the carnage has been abysmal.

Along with the extreme misery of poverty and deprivation noted above, much of humanity has suffered, and continues to suffer, from the inhumanity of warfare. Although the institutions of global governance clearly cannot be held responsible for causing this very dismal state of affairs, they have failed to prevent conflicts and often failed to bring them to an end.

The correlation between peace and prosperity noted in respect to Europe may also increasingly define the environment in East Asia. Relative peace in East Asia, certainly when compared with the incessant fighting across much of the continent from 1945 to 1975, no doubt in good part was brought about by the economic growth that occurred in the region. In the late '70s and early '80s there was the spectre of a Vietnamese invasion of Thailand. By the mid-80s, people began joking in Bangkok that the Vietnamese invasion would fail because their tanks would never be able to get through Bangkok's terrible traffic jams. This was in fact not just a joke. Just as the rapidly rising prosperity and economic success of Taiwan influenced Beijing's leaders to reconsider their economic policies, similarly the success of Thailand caused Hanoi to envisage emulating its neighbour. Today Saigon has its own traffic jams!

Correlation is not the same as causation. Economic growth and prosperity do not guarantee peace. Generally, however, regions that have experienced economic growth and rising levels of prosperity tend to enter into a virtuous circle, as opposed to the vicious circle of economic stagnation and poverty that have characterised those regions that have been worst afflicted by warfare. The Atlantic Charter and the Bretton Woods conference refer specifically to peace and prosperity. The failure to have peace and prosperity prevailing in large tracts of the planet is a failure of global governance.

The prevalence of global insecurity

Although obviously related to the issue of global conflict noted above, global insecurity has been a feature that has been especially marked during the last decade, indeed the last few years. 9/11 is its most extreme manifestation. The bombing in Bali, though counting far fewer deaths, is perhaps an even more vivid illustration of the intensified degree of global insecurity. Globalisation, it would seem, has spawned global terrorism. No one is “innocent”; everyone can be a victim.

Though terrorism is the most acute form of global insecurity, there are others. The “borderless world” has seen a dramatic increase in cross-border flows of drugs, criminals, arms, cash, pollution and the sex-trade. Massacres and murders are among the manifestations of this global jungle, as are increasingly alarmist concerns in regard to health in general. The situation is generally reckoned to be deteriorating. The institutions of global governance seem incapable of providing global citizens with a proper degree of security.

The prevalence of global injustice and inequality

As the cold war ended and the great division between West and East was eradicated, many other “divisions” sprung up like mushrooms. Though the degree to which inequality has increased, both between and within societies, is a contentious issue among economists – see, for example, Martin Wolf, “The big lie of global inequality”, FT 8 February 2000 – it certainly corresponds to general perceptions. China is the most egregious example, having gone from the common poverty and austerity – at least in terms of appearances – of the Maoist years to huge and ever increasing gaps between the haves and the have-nots.

Though differences in income tend to be the main barometer, they encompass much more. The “digital divide” is one. 90% of internet exchanges occur between 5% of the world’s population. There is a huge proportion of the planet that has no access to internet at all, many of whom do not even have electricity. But there are also the many who in theory have access, ie the machine and the connection exist, but where any transaction is so agonizingly slow that makes it close to useless.

Others among the more serious divides include education, health, environment and women empowerment. The “average” Western child today has his own television, DVD, digital camera, CD player, computer, mobile phone. In developing countries, on the other hand, about 125 million children never see the inside of a classroom and for many other millions who do, there are no books, no pencils, and often no teachers.

With the aging of the populations in the industrialised world and the great advances in science, octogenarians, nonagenarians, indeed centenarians, not only live, but also enjoy an active life. In many of the tropical countries, diseases such as malaria are causing immense harm, reducing immunity – hence making people more prone to contracting AIDS – and also greatly reducing the productivity of the communities in which they live. Very little investment, however, is going into research on tropical diseases, primarily because it is not a “rich country disease”. George Soros, in *Reshaping Globalisation*, comments that much more is spent in the West in research on cosmetics than on tropical diseases. This can be seen as a failure of global governance.

The environmental divide refers not only to the much cleaner air that citizens of rich countries, especially those with strong environmental regulations, can breathe, but also the contrast between the ample supplies of water that keep Western parks green and full of flowers and the child in poor countries who dies every fifteen seconds from diseases caused by lack of access to clean water.

Arguably one of the greatest divides that has developed in the course of recent decades has been in the condition and status of women. Fifty years ago, though the absolute level of prosperity and education between women in Western countries and women in developing countries differed quite considerably, their relative position within society was roughly the same. Women were – or at least were meant to be – subservient in virtually all societies. The invention of the contraceptive pill and the rise of feminism have dramatically altered the condition of women in the West. Though full equality may still be a long way

away, the direction is clear. In contrast to developments in the West, in many parts of the world the condition of women remains in a state ranging between feudalism and primitive barbarity. The Taliban regime in Afghanistan was ultimately destroyed by the United States, but the institutions of global governance were incapable of doing anything to prevent or alleviate the abysmal barbarity to which Afghan women were subjected while the regime lasted.

Global governance, it is argued, has to be more than aggregated figures of GNP, trade and investment. It has to be about welfare, as well as wealth. Hence, critics contend, while global governance has not been successful on the latter, it has dismally failed in respect to the former. The world is as much, arguably more, an unjust and unequal place than it was before the institutions of global governance were put in place.

The prevalence of global illegal immigration

Where the institutions of global governance are manifestly not working is in respect to cross-border movement of people. This is perhaps the most daunting feature of the global environment, from virtually every angle – economy, security, health, political stability, and geopolitics – and yet it is one that the IEIs have virtually nothing to say about. The problems and instabilities that have arisen from the flows of migration and refugees among the developing countries account for many of the other ills that they have to face. Iran, its great sense of enmity vis-à-vis Iraq notwithstanding, is opposed to the war, in good part because of the apprehensions of millions of Iraqi refugees streaming into the country, who would be coming in addition to the floods of refugees from Afghanistan.

In comparison to the sheer numbers of immigrants and refugees who flock from one poor country to the other, the numbers arriving on Western shores are very few. Nevertheless, the absence of any robust system of global governance in respect to immigration flows from South to North has resulted in a situation that is chaotic, immoral and indeed criminal. It is also highly hypocritical. Many firms in industrialised countries would not be able to survive without immigrant labour, hence they employ them, often clandestinely, but their owners and managers do not have the courage to counter the strong anti-immigrant populist political currents.

The situation is not entirely unlike that of prohibition. As both the demand and the supply are there, but legal and institutional barriers exist between the two, illegal means are resorted to. The consequences can be very dramatic; for example, the tragic deaths of 58 clandestine Chinese travelling in the back of a lorry between Zeebrugge and Dover in which the driver had forgotten to open the ventilation valves. The illegal immigration trade and the global supply chain it has spun are huge business, by some estimates outranking in turnover the illegal traffic in drugs. With the booming demographic increases in many of the poor countries, including in the poorest countries, and with low outlooks for economic growth, this problem, unless seriously tackled, will become explosive.

While global governance has reasonably solid institutions and strict rules and conditions for the cross-border movement of goods, capital and technology, it has virtually nothing on the cross-border movement of people. This stands out as one of the major indictments of the failure of global governance at the dawn of the 21st century.

The prevalence of global pollution

Last, by no means least, there is the indictment of the global system's inability to create conditions for significantly reducing, let alone eradicating, global pollution.

Global Governance: the West versus the Rest

Certainly so far as the IEIs are concerned, a large proportion of people in the developing countries would have difficulty being convinced that these institutions are not the instruments of Western power. Although such accusations are not entirely fair, they deserve to be addressed. The fact that the post-WWII global governance that has so greatly benefited

the West has not extended its beneficial reach to other parts of the globe, with the possible exception of East Asia, would appear to stand as a confirmation.

Though the International Bank for Reconstruction and Development, when set up at the Bretton Woods conference after the war, subsequently known as the World Bank, was successful in restoring economic growth to Western Europe and Japan, it has generally been considered a failure – even among its own staff – in bringing about economic growth in other parts of the world.

This, it is argued, was in good part due to its unholy relations with highly objectionable regimes, but ones that were seen as friendly to the West – part of the “free world” as the greatest of euphemisms used to have it – and thus the World Bank was actually more in the business of propping up regimes than in achieving economic growth for the population at large. Though this theory may be more conspiratorial than might be justified by the facts, it remains true that the Bank’s practice of contracting transactions with governments resulted in much waste and much corruption.

As the excellent recent book by William Easterly, *The Elusive Quest for Growth: Economists’ Adventures and Misadventures in the Tropics*, makes clear, the failure of the World Bank in getting countries to embark on genuine and robust development and sustained growth arises from economists’ inability to understand growth, their tendency to jump on whatever theoretical bandwagon might be chugging along at any given time, and from cultural blinkers that prevented them from properly understanding the social and cultural dynamics of the societies to which they were applying medicine.

Though the Bank may be criticised for changing development theories, and hence policies, as the winds of academic change blew, the IMF is seen as excessively dogmatic. The one-size-fits-all and extreme rigour of the IMF medicine, in fact, ended up seriously handicapping the patient. The governance of the IMF, with power vested in the lending countries, leaves it open to accusations of being an instrument of the West.

Even though the system of governance of the WTO is very different from that of the other Bretton Woods institutions, with decision-making based on consensus and the concept of each member having one vote, there is nevertheless considerable dissatisfaction and frustration in developing countries. The perception in the developing countries that as a vehicle of globalisation the WTO is going down a one-way highway is widespread and for the most part understandable. While spokesmen and proponents of the WTO point to the benefits that open economies have obtained in contrast to closed economies, to the system of governance whereby each member has as much voting power as the next, to the success that some small developing countries have had in bringing matters before the dispute settlement mechanism against even the mighty US – eg the turtle extruder shrimp net case! – the fact remains that the decks remain heavily stacked in favour of the industrialised countries.

The WTO (as was the case with the GATT) is less about economics, than it is about law. It is also an extremely voluminous and complex set of laws. The rich countries have veritable armies of trade lawyers, which the developing countries lack. Promises made during the Uruguay Round of providing assistance to developing countries in building their internal capabilities have not been kept. Even so, the question arises whether it is wise for developing countries that lack so many highly needed skills – teachers, computer engineers, accountants, etc – to invest very limited resources in developing capacity for dealing with the often abstruse, indeed recondite, matters of trade law and trade negotiations. Whether the discrimination is intentional or not, it is discrimination.

Discrimination is much more visible, indeed obvious, in the extent to which exports from developing countries are barred from access to the markets of industrialised countries. This is in fact a matter on which most economists and the global governance institutions, eg the World Bank, agree. Opening up industrialised countries’ markets to the exports of developing countries would have immediate and substantial benefits in generating revenue and growth. And yet nothing, or very little, happens. It remains to be seen how much “development” the Doha Development Round will actually bring about in genuinely opening

up industrialised countries' markets in agriculture and textiles, but also in reducing non-tariff barriers, for example, under the guise of sanitation, and in curbing the abuse of anti-dumping.

The WTO must also address the issue of temporary cross-border movement of people – what the institutional jargon ineloquently refers to as the movement of “natural persons”. Remittances by guest workers in industrialised countries back home are an important source of revenue. In many service sectors, developing countries have an advantage in the cheapness and abundance of their labour that they are not able to exploit.

Another source of grievance and discrimination arises from the intellectual property regime (TRIPS) that the industrialised countries imposed on developing countries. “Borrowing” exogenously produced technology has been the practice of all countries, societies and firms. Throughout much of the 19th and early 20th centuries, the US was the world's biggest violator by far of intellectual property rights. The way in which Japan achieved its economic miracle by copying Western technologies is well known. Having violated rules and rights of intellectual property quite happily in achieving their economic power, the industrialised countries are now changing the goal posts to make it much more difficult for developing countries to engage in technology-driven growth. Also, by virtue of lacking the armies of patent lawyers and the institutions to be found in the industrialised countries, developing countries are not in a position to protect their own intellectual property.

The global governance regime is clearly not global in reach or fairness.

The Problems of Incoherence, Legitimacy and Credibility

The problem is both that there appear to be far too many agencies with overlapping mandates and that there is relatively little coordination among them. The trend is to make a bad situation worse. With attempts to graft labour rights and environmental issues on to the WTO agenda, the ILO (International Labour Organisation) and the recently created UNEP (United Nations Environment Programme) risk being undermined. The image of a tower of Babel is not altogether far from the mark.

There is also a problem of legitimacy and credibility. There is a fairly widespread perception that the global governance agencies are gravy trains for careerist opportunists. In visiting the agencies, one is struck about how everything seems to be taking place in slow motion. I attended the Monterrey (Mexico) UN Conference on Financing For Development, from which I returned far more depressed about the prospects for development and quite angry. I vented my irritation in a letter to the *Financial Times*, which can be found on the “Latest News” section of this site: (“One-way conversations on the Monterrey gravy train”, <http://www.eviangroup.org/p/20020327.pdf>).

The problems of legitimacy and credibility are also exacerbated when, due to the incoherence of the institutions, summits of heads-of-state are increasingly resorted to. The exacerbation arises in part because of the mediocrity of the current global political leaders – something which becomes even more distressingly apparent when they are in summity limelight – in part because of the gimmicks they resort to in their photo opportunities (such as all wearing the same shirt!), and mainly because of the little more than hot air that they produce.

National Governance and the Causes of Poverty

Although the indictment against the institutions and leaders of global governance in having failed in the course of the last six decades to bring about global peace, development and prosperity is not unjustified, by no means is this the end of the story. Indeed, the message in this concluding piece of the Evian Group Compendium is that while global governance needs to be improved and far greater fairness needs to be exercised, ultimately no significant change or improvement in the landscape is likely to occur without truly dramatic changes in the national governance of developing countries.

Why it is that the vast majority of developing countries have such defective forms of governance and leadership is a subject that requires far more attention than can be given in this brief. Suffice it to say that it is a monumental problem, far, far greater than any of the problems and shortcomings of global governance, and ultimately may be the cause of a global catastrophe.

Take Argentina. The IMF and other institutions of global governance have come under attack for the collapse and tragedy that have befallen Argentina; the main causes for Argentina's desperate plight, however, lie not in Washington, New York or Geneva, but in Buenos Aires. Although in some countries, poor governance can be put down to poverty, illiteracy, ethnic divisions, absence of a collective national history, and warfare with neighbours – eg the Republic of Congo – none of these things apply to Argentina. Only seven decades ago, Argentina was the fifth-richest country in the world, with a GDP *per capita* equal to that of France, a high level of education and the same number of doctors per person as Switzerland. Since then, Argentina has been committing national suicide. In the early 1990s, Argentina did in fact on the surface appear to be adopting the right policies, but in reality corruption, irresponsibility, opacity and inefficiency squandered all the benefits that could have been gained. In a word, Argentine governance stunk.

The institutional and regulatory problems of governance that permeate most developing countries are both in part caused and exacerbated by social structures and social attitudes. Developing countries are commonly referred to as the “poor countries”. The countries may be poor in average GDP *per capita*, but all have a small highly rich and privileged elite. It is much more comfortable to be a rich person in a poor country than to be a rich person (with the possible exception of the “filthy” rich) in the rich countries. This is because labour is so much cheaper. Rich Latin Americans often find it difficult to live in Western Europe, not because they have less income, but because they have less labour purchasing power. Young men and women from rich families are not brought up to do anything. They are accustomed to lots of maids, cooks, gardeners, drivers, nannies, etc. Rhetoric to the contrary notwithstanding, the rich people of poor countries are loath to see social change and growth, as this will erode their privileges and life-styles.

The very limited proportion of the population in the upper and professional classes also severely limits competition. Thus whereas even a good university educated young person in industrialised countries will have to compete against many to get a reasonably good job, in developing countries, nepotism and the lack of competition that arises from the absence of a meritocratically inclined middle class make it much easier for the scions of the rich to gain access to even more wealth and power!

The gap in wealth is also reflected in the gap in power, and power is a potent aphrodisiac. The leaders and elites of many developing countries are not unlike the feudal barons that existed in Europe. They can generally act with impunity. The very last thing they would welcome is transparency, robust institutions, the rule of law, and accountability. Power is exercised to preserve the existing elites and for them to enjoy the perks of absolute and arbitrary power, whether in accumulating wealth or victimising rivals and enemies.

Hernando de Soto's Mystery of Capital asks why capitalism has succeeded in the West and failed to take root elsewhere. He ascribes a major reason to the absence of property rights in developing countries, hence the insecurity, the impossibility of providing collateral to obtain loans, and thus the barriers to entrepreneurship. Along with that, in lieu of the rule of law, there is the arbitrary use of power; extensive red tape and corruption make it highly costly and time-consuming to open a business; the nepotism of self-preserving elites drain out any incentives from seeking the benefits that better education could provide. The problem in many developing countries is not simply that many officials are corrupt, but, arguably even worse, that they are so hopelessly inefficient.

The hopelessness of the unprivileged inhabitants of developing countries leads some to fatalistic resignation, others to crime, and the most energetic and brightest to exile. Poor governance generates a brain drain, which, in turn, results in a vicious circle of worse governance and more brain drain.

Although there is undoubtedly very, very much to be done to improve global governance and unstinting efforts must be made in that direction, at the end of the day, no matter how much the WTO may succeed in getting industrialised countries to open their markets to the exports of developing countries, no matter how savvy the World Bank becomes in understanding the forces of development, no matter how sophisticated and sensitive the IMF becomes, no matter how effective and credible the UN becomes, no significant improvements will occur among the developing countries until and unless their national governance undergoes radical change. The international institutions may be discriminating against the poor countries, but this is nothing in comparison to the discrimination practiced by the local elites against their population in far too many countries.

For global governance to succeed, there is no substitute for robust and equitable governance at the national level. These are the foundations on which global peace and prosperity in the 21st century can be built.