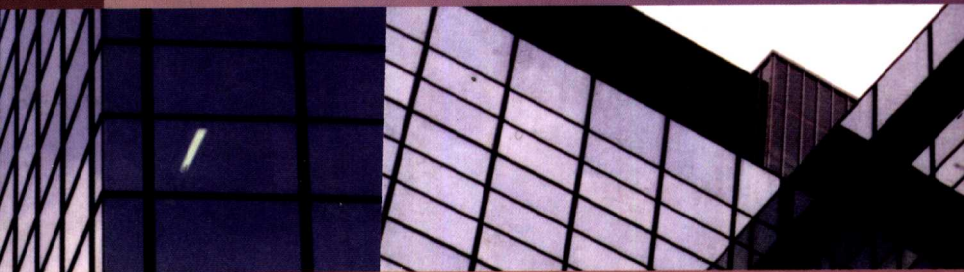


# International Organization in the Age of Globalization



PAUL TAYLOR



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**Continuum**

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# **INTERNATIONAL ORGANIZATION IN THE AGE OF GLOBALIZATION**

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## List of Abbreviations

ACABQ	The Advisory Committee for the Administrative and Budgetary Questions
ACC	Administrative Committee on Coordination
ACP	African, Caribbean and Pacific Group of States
APEC	Asia Pacific Economic Cooperation
ASEAN	Association of South East Asian Nations
CET	Common External Tariff
CFSP	Common Foreign and Security Policy
CPC	Committee for Programme Coordination
DAF	Development Assistant Framework
DFID	Department for International Development
DHA	Department of Humanitarian Affairs
ECOSOC	Economic and Social Council
EPZ	Export Processing Zone
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
GA	General Assembly
GASPP	Globalism and Social Policy Programme
GATT	The General Agreement on Tariffs and Trade
HIPC	Heavily Indebted Poor Countries
ICFTU	International Confederation of Free Trade Unions
IGO	Intergovernmental Organization
ILO	International Labour Organization
INGO	International Non-governmental Organization
IR	Integrated Research
MAI	Multilateral Agreement on Investment
MEI	Media Elite International
MERCOSUR	Common Market of the Southern Cone
MFN	Most-favoured Nation (in GATT)
NAFTA	North America Free Trade Agreement
NGO	Non-Governmental Organization
NIEO	New International Economic Order

OCHA	Office of the Coordinator for Humanitarian Affairs (UN)
OECD	Organization for Economic Cooperation and Development
P5	Permanent Five Members of the Security Council
TNC	Transnational Companies
UNCTAD	UN Conference on Trade and Development
UNDAF	UN Development Assistance Framework
UNDG	UN Development Group
UNDP	UN Development Programme
UNFPA	UN Fund for Population Activities
UNHCR	UN High Commission for Human Rights
UNICEF	UN Children's Fund
UNIDO	UN Industrial Development Organization
UNRWA	UN Relief and Work Administration
WFP	World Food Programme
WHO	World Health Organization
WTO	World Trade Organization

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# Contents

List of Abbreviations	ix
Introduction	1
1 The United Nations at the Millennium: Order and Sovereignty	21
2 Peacekeeping in the Age of Globalization: Kosovo and After	55
3 Globalization and Regionalization among Modern States: The Case of the EU	99
4 The Social and Economic Agenda of International Organization in the Age of Globalization	135
5 Development and Labour Welfare in the Age of Globalization: Aspects of the US International Economic Stance and International Organization	167
6 The Principle of Consonance in Global Organization: The Case of the United Nations	210
7 Conclusions: Globalization, International Organization and Regionalization	242
Notes	261
Index	273



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## Introduction

This book looks at the way in which the process of globalization has affected the practice of, and ways of thinking about, international organization, at both global and regional levels. Globalization has increased the need for global international organization, as more global activity has demanded more global management, but it has often also strengthened the case for regional arrangements, as a way of supporting globalization rather than as an alternative. At first sight this might seem a paradox. The normal assumption has been that globalization challenged regions, defined as groupings of contiguous member states, but it is argued here that more often the opposite was the case.<sup>1</sup> References are made throughout to the implications for the arguments of the events of 11 September 2001.<sup>2</sup> The approach is deliberately eclectic, since the meaning of the key terms – globalization, international organization and regionalization – is subject to debate and disagreement. Students will need to look elsewhere for more detailed examinations of each of these concepts.<sup>3</sup>

The specific examples are the maintenance of international peace and security; the management of economic and social activities, especially with regard to development; and the linked area of the protection of the welfare of individuals. The latter is considered from two perspectives: that of the welfare states of Western Europe, and that reflected in the policies of the US and their interaction with those of the UN. The three areas provide telling illustrations of the changing relationship between international organizations and the member states, as well as the changing character of international society. In each case, discussion leads to the evaluation of a regional response. It is not just that there has been more, or less, regionalization in these contexts, but that thinking about global problems has usually led to the positing of regional solutions as well as global ones. This book discusses the case *for* regionalization in the context of globalization, as well as reporting its progress.

The discussions of the specific problems are preceded in Chapter 1 by an examination of the way in which the nature of international order and sovereignty has changed in the age of globalization. Indeed such changes are themselves aspects of globalization. This chapter is therefore a summary of the changes in international society in the age of globalization and the ways they are related to changes in international organization. It provides the setting for the more empirical accounts which follow. In Chapter 2 arguments about the role of international organization in the maintenance of international peace and security are considered. Chapters 3, 4 and 5 consider economic and social responses to globalization, first in a key part of the developed world (Chapter 3), and then in the developing world (Chapters 4 and 5). In Chapter 6 the implications of what has gone before for the future of the United Nations are examined, especially with regard to the interaction between regional and global arrangements. Chapter 7 proposes some conclusions about the main lines of development of the system, interactions between regional and global arrangements within it, and their implications for the transformation of international society.

An attempt is made to judge the evidence beyond the confines of any particular theory. It does not assume that international society is dominated by states that are doomed to conflict with each other, seek always to maximize their power and necessarily limit the role of international organization, in the manner of traditional realists. But neither does it assume a natural harmony or the inevitable decline of the state.<sup>4</sup> On the contrary the facts about states and their interactions often raise awkward questions about the limits and possibilities of international cooperation, with regard to maintaining international peace and security, or promoting the rights and interests of people, which defy a neat response in the context of any existing theory.

A danger facing anyone who wants to understand where the world is going is that of being trapped by theory, so that profound change becomes invisible. The author endorses the approach taken by John Ruggie when he concluded that two leading approaches in the early twenty-first century, neorealism and neoliberal institutionalism, both made assumptions about their universe which made it hard for them to detect changes in the nature and implications of statehood.<sup>5</sup> They started from assumptions which led to self-fulfilling prophecies: neorealists assumed 'that the most powerful states in the system created and shaped institutions so that they could maintain their share of world power, or even increase it. Internationally, outcomes

were mainly a function of the balance of power and institutions at best were an intervening variable.<sup>6</sup> And neoliberalism, despite its different empirical expectations, made comparable assumptions. It assigned 'greater scope to institutions, but their scope was similarly functionally determined'.<sup>7</sup> Hence the structure of the two arguments was very similar. They excluded systemic pressures towards cooperation among states from the outset, and condemned us to a world of power-hungry states which by definition could not change.

But the problem was to find a theory which did allow a better understanding of change. It might not even be possible that any such theory could be found. Ruggie quoted Quentin Skinner with approval. Understanding change required 'a willingness to emphasise the local and the contingent, a desire to underline the extent to which our own concepts and attitudes have been shaped by particular historical circumstances, and a correspondingly strong dislike . . . of all overarching theories and singular schemes of explanation'.<sup>8</sup> Such overarching theories could be realist or idealist, assume that man was motivated by self-interest, and always quarrelsome, or that they could see the underlying condition as that of harmony, with cooperation the natural relationship. In practice, as the more perceptive and nuanced theorists have argued, such as Machiavelli and, indeed, E. H. Carr, humankind had a capacity for both. 'Morality and power, utopia and reality, altruism and self-seeking were dual elements present in every political society.'<sup>9</sup>

It was, in other words, important to approach the question of theorizing with humility, so that the truths of new empirical materials could be seen ahead of existing theories, and to realize that theories usually had a moral basis. This point deserves to be stressed, since too often the scholarly community adopted one moral perspective or the other without admitting it. It was the duality of humankind's moral nature which was the difficult thing to grasp, and it was often failure to understand this which led to reluctance to see change. This was because change was largely about the strengthening of the mechanisms for the maintenance of order, of using an instinct for the good to gain greater control over an inclination to the bad.

There has been a series of damning accounts of the work and mechanisms of international organizations, including the United Nations, the Specialized Agencies and the European Union's institutions, and gloomy ruminations about the society of states, which have ignored or concealed anything positive about them. Very frequently the position has been the opposite of that of Pangloss: all

was for the worst in the worst of all possible worlds! The present writer, in contrast, holds that, though mistakes and inadequacies need to be acknowledged and corrected, there has been a measure of achievement in international organization and some cause for optimism about the progress of international society. After the events of 11 September the world may enter a period of danger, but, despite this, overstressing the negative could lead to as much mischief as the opposite, and produce an equal misrepresentation of reality.

An assumption which runs through this book is that if there is a choice between acting and not acting to help ameliorate extreme human suffering there should always be a presumption in favour of acting. Even if acting, despite good intentions, could clearly be shown afterwards to have had damaging effects, it was still better to have tried, with the proviso that there was a concomitant obligation to learn from mistakes. There was a moral and practical price to pay for inaction, and often the coin in which the price was paid was in terms of both condemnation on moral grounds and cost in specific terms: in the early twenty-first century the two were often bound up with each other so closely that they were hard to distinguish. This position is sharply different from the mainstream realist view that in the universe of states only their distinct interests mattered and any transcendent morality was a delusion.

The alternatives are stark: either we must decide, for instance, that peacekeeping should *never* take place, or we should set about learning how to make it more effective. For all the mistakes that have been made in other areas, be they in environmental protection or the methods of providing food relief, the lessons are the same. The fact of mistakes having been made, as they were in Kosovo and Bosnia, or of its not having happened when we think it should, as in Rwanda, mean that we should learn to do it better, not never. Those who say 'never' have usually underestimated the short- and long-term costs of that position, defined in practical terms, but interpreted in a perspective of morality, for society in general.

But this is not the same as saying that in the early twenty-first century a set of rules should now be drawn up among states which would oblige them to act in a range of prescribed circumstances, to support peacekeeping, or to act forcefully to protect human rights. The problem is that such a code would have to be negotiated between governments and that the result would be a lowest common denominator of possible action, which could easily lead to moral actions being forbidden when they could have been pursued by some

states. It should be remembered that this is indeed a world of states, and that the decision to act can at best only be the product of a coincidence between their view of their interests and the perception of what was morally desirable. They could always decide not to act and would in consequence pay the appropriate price. But the preparedness to act would inevitably be the result of an admixture of motives, including interest, and would be undertaken by coalitions of states which formed in *ad hoc* ways according to the circumstances of the particular crisis. This is not to say, though, that when statespeople said they were acting for moral reasons they were being hypocritical or deceitful. It was merely to point out that what they said might not be the whole truth and usually was not.

It often happened that an *actual* political, economic or social development went along with the prescription that it *should* happen. This amounted to saying that what had transpired was a good thing, and then explaining this judgement. This was true of globalization as it was of regionalism. But there were also frequently a wide range of varying empirical references for both the description and the prescription. Globalization was seen to be about various things; about technological change and the consequent compression of time and space, about global markets and the activities of multinational companies, or about changes in values and views about order. Regionalism was about trade or development, and stable currencies. Globalization was justified because there were global problems, and the need to pool resources to tackle them, or in order to remove economic inefficiencies. Regionalism was justified because it allowed a greater say in the world to the member states of regions, or to achieve goals which they shared, like higher levels of welfare provision, and sometimes because of a mixture of practical considerations and reasons of individual identity or the character of states. Such reasons are discussed at greater length late in the volume.

But what was important was that it was not a question of choosing one or the other. Regionalization and globalization could have a symbiotic relationship, as in previous periods further internationalization had been positively linked with greater differentiation. For instance the origins of international institutions were linked with the consolidation of the state and were not intended to supersede it. The strength of the one was positively related to the strength of the other. At the turn of the twenty-first century, as is demonstrated in this book, the same thing was happening at a higher level in some areas. It remained the case that international organization was the ally not

the rival of sovereignty, even when it went along with supranational regionalization. In many ways globalization was helping to consolidate groupings of what remained states. It was the same kind of relationship of the global to the local, except that by this time individual states were – with the exception of the USA – too small to assert themselves on their own, and regions became the medium for this.

In 2001 globalization was the most visible of the processes, and it was important to understand its nature and justification, but it also often actually generated stronger regions, as well as underlining the case for them. The regional response could be either because the global policy could be obtained more easily with the help of regions, or because globalization challenged a goal which states wanted to obtain, and could only get by collective regional action. Hence some tasks, particularly economic and social ones, but also, according to many, maintaining international peace and security, required global action, but through regional agencies if necessary. However there was a difference between the two kinds of tasks. With peace and security the need for successful action through global mechanisms was clear, and regional action was to help out, whereas in the area of economic and social action success with certain kinds of globalization, such as the triumph of US culture, or the neoliberal economic agenda, was often unacceptable and prompted a countervailing regional response. Within a region such as the EU globalization helped to strengthen the case for stronger organization to achieve goals such as the protection of social democracy, and this is argued in Chapter 3, while in the developing world responses to the globalizing strategy of the neoliberals was an increase in the value of regional trade, as well as the realization that development might be best approached through regional mechanisms in cooperation with global ones (Chapter 5). In this book the pattern of argument reflects the varying patterns of these interconnections. There is a strong case for globalization, though it might not be understood by different authors in the same way, but this often leads to the realization that global arrangements both generate a regional response and require effective regional cooperation.

In this Introduction it is necessary to distinguish briefly the three main variables in the argument: globalization, regionalization and international organization. Each of these is characteristic of international society in the early twenty-first century and needs to be given an identity. In this Introduction all that is needed is to indicate

the essential aspects of the three variables as they are used in the following chapters. Though the stress is upon global international organization, it keeps on running into or alongside the other two, and reacts with them in peculiar ways. The company it keeps should be identified.

## **Globalization**

What is globalization? Among its multifarious meanings in 2001 were the following:

- It referred to development in the technology of travel and communication which had led to the compression of time and space, so that the local had become indistinguishable from the global. This was illustrated by the possibility of instant communication between any one place on the earth's surface and any other. This, some argued, was the primary fact about globalization, and all other aspects and descriptions were secondary.<sup>10</sup>
- It referred to the increasing interconnectedness of international economic activities. Aspects of this included the emergence of a global marketplace for a large number of goods and services, the emergence of a global financial system, the possibility of transferring large sums quickly and invisibly between financial institutions in distant cities. Stock exchanges communicated between each other instantly, and what happened in one rapidly affected developments in the other. There were now global companies, which existed in most states, and followed global strategies.
- For others the central characteristic was the development of a global moral community. There was a greatly increased chance that gross breaches of human rights in one part of the world would rapidly be detected in all other parts. Global media like CNN and the BBC news channels had the capacity to convey the bad news very quickly. Linked with this was the strengthening of the idea of global obligation, the sense that where an agent could act in mitigation it was both morally and practically necessary to do so. It could be argued that this also meant that peace had become indivisible. There had been a globalization of moral concern, in consequence of the globalization of communication.

- There had also been a globalization of risk in the sense that it was impossible to escape from the consequences of failure in a number of areas. There were global problems which required global solutions.<sup>11</sup> Environmental catastrophe was now possible, and would have global consequences, despite the fact that those consequences might be unequal across areas and populations. The rich could reduce the impact on themselves of the new risks, which were greater for the poor, but could not avoid them. Similarly weapons of war were such that their use could damage the global population. After the events of 11 September the dangers of global terrorism became visible to every thinking person, though they had been apparent before. This represented a threat from the development of a particular kind of internationalized civil society and, as is argued in Chapter 2, could only be countered by the establishment of countermovements which would also form a part of that internationalized civil society. In the short term there could be a state response, using Great Power military forces. But in the longer term the job could only be done by having adequate links between national police forces, intelligence services, companies, a range of transnational lobbies and the banks. It was likely that this need would lead to the further enhancement of the role of the United Nations system.
- At a more trivial level globalization had also been interpreted as meaning a convergence in lifestyles, and cultural values, icons and design. Similar food was increasingly consumed by the young who increasingly wore the same clothes. More broadly put: there had been a degree of cultural homogenization. However, this has to be set beside and evaluated against the appearance of greater cultural fragmentation, as seemed to be the case after 11 September. It was too early to decide whether to favour Samuel Huntington's idea that there would inevitably be a war of civilizations, or to point out that Islam and Christo-Judaism were both so varied in their various national and cultural settings that it was foolish to talk as if they each had wills which could clash. The problem was indeed illustrated by the war in Afghanistan. There was a claim that this was a struggle on the part of Islam against the rest, but it was most obviously a struggle of Islam against Islam.

These rather basic definitions and interpretations are expanded in the chapters which follow.



## Regionalization

In this book the argument proceeds from an examination of the role of global arrangements, and the way in which they enlisted regional resources in the chosen areas. It is appropriate, therefore, to consider in this Introduction why regions were a fact of life facing global organizations. They are given substance, not by listing the various regional organizations in the various parts of the world, ASEAN, NAFTA and the like, but by considering the question of why states sought membership. The detailed arrangements of each regional group are not crucial to the argument here, though establishing the fact of regionalization is.

For the states outside the Western capitalist world a key consideration was the failure of their earlier efforts to change the global economic system so that it suited them better. The global approach of the mid-1970s New International Economic Order had surely failed by the early 1980s, mainly because the developed states recovered from the shocks of the oil crises and became increasingly reluctant to grant the concessions demanded by the Group of 77, such as the setting up of a substantial Common Fund.<sup>12</sup> The work of the Conference on International Economic Cooperation held in Paris in 1976 was largely futile from the point of view of the Group of 77. Hence for the developing states there was a need for an alternative strategy: hence an increasing interest in regional organization in the absence of anything better.

The European Community/Union also encouraged a greater resort to regional arrangements with specific measures to encourage trade between the developing states in the Lomé Three agreements; Lomé One in particular had been criticized for discouraging such intraregional links among Group of 77 countries.<sup>13</sup> A further pressure in the same direction came from the Brandt Report in the early 1980s which implied that regional arrangements among developing states should be encouraged as their growth depended mainly upon increases in South-South trade.<sup>14</sup> Although efforts at the global level had to continue, by the mid-1980s there was a feeling among the Group of 77 that, far from radicalizing the global system, they would have to make concessions at that level. By the late 1980s these had come to include the acceptance of the right of the main contributing states to increase their control of economic and social policies in the United Nations.<sup>15</sup> A retreat at that level was accompanied by a greater concern with the regional one.